

2014 BMO Infrastructure & Utilities Conference

February 6, 2014

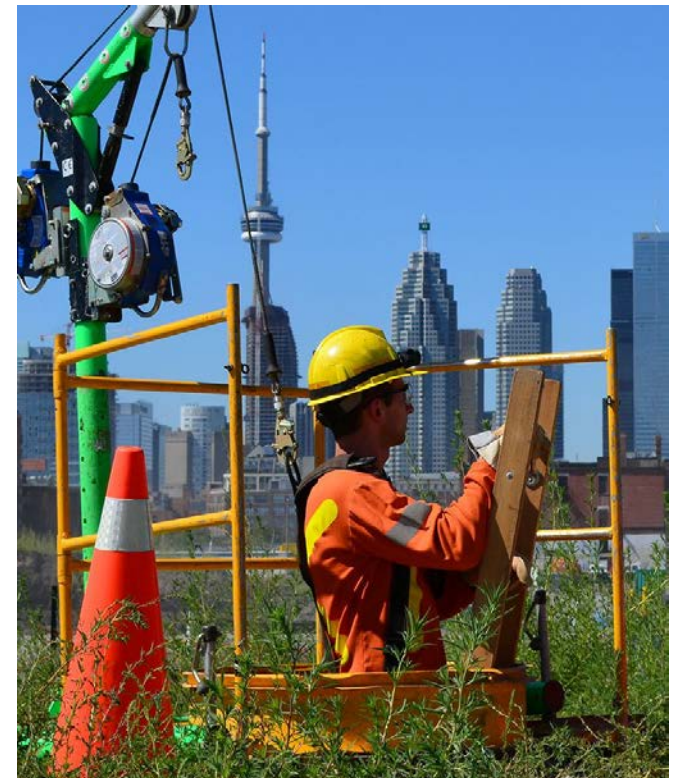


Disclaimer

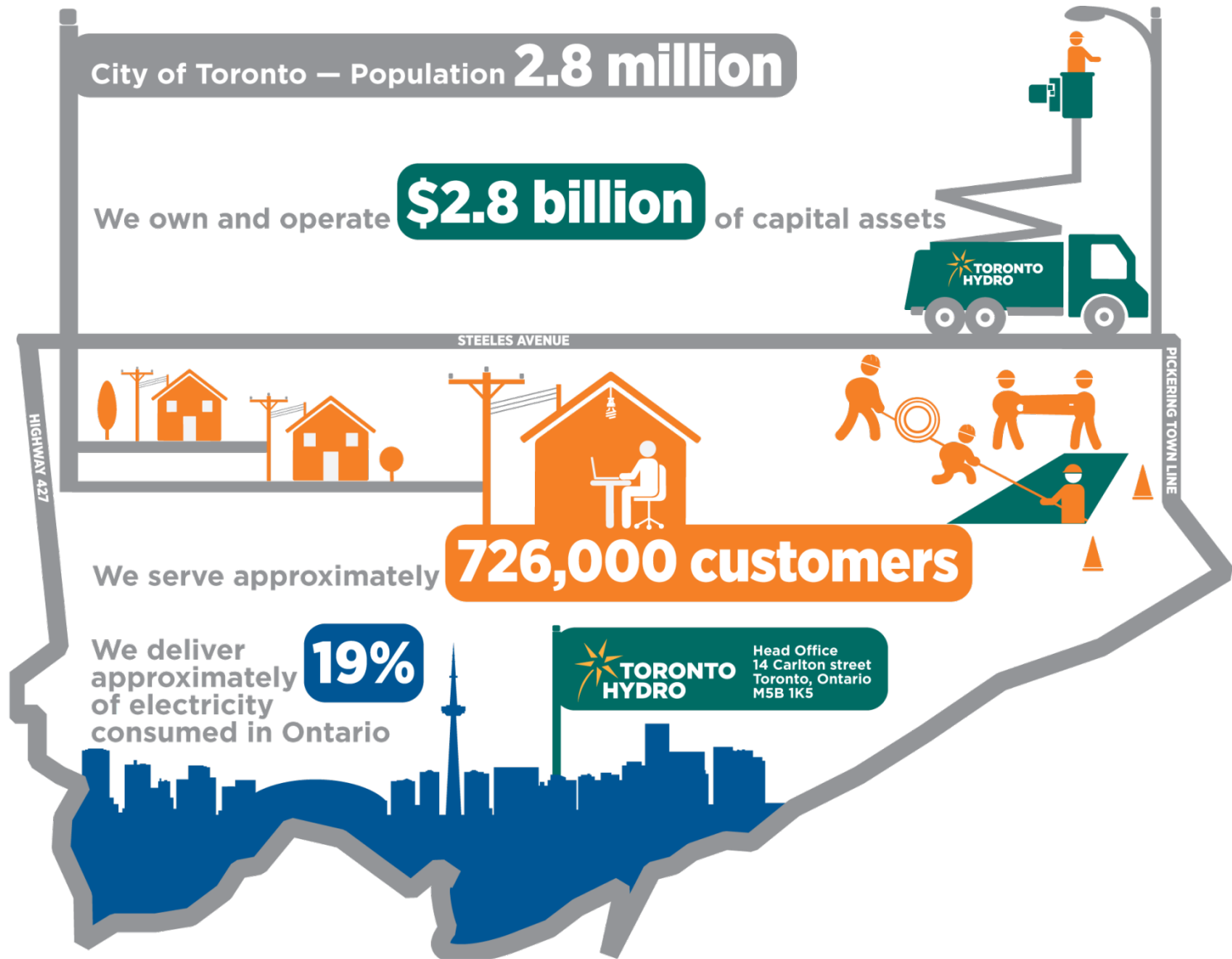
Certain information included in this presentation or incorporated by reference herein constitutes "forward-looking information". Forward-looking information means disclosure regarding possible events, conditions or results that is based on assumptions about future economic conditions and courses of action or attributable to third parties. In some cases, forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "anticipate", "believe", "estimate", "predict", "potential", "continue", "plan" and similar expressions or the negative of these terms or other comparable terminology. Although the Corporation believes that it has a reasonable basis for the forward-looking information included in this presentation or incorporated by reference herein, such information is subject to a number of risks, uncertainties and assumptions that may cause actual events, conditions or results to differ materially from those contemplated by the forward-looking information. Some of the factors that could cause such differences include legislative or regulatory developments, financial market conditions, general economic conditions and the ratings assigned to the Corporation or its debt securities by rating agencies. Except to the extent required by applicable securities laws and regulations, the Corporation does not undertake any obligation to update publicly or to revise any of the forward-looking information included in this presentation or incorporated by reference herein after the date thereof, whether as a result of new information, future events or circumstances or otherwise.

Agenda

- **About Toronto Hydro**
- Capital Plan Update
- Regulatory Update
- Financial Highlights



At a Glance



*As at Sep. 30, 2013

Corporate Structure



~\$1.2 Billion Equity

Public Bondholders

~\$1.5 Billion



Toronto Hydro-Electric System Limited



- Regulated by Ontario Energy Board (OEB)
- Local Distribution Company
- 99% of Revenues

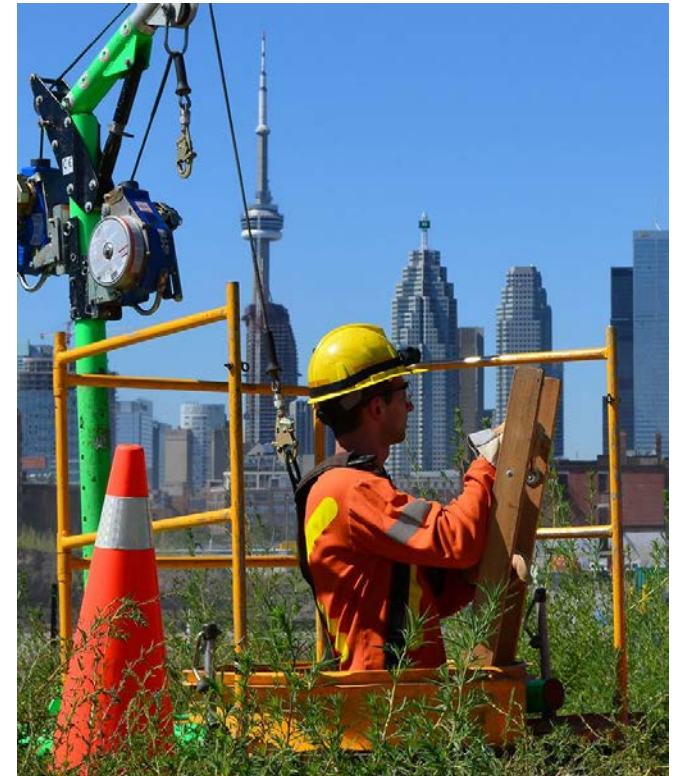
Toronto Hydro Energy Services Inc.



- Contractual Relationship with City of Toronto
- Owns and operates street lighting
- 1% of Revenues

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TORONTO IS BECOMING SKYSCRAPER CITY



FUTURE SKYLINE

Added system load in
the next 24-36 months:

150
megawatts

Equivalent to adding
the town of:

NEWMARKET



Copeland Transformer Station



Copeland Transformer Station

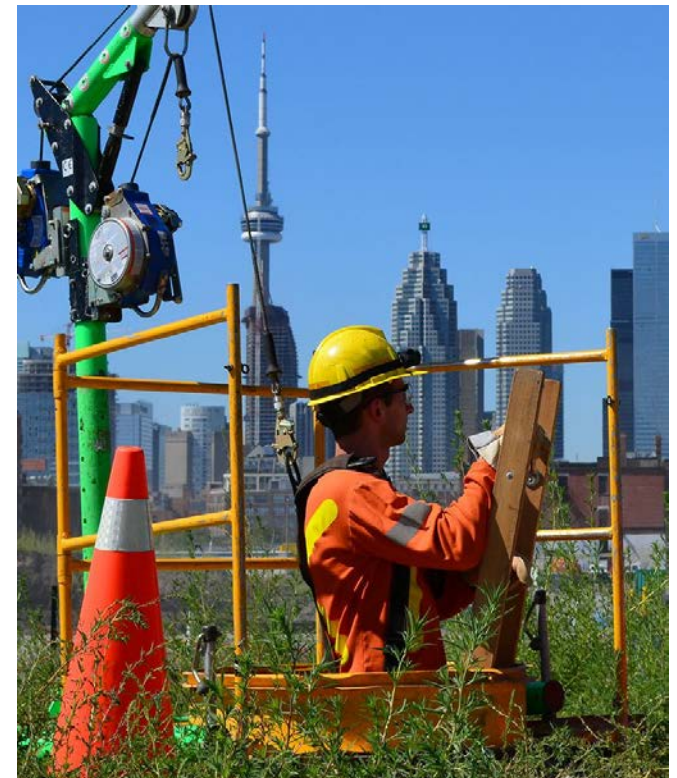
Est. cost: **\$195M**

Exp. in-service: **early 2015**



Agenda

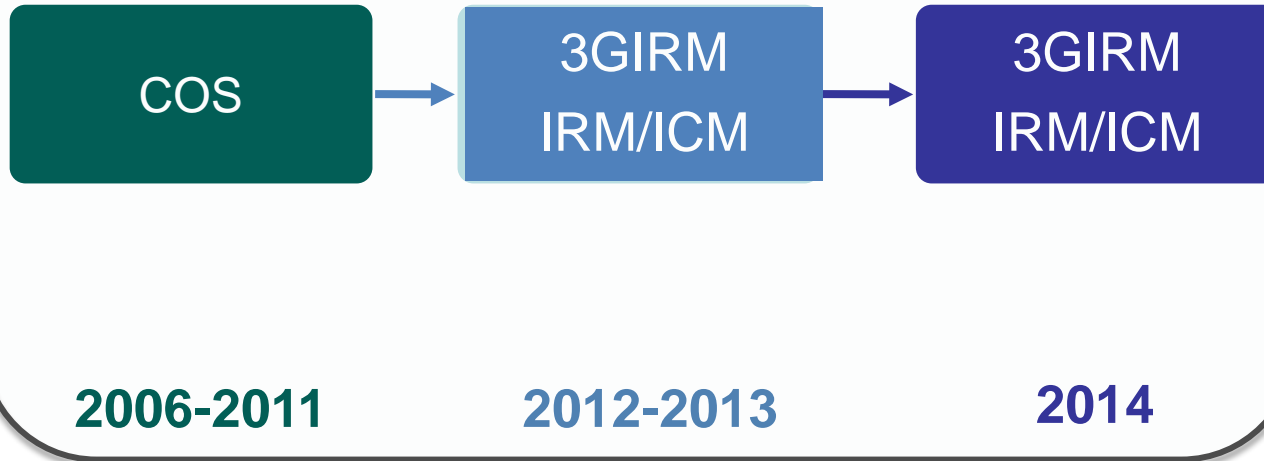
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Regulatory Framework



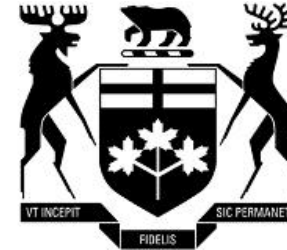
Current



Forward

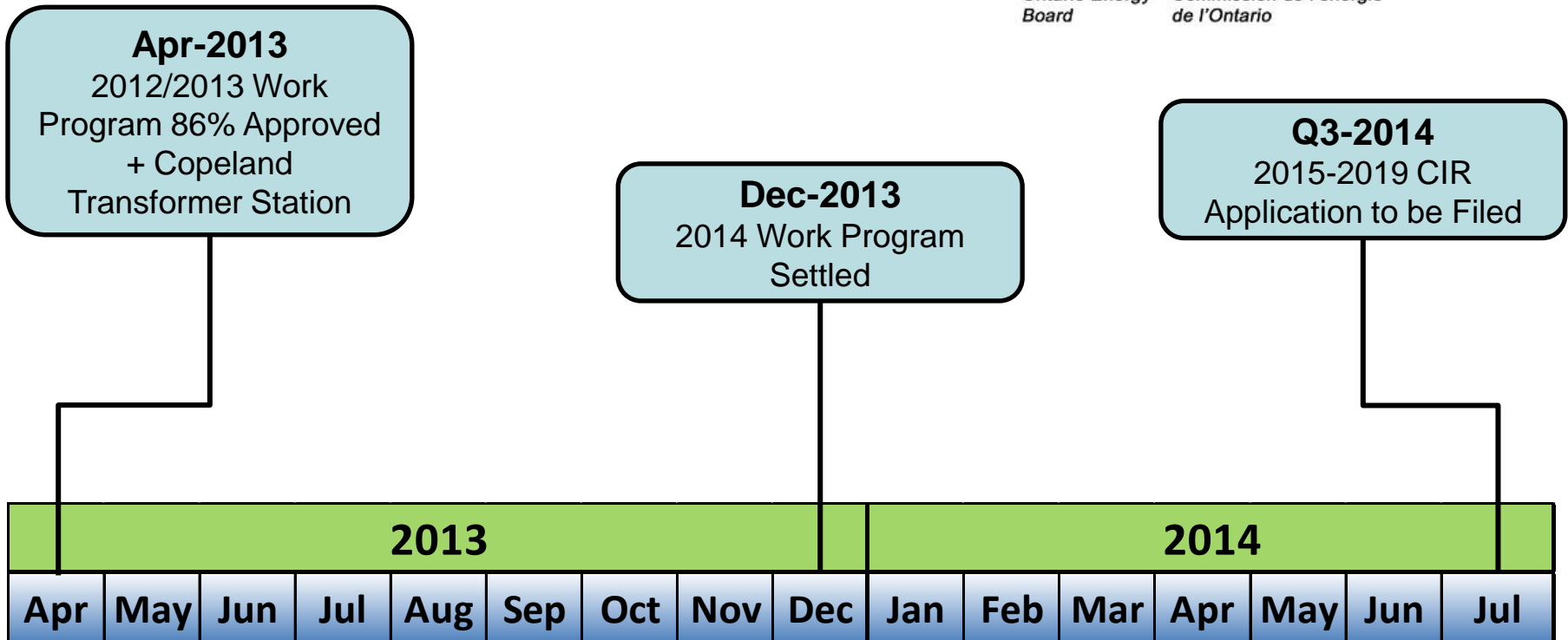


OEB – Key Dates



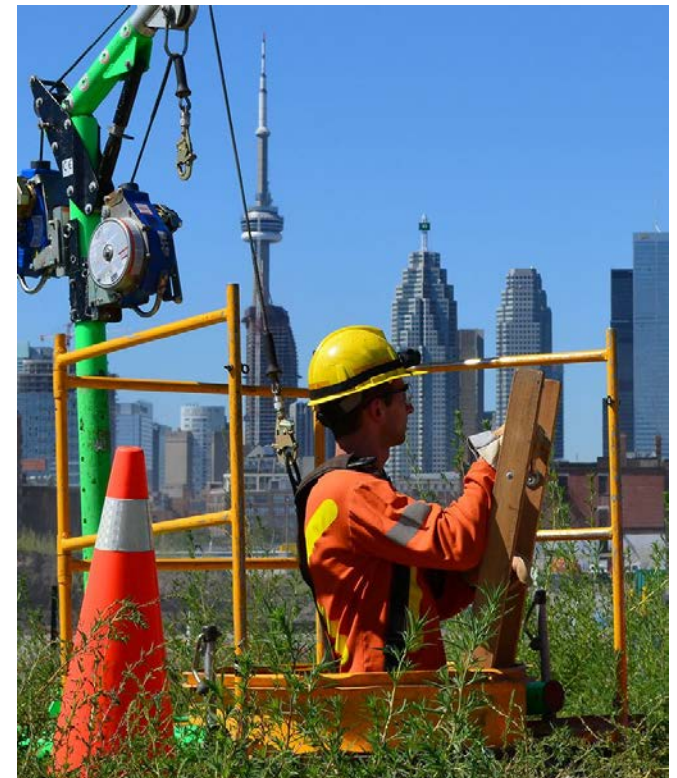
Ontario

Ontario Energy Board Commission de l'énergie de l'Ontario

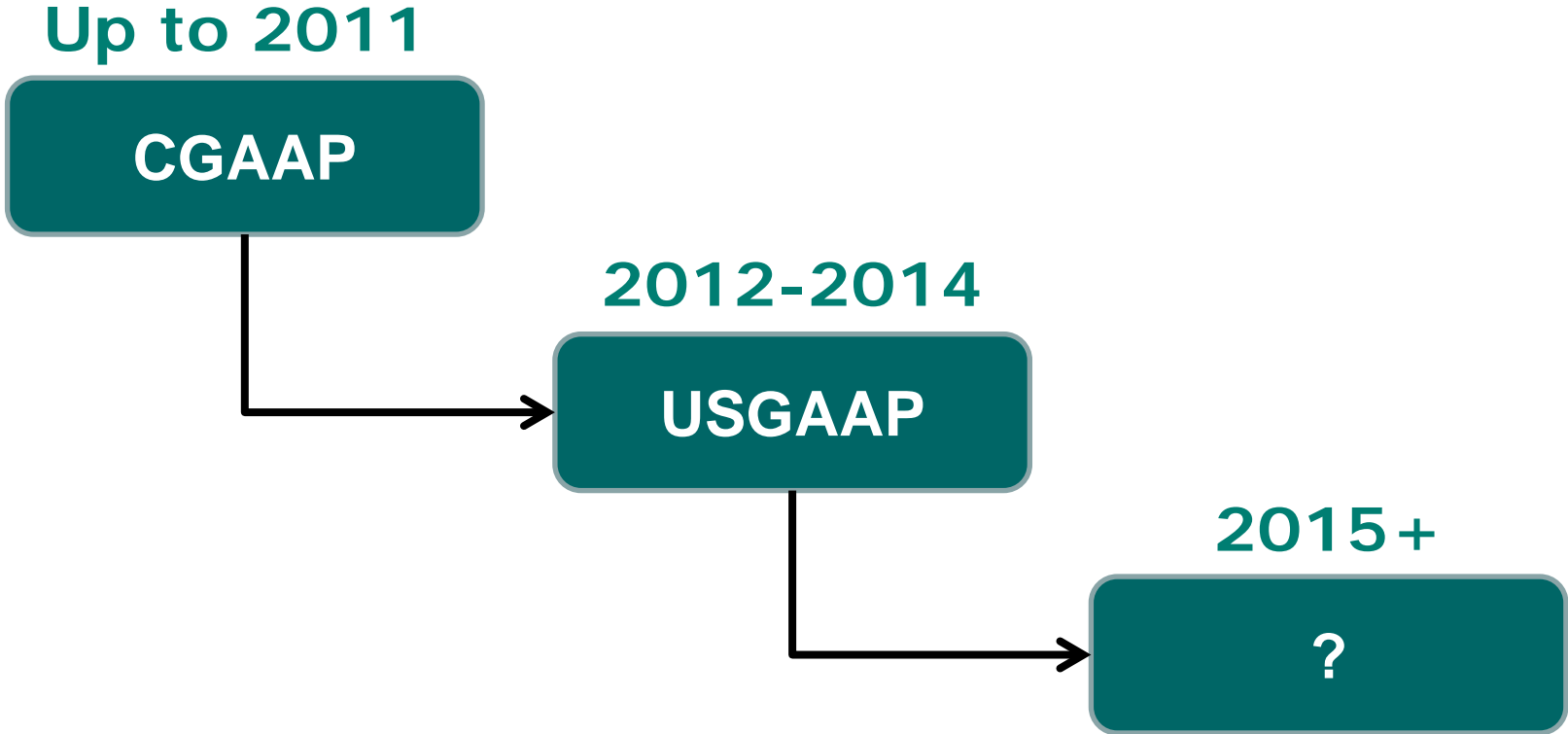


Agenda

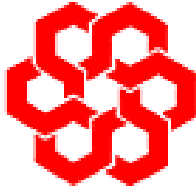
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Accounting Standards



ONTARIO
SECURITIES
COMMISSION



International
Accounting Standards
Board®

Commercial Paper

Launch Date: Dec. 17, 2013

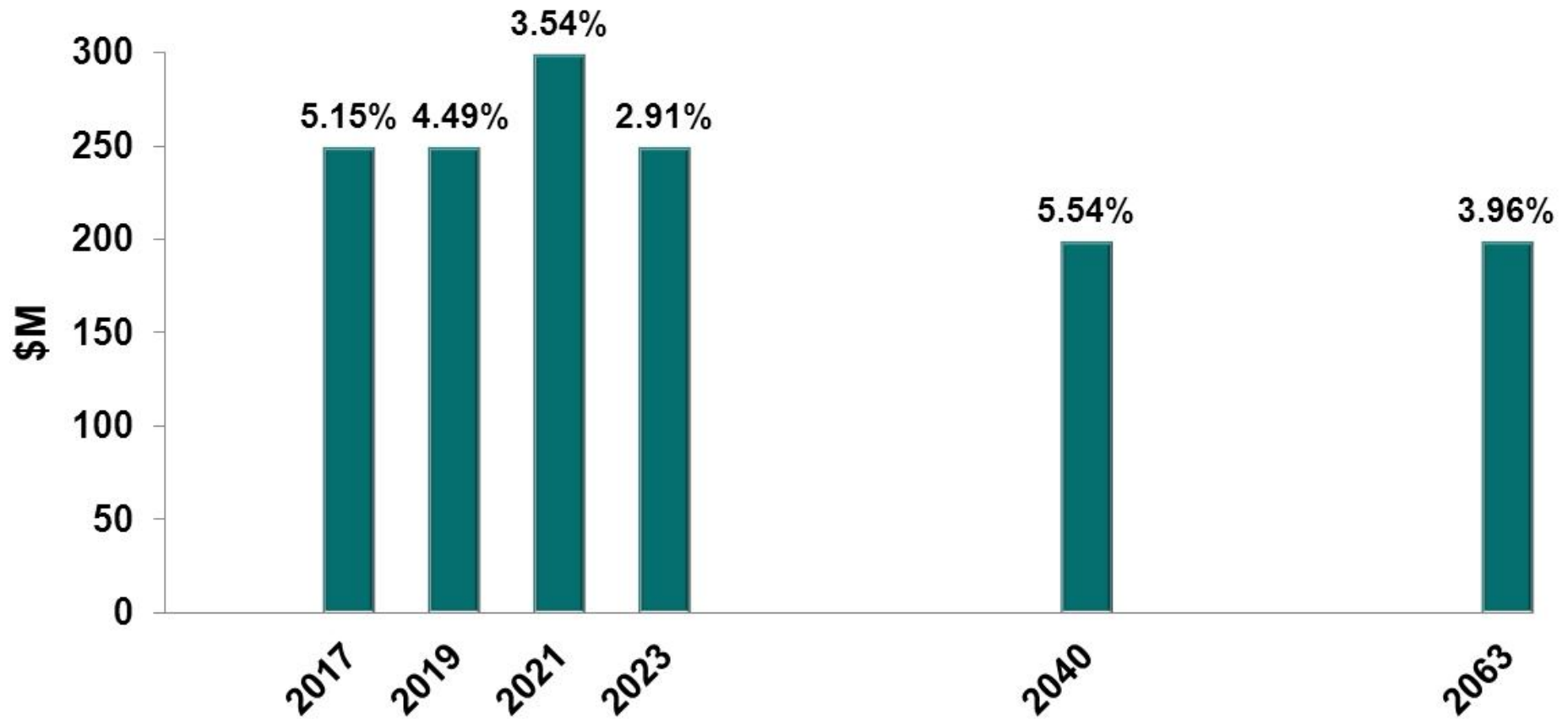
Rating:  R-1 (low)

Amount: \$400M

Dealers:



Debentures Maturity



Liquidity

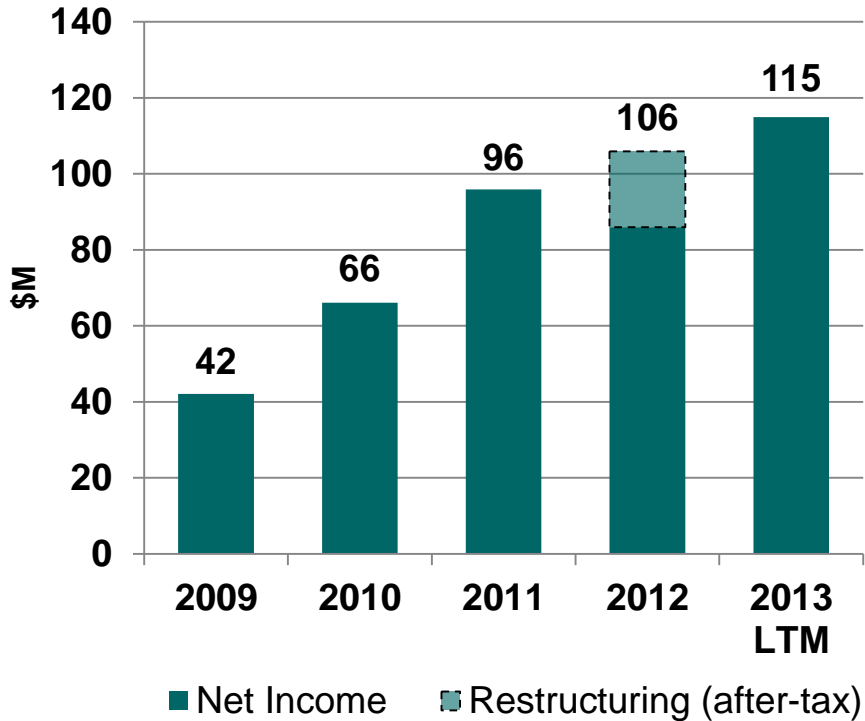
Type	Size	Availability
Revolving Credit Facility	\$600M	\$490M
Prudential Facility (LC)	\$75M	\$25M
Working Capital Facility	\$20M	\$16M
TOTAL	\$695M	\$531M

**As at Sept. 30, 2013*

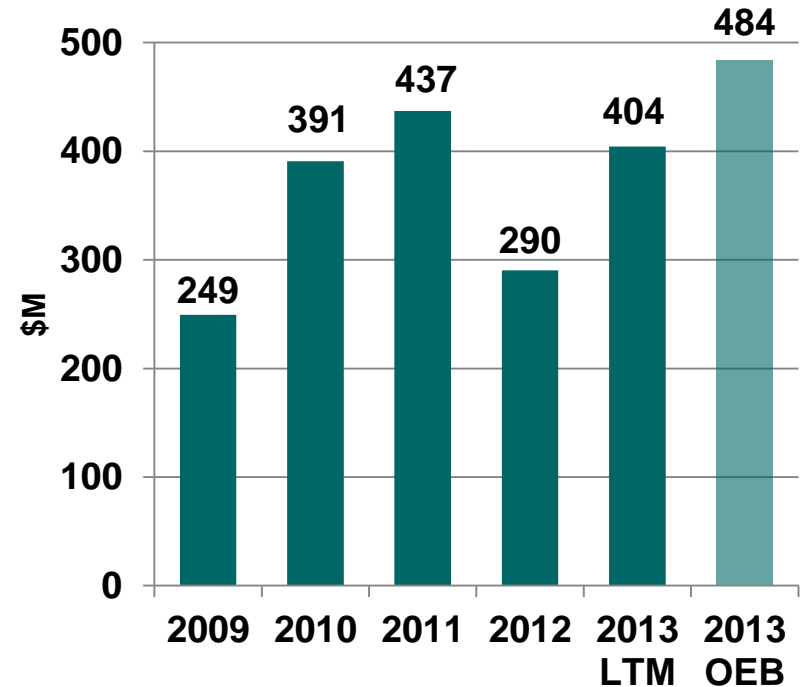
 The Corporation may issue up to \$1.05B of additional debentures under its existing base shelf prospectus, which expires in January 2015

Financial Data

Net Income



Capex

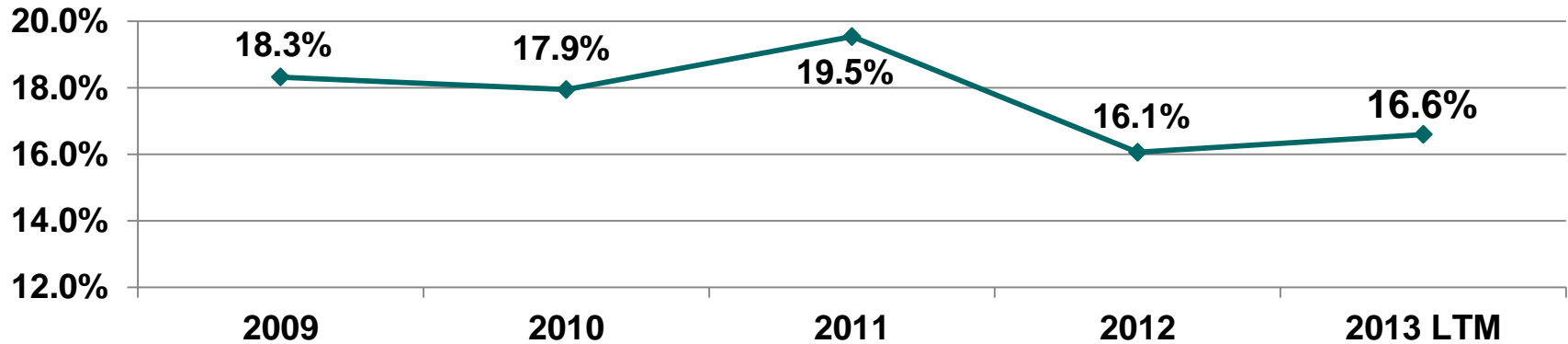


*2013 LTM as at Sept. 30, 2013

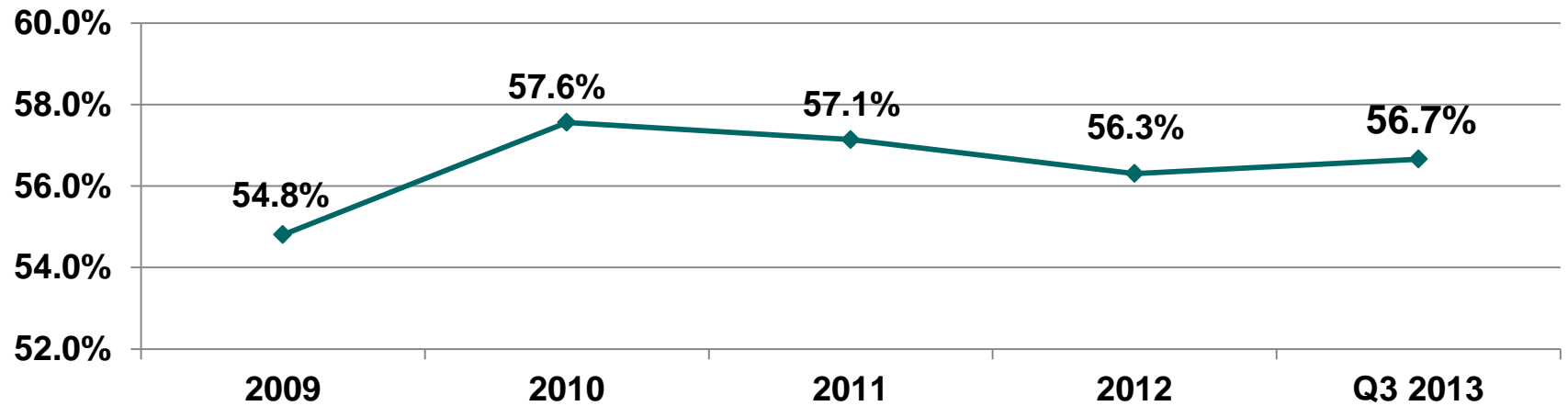
**2013 OEB corresponds to the approved capex amount

Credit Metrics

FFO/Debt



Debt-to-Equity



*2013 LTM as at Sept. 30, 2013

Credit Ratings

S T A N D A R D
& P O O R ' S
R A T I N G S S E R V I C E S



A / Stable outlook



A (high) / Stable trend

2013 Ice Storm



2013 Ice Storm

Estimated cost: \$13M

- \$10M Labour
- \$2M Capex
- \$1M Lost Revenue



THANK YOU!

