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September 14, 2018

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Toronto Hydro-Electric System Limited (“Toronto Hydro”)
Custom Incentive Rate-setting (“Custom IR”) Application for 2020-2024 Electricity
Distribution Rates and Charges – Evidence Update
OEB File No. EB-2018-0165**

Pursuant to Rule 11.03 of the OEB’s *Rules of Practice and Procedure*, Toronto Hydro is filing an evidence update. The nature of the updates are summarized in Table 1 below. Toronto Hydro has also submitted the live Excel versions for the relevant appendices and models. Updates to the applicable evidence are marked by /C.

Table 1: List of Updates

	Topic	Update	Reference
1	Updated Table of Contents	Toronto Hydro has updated its Table of Contents as a result of the updates stated herein.	Exhibit 1, Tab 1, Schedule 1
2	Chapter 2 Appendices	Toronto Hydro submits all Chapter 2 Appendices in Excel format (that had not already been filed on August 15, 2018)	N/A
3	Appendix 2-BB	Toronto Hydro submits Appendix 2-BB and an update to the related discussion in Exhibit 4B, Tab 1, Schedule 1.	Exhibit 4B, Tab 1, Schedule 1, Appendix C [New]
4	Cost of Power Calculation	Toronto Hydro submits the Cost of Power calculation in Excel format.	Exhibit 2A, Tab 3, Schedule 1, Appendix A
5	Bill Impacts model	Toronto Hydro submits the Bill Impacts model in Excel format (as part of Item #2 above).	Exhibit 8, Tab 6, Schedule 1

6	OEB's Pole Attachment Workform	Toronto Hydro submits an update confirming that the utility has adopted the OEB's standard province-wide rate and therefore is not required to file a completed Pole Attachment Workform for a utility-specific rate.	Exhibit 8, Tab 2, Schedule 1
7	Accounting Order from EB-2014-0116	Toronto Hydro submits the Accounting Order from EB-2014-0116.	Exhibit 9, Tab 1, Schedule 1, Appendix B <i>[New]</i>
8	Cost Allocation Model	Toronto Hydro has corrected reference errors and resubmits the model in Excel format. Toronto Hydro confirms that the identified errors had no effect on the outputs of the model.	Exhibit 7, Tab 1, Schedule 3
9	2023 Revenue Requirement Workform	Toronto Hydro has corrected a summation error and resubmits the model. Toronto Hydro confirms that there is no effect on bill impacts from the summation error identified above.	Exhibit 6, Tab 1, Schedule 5
10	Group 2 Deferral and Variance accounts	Toronto Hydro has updated its evidence to include a request and rationale to continue certain Group 2 accounts. Toronto Hydro submits that the request and rationale to continue the Capital Related Revenue Requirement, Externally driven Capital and Derecognition variance accounts was already included in the original filing.	Exhibit 9, Tab 1, Schedule 1
11	Anticipated Evidence Updates	Toronto Hydro submits a table summarizing updates to the Application anticipated at this time.	Exhibit 1A, Tab 3, Schedule 1, Appendix B <i>[New]</i>
12	Earnings Sharing Mechanism	Toronto Hydro submits an update describing the ESM approach and methodology that the utility proposes to continue in 2020-2024 and was approved by the OEB in EB-2014-0116.	Exhibit 1B, Tab 4, Schedule 1
13	Explanations for Differing Disposition Amounts stated in (i) Summary of Proposed Dispositions; (ii) Continuity Schedule; and (iii) Rate Riders	Toronto Hydro provides an update to the Rate Rider table providing an explanation of the differing amounts presented in other related areas of the Application.	Exhibit 9, Tab 3, Schedule 1, p. 1 ["Rate Riders Table"]

14	CVs and Acknowledgement of Expert's Duty (Form A) for Authors of PSE's Total Cost Benchmarking report	Toronto Hydro has updated its evidence to include the CVs and Form A for Erik Sonju and Steve Fenrick.	Exhibit 1B, Tab 4, Schedule 2, Appendix A <i>[New]</i>
15	Power System Engineering Inc.'s Dataset and Models	Toronto Hydro will provide this material in the same manner as was shared with OEB Staff in the utility's last application.	Exhibit 1B, tab 4, Schedule 2

Please do not hesitate to contact me if you have any questions.

Yours truly,



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cc: Amanda Klein, Toronto Hydro
 Charles Keizer, Torys LLP
 Crawford Smith, Torys LLP