



## REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

### Toronto Hydro Corporation - Annual General Meeting and 2017 Audited Financial Statements

**Date:** June 5, 2018

**To:** Executive Committee

**From:** Interim City Manager and Interim Chief Financial Officer

**Wards:** All Wards

#### REASON FOR CONFIDENTIAL INFORMATION

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The attachments to this report involve the security of property belonging to the City of Toronto or Toronto Hydro Corporation.

This report deals with personal matters about an identifiable person.

#### SUMMARY

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This report contains recommendations for actions necessary to comply with the requirements of the *Business Corporations Act*, (Ontario) R.S.O. 1990, c.B.16 (OBCA) for holding the Annual General Meeting of the Shareholder of Toronto Hydro Corporation (THC) including receipt of THC's audited annual consolidated financial statements for 2017 and appointment of the auditor for THC for 2018.

This report also contains recommendations for receipt at the Annual General Meeting of the Shareholder of THC of other reports provided by THC as required by the Amended and Restated Shareholder Direction Relating to THC (Shareholder Direction) which, in addition to the OBCA requirements, include:

- THC's annual report, environmental performance report and annual information form;
- THC's report to the Shareholder, consolidated and non-consolidated financial statements and financial statements for its subsidiary companies. Note that THC has advised the City that Attachments 7, 8, 9 and 10 are confidential due to: the security of the property of the City, and securities requirements arising from THC's status as an offering corporation under the OBCA, THC's status as a reporting issuer under

the Securities Act (Ontario), R.S.O. 1990, c.S.5, and the application by the Ontario Securities Commission of National Instrument 51-102; and

- THC's disclosure of executive compensation in two parts, with the part in Attachment 11b being confidential as it includes personal information about identifiable individuals.

## **RECOMMENDATIONS**

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The Interim City Manager and Interim Chief Financial Officer recommend that:

1. City Council treat that portion of the City Council meeting at which this Report is being considered as the Annual General Meeting of the Shareholder for Toronto Hydro Corporation, and in accordance with the proposed recommendations in the "Toronto Hydro Corporation Report on the 2017 Annual Shareholder Meeting" dated May 18, 2018 contained in Attachment 1:
  - a. approve the "Resolution of the Sole Shareholder Re-appointing Auditor" in Attachment 1 Appendix A in order to re-appoint KPMG LLP, Chartered Accountants, as the auditor for THC for 2018 until the close of the next annual meeting of the Shareholder, or until a successor is appointed, at such remuneration as may be fixed by the Corporation's Board;
  - b. receive the "Toronto Hydro Corporation 2017 Annual Report – Energizing Growth and Innovation," the "Toronto Hydro Corporation 2017 Financial Report dated December 31, 2017 including Toronto Hydro Corporation's Audited Consolidated Financial Statements and the Auditors' Report," the "Toronto Hydro Corporation Annual Information Form for the Year Ended December 31, 2017," the "Toronto Hydro Corporation 2017 Environmental Performance Report," the "Toronto Hydro Corporation CEO and CFO Certification of Annual Filings," the "Toronto Hydro Corporation First Quarter Financial Report dated March 31, 2018," and the "Toronto Hydro Corporation Statement of Remuneration and Expenses for Council Appointees for the Year Ended December 31, 2017," forming Attachments 2, 3, 4, 5, 6a, 6b, 12, and 13 respectively to this Report;
  - c. receive the "Toronto Hydro Corporation Report to the Shareholder for the Year Ended December 31, 2017," the "Toronto Hydro Corporation Non-Consolidated Financial Statements dated December 31, 2017," the "Financial Statements of Toronto Hydro-Electric System Limited dated December 31, 2017" and the Auditors' Report thereon, and the "Financial Statements of Toronto Hydro Energy Services Inc. dated December 31, 2017" and the Auditors' Report thereon, forming Confidential Attachments 7, 8, 9 and 10 respectively to this Report; and
  - d. receive the two-part report "Executive Compensation Disclosure Toronto Hydro Corporation 2017", forming Attachment 11a and Confidential Attachment 11b to this Report.

2. City Council direct that Confidential Attachments 7, 8, 9 and 10 remain confidential in their entirety due to the security of the property of the City and securities requirements arising from Toronto Hydro Corporation's status as an offering corporation under the *Business Corporations Act*, (Ontario) R.S.O. 1990, c.B.16, Toronto Hydro Corporation's status as a reporting issuer under the *Securities Act*, (Ontario) R.S.O. 1990, c.S.5, and the application by the Ontario Securities Commission of National Instrument 51-102.
3. City Council direct that Confidential Attachment 11b remain confidential in its entirety as it deals with personal information about identifiable individuals.
4. City Council direct the City Clerk to forward a copy of the "Toronto Hydro Corporation Consolidated Financial Statements December 31, 2017 and 2016", included as part of Attachment 3 to this Report, to the Audit Committee for information.

## **FINANCIAL IMPACT**

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THC paid the City \$75 million in dividends in 2017, in accordance with the City's Shareholder Direction to THC. The 2018 City Council-Approved Operating Budget included receipt of dividends in 2018 from THC totalling \$90 million. Based on THC actual financial results for the year ended December 31, 2017, the City anticipates receiving dividends totaling \$93.9 million in 2018, including dividends already received on March 29, 2018 of \$23.475 million.

The Interim Chief Financial Officer has reviewed this Report and agrees with the financial impact information.

## **DECISION HISTORY**

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At its meeting of January 24, 2018, Executive Committee requested the City Manager to review the executive compensation policy at Toronto Hydro including recommendations on an appropriate salary and compensation cap, to compare THC executive salaries and compensation with similar corporations in other Canadian municipalities, and to consult with the City Solicitor and Toronto Hydro to determine what parts of Toronto Hydro's confidential attachments as part of EX30.10 can be publicly released. At the same meeting, Executive Committee requested the Toronto Hydro Board of Directors to review current executive compensation packages and bonusing policies at Toronto Hydro.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX30.10>

At the Annual Meeting of the Shareholder on October 2, 3 and 4, 2017, City Council adopted item EX27.1 Toronto Hydro Corporation Annual General Meeting and 2016 Annual Audited Financial Statements.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX27.1>

At its meeting of December 13, 14 and 15, 2016, City Council approved a \$250 million equity investment in THC.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX25.8>

At its meeting of May 7, 8, 9 and 10, 2013, City Council in EX31.7 approved the Amended and Restated Shareholder Direction Relating to THC.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX31.7>

On July 11, 2012, City Council adopted the requirement that Shareholder Directions for all wholly-owned City corporations be amended to require public disclosure to the extent permitted by law of individual executive compensation as part of the annual reporting to the Shareholder and where required obtain consent from executives.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX21.19>

## **ISSUE BACKGROUND**

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Subsection 154 (1) of the OBCA requires that the Shareholder receive THC's audited annual financial statements and the report of the auditor at the annual meeting of the Shareholder. Subsection 94 (1) requires that the directors of THC call an annual meeting of its Shareholder by no later than fifteen months after holding the last preceding annual meeting, which was held by City Council at its meeting of October 2, 3 and 4, 2017.

Section 149 (2) of the OBCA requires that THC's Shareholder at each annual meeting appoint one or more auditors to hold office until the close of the next annual meeting, and allows the Shareholder to authorize the directors to fix the auditor's remuneration.

Section 9.7 of the THC Shareholder Direction requires THC to deliver its audited consolidated annual financial statements for THC and its active subsidiary companies to the Shareholder within three months after the end of each fiscal year.

Section 9.8 of the THC Shareholder Direction requires THC to deliver an annual report detailing THC's accomplishments, Business Plan status, environmental performance data, executive compensation information, and the financial statements noted above.

THC's audited consolidated annual financial statements for 2017 are included as part of Attachment 3 to this Report and are filed with the City Clerk's office, posted on THC's website and posted on the SEDAR (System for Electronic Document Analysis and Retrieval) website for Canadian public securities documents.

The Annual Information Form (AIF) is a public document published annually by THC as a public debt issuer in accordance with Ontario Securities Commission requirements. The 2017 AIF is filed with the City Clerk's office, posted on THC's website and posted on the SEDAR website for Canadian public securities documents.

## COMMENTS

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### 1. Appointment Of Auditor

The auditor is selected by THC based on a competitive process, subject to Shareholder approval. KPMG LLP, Chartered Accountants, has been selected by THC as the external auditor for the 2018 calendar year and for completion of the 2018 year-end audit in 2019. It is recommended that City Council, acting as Shareholder, approve the Shareholder Resolution in Appendix A to THC's Report forming Attachment 1 to this Report, which includes the Shareholder Resolution to appoint KPMG LLP, Chartered Accountants, as the auditor for THC for 2018 and to authorize the Board of Directors of THC to fix the auditor's remuneration.

### 2. Key Achievements In 2017

THC's 2017 Annual Report, Energizing Growth and Innovation, includes the following information on THC's corporate governance and contains highlights on THC's operational performance. Key achievements by THC in 2017 include the following:

- Served approximately 768,000 residential, commercial and industrial customers.
- For the year ended December 31, 2017, THC generated a net income after net movements in regulatory balances of \$156.5 million and paid \$75 million in dividends to the City of Toronto.
- Invested \$552.9 million, primarily to renew aging infrastructure to address safety, reliability and customer service requirements. As a result, since 2010 average service interruptions have improved by approximately 19% and the average duration of interruptions has improved by approximately 24%.
- In April 2017, Standard & Poor's restored THC's credit rating to A with a "Stable" outlook, from the previous "Negative" outlook.
- Awarded the 2017 Customer Service award by the Ontario Energy Association in recognition of THC's customer service initiatives.
- Supported major capital investment projects across the city, including Metrolinx's Light Rail Transit expansion and GO Regional Electrification of Rail Program and the TTC's Scarborough Subway Extension project.
- Received Canada's Safest Employers Gold safety Award in the Utilities and Electrical Category, and the 2017 Canadian Electricity Association President's Award of Excellence for Employee Safety.
- Raised \$800,000 at the annual golf tournament in support of the Ross Tilley Burn Centre at Sunnybrook Hospital, and raised more than \$153,000 for United Way Toronto and York Region.

### 3. Summary – 2017 Audited Consolidated Financial Statements

The Audited Consolidated Financial Statements for THC for the fiscal year ended December 31, 2017 are provided in Attachment 3 to this Report. These financial results reflect the consolidated operations of THC, and its wholly-owned subsidiaries:

- Toronto Hydro-Electric System Limited (THESL), an electricity distribution company to approximately 768,000 customers, which makes up the majority of THC's business; and
- Toronto Hydro Energy Services Inc. (THESI), a smaller subsidiary having only a minor impact on THC's financial results. The business of this subsidiary includes the provision of street lighting services to the City of Toronto.

Attachment 6 to this Report provides the Ontario Security Commission forms that certify the THC filings. THC's 2017 Report to the Shareholder and THC's confidential financial statements, including unconsolidated statements relating to its subsidiary companies and the holding company are provided in Confidential Attachments 7, 8, 9 and 10.

A summary of public financial data for 2017 and 2016 is provided below in Table 1.

*Table 1 - THC Audited Consolidated Key Financial Results (\$millions)*

	2017	2016	Change Yr over Yr	% Change
<b>Balance Sheet Items as at Dec 31</b>				
Capital Expenditures	552.9	551.7	1.2	0.2%
Total Assets and Regulatory Balances*	5,226.2	4,954.4	271.8	5.5%
Debentures	2,034.0	2,084.6	(50.6)	(2.4%)
Short Term Debt (not including current portion of debentures)	170.7	268.1	(97.4)	(36.3%)
Total Liabilities	3,305.8	3,356.1	(50.3)	(1.5%)
Shareholder's Equity	1,760.4	1,428.9	331.5	23.2%
<b>Income Statement for the year ended Dec 31</b>				
Gross Revenues	3,849.7	4,030.0	(180.3)	(4.5%)
<b>Less:</b>				
Purchased Power	3,063.5	3,216.9	(153.4)	(4.8%)
Operating Expenses	293.0	277.1		
Depreciation & Amortization	224.2	212.2		
<b>Total Operating Expenses</b>	<b>3,580.7</b>	<b>3,706.2</b>	(125.5)	(3.4%)
<b>Net Operating Income</b>	<b>269.0</b>	<b>323.8</b>	(54.8)	(16.9%)
Net Financing Charges	77.7	74.2		
Provision for Payment in Lieu of Taxes	44.7	67.1		
(Gain) Loss on Disposal of Assets	(9.8)	(2.1)		
Chg. In Regulatory Balances* +(-)	0.1	(33.2)		
<b>Net Income</b>	<b>156.5</b>	<b>151.4</b>	5.1	3.4%
Dividends Paid	75.0	63.4	11.6	18.3%

\*regulatory balances are recovered over time in accordance with OEB orders.

THC consolidated net income after net movements in regulatory balances for the year ended December 31, 2017, at \$156.5 million, increased by 3.4% over fiscal 2016. This increase was primarily due to higher 2017 electricity distribution rates and other revenues. THC revenues included:

- Energy Sales (\$3,017.8 million vs \$3,306.2 million in 2016), including charges to customers for electricity consumed, transmission charges, and other non-distribution charges. While energy sales should equal the cost of energy purchased, a difference between the two relates to timing differences between amounts paid, and amounts charged to customers.
- Electricity distribution revenues, at \$724.2 million in 2017, increased as compared with \$647.9 million in 2016, due to the implementation of electricity distribution rates as approved by the Ontario Energy Board, and offset by a lesser demand for electricity in part as a result of milder weather.
- Other revenues of \$107.7 million in 2017, increased over \$75.9 million in 2016. This increase was primarily due to higher revenue in connection with ancillary services, street lighting services, pole and duct rentals, recognition of a Conservation and Demand Management mid-term incentive, and other items.

Capital expenditures relate primarily to the renewal of the electricity infrastructure. For the year ended December 31, 2017, THC had capital expenditures on property, plant, and equipment, and intangible assets of \$552.9 million, of which \$544.9 million were regulated capital expenditures, and \$8 million were non-regulated.

At its meeting of December 13, 14, and 15, 2016, City Council approved an equity contribution to THC of \$250 million, to provide support for its credit rating and balance sheet strength, and to restore and enhance its capacity to pay dividends to the City. As at December 31, 2017, THC had a reduced amount of debt over the previous fiscal year.

THC's equity increased to \$1,760.6 million from \$1,428.9 million at the end of fiscal 2016, as a result of the City's equity contribution, THC net income after regulatory balances and after the payment of dividends. In 2017, the City received dividend payments from THC totalling \$75 million.

The City's equity contribution was favourably received by the marketplace, Standard & Poor's (April 2017) having restored the corporate credit rating to A with a "Stable" outlook (from "Negative" outlook) as a result of Council's decision.

*Table 2 – THC Credit Ratings, December 31, 2017*

	<b>Issuer Rating</b>	<b>Senior Unsecured Debentures</b>
<b>DBRS</b>	A stable	A stable
<b>S&amp;P</b>	A stable	A

#### **4. Highlights – 2017 Annual Information Form**

THC's Annual Information Form for the year ended December 31, 2017 is Attachment 4 to this Report. The AIF is published annually by THC as a public debt issuer according to Ontario Securities Commission requirements.

##### **Employees**

At December 31, 2017, THC had approximately 1,440 employees. Included in THC's employees are 804 members of bargaining units represented by the Power Workers' Union (PWU), and 67 engineers represented by the Society of Energy Professionals. THC employees currently represented by PWU were formerly represented by Canadian Union of Public Employees, Local One (CUPE One), which merged with PWU on October 6, 2016.

On February 13, 2014, CUPE One ratified collective agreements governing inside and outside employees for a four-year period expiring January 31, 2018. Bargaining for a new collective agreement between the PWU and Toronto Hydro began on October 23, 2017. Negotiations are ongoing. The terms and conditions of the 2014-2018 collective agreement continue to apply until a new collective agreement is reached.

On July 7, 2016, the Society of Energy Professionals ratified a new collective agreement for a four-year period expiring December 31, 2019.

##### **Executive Compensation**

The principal components of compensation for Named Executive Officers (NEOs) includes base salary, performance-based incentive compensation, personal benefits and perquisites, pension plan, retirement benefits, retirement allowances and termination payments. The compensation of NEOs is set out in the AIF in Attachment 4.

In addition to the executive compensation reported through the AIF, City Council as the Shareholder has also directed that executive compensation, including compensation for executives other than NEOs, be disclosed annually to City Council as permitted by law.

This information is provided in two parts in Attachment 11a and Confidential Attachment 11b to this Report to present public and confidential information separately. The compensation disclosure for NEOs, which is already public information through the AIF, forms Attachment 11a to this Report. Reporting of additional executive compensation information includes personal information about identifiable individuals and this information is contained in Confidential Attachment 11b to this Report.

At its meeting of January 24, 2018, Executive Committee received a confidential report from the Board of THC on the Corporation's Executive Compensation Policy. This report was in response to City Council's direction in 2016 for the Board of THC to review its senior executive compensation policy and incorporate Council's guiding principles for executive compensation at agencies and corporations established in 2014. Executive Committee requested the City Manager to: review the executive compensation policy at Toronto Hydro and provide recommendations on an appropriate salary and compensation cap which will limit compensation for all new executives hired by the



Corporation; compare Toronto Hydro executive salaries and compensation with similar corporations in other municipalities across Canada and report back to the Executive Committee; and, consult with the City Solicitor and Toronto Hydro to determine what parts of the Board of THC's confidential report on executive compensation can be publicly released. Executive Committee also requested the Board of THC to review current executive compensation packages and bonus policies at Toronto Hydro to assess opportunities to bring compensation in line with other City policies.

Executive Committee's request of the City Manager requires substantial policy development on executive compensation, information gathering from municipal corporations across Canada, and analysis of their data, policies and practices. The City Manager and THC continue to move forward on Executive Committee's direction.

### **Rate Application**

Toronto Hydro-Electric System Limited (THESL) submitted a rate application in 2014 to the OEB for the period of 2015-2019. On August 23, 2017, THESL filed its 2018 rate application seeking OEB's approval to finalize distribution rates and other charges for the period commencing on January 1, 2018 and ending on December 31, 2018. On December 14, 2017, the OEB issued a decision and rate order approving THESL's 2018 rates, with an effective date of January 1, 2018, and the disposition of certain deferral and variance accounts. THESL is anticipating submitting a rate application to the OEB in the latter half of 2018 for the period of 2020 to 2024.

### **Ontario's Fair Hydro Plan**

On March 2, 2017, the Government of Ontario Announced Ontario's Fair Hydro Plan (OFHP) which includes a number of initiatives, some of which affect local distributor companies or its customers.

OFHP includes the Ontario Rebate for Electricity Consumers (OREC), which came into effect on January 1, 2017. The OREC provides eligible customers with financial assistance in the form of an 8% rebate of the pre-tax cost of their electricity. The OREC rebates are administered by local distribution companies and paid by the Independent Electricity System Operator (IESO).

### **Conservation and Demand Management (CDM)**

On November 13, 2014, THESL entered into an energy conservation agreement with the Ontario Power Authority (now IESO) for the delivery of Conservation Demand Management (CDM) programs over the 2015-2020 period. Under the energy conservation agreement with the IESL, THESL submitted a joint CDM plan with Oakville Hydro for the delivery of CDM programs over the 2015-2020 period on April 30, 2015.

The joint CDM plan provides combined funding of approximately \$425 million, including participant incentives and program administration costs to achieve an aggregate energy savings target of approximately 1,668 Gigawatt hours (GWh). THESL received \$44.9 million as at December 31, 2016 and \$57.4 million in the year ended December 31, 2017 from the IESO for the delivery of CDM programs. For fiscal year 2017, THESL

estimated that approximately \$12.9 million qualified as a joint mid-term incentive, of which \$12.2 million represents THESL's portion and is included in revenue.

Effective October 16, 2017, THESL entered into an agreement to transfer \$4.0 million of funding and a corresponding 20 GWh of its energy savings target to another local distribution company. This agreement will decrease the joint CDM plan funding with Oakville Hydro to \$421.0 million, with a revised energy savings target of 1,648 GWh. The revised CDM plan was approved by the IESO on December 14, 2017.

## **5. 2017 Environmental Performance**

Attachment 5 to this Report contains THC's 2017 Environmental Performance Report. Highlights for 2017 include the following:

### *Environment, Health and Safety Management System*

- In November 2017, Toronto Hydro underwent and passed an external audit to upgrade its existing Environmental Management System certification from the International Organization for Standardization's 2004 Environmental Management Systems Standard (ISO 14001:2004) to the 2015 version of the standard (ISO 14001:2015). Additionally, the audit confirmed that Toronto Hydro has continued to maintain its Occupational Health and Safety Assessment Series Standard for Occupational Health and Safety Management Systems (OHSAS 18001:2007) certificate. No findings were identified during this audit, with the auditor specifically recognizing the management element of Toronto Hydro's system as benchmark status.
- An update to Toronto Hydro's environmental policy was required as part of the upgrade to ISO 14001:2015. The updated environmental policy also included a commitment to mitigate the impacts of climate change on the organization in order to satisfy the City of Toronto's requirement for a climate adaptation policy.

### *Energy Use and Greenhouse Gases*

- Toronto Hydro's 2017 GHG emissions, excluding SF<sub>6</sub> (sulphur hexafluoride), were 34,792 tCO<sub>2</sub>e, a decrease of 7% relative to 2016. The make-up of Toronto Hydro's carbon footprint is as follows: 84% of emissions attributed to line losses, 8% attributed to fleet emissions, and facilities (electricity and natural gas use) are responsible for 8%.
  - Fleet fuel consumption and associated emissions decreased by approximately 9% relative to 2016 and by approximately 35% relative to 2013. This is the result of continued efforts to reduce the number of vehicles and optimize their use, the implementation of the Idle Management System, as well as the creation of portable and satellite work sites in close proximity to capital project locations.
  - Total electricity use (in kWh) and natural gas use (in m<sup>3</sup>) in Toronto Hydro facilities decreased by 12% and 11%, respectively from 2016. These improvements were largely due to the energy efficiency projects implemented in 2017.

- A 15% and 6% decrease in total GHGs from electricity and line losses, respectively, are partially attributed to the lower provincial emission factor (the electricity mix in Ontario was less GHG intensive in 2017 relative to 2016 and 2015). Additionally, a multi-year program to increase the efficiency of the distribution system has contributed to reduced GHG emissions from line losses. Toronto Hydro is replacing less efficient 4.16 kilovolt (kV) infrastructure with a more efficient 13.8 kV and 27.6 kV infrastructure.

#### *Energy Conservation and Demand Management (CDM)*

- In 2017, Toronto Hydro continued to work with residential, small business, industrial and commercial customers to implement energy-efficiency projects. Toronto Hydro's 2017 CDM programs led to an estimated energy savings of 353,000 MWh and reduced summer peak demand by 43 MW. These initiatives also helped to reduce GHG emissions in the city by 14,120 tCO<sub>2</sub>e.

#### *Renewable Energy*

- Toronto Hydro has enabled more than 1,750 renewable generation interconnections totalling approximately 96.6 MW between 2009 and 2017, representing 18% of the City's 2020 renewable energy generation goal, and approximately 58% of the City's 2020 goal for solar photovoltaic generation.
- Toronto Hydro has jointly invested with the City in solar photovoltaic projects on City-owned facilities.

#### *Energy Security and Supply*

- Toronto Hydro continues to work to ensure adequate distribution capacity is available in Toronto and to support the City's objective of ensuring infrastructure resiliency. Initiatives include collaborating with Hydro One to mitigate the potential impact of high-risk events, investing in the grid to improve service reliability, and proactive inspection and maintenance work to help mitigate risk.

#### *Climate Change and Adaptation*

- In 2017, Toronto Hydro continued to implement a number of initiatives aimed at improving the system's resiliency to extreme weather events caused by climate change. Toronto Hydro also continued to collaborate on climate change adaptation with the City of Toronto and other agencies. For example, Toronto Hydro continues to work with participants of the Resilient City Working Group to identify areas of the grid that are vulnerable to extreme weather events and to improve information sharing processes to better prepare for major weather events and mitigate the impact on the city.

#### *Grid Emergency Management*

- Toronto Hydro has developed a formal Grid Emergency Management (GEM) program to improve the response to extreme weather events. In 2017, initiatives developed and incorporated into the GEM program include playbooks containing

emergency management plans for high risk capital projects, an awareness program for all Toronto Hydro staff, and seminars and training with senior management.

## **CONTACT**

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## **SIGNATURE**

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Joe Farag  
Interim Chief Financial Officer

Giuliana Carbone  
Interim City Manager

## **ATTACHMENTS**

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Attachment 1 - Toronto Hydro Corporation Report on the 2017 Annual Shareholder Meeting

Attachment 1 Appendix A - Resolution of the Sole Shareholder Re-appointing Auditor

Attachment 2 - Toronto Hydro Corporation 2017 Annual Report, Energizing Growth and Innovation

Attachment 3 - Toronto Hydro Corporation Financial Report dated December 31, 2017 including Toronto Hydro Corporation's Consolidated Financial Statements and the Auditor's Report

Attachment 4 - Toronto Hydro Corporation Annual Information Form for the Year Ended December 31, 2017

Attachment 5 - Toronto Hydro Corporation 2017 Environmental Performance Report

Attachment 6a - Toronto Hydro Corporation CEO Certification of Annual Filings

Attachment 6b - Toronto Hydro Corporation CFO Certification of Annual Filings

Confidential Attachment 7 - Toronto Hydro Corporation Report to the Shareholder for the Year Ended December 31, 2017

Confidential Attachment 8 – Toronto Hydro Corporation Non-Consolidated Financial Statements dated December 31, 2017

Confidential Attachment 9 - Financial Statements of Toronto Hydro-Electric System Limited dated December 31, 2017

Confidential Attachment 10 - Financial Statements of Toronto Hydro Energy Services Incorporated dated December 31, 2017

Attachment 11a - Executive Compensation Disclosure Toronto Hydro Corporation 2017 (Part 1)

Confidential Attachment 11b - Executive Compensation Disclosure Toronto Hydro Corporation 2017 (Part 2)

Attachment 12 - Toronto Hydro Corporation First Quarter Financial Report dated March 31, 2018

Attachment 13 - Toronto Hydro Corporation Statement of Remuneration and Expenses for Council Appointees for the Year Ended December 31, 2017