

Authority: Strategic Policies and Priorities Committee Report No. 10, Clause No. 1,
as adopted by City of Toronto Council on June 9, 10 and 11, 1999

Enacted by Council: June 11, 1999

CITY OF TORONTO

BY-LAW No. 374-1999

To transfer the employees, assets, liabilities, rights and obligations of the Toronto Hydro-Electric Commission and the City of Toronto associated with the generation, distribution, transmission and retailing of electricity and associated business activities to Toronto Hydro Corporation, Toronto Hydro-Electric System Limited and Toronto Hydro Energy Services Inc., *Business Corporations Act* (Ontario) corporations to be incorporated under Section 142(1) of the *Electricity Act, 1998* and Sections 71 and 73 of the *Ontario Energy Board Act, 1998*.

WHEREAS under Section 145(1) of the *Electricity Act, 1998* the Council may make by-laws transferring employees, assets, liabilities, rights, and obligations of the City of Toronto (the “City”) or of a commission or other body through which the City generates, transmits, distributes or retails electricity, to a *Business Corporations Act* corporation incorporated under Section 142 of the *Electricity Act, 1998*;

AND WHEREAS the City generates, transmits, distributes and retails electricity through the Toronto Hydro-Electric Commission;

AND WHEREAS Council is authorizing the incorporation of Toronto Hydro Corporation, Toronto Hydro-Electric System Limited and Toronto Hydro Energy Services Inc. (collectively, the “Corporations”) under Section 142(1) of the *Electricity Act, 1998* and Sections 71 and 73 of the *Ontario Energy Board Act, 1998* for the purpose of generating, transmitting, distributing or retailing electricity and associated business activities and the incorporation of any further Subsidiaries necessary for carrying out any such activities;

The Council of the City of Toronto HEREBY ENACTS as follows:

1.1 Definitions.

As used in this By-law, the following terms shall have the meanings indicated

- A. ACT – The *Electricity Act, 1998*, and any regulations thereunder.
- B. ASSETS - Except for Excluded Assets, all assets, interests, property, rights and undertakings, registered or unregistered, secured or unsecured, of the Commission and the City held or used by either of them for the purpose of generating, distributing, transmitting or retailing electricity and carrying on associated business activities on the Effective Date, including the following:
 - (1) Cash, Accounts Receivable - All of the cash on hand, and all accounts receivable of the Commission including without limitation, all customer and trade accounts, notes receivable, book debts and other debts due or accruing to the Commission and the benefits of all security and security deposits for such accounts and debts.

- (2) Computer Hardware and Software - All computer hardware and software, including all rights under licences and other agreements or instruments relating thereto.
- (3) Contracts, Rights - The full benefit of all franchise, licence or management agreements and all other contracts, commitments, rights, choses in action, benefits, arrangements, understandings, and agreements, written or oral, to which the Commission is a party or otherwise including:
 - (a) All written or oral contracts, agreements, commitments, undertakings, rights and arrangements.
 - (b) All forward commitments to the Commission for supplies or materials entered into in the usual and ordinary course of business whether or not there are any written contracts with respect thereto.
- (4) Employee Agreements: All contracts, agreements, and commitments in respect of Employees as at the Effective Date to which the Commission is a party or by which it is bound, including:
 - (a) All collective agreements.
 - (b) All contracts of employment.
- (5) Employee Plans: All employee benefit plans, pension plans, bonus or incentive plans, employee medical insurance and disability plans and savings plans.
- (6) Goodwill: The goodwill of the Commission, including:
 - (a) The exclusive right of any of the Corporations to represent themselves as carrying on a business in continuation of and in succession to the Commission and the right to use any words indicating that their business is so carried on.
 - (b) All records of sales, customer lists, customer data and supplier lists of or used by the Commission.
- (7) Insurance Policies - The full benefit of all policies of insurance of the Commission.
- (8) Intellectual Property - All of the right, title, benefit and interest of the Commission in and to all registered trade marks, trade names, brand names, patents and copyrights, all unregistered trade marks, trade names and copyrights and all patent applications, trade mark registration applications and copyright registration applications, both domestic and foreign, owned or made by the Commission, including without limitation those described in Schedule A.

- (9) Inventories - All inventories and supplies including, but without limitation, all finished goods, work in progress, raw materials, production and shipping supplies and maintenance items and all other materials and supplies on hand to be used or consumed in the production of products.
- (10) Know-How - All patterns, plans, designs, research data, copyrights, trade secrets and other proprietary know-how, processes, drawings, technology, unpatented blueprints, flow-sheets, equipment and parts lists and descriptions and related instructions, manuals, data, records and procedures and any and all data owned or used by the Commission, and all licences, agreements and other contracts and commitments relating to any of the foregoing to which the Commission is a party.
- (11) Licences and Permits - The full benefit of all licences, registrations, permits, consents, quotas, approvals, certificates, and other authorizations including those described in Schedule B.
- (12) Machinery and Equipment - All machinery and equipment, metering and measurement devices, hot water heaters and appliances and all goods and chattels and other personal property and all tools, handling equipment, furniture, furnishings and accessories.
- (13) Plant, Building, Fixtures - All plant, buildings, structures, erections, improvements, appurtenances and fixtures (including fixed machinery and fixed equipment) conduits, pipes, poles, wires, rods, cables, fibres and other apparatus, devices, appliances and equipment, materials, works, transformer stations, transformers, vaults, transmission lines, distribution lines, ducts, pipelines, fittings, apparatus, meters, wheresoever situate on property owned by the Commission or the City, on private property and on public property.
- (14) Prepaid Expenses - All pre-paid expenses and deposits the benefits of which will accrue to any of the Corporations.
- (15) Real Property Interests - All lands, premises, freehold and leasehold property interests, mortgages, charges, agreements, notices of agreements, debentures and security interests which create an interest in land, liens, easements, rights of way, licences, and rights to use or occupy real property, and all other rights or interests therein and fixtures thereon, including the relevant interests in the assets listed in Schedule C.
- (16) Records - All personnel records, inspection records and all other records, books, documents and data bases relating to Employees, the Assumed Liabilities, the business of the Commission, or to the Assets in the possession or under the control of the Commission.
- (17) Reserves - The portion of any reserve fund established pursuant to section 33 of the *Development Charges Act, 1997* that relates to development charges collected in respect of electrical power services, and the portion of any

reserve fund referred to in section 63 of the *Development Charges Act, 1997* that relates to development charges collected in respect of electrical power services, as set out in Schedule D.

- (18) Vehicles - All trucks, cars and vehicles of all kinds.
- (19) Warranties - The full benefit of all warranties and warranty rights, implied, express or otherwise, against manufacturers, suppliers or sellers which apply to any of the Assets and the net realizable value of any warranty claims relating to the Assets outstanding as of the Effective Date.
- C. ASSUMED LIABILITIES - Other than Excluded Liabilities, all of the debts, liabilities and obligations of the Commission.
- D. BODY CORPORATE - A firm, partnership, unincorporated association, joint venture, body corporate, corporation, bank, trust, pension fund, union, government agency, board, tribunal, ministry, or commission or other legal entity of any kind whatsoever, but excludes an individual or natural person.
- E. COMMISSION - The Toronto Hydro-Electric Commission, established under Section 9 of the *City of Toronto Act, 1997*, and deemed a commission under Part III of the *Public Utilities Act*.
- F. EFFECTIVE DATE - The date for each transfer set out in Section 6-1.
- G. EMPLOYEES – All full-time and part-time, union and non-union, employees and officers of the Commission, including all trainees, and probationary employees, on the Effective Date.
- H. EXCLUDED ASSETS – The assets described in Schedule E.
- I. EXCLUDED LIABILITIES – The liabilities described in Schedule F.
- J. OBCA - The *Business Corporations Act (Ontario)*, and any regulations thereunder.
- K. OEB - The Ontario Energy Board.
- L. OEBA - The *Ontario Energy Board Act, 1998*, and any regulations thereunder.
- M. PERSON - Any individual, a natural person or body corporate.
- N. SUBSIDIARY - With respect to Toronto Hydro Corporation, any Body Corporate of which more than 50 percent of the outstanding securities of any class carrying exercisable voting rights are beneficially owned, directly or indirectly, by or for Toronto Hydro Corporation, and includes any Body Corporate in like relation to a Subsidiary.

1-2. Interpretation.

In this By-law, unless a contrary intention appears:

- A. Words importing the singular shall include the plural and vice versa and words importing gender shall include all genders.
- B. If any section of this By-law is invalid or ultra vires the City it shall not affect the operation of the remaining portions of this By-law.
- C. The following Schedules are attached and form part of this By-law:
 - (1) Schedule A – Intellectual Property
 - (2) Schedule B – Licences and Permits
 - (3) Schedule C – Real Property Interests
 - (4) Schedule D – Reserves
 - (5) Schedule E – Excluded Assets
 - (6) Schedule F – Excluded Liabilities
 - (7) Schedule G – Allocation of Consideration
- D. This by-law is binding on the City, the Commission, the Corporations and all other Persons.
- E. In accordance with the Act, this By-law applies despite any general or special act or any rule of law, including any act or rule of law which requires notice or registration of transfers; provided, however, the Corporations may register such documents, instruments and agreements, including certified copies of this By-law, as may be necessary or desirable in order to evidence or confirm such transfers.
- F. Where the context requires, Corporations shall include any Subsidiaries.
- G. Under Subsections 9(4) and (5) of the *City of Toronto Act, 1997*, all of the assets and liabilities and other rights and obligations relating to the distribution and supply of electricity of the public utility commissions of the former municipalities of East York, Etobicoke, North York, Scarborough, Toronto and York were vested in the City under the control and management of the Commission.
- H. Under Subsections 9(2) of the *City of Toronto Act, 1997*, the Commission has all the powers, rights, authorities and privileges of a municipal public utility commission under Part III of the *Public Utilities Act*.

2-1. Incorporation.

- A. The incorporation of Toronto Hydro Corporation, Toronto Hydro-Electric System Limited and Toronto Hydro Energy Services Inc., under the OBCA, to continue the generation, transmission, distribution and retailing of electricity and associated business activities of the Commission and the incorporation of any further Subsidiaries necessary for any such activities is authorized.

- B. Any common shares or other securities issued by any of the Corporations incorporated pursuant to this By-law shall be issued upon such incorporation in the name of the City.

2-2. Corporate, Shareholder Administration.

- A. The City, in its capacity as initial shareholder of the Corporations, shall execute and deliver any shareholder agreement, direction or declaration to provide for the organization, management and administration of the Corporations and any further Subsidiaries, in a form approved by Council of the City.
- B. The City and the Commission shall execute and deliver to the Corporations, where necessary, in form suitable for registration, recording and filing with such public authorities as may be reasonably required by the Corporations, any bills of sale, assignments, instruments of transfer, assurances, consents and other documents necessary to effectively transfer to the Corporations all the City and the Commission's right, title and interest in the Assets.

3-1. Transfer to Corporations.

- A. All the Assets and Assumed Liabilities of the Commission and the City and Employees associated with the generation, distribution, transmission and retailing of electricity and associated business, except for the Excluded Assets and Excluded Liabilities, are transferred to and assumed by the Corporations in accordance with the Act and this By-law as set out in Subsections 3-1B, C, D, E and F.
- B. On the Effective Date the Assets and Assumed Liabilities of the Commission and the City used in connection with owning and operating an electricity transmission and distribution system are transferred to and assumed by Toronto Hydro-Electric System Limited.
- C. On the Effective Date the Assets and Assumed Liabilities of the Commission and the City used in connection with electricity generation, co-generation, district cooling or other energy services are transferred to and assumed by Toronto Hydro Energy Services Inc.
- D. On the Effective Date the Employees of the Commission used in connection with owning and operating an electricity transmission and distribution system are transferred to Toronto Hydro-Electric System Limited.
- E. On the Effective Date the Employees of the Commission used in connection with electricity generation, co-generation, district cooling or other energy services are transferred to Toronto Hydro Energy Services Inc.
- F. Subject to an order of the OEB granting leave under Section 86 of the OEBA, the City shall, and shall be deemed to, have transferred as of the Effective Date all of the voting securities in Toronto Hydro-Electric System Limited and Toronto Hydro Energy Services Inc., which were issued to the City under Subsections 4-1B and D of this By-law, to Toronto Hydro Corporation in consideration of the issuance to the City of voting securities by Toronto Hydro Corporation.

- G. Any of the Assets and Assumed Liabilities of the Commission and the City and Employees which are transferred to the Corporations pursuant to this By-law may be transferred to any Subsidiary on such terms and for such consideration as the directors of the transferring Corporation may from time to time approve, subject to Subsection 4-1H of this By-law. The City, the Commission or the Corporations may enter into any agreements or other documents required to evidence the transfers.
- H. The Employees transferred to the Corporations, in accordance with Sections 145 and 147 of the Act, shall cease to be Employees of the Commission from and including the Effective Date and shall thereupon be employees of one of the Corporations.
- I. Excluded Assets and Excluded Liabilities will not be transferred to the Corporations.
- J. Despite any other provision of this By-law or the *Electricity Act, 1998*, if any of the Assets shall not be assignable, or shall only be assignable with the consent or approval of any other third party, the City or the Commission shall:
 - (1) use all efforts in co-operation with the assignee Corporation to secure the consent required in connection with those assignments and all costs of obtaining any consent will be paid by the assignee Corporation; and
 - (2) pending the effective transfer thereof, hold all rights or entitlements that the City or the Commission has thereto in trust for the exclusive benefit of the assignee Corporation provided that the assignee Corporation shall pay, perform and discharge all obligations arising or accruing with respect thereto during such period.

4-1. Consideration and Financing.

- A. All costs and expenses incurred or to be incurred by the City and the Commission and all provincial taxes incurred or payable in connection with the transfer of the Assets shall be borne by the Corporations and the Corporations shall reimburse the City and the Commission on demand for any such costs, expenses or taxes.
- B. The Assets transferred to Toronto Hydro-Electric System Limited under Subsection 3-1B of this By-law shall be transferred at their respective fair market values on the Effective Date. The fair market value of the Assets shall be deemed to be book value on the Effective Date subject to adjustment under Subsections 4-1H and 5-1C of this By-law. The consideration payable by Toronto Hydro-Electric System Limited for the Assets transferred under Subsection 3-1B shall be satisfied as follows:
 - (1) by the assumption by Toronto Hydro-Electric System Limited of the Assumed Liabilities referred to in Subsection 3-1B; and
 - (2) as to the balance by:
 - (a) the issuance and allotment to the City of 1,000 fully paid and non-assessable common shares of Toronto Hydro-Electric System Limited having an ascribed value equal to 40 percent of such balance which

amount shall be added to the stated capital account for such shares, and

- (b) the issuance by Toronto Hydro-Electric System Limited to the City of a promissory note having a principal amount equal to 60 percent of such balance, such note to be due and payable on December 31, 2000, to be non-interest bearing until December 31, 1999; and to bear interest at an effective rate of 6% per annum from January 1, 2000 until the City chooses to redeem or until December 31, 2000, whichever comes first, calculated and payable quarterly and to be in form and content satisfactory to the Treasurer of the City.
- C. On or before the maturity date of the promissory note referred to in Subsection 4-1B(2)(b), the City, after consultation with Toronto Hydro Corporation, may exchange the said promissory note for one or more debt instruments of Toronto Hydro-Electric System Limited having a form and content satisfactory to the City as evidenced by the written acceptance by the Treasurer of the City.
- D. The Assets transferred to Toronto Hydro Energy Services Inc. under Subsection 3-1C of this By-law shall be transferred at their respective fair market values on the Effective Date. The fair market value of the Assets shall be deemed to be book value on the Effective Date as determined under Subsections 4-1H and 5-1C of this By-law. The consideration payable by Toronto Hydro Energy Services Inc. for the Assets transferred under Subsection 3-1C shall be satisfied as follows:
 - (1) by the assumption by Toronto Hydro Energy Services Inc. of the Assumed Liabilities referred to in Subsection 3-1C; and
 - (2) as to the balance by the issuance and allotment to the City of 1,000 fully paid and non-assessable common shares of Toronto Hydro Energy Services Inc. having an ascribed value equal to the aforesaid balance which amount shall be added to the stated capital account for such shares.
- E. The transfer under Subsection 3-1F shall be deemed to have been effected at the aggregate fair market value of such voting securities as determined by the City Treasurer and an amount equal to such aggregate fair market value shall be added to the stated capital account of the shares of Toronto Hydro Corporation.
- F. The consideration payable by the Corporations shall be allocated among the Assets as set out in Schedule G and the Corporations shall report the transfer of the Assets in accordance with the provisions of Schedule G.
- G. The Reserves are transferred to Toronto Hydro-Electric System Limited to be used only to pay for capital costs in respect of electrical power services for which the Reserves were collected.
- H. The fair market value of the Assets, and the amount of the Assumed Liabilities transferred under this By-law to the Corporations on the Effective Date, shall be determined by the Treasurer of the City in consultation with the Corporations.

- I. The Corporations shall be bound by, assume, pay, satisfy, discharge, observe, perform and fulfil, and indemnify and save harmless the City from and against the Assumed Liabilities assumed by them respectively.

4-2. Transfer Exemptions.

- A. Any transfer of Assets under this By-law is exempt from land transfer tax and retail sales tax under Section 159 of the Act.
- B. Any transfer of Assets under this By-law is exempt from the provisions of the *Bulk Sales Act* (Ontario) under Section 159 of the Act.
- C. Any transfer under this By-law will constitute the transfer of all or substantially all of the Assets necessary for the relevant Corporation to carry on the business transferred to it as a business. The City and the relevant Corporation, both being registered for Goods and Services Tax purposes, undertake to sign the election provided for in Section 167 of the *Excise Tax Act* and the relevant Corporation shall file the election in accordance with the provisions of that Section so that the transfer is not subject to Goods and Services Tax.

5-1. Consideration Adjustment.

- A. The fair market value of the Assets transferred under Subsection 3-1B of this By-law is dependent upon the permitted rate of return on equity and the rates that the OEB will allow Toronto Hydro-Electric System Limited to charge for the distribution of electricity under the OEBA.
- B. The fair market value of the Assets transferred and the consideration payable in Subsections 4-1B and D of this By-law may be adjusted as a consequence of any OEB rate order for the year 2000 or subsequent years and any valuation of the Assets subsequent to the enactment of this By-law.
- C. Any consideration or revised consideration payable under this By-law shall be determined by the Treasurer of the City in consultation with the Corporations.
- D. All necessary adjustments to the consideration payable under this By-law shall have the same effect as if they were made on the Effective Date

6-1. Effective Date of Transfer.

- A. The Effective Date of the transfers set out in Subsections 3-1B, C and F is July 1, 1999.

- B. The Effective Date of the transfers set out in Subsections 3-1D, E and H is January 1, 2000.

ENACTED AND PASSED this 11th day of June, A.D. 1999

CASE OOTES,
Deputy Mayor

NOVINA WONG,
City Clerk

(Corporate Seal)

SCHEDULE A**INTELLECTUAL PROPERTY****(Trademarks, Official Marks, Patents, Copyrights, and Business Names)**

	Applicant/Registrant/Owner	Application No.	Registration No.
<i>Trademarks</i>			
TORONTO HYDRO	Toronto Electric Commissioners	699,404	437,077
TH TORONTO HYDRO & DESIGN	Toronto Electric Commissioners	699,406	448,192
CITISOURCE	Toronto Hydro-Electric Commission	876,217	Not registered
THE CITISOURCE	Toronto Hydro-Electric Commission	878,412	Not registered
CITISOURCE TORONTO	Toronto Hydro-Electric Commission	878,413	Not registered
CITISOURCE (US)	Toronto Hydro-Electric Commission	75/511,523	Not registered
POWERSHIFT	Toronto Electric Commissioners	699,405	416,682
<i>Official Marks</i>			
TORONTO HYDRO	Toronto Electric Commissioners	905,223	
TORONTO HYDRO & DESIGN	Toronto Electric Commissioners	905,222	
CITISOURCE	Toronto Hydro-Electric Commission	909,905	
TORONTO ENERGY CORPORATION	Toronto Electric Commissioners	908,410	
POWERSHIFT	Toronto Electric Commissioners	905,216	
COMMITTED TO QUALITY	The Public Utilities Commission of the City of Scarborough	906,210	
S DESIGN	The Public Utilities Commission of the City of Scarborough	906,697	
YORK HYDRO & DESIGN	The Hydro-Electric Commission of the City of York	904,640	
EAST YORK HYDRO & DESIGN	The Hydro-Electric Commission of the Borough of East York	905,366	
NYH DESIGN	North York Hydro	901,391	
<i>Patents</i>			

CABLE SPLICING DEVICE	Arthur Bevis; Rickey Butler; Toronto Electric Commissioners	Canadian - 2,213,643	
		British – 9717661.4	
		German – 196 81 253.4	
Connector For Use in Cable Splices (same as Cable Splicing Device)		U.S. – 393,645	U.S. Patent No. US 5,527,191
<i>Copyright</i>			
SMART Planning Tool	The Public Utilities Commission of the City of Scarborough		460015
Quality Assurance – Electrical Metrology	North York Hydro		450074
<i>Business Names</i>			
Toronto Hydro	Toronto Hydro-Electric Commission		
Toronto Hydro-Electric System	Toronto Hydro-Electric Commission		
Etobicoke Hydro	Toronto Hydro-Electric Commission		
East York Hydro-Electric Commission	Toronto Hydro-Electric Commission		
East York Hydro	Toronto Hydro-Electric Commission		
North York Hydro	Toronto Hydro-Electric Commission		
York Hydro	Toronto Hydro-Electric Commission		
Scarborough Utilities	Toronto Hydro-Electric Commission		
Scarborough Public Utilities Commission	Toronto Hydro-Electric Commission		
S.P.U.C.	Toronto Hydro-Electric Commission		
Scarborough PUC	Toronto Hydro-Electric Commission		
<i>Trademarks (Unregistered)</i>			

Etobicoke Hydro Logo	The Hydro-Electric Commission of the City of Etobicoke		
Greensource*			
Our City's Source For Energy*			
Toronto Hydro Logo*			

**Trademark applications to be filed with CIPO by the Toronto Hydro-Electric Commission.*

SCHEDULE B
LICENSES AND PERMITS

1. Metering Certification:

Issued By: Measurement Canada

Title: Accreditation Certificate U/S – 007

Description: Permits verification and re-verification of electricity meters including compliance sampling

2. Certificate of Approval for Transport of PCBs

Issued By: Ministry of Environment

Title: Provisional Certificate of Approval No. A-840375

Description: Permits transport of PCB waste to Ontario PCB disposal sites

3. Exemption for Transport of Asbestos

Issued By: Ministry of Environment (Approvals Branch)

Title: Field Operations Exemption, as set out in correspondence dated March 23, 1998 to David Burnett

Description: Permits transport of asbestos

4. Radio Licenses

Issued By: Industry Canada

Title: Radio Licenses

Description: Various radio licenses permitting possession, installation and operation of radio equipment

5. PCB Storage Site Registrations

Issued By: Ministry of Environment

Title: 301-87A-010 for 3 Dohme Ave, East York
301-82A-028 for 10 Belfield Rd, Etobicoke
301-86A-057 for 50 Toryork Dr, North York
301-88A-032 for 2 Bicknell Ave, Toronto
301-86A-032 for 28 Underwriters Rd, Scarborough
301-96A-003 for 211 Sterling Rd, Toronto
301-94A-058 for 450 Commissioners St, Toronto
301-89A-025 for 2357 Danforth Ave, Toronto
301-85A-023 for 369 Carlaw Ave, Toronto
301-86A-023 for 532 Bay St, Toronto
301-85A-025 for 13-19 Wiltshire Ave, Toronto

Description: Various site registrations permitting storage of PCBs

6. Interim Distributor License issued to Toronto Hydro pursuant to section 129 of the Ontario Energy Board Act, 1998 (Ontario).

SCHEDULE C**REAL PROPERTY INTERESTS**

1	233 Adelaide Street East	Toronto
2	660 Adelaide Street West	Toronto
3	23 - 25 Basin Street	Toronto
4	399 Bathurst Street	Toronto
5	2500 Bathurst St.	Toronto
6	532 Bay Street	Toronto
7	777 Bay Street (Suites 403,405,423)	Toronto
8	20 Blackburn Street	Toronto
9	Bridgement Park - East Lots 251,252 Plan M-6	Toronto
10	Bridgement Park - North Lot 259 Plan M-6	Toronto
11	Bridgement Park - South Lots 241, 246 Plan M-6	Toronto
12	45 Bulwer Street	Toronto
13	345 Carlaw Avenue	Toronto
14	369 Carlaw Avenue	Toronto
15	14 Carlton Street	Toronto
16	20 Carlton Street	Toronto
17	38 Cecil Street	Toronto
18	327 Chaplin Crescent	Toronto
19	83 Charles Street East	Toronto
20	100 Cherry Street	Toronto
21	281 Cherry Street	Toronto
22	955 College Street	Toronto
23	440 Commissioners Street	Toronto
24	450 Commissioners Street	Toronto
25	500 Commissioners Street	Toronto
26	300 Coxwell Ave	Toronto
27	2357 Danforth Avenue	Toronto
28	391 Davenport Road	Toronto
29	65 Dickens Street	Toronto
30	730 Dovercourt Court	Toronto
31	1045 Dufferin Street	Toronto
32	1047 Dufferin Street	Toronto
33	744 Dundas Street East	Toronto
34	245 Dunn Avenue	Toronto
35	390 - 400 Duplex Avenue. (60 Eglinton Ave. W.)	Toronto
36	146 Dupont Street	Toronto
37	905 Dupont Street	Toronto
38	652 Eastern Avenue	Toronto
39	30 Edwin Avenue	Toronto
40	386 Eglinton Avenue East	Toronto
41	50 Eglinton Avenue West	Toronto
42	85 Elm Ridge Drive	Toronto
43	96 Gerrard Street	Toronto

44	542 Gladstone Avenue	Toronto
45	23 Granby	Toronto
46	130 Hammersmith Avenue	Toronto
47	37 Hanna Avenue rear	Toronto
48	144 Hazelwood Avenue	Toronto
49	Island Sub-Station situated in a building located at Island Filtration Plant, Central Island	Toronto
51	2 Jane Street	
52	101 Jefferson Avenue	Toronto
53	1080 Kingston Road	Toronto
54	2 Labatt Avenue	Toronto
55	446 Lakeshore Avenue	Toronto
56	885 Lakeshore Blvd E.	Toronto
57	444 Logan Avenue	Toronto
58	106 Lower Sherbourne Street	Toronto
59	290-296 MacPherson Avenue	Toronto
60	315 & 325 MacPherson Avenue	Toronto
61	365 MacPherson Avenue	Toronto
62	375 - 383 Madison Avenue	Toronto
63	640 Millwood Road	Toronto
64	394 Mount Pleasant Road	Toronto
65	35 Mowat Avenue	Toronto
66	19-47 Nelson Street	Toronto
67	45 Oakmount Avenue	Toronto
68	161 Oakwood Avenue	Toronto
69	93 Ontario Street	Toronto
70	740 Pape Avenue	Toronto
71	61 Pelham Park Avenue	Toronto
72	18 Portland Street	Toronto
73	1457 Queen Street West	Toronto
74	1 Rennie Terrace Rear	Toronto
75	508 - 510 (518,522) Runnymede Road	Toronto
76	546 Sherbourne Street (147 Isabella)	Toronto
77	298 Sorauren Avenue Rear	Toronto
78	242 South Kingsway	Toronto
79	5 Southport Street	Toronto
80	473 Spadina Crescent	Toronto
81	555 Spadina Road	Toronto
82	1860 St Clair Avenue West	Toronto
83	165 Stephenson Avenue	Toronto
84	211 Sterling Road	Toronto
85	6 Strachan Avenue	Toronto
86	8 Strachan Avenue	Toronto
87	16 Tecumseth St.	Toronto
88	120 - 124 Tecumseth St.	Toronto
89	180 Wellesley Avenue	Toronto
90	253 Wellington Street West	Toronto
91	7 Wiltshire Avenue	Toronto
92	19 Wiltshire Avenue	Toronto
93	39 Wiltshire Avenue	Toronto
94	137 Winona Drive	Toronto

95	25 (20) Wood St.	Toronto
96	2833 Yonge Street	Toronto
97	Albion Road	Etobicoke
	Part 1, Plan 66R-10509 and	
	Part 3, Plan 66R-9511	
98	26 Algie Avenue	Etobicoke
99	1 Annabelle Drive	Etobicoke
100	15 Arcot Blvd.	Etobicoke
101	55 Ashbourne Drive	Etobicoke
102	Attwell MS	Etobicoke
	Part 4, Plan 64R-6352	
103	10 Belfield Road	Etobicoke
104	121 Belfield Road	Etobicoke
105	10 Bellman Avenue	Etobicoke
106	132 Berry Road	Etobicoke
107	196 Bethridge Road	Etobicoke
108	124 Birmingham Street	Etobicoke
109	4237 Bloor Street	Etobicoke
110	756 Brown's Line	Etobicoke
111	16 Burlingame Road	Etobicoke
112	Burnhamthorpe Road	Etobicoke
	Pt Lot 20, Conc 1	
113	790 Burnhamthorpe Road	Etobicoke
114	70 Cannon Road	Etobicoke
115	139 Carlingview Drive	Etobicoke
116	367 Carlingview Drive	Etobicoke
117	56 Centennial Park Road	Etobicoke
118	90 Cordova Avenue (1276 Islington Avenue)	Etobicoke
119	59 Dalegrove Crescent	Etobicoke
120	174 Dixon Road	Etobicoke
121	298 Dixon Road	Etobicoke
122	1 Duffield Road	Etobicoke
123	64 Dunsany Crescent	Etobicoke
124	62(66) Elmhurst Drive	Etobicoke
125	194 Evans Avenue	Etobicoke
126	61 Fieldway Road	Etobicoke
127	59 Glen Agar Drive	Etobicoke
128	74 Guided Court	Etobicoke
129	2 Guinness Avenue	Etobicoke
130	39 Gunton Drive	Etobicoke
131	33 Hardwick Court	Etobicoke
132	267 Humberline Road	Etobicoke
133	63 Hunting Ridge	Etobicoke
134	913 Islington Avenue	Etobicoke
135	1066 Islington Avenue	Etobicoke
136	1442 Islington Avenue	Etobicoke
137	1720 Islington Avenue	Etobicoke
138	2310 Islington Avenue	Etobicoke
139	95 Kingsview Blvd	Etobicoke
140	Kipling Avenue, Hollywood MS	Etobicoke
	Pt Lot 6, Plan 1990	

141	2130 Kipling Avenue	Etobicoke
142	74 Leading Road	Etobicoke
143	34 Legion Road	Etobicoke
144	1 Longfeild Road	Etobicoke
145	21 Manstor Road	Etobicoke
146	2094 Martingrove Road	Etobicoke
147	2236 Martingrove Road	Etobicoke
148	25 McLachlan Drive	Etobicoke
149	119 Mill Road	Etobicoke
150	121 Mimico Avenue	Etobicoke
151	8 Newell Court	Etobicoke
152	88 North Queen Street	Etobicoke
153	318 Prince Edward Drive	Etobicoke
	Pt Lots 4,5,6 Plan 2318	
154	2 Rampart Road	Etobicoke
155	395 Rathburn Road	Etobicoke
156	54 Reid Manor	Etobicoke
157	307 Rexdale Blvd	Etobicoke
158	Royal York Road	Etobicoke
	Centre Drive MS,	
	Pt Lot 54, Plan 965	
159	714 Royal York Road	Etobicoke
160	1179 Royal York Road	Etobicoke
161	294 Scarlett Road	Etobicoke
162	746 Scarlett Road	Etobicoke
163	78 Shaver Avenue South	Etobicoke
164	17 Sinclair Street	Etobicoke
165	153 Taysham Crescent	Etobicoke
166	395 The East Mall	Etobicoke
167	360 The West Mall	Etobicoke
168	510 The West Mall	Etobicoke
169	191 The West Way	Etobicoke
170	55 (63B) Thistletown Blvd	Etobicoke
171	40 Torrington Drive	Etobicoke
172	18 Warbeck Place	Etobicoke
173	40 Watercliff Road	Etobicoke
174	127 Westmore Drive	Etobicoke
175	130 Westrose Avenue	Etobicoke
176	Windsor Street	Etobicoke
	Pt Lots 177,180 Plan 164	
177	27 Wingrove Hill	Etobicoke
178	Part Lot 25, Conc 1	Etobicoke
179	Lot 192, Plan 5719	Etobicoke
180	3706 Bathurst Street	North York
181	2065 Bayview Avenue	North York
182	130 Bond Avenue	North York
183	18 Brenthall Avenue	North York
184	1 Broadlands Blvd	North York
185	165 Burbank Drive	North York
186	941 Caledonia Road	North York
187	283 Churchill Avenue	North York
188	25 Combermere Drive	North York

189	639 Conacher Drive	North York
190	38 Cumber Avenue	North York
191	39 Deauville Lane	North York
192	Don Mills Centre MS, Pt Blk A, Plan 4545	North York
193	907 Don Mills Road	North York
194	223 Elmhurst Avenue	North York
195	635 Fenmar Drive	North York
196	175 Goddard Street	North York
197	169 Goulding Avenue	North York
198	29 Heathrow Drive	North York
199	65 Hobson Avenue	North York
200	1950 Islington Avenue	North York
201	4206 Jane Street	North York
202	Jonesville Rd Allowance, Part 1, Plan 64R-11703	North York
204	802 Lawrence Avenue East	North York
205	1857 Leslie Street	North York
206	5733 Leslie Street	North York
207	1 Lochinvar Street	North York
208	4 Milvan Drive	North York
209	58 Northdale Road	North York
210	22 Norton Avenue	North York
211	2756 Old Leslie Street	North York
212	105 Orfus Road	North York
213	85 Pemberton Avenue, Lots 125,126 Plan 2233	North York
214	12 Rivalda Road	North York
215	522 (520) Rustic Road	North York
216	1508 Sentinel Road	North York
217	144 (148) Shelborne Avenue	North York
218	1629 Sheppard Avenue West	North York
219	Sheppard Avenue West Pt Lot 16, Conc 3, W/Yonge	North York
220	1 Signet Drive	North York
221	180 (184) Sloane Avenue	North York
222	40 & 50 Toryork Drive	North York
223	282 Upper Highland Crescent	North York
224	11 Victory Drive	North York
225	77 Whitbread Crescent	North York
226	186 Willowdale Avenue	North York
227	228 Wilson Avenue	North York
228	1304 Wilson Avenue	North York
229	405 Woburn Avenue	North York
230	1 Wyvern Road	North York
231	4044 Yonge Street	North York
232	5800 Yonge Street	North York
233	1255 York Mills	North York
234	331 York Mills Road	North York
235	150 August Avenue	Scarborough
236	25 Bellamy Road North	Scarborough
237	119 Bellamy Road North	Scarborough

238	510 Bellamy Road	Scarborough
239	694 Birchmount Road	Scarborough
240	1047 Birchmount Road	Scarborough
241	54 Brian Avenue	Scarborough
242	90 Brimley Road	Scarborough
243	96 Brimley Road	Scarborough
244	531 Brimley Road	Scarborough
245	657 Brimley Road	Scarborough
246	816 Brimley Road	Scarborough
247	1221 Brimley Road	Scarborough
248	1994 Brimley Road	Scarborough
249	3 Bernadine Street	Scarborough
250	2 Canadian Road	Scarborough
251	29 Canadian Road	Scarborough
252	110 Canadian Road	Scarborough
253	Canadine Road SS, Pt Lot 1, Plan 3711	Scarborough
254	Cavehill Crescent, Blk B, Plan 5317	Scarborough
255	191 Centennial Road	Scarborough
256	61 Civic Road	Scarborough
257	Clonmore Drive MS, Lot 9-11, Plan 1756	Scarborough
258	57 Comstock Road	Scarborough
259	590 Coronation Drive	Scarborough
260	39 Craighton Drive	Scarborough
261	243 East Avenue	Scarborough
262	47 Elinor Avenue	Scarborough
263	159 Ellesmere Road	Scarborough
264	867 Ellesmere Road	Scarborough
265	156 Fallingbrook Road	Scarborough
266	3200 Finch Avenue East	Scarborough
267	37 (51) Galloway Road	Scarborough
268	30 Greencedar Circuit	Scarborough
269	104 Hollis Avenue	Scarborough
270	754 (750) Huntingwood Drive	Scarborough
271	750 Kennedy Road	Scarborough
272	3065 Kingston Road	Scarborough
273	3077 Kingston Road	Scarborough
274	3359 Kingston Road	Scarborough
275	3375 (3365) Kingston Road	Scarborough
276	4446 Kingston Road	Scarborough
277	2355 Lawrence Ave. E.	Scarborough
278	3782 (3780) Lawrence Ave. E.	Scarborough
279	74 Livingston Road	Scarborough
280	2505 Livingston Road	Scarborough
281	10 Lupin Dr.	Scarborough
282	46 Malamute Crescent	Scarborough
283	212 Markham Road	Scarborough
284	940 Markham Road	Scarborough
285	705 McCowan Rd.	Scarborough
286	486 Midland Avenue	Scarborough
287	676 Midland Avenue	Scarborough
288	1365 Midland Avenue	Scarborough
289	2753 Midland Avenue	Scarborough

290	720 Military Trail	Scarborough
291	105 Millikin Blvd	Scarborough
292	160 Morningside Avenue	Scarborough
293	351 Morrish Road	Scarborough
294	83 North Bonnington Avenue	Scarborough
295	150 Orton Park Road	Scarborough
296	300 Palmdale Drive	Scarborough
297	Pharmacy Avenue, Pt Lot 4, Plan 1079	Scarborough
298	895 Progress Avenue	Scarborough
299	22 Rosscowan Street	Scarborough
300	4 Saunders Road	Scarborough
301	1000 Scarboro Golf Club Road	Scarborough
302	3762 Sheppard Avenue East	Scarborough
303	Sinnott Road, Pt Lot 3, Plan 3759	Scarborough
304	3135 St. Clair Ave. E.	Scarborough
305	52 (50) Sunderland Crescent	Scarborough
306	60 Tiffield Road	Scarborough
307	7 Trestleside Grove	Scarborough
308	28 Underwriters Road	Scarborough
309	46 Wexford Blvd	Scarborough
310	Blk F, Plan 7725	Scarborough
311	Part Lot 28, Conc 4	Scarborough
312	Lot 415, Plan 2050	Scarborough
313	Pt Lots 45,46,47 Plan 319	Scarborough
314	327 Cedarvale Avenue	East York
315	258 Cosburn Avenue	East York
316	465A Cosburn Avenue	East York
317	171 Dawes Road	East York
318	30 Fairside Avenue	East York
319	10 Gamble Avenue	East York
320	Pottery Road SS, Pt Lot 13, 14 Con 2	East York
321	410 Gilbert Avenue	York
322	Roselawn Avenue at Dansbury Avenue, Part	York

of Dansbury Avenue, Plan 1775

SCHEDULE D**RESERVES****Development Charges Fund**

The funds received are for specific growth related capital works to be undertaken.

Reserve Deposits

Represents amounts received from third parties which are restricted as to use for specific purposes.

Construction Deposit Collateral Funds

Advance deposits received from contractors

SCHEDULE E

EXCLUDED ASSETS

A. Real Property Interests

ADDRESS	LOCATION	TYPE	DATE AVAILABLE	ASSESSMENT VALUE
14/18 Dyas Road	North York	Office/Service	October 2001	\$1,909,300
1530 Markham Road	Scarborough	Office	October 2001	\$5,402,000
2 Civic Centre Court	Etobicoke	Office	April 2000	\$3,531,725
2 Bicknell Avenue	York	Service	1999	\$301,000
700 Huron	Toronto	Service	1998	\$5,021,000
200 Madison Avenue	Toronto	Service	1998	\$433,000
15 Rotherham Avenue	York	Service	July 1999	\$826,000
1652 Keele Street	York	Office	April 1999	\$1,148,000
175 Memorial Park	East York	Office	April 1999	\$1,053,000
3 Dohme Avenue	East York	Service	October 1999	\$588,000
325 Chaplin Crescent	Toronto	Service	October 1999	\$609,000
118A & 120 Pearl Street	Toronto	Lease -	July 1999	\$1,723,000
8270 Sheppard Avenue	Scarborough	Lease -Yard	September	\$1,022,422
2756 Old Leslie Street	North York	Yard/Buildin	April 2000	202,000
			TOTAL	\$23,769,447

B. Other

Cash in the amount of one hundred million dollars (Cdn **\$100,000,000.00**).

Plus interest payable from July 1, 1999 through December 31, 1999 on the outstanding debentures of \$76,386,000 issued by City for the benefit of Toronto Hydro.

To be adjusted to July 1, 1999

SCHEDULE F

EXCLUDED LIABILITIES

Long Term Debt (Net of sinking funds) incurred by the City of Toronto on behalf of the Toronto Hydro-Electric Commission.

As at December 31, 1998:

Sinking fund debenture, due July 6, 1999 (stated rate 10.13%, effective 10.37%)	\$830,000
Sinking fund debenture, due November 30, 1999 (stated rate 10.00%, effective rate 10.23%)	\$1,134,000
Instalment debenture, due June 8, 2005 (effective rate 8.17%)	\$25,933,000
Sinking fund debenture, due June 28, 2006 (stated rate 7.85%, effective rate 7.96%)	\$25,241,000
Sinking fund debenture, due August 15, 2007 (stated rate 6.10%, effective rate 6.26%)	\$23,248,000
Total amount	\$76,386,000

SCHEDULE G

ALLOCATION OF CONSIDERATION

Toronto Hydro-Electric Systems Limited

As at December 31, 1998

In \$thousands

ASSETS

Current assets

Cash and investments	\$ 81,870
Accounts receivable	129,204
Unbilled revenue	115,860
Inventories	34,567
Other current assets	1,915
	<u>363,416</u>

Fixed assets

1,477,118

Other assets

Deferred charges	20,670
Development charges	2,817
Other assets	5,449
	<u>28,936</u>

Total Assets

\$ 1,869,470

Less: Assumed Liabilities

Current Liabilities

Due to Ontario Hydro	\$ 145,907
Accounts payable and accruals	68,025
Current portion of long-term liabilities	11,508
Provision for vacation pay	5,654
	<u>231,094</u>

Long-term liabilities

Customers' advance deposits	21,455
Other deposits	4,651
Accumulated sick leave credits	13,859
Voluntary exit incentive retirement supplement	7,724
Workers' compensation benefits	5,150
Development charges fund	2,817
Provision for environmental costs	3,676
	<u>59,332</u>

Net Transfer

\$ 1,579,044

Consideration:

Promissory Note	947,426
Equity	631,618
	<u><u>\$ 1,579,044</u></u>

Toronto Hydro Energy Services Inc.

As at December 31, 1998

In \$ thousands

ASSETS

Current assets

Cash and investments \$ 40,000

Total Assets **\$ 40,000**

Assumed Liabilities nil

Net Transfer **\$ 40,000**

Consideration:

Equity 40,000

\$ 40,000

To be adjusted to July 1, 1999.