

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15, Sched. B, as amended (the **Act**);

AND IN THE MATTER OF an application by Hydro One Networks Inc. for an order or orders made pursuant to section 78 of the Act approving rates for the transmission of electricity.

EB-2019-0082

CROSS-EXAMINATION COMPENDIUM

PANEL 3

ANWAATIN INC.

October 30, 2019

EB-2019-0082
PANEL 3 COMPENDIUM
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Hydro One Engagement - Key Issues

Larry Sault

- 1) **Poor system reliability and disproportionate negative impact on First Nations with Hydro One**
 - a. There is an extraordinary and very real reliability disparity that First Nations communities are experiencing and have been experiencing for a long time - the disproportionate negative impact that that reliability disparity has specifically on First Nations communities.
 - b. **Evidence shows that 60% of distribution assets serving First Nation communities are CDPP outliers (Customer Deliver Point Performance Standard “outliners” are the worst performing parts of the transmission system)**
 - c. Delivery point reliability for A4L transmission line communities – Lake Nipigon First Nations to Geraldton/Ginoogaming/Aroland is 20.81 times worse than Ontario average - Four times worse than other Northern Ontario communities
- 2) **First Nations communities have raised concerns about the high frequency and duration of power outages, particularly in northern Ontario.** Some communities have also indicated that the electricity supply is not sufficiently reliable to serve businesses on reserve and are concerned about degrading Hydro One asset conditions on reserve.
- 3) **Distributed Energy Resources (DERs) - North America’s electric power system generation resource mix is changing from the use of larger synchronous sources to the use of a more diverse fleet of smaller sized resources with varying generation characteristics called Distributed Energy Resources or DERs** which include renewables, energy storage and biomass generation
 - a. How is Hydro One creating First Nations investment/ownership opportunities, and other business partnership opportunities related to DERs in grid-connected communities?
 - b. How is Hydro One working with First Nations on DERs to improve system reliability given the very poor reliability of systems serving First Nations?
 - c. Given Hydro One’s findings that some First Nation communities indicate that the electricity supply is not sufficiently reliable to serve businesses on reserve and are concerned about degrading Hydro One asset conditions on reserve, does Hydro One have plans to integrate DERs into areas of Northern Ontario that experience high frequency and duration of power outages to improve reliability? If such plans exists, please provide them.
 - d. Has Hydro One considered approaches to DERs and business partnerships with DERs, as potential accommodation for First Nation communities concerned about compensation, or the lack thereof, for Hydro One transmission and distribution assets on reserve land and off reserve but within traditional territories and treaty lands?
 - e. How does Hydro One’s investment planning process consider appropriate planning criteria for the increasing scale of demand for DERs, especially for rural and First Nation customers seeking relief from reliability issues and increasing costs?

Hydro One and First Nations Engagement Session
Mandarin Room, DoubleTree by Hilton
Thursday, February 9, 2017

SESSION REPORT

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Note Taking Summary of Hydro One Key Messages

- There is a new team at Hydro One who is committed to working with First Nations through honest and respectful engagement.
- Hydro One is working to improve service, responsiveness, and reliability of the power system.
- Hydro One committed to finding solutions to address the affordability challenges faced by First Nations.

Note Taking Summary of First Nations Key Messages

- Hydro rates are burdensome for many First Nations, in particular for Elders and vulnerable people. There needs to be immediate and significant action to mitigate the high costs.
- First Nations are interested in exploring the idea that a unique rate for First Nations should apply to First Nations people both on and off reserve.
- First Nations must enjoy the benefit of resources that are drawn from their territories.
- Hydro One staff working in First Nations communities needs some level of cultural awareness training. This should include knowledge about land regimes and treaty relationships.
- Many First Nations are willing to engage with Hydro One in order to achieve results for First Nations communities and people.

WELCOME

Mr. Phil Goulais, Session Facilitator: Mr. Goulais began the meeting by introducing Elder Andrew Wesley who provided an opening prayer and a smudge. Chief Reginald Niganobe, of Mississauga #8 First Nation, welcomed the participants on behalf of the Mississauga Nation, the host territory for the meeting, thanked the Elder for the prayer and acknowledged the sacred items in the room.

Mr. Goulais introduced himself to the room as a member of the Nipissing First Nation, where he was the Chief for many years. He is currently working part time on a contract with Hydro One, which has allowed him to work in many First Nations communities. He thanked the participants for sharing their knowledge and welcoming contractors into their communities with kindness. This work was part of a commitment to relationship building, which is still ongoing. Mr. Goulais shared that he expected many of the topics discussed on those community visits would be discussed at this session: Hydro One billing system sessions; career opportunities at Hydro One; and, procurement workshops for First Nations businesses.

Mr. Goulais reflected that in their conversations with communities, First Nations leaders have expressed an interest in impacting policy development and/or change with Hydro One. Both First Nations and Hydro One leadership are seeking to establish how to work together better. This engagement session is a response to that shared goal of working together better. With this in mind, Mr. Goulais expressed the goal of the engagement session: to hear First Nations' priorities; to share current thinking; and, to solicit feedback on the upcoming Distribution Rates submission to the Ontario Energy Board. The agenda attempts to balance information sharing from Hydro One and discussion.

Mr. Goulais thanked the Hydro One staff for working hard to make the engagement session happen. He also thanked the Chiefs, Councillors and other participants. He also noted the presence of the Ontario Regional Chief, Isadore Day and Grand Chiefs in the room.

Mr. Goulais concluded by noting the participation of senior leadership at Hydro One, which demonstrates a clear willingness to work with First Nations. It was noted that notes of the meeting are being taken and participants would receive the written notes of the session for review.

INTRODUCTIONS

The participants were asked to provide their name, where they are from and their expectations for the gathering.

Lisa Kooshet, Councillor, Wabigoon Lake First Nation: Ms. Kooshet came to the meeting looking for information to inform the development of the Wabigoon Lake First Nation community energy plan

Chief Brian Perrault, Couchiching First Nation: Chief Perrault was attending the meeting with an expectation of talking about on-reserve hydro rates and the potential for eliminating the distribution rate on hydro bills. He noted that, in many of communities, Elders and others have to decide between paying the hydro bill or putting food on the table. He noted that his community is close to Fort Frances, which has low hydro rates because of the nearby dam, which generates power. However, reserve lands had to be flooded to build that dam. First Nations have paid a price for the low energy rates that Fort Frances enjoys. Chief Perrault came to this session to identify how we can lessen the financial burden on Elders and others.

Jerry Fontaine, Hydro One Contractor: Mr. Fontaine noted that he has been involved with Hydro One for many years. He reiterated the comments from Chief Perrault related to the struggle to sustain basic standards and the need to decide between food and light. This is a struggle alongside the struggle for housing, economic development and employment opportunities. Mr. Fontaine recognized Ms. Lee Anne Cameron (Hydro One's Director of First Nations and Metis Relations), for initiating this discussion and saw the meeting as an opportunity for change. He concluded that he is part of Treaties 1 and 3, and that historically Treaty 3 did not recognize the border.

Phil Goulais, Hydro One Contractor: Mr. Goulais shared that he was looking forward to network throughout the day and was also acting as the Master of Ceremonies for the dinner in the evening.

Mayo Schmidt, President and CEO of Hydro One: Mr. Schmidt welcomed everyone and thanked them for their participation and openness to dialogue. He also thanked Ms. Cameron for organizing the event. He suggested that hearing from participants presents a great opportunity to act on the things that they, as Hydro One, learn through the discussion.

Lee Anne Cameron, Director, First Nations and Metis Relations, Hydro One: Ms. Cameron thanked the participants for attending the session today.

Chief Reginald Niganobe, Mississauga #8 First Nation: Personal introduction

Chief Gerry Duquette Jr., Dokis First Nation: Personal introduction

Darryl Hill, Community Energy Planner, Six Nations of the Grand River Territory: Personal Introduction

Chief Warren Tabobondung, Wasauksing First Nation: Chief Tabobondung noted that they have many issues around Hydro One in his area, including development and power generation dams. These have a significant impact on the hunting, fishing and gathering for his people. Flooding was identified as a challenge. He shared his expectation of the meeting to exchange information about whom his people are and how they are impacted. He also noted that he wanted to talk about the high cost of hydro, which put their Elders in a position to choose between food and light. The Elders are the people who have persevered through so much change. Chief Tabobondung noted that the issue is also about land and the fact that Crown assets (i.e.- transmission lines) are sitting on Treaty territories. Reducing hydro rates by a few percentage points is not going to solve these bigger issues. He noted that he would like the discussion to get to these bigger issues. He also recognized that things have changed including the increasing voice of First Nations since the 1960s. He is optimistic and willing to exchange information and ideas and work together to resolve the issues facing his community.

Karen Taylor, Hydro One: Ms. Taylor stated she was attending the meeting to listen and learn.

Chief Tom Bressette, Kettle and Stony Point First Nation: In attending today, Chief Bressette shared his hope to examine ways through government engagements. He suggests looking at the Treaties; his is from pre-Confederation. He continues to observe political leaders, Trudeau and Wynne, making commitments about partnerships. However, in reality there does not seem to be much going on. There are a lot of promises but little financial commitment. Chief Bressette reiterated the earlier comments about economic insecurity and the impact on communities including Elders and youth. This is particularly challenging in the winter and impacts mental wellness. He noted that he has seen promises from governments before and challenges them to move from talk to action. He also noted that he sees Hydro One going through challenges, trying to sell off assets, with human resources issues and aging infrastructure. These things cost money and are the reason why hydro rates are so high. However, Chief Bressette reminds attendees that the Treaty talks about sharing resources, yet he sees everyone but his people

benefitting from First Nations resources. This is also part of honouring the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). He also expressed frustration over having to go back to his community without an answer for high hydro rates. He is no longer “asking” for a response, he is “demanding” a response. It is time to share these resources.

Ferio Pugliese, Executive VP, Customer Care and Corporate Affairs, Hydro One: Mr. Pugliese expressed thanks to Mr. Goulais, Mr. Fontaine, Mr. Kakeway and everyone who worked on this event. He noted that Hydro One wants to listen and act on the things that they can and capture the attendees’ comments.

Councillor Ted Williams, Chippewas of Rama: Chief Williams stated he was attending to listen and hear some other issues out there. He said he was pleased for the opportunity to dialogue, but that action is best.

Chief Greg Nadjiwon, Chippewas of Nawash Unceded First Nation: Chief Nadjiwon noted he shared many of the previous comments from Chief Tom Bressette. He stated that he was attending to find out how to collectively move forward in true partnerships, true resources sharing and open and transparent communication. He notes that three decades ago the corporate mindset was flood the lands and deal with the rest after; however, the corporate mindset has changed towards Indigenous relations. For his community it has been a success story; they have a contact and the results happen quite quickly. The results are not always positive, but they get answers more quickly. He views this engagement as an opportunity to move the yardstick, to have a constructive day and network.

Chief Daniel Miskokomon, Bkejwanong Territory (Walpole Island): Chief Miskokomon notes that the Minister of Energy asked how we can change thinking. However, from his perspective Crown corporations do not listen to First Nations. Crown corporations must remember that they are accountable to First Nations and citizens, meaning they need to be more transparent in the way activities are undertaken and services delivered in his territory. He notes the changing tide, as evidenced by the Truth and Reconciliation Commission of Canada (TRC). There must be meaningful partnerships. Hydro distribution costs are very high. The Chief also identified the need for Hydro One staff to undertake cultural sensitivity training. Working with First Nations requires getting to know First Nations. In addition, Chief Miskokomon cited the need to look at alternative energy. This also means supporting First Nations in becoming educated on what is out there and ensure capacity within First Nations. This requires professional support in establishing First Nations owned and run utility companies on-reserve that will not include redistribution costs. All of these ideas require people to be more creative. The Chief reminded the group that non-Indigenous people are still visitors in the territory. Partnerships must be built based on trust.

Chief James R. Marsden, Alderville First Nation: Chief Marsden also shared support for the words of Chief Bressette. As far as this meeting, he was interested in discussing “blanket agreements.” What is it? He notes that in the ‘Addition to Reserve’ process, Indigenous and Northern Affairs Canada (INAC) asked for blanket agreements. They have never had a blanket agreement with Hydro One and asked if this type of agreement was required for his reserve.

Marlene Stiles, Manager of Economic Development, Chippewas of Georgina Island: Ms. Stiles commented that she was attending to listen, learn and take information back to her community.

Marvin Sinclair, Elk Clan, Band Manager, Washagamis Bay Obashkaandagaang: Mr. Sinclair noted that he has previously been on Council and been the Chief of his community. He also shared that his brother was the Chief of his community and passed on last week. The First Nations in the room all share the same challenges, including broken promises and poor people. Mr. Sinclair recently moved back to his community from Sault Ste. Marie and can see the difference in hydro rates between the reserve and the urban centre. He notes this will be a common theme of the day. He also articulated that when people talk about “resource” they are actually talking about the source of life, which is worth much more than a dollar sign. First Nations have a connection to the land. If even a fraction of the Treaty promises were honoured there would be no need to have these discussions. Rather, First Nations would be financially independent and stable. Mr. Sinclair suggested it was a privilege to be a part of the conversation and hoped that Hydro One officials would heed what they heard.

George Kakeway, Hydro One Contractor, Rat Portage: Mr. Kakeway stated that it was nice to see many old friends at the engagement event. He noted the importance of the session in terms of engagement. In addition, he shared that most of his work is done in Treaty 3 communities. He noted that there was diversity between communities, but there were also universal issues including delivery charges. He saw this session as an opportunity to engage, move forward and see how the communities could be helped.

Joe Cheechoo, Elder Councillor, Moose Cree First Nation: Elder Cheechoo shared that he was attending the session to better understand how the hydro system works.

Chief Patricia Faries, Moose Cree First Nation – Chief Faries began as Chief last August and was happy to attend the meeting. She sees engagement as the important first step. A meeting was held in her community on January 10, 2017 and the primary concern that was raised related to hydro was outrageous delivery charges. She shared that she is on a fixed income and wants to understand what can be done to address these charges. She sees people suffering under the delivery charges. She notes that her community signed an agreement with Ontario Power Generation (OPG). She also wonders what is the fiduciary duty Hydro One has to her community and all First Nations. She also notes that she expected to hear clarity at this meeting because her time is precious, and hydro is just one of the many issues she needs to address. She suggests that reconciliation means that there must be a discussion about the benefits that Hydro One enjoys at the cost of First Nations land use. She sees Hydro One using Indigenous land only to sell hydro back to Indigenous people. She notes that she has to have tangible things to report back to her people and is expected to report back on February 21, 2017. She also reminded the room of the Lower Mattagami project, right in her community’s back yard that included four (4) dams built from 1960 to 1966. Former leaders signed an agreement. Yet today these dams have to be fixed. She suggested that the conversation focus on what is possible from Hydro One and how Hydro One can help her people right now.

Chief Leslee White-Eye, Chippewas of the Thames: Chief White-Eye echoed the words of the previous speakers. She noted the need for some discussion on the corporate history of Hydro

One. She also expressed that there is a need for the federal government to participate in these discussions because of permitting and issues related to lands. She was also seeking a contact person within Hydro One who could discuss negotiating this new payment and who will pay for it.

Errnol Gray, Councillor, Aamjiwnaang First Nation: Councillor Gray noted he was participating to listen, but also to discuss the line crossing at the St. Clair river, which goes through First Nations and the Treaty area. He also noted that he is on a fixed income and has trouble paying his high hydro bills. His community signed an agreement in 1953 and the payments have not increased since. He suggests a new agreement needs to be negotiated.

Chief Melvin Hardy, Biinjitiwaabik Zaaging Anishinaabek: The Chief thanked the host for allowing them on their traditional lands as well as thanking his friend Elder Andrew Wesley. Related to the importance of land, the Chief noted that the youth go out on the land and sustain a relationship with, and right to, the land. He described his First Nation, which is found on the southeast side of Lake Nipigon. He suggested that Hydro One officials needed to spend some time living in some of the homes in his community. He wondered, if the government does not give First Nations authority over their own lands, why would Hydro One do it? He noted that it is cold in First Nations communities, which contributes to Elders and children getting sick. This is exacerbated when the power goes out. There is no compensation when the power goes out and communities are forced to collect their own wood and go without. Chief Hardy noted that his community is constantly in deficit because of high costs of hydro. He also identified that there had not yet been an engagement session in his community and that it needed to happen.

Oded Hubert, Vice President, Regulatory Affairs, Hydro One: Mr. Hubert welcomed the kinds of comments that attendees had been sharing as it is important for him, as a Hydro One official to understand the issues.

Edward Skeid, Councillor, Wauzhushk Onigum First Nation: Councillor Skeid asked that Hydro One staff take the comments made by the attendees seriously and take them to their superiors.

Deputy Chief Fabian Blackhawk, Ochiichagwe'babigo'ning Nation (Dalles): Deputy Chief Blackhawk began by acknowledging the sacred items in the room and the prayer from the Elder. He noted that he certainly relates to the comments made so far. He was looking for some direction on what this meeting is supposed to accomplish. He also shared that leaders and youth have told him many of the things that were already mentioned. It is tough to see all these people making money off First Nations resources and lands with First Nations people in poverty. His community signed an agreement for the hydro lines and cannot make any adjustments. Of the session, he expected an open dialogue to make good decisions to take back to his people.

Harold Thiessen, Ontario Energy Board: Mr. Thiessen expressed his intention to listen and learn.

Gary Schneider, Vice President of Shared Services, Hydro One: Mr. Schneider shared that he works on procurement as well as land matters. When it comes to the issue of land he has heard the frustration in the room and agrees that agreements with First Nations need to move forward.

Amy Lickers, Chiefs of Ontario: Ms. Lickers introduced herself as coming from Six Nations and works with the Chiefs of Ontario Chiefs Committee on Energy. She noted she attended the session to listen.

Yvette Maiangowi, Energy Planner, Wikwemikong Unceded First Nation: From her perspective, Ms. Maiangowi notes that nothing has changed; in fact the situation in her community has worsened. She also asked those in the position to negotiate agreements with First Nations to stand up. She noted a need for a clear path forward including timelines. She concluded by saying that the time for talking has passed.

Craig Aldred, Wahgoshig First Nation (Abitibi #70): Mr. Aldred noted a need to address distribution costs, as these high costs negate their efforts to build sustainable communities when the costs end up being covered by the bands. He expressed a need to develop long term solutions.

Rob Globocki, Director, Customer Care, Hydro One: He expressed to the participants that he was also here to listen and learn.

Sara Mainville, Associate, Olthuis Kleer Townshend LLP: Ms. Mainville introduced herself as an advisor to Regional Chief Day. She also does work with Grand Chief Peters on Hydro One opportunities. Ms. Mainville expressed that she was happy to attend and see many Chiefs in attendance.

Grand Chief Gord Peters, Association of Iroquois and Allied Indians: Grand Chief Peters noted that the Hydro One process has been a long process that they have been involved in for some time. He also acknowledged Chief Ava Hill from Six Nations for working on this issue. At the last All Ontario Chiefs Conference (AOCC), there was a meeting attended by the new Minister Thibeault who committed to developing a First Nations rate. This commitment was made 8-9 months ago. This remains the issue for the discussion at this session. He posed a number of questions including, what is the rate going to look like and how will that be brought to our communities? He heard that the distribution charge is one of the easier things to change, so wanted a commitment on that. He noted that should Ontario continue to privatize beyond 60% of Hydro One, the province would remain liable for all the damages that continue to flow. His community is the same as Alderville in that there are no agreements in place. They are dealing with the Additions to Reserve process and are 12 years in. He reminded the attendees that “you have to have full permit or cannot move ahead”. His community is still in the talking stages. He suggested that these are the things that become irritants in the process. In order to move forward, Grand Chief Peters says that we have to learn how to get along and there will have to be a better arrangement for First Nations.

Chief Jim Leonard, Rainy River First Nation: Chief Leonard describes his community as between Thunder Bay and Winnipeg near the American border. His community had engaged with Hydro One a number of years ago where they talked about past grievances and decided they need to set those aside to move forward. They acquired, constructed and commissioned a solar farm. Without technical support or shared engagement with Hydro One it is difficult to make these things happen. He was attending the engagement session to advance that process. He

saw it as important for Hydro One to listen to the grievances shared because they still impact First Nations, but also recognize that First Nations are ready to move forward. There is the potential for this to be a revenue stream and support to communities.

Deputy Grand Chief Derek Fox, Nishnawbe-Aski Nation (NAN): Deputy Grand Chief Fox began by thanking the Elder for the prayer. He described NAN as being comprised of 49 First Nations and 7 tribal councils. NAN communities extend from the Manitoba border to James Bay. This is a huge land mass and most communities are remote. People in these communities are passionate about their hunting, culture, water, river systems and language. Deputy Grand Chief Fox noted that he is from Treaty 3, Shoal Lake 40 where there are profound water issues. When he was younger he was driven to become a lawyer and learn the systems that govern. He expressed concern over claims to jurisdiction over Indigenous lands. He concluded by sharing that he was participating in the session to support NAN Chiefs, to listen, to talk about NAN initiatives and hoped to have a meaningful discussion.

Jamie Scarlett, Executive Vice President, Chief Legal Officer, Hydro One: Mr. Scarlett commented that he was attending the session primarily to listen and learn. Within his duties, he has some involvement in rates so hearing from the First Nations participants was impactful for him. He noted that he is appalled at how long it takes for Hydro One to deal with these issues. He offered his personal commitment to drive these issues forward to be dealt with in a clear, open, transparent and timely way. He reflected that he had heard the message that 'these are just words, but First Nations want actions.

Chief Ted Roque, Wahnapiatae First Nation: Chief Roque began by thanking the Elder and acknowledging the land where the meeting was held. He was attending the meeting to hear more about new rates. He noted that it would be great to see lowered rates and it would make a huge difference for his people. He recognized that there is only one year left in the Wynne government's mandate and he does not want to see these discussions get lost; whether the next Premier is Wynne or someone else, these negotiations must continue. He noted that there must be more sharing of resources and opportunities and true partnership.

Andrew Wesley, Elder: The Elder introduced himself as hailing originally from Fort Albany, but has been living in Toronto for many years. He shared that traditionally electricity was known as Thunderbird Fire. This demonstrates the close relationship between First Nations and mother earth.

Deputy Chief Kevin Mossip, Zhiibaahaasing First Nation (Cockburn): Deputy Chief Mossip shared that in his community hydro rates increased 72% in two years and this increase has caused hardships. He brought a message from his Council that the engagement session was in no way, shape or form to be considered consultation. In addition, his community would not agree to anything unless the hydro rates were lowered by 72%

Warren White, Councillor, Naotkamegwanning First Nation: Councillor White came to the meeting to speak for his community and see the faces of Hydro One. He notes that his Elders, the ones who are struggling, are paying the wages of Hydro One staff. He provided a welcome to the Chiefs, Grand Chiefs and Councillors. He noted that he knows how it feels to be accountable to the Chiefs and the community. He met with 35 Elders in his community last

week. They told him that the HST rebate does not impact their hydro bills. Each of those Elders was paying over \$1,000. He notes that he burns wood and his bill is still \$1,000. He states that he did not want to attend the meeting and did not want to hear the same rhetoric from Hydro One. There is a lack of trust with Hydro One. The delivery charges in his community average out to about \$250 each month, which amounts to \$50,000 a month for the whole community. Councillor White suggested that he plans to charge Hydro One double that amount to enter his community; this includes any hydro trucks. When Prime Minister Trudeau had his town hall recently there was a woman crying about hydro and the media was all over that. Yet when it comes to First Nations and their hydro rates, there is no media. He said something has to be done. He suggests that his community does not support Hydro One dealing through the Chiefs of Ontario as there are too many grievances that need to be dealt with including the dams in Treaty 3 and the flooding. He asked what Hydro One was willing to do about it. He expressed skepticism as he views Hydro One as only being motivated by money. He concluded by reaffirming that something has to be done otherwise his community would start charging Hydro One to come in.

Annette Currie, Technician, Pic Mobert First Nation: Personal Introduction

Deanna Major, Councillor, Animakee Wa Zhing #37: Councillor Major expressed that she would like to see the salary disclosure for Hydro One and an explanation of how those salaries are justified.

Gary Allen, Executive Director, Grand Council Treaty #3: Mr. Allen introduced himself and that he was attending on behalf of Grand Chief Francis Kavanagh, who is travelling with Minister Zimmer in Treaty 3 territory. Last year, prior to a meeting between Hydro One and Grand Chief White, Treaty 3 citizens were asked to send their hydro bills. They brought a binder full of these bills that demonstrated the exorbitant costs faced by his people. He also noted that he checked the sunshine list for Hydro One and saw over 600 employees earning more than \$100K. He found this incredible considering the suffering in First Nations communities. He shared his support for the Great Earth Law, the Sacred Law, and also the laws of the 28 First Nations in Treaty 3.

Lance DeCaire, Technician, Wahta Mohawks: Mr. DeCaire noted that the most pressing issue facing his community is the delivery charges and the impact that those high delivery charges have on the success of the community's economic development initiatives.

Chief Rodney Noganosh, Chippewas of Rama First Nation: Chief Noganosh began by reiterating the comments of previous speakers that there are many people that are upset with the situation. He also expressed concern that there was not a great deal of time on the agenda for discussion, which was upsetting given that Chiefs travelled far to attend. He noted the need to see results very quickly. First Nations should be exempted from delivery charges. People cannot pay those delivery charges and the communities always have to step in and help. He referred to an economic development project in Barrie and his expectation to receive information on that project so that they would be able to bid on those types of projects. He also expressed interest in learning about the 'blanket agreement' idea, because there has not been much information shared to date.

Ted Snache, Councillor, Chippewas of Rama First Nation: Councillor Snache began by thanking the Elder for the prayer. He noted that if he had a wish, it would be to have elections on the same day to build unity. He expressed the strength in First Nations communities, with young people getting education and women who are water keepers. He expressed that the Ontario Energy Board (OEB) hides behind legalese, but because First Nations are getting educated, that strategy will not work for long. He concluded by asking when the delivery charges will be eliminated for First Nations.

Dave Mowat, Technician, Mississaugas of Scugog: Mr. Mowat notes that the Ontario Energy Board said that if they can focus on the delivery charge, that will have the most impact on the consumer. He would like to know what is going on with that. He also asked what Hydro One is doing about a security plan.

Chief Mary McCue-King, Beausoleil First Nation: Chief McCue-King suggests that First Nations should not be talking to Hydro One because it is not the organization that sets the rates. Hydro One only makes a submission to the Ontario Energy Board; therefore, First Nations should be talking to the Ontario Energy Board before they approve the rates. The Ontario Energy Board should be consulting with First Nations.

Chief [Name Not Heard]: The Chief shared the belief of the previous speaker that First Nations are meeting with the wrong people. The Chief asked now that Hydro One has heard their concerns, what do they propose as the fix? He expressed frustration based on the belief that there are no decision-makers attending the meeting and there will therefore be no deliverables from the meeting. He would like to know the next steps? When can First Nations expect action?

Chief Kevin Tangie, Brunswick House First Nation: Chief Tangie noted that his community experiences the same issues identified by previous speakers and wants to hear answers, solutions and ideas.

Jason Batise, Executive Director, Wabun Treaty Council: Mr. Batise echoed the comments of previous speakers and shared a desire to hear practical solutions. He notes that a First Nations hydro rate was committed to, but that there is no mention of that and the elimination of the delivery charges in the Hydro One submission. He expressed that they had given practical solutions in earlier engagement sessions and they are not reflected in the submission.

Warren Lister, Vice President, Customer Care, Hydro One: Mr. Lister introduced himself as a new member of the Hydro One team and shared his commitment to changing the way they do business. He stated that he intended to listen and welcomed the opportunity to dialogue.

John Onabigon, Councillor, Long Lake No.58 First Nation: Councillor Onabigon shared that he was trying to get resource development for his community. He recounted that in the 1930s and 1940s; Hydro One built their dam and flooded his traditional territory without any regard for the impact on the community. However, he noted that the voice of his people is getting stronger and it is not acceptable that others get the benefits from resources taken from the land of his people. He stated that there is only one square mile left for his reserve and the rest has been flooded. There are many grievances and his people live below the poverty line. He stated that the message from his community has been consistent for years: that there must be a balance of

sharing. In his community there is a high level of dependence on Ontario Works and the unemployment level is 85%. He sees this as a game or cycle with people dependent on Ontario Works who pay their excessively high Hydro One bills to keep the lights on to the detriment of other things. Hydro One never feels the pain, but the First Nations do. He notes that his community maintains and asserts the right to their own resources; yet have to battle to get any benefits from them. He then asked why some have so much and some have so little? He also mentions that First Nations are overwhelmed with engagements, and yet nothing has changed for his people. He has seen nothing change over 25 years of doing this work. He added that talking about procurement sounds good but communities do not even have the capacity to be a part of procurement processes.

Cesar Martinez, Customer Care at Hydro One: Mr. Martinez mentions the tools that were brought to the meeting today and encourages participants to bring them to the communities.

Sarah Bruggeman, S. Burnett and Associates Ltd.: Ms. Bruggeman is participating as she is working with a community on an energy plan.

Lisa Johnson, S. Burnett and Associates Ltd.: Ms. Johnson works with Ms. Bruggeman.

Cynthia Jamieson, Executive Director, Mississaugas of the New Credit First Nation: Ms. Jamieson expressed some confusion over the process. She notes that they were expecting a letter from the Minister of Energy to the Ontario Energy Board to hold those sessions. She wonders if that is what this meeting was about. She notes that there were already engagement sessions last fall and wonders if those participants wasted their time. She was seeking clarity on the process.

Chief Tom Bressette, Kettle and Stony Point First Nation: Chief Bressette wanted to add to his earlier statement. He notes that Hydro One is being talked about related to the Bruce Nuclear Power Plant, and burying nuclear waste near the Great Lakes. He was astounded that the Canadian government would consider burying nuclear waste near the Great Lakes. Related to the North America Free Trade Agreement (NAFTA), he notes that First Nations better not be left out of the next rounds. He again expressed disappointment that Hydro One considered that waste facility near the Great Lakes and asked, when it cracks where are we going to get more water?

Chief Simon Fobister, Grassy Narrows First Nation: Chief Fobister described being born and raised on the trap line, where there was no hydro and they carried water. They did not need those things. He was elected Chief in 1976, when he was 21. At that time his community members spoke about a time when water was so clear, but then people came in exploring for hydroelectricity. Now you cannot even see your hand in the water around his community. His community did receive compensation. In Grassy Narrows, hydro bills are high, around \$1,000 a month. He notes the need to find ways to cut those rates. He attended the meeting to hear Hydro One tell him their plans to cut the rates. He expressed concern that 60% of hydro comes from nuclear power. Like it or not, the nuclear waste will be buried, and the question is whose backyard will that be in?

Introductory Remarks from Hydro One

Presentation from Mr. Mayo Schmidt, President and CEO, Hydro One

Mr. Schmidt expressed a warm welcome to all of the attendees who committed their precious time. He noted the importance of this engagement for Hydro One. He also provided a warm thank you to Elder Wesley, acknowledged the Mississaugas of New Credit and thanked Chief Niganobe for the welcome.

Mr. Schmidt noted that the work that he does at Hydro One is not the kind of work he has traditionally been involved in. He grew up on a farm and his life's work has been in agriculture. He was approached to work at Hydro One from the prairies and worked to identify a leadership team that could effect change. There was not one Hydro One leader in attendance that does intend to commit to change.

Mr. Schmidt lists three (3) things he is hopeful will come out of this session:

1. To listen and learn;
2. Provide some education on who is responsible for what, what we each do, how can we as a company can to advocate for you and your community; and,
3. Commit to action. The hope is to move this conversation to an outcome (educate/advocate/action).

Background: There are a lot of names out there with involvement in this area. The producer of the power is Ontario Power Generation, which also owns Bruce Nuclear Generating Stations, but leased them to Bruce Power. The Ontario Energy Board approves the rates that Hydro One charges to operate and maintain Hydro One's transmission and distribution systems and sets the price of power. Independent Electricity Systems Operator is responsible for real time operations – the ebbs and flows of power and where electricity goes or comes from.

Hydro One collects from customers for the cost of power (electricity price), and delivery of the power, and delivers the bill. The name Hydro One is on all bills. While Hydro One is the party that bills the party that bills the consumer, the electricity pricing comes from someone else, and Hydro One passes those revenues on.

Hydro One recognizes that they need to address their costs and get them down, and apply to have costs reduced. They also have to do their part to ensure that there are no brown-outs or power outages.

Mr. Schmidt suggests that the feedback that they get from the engagement sessions will go into their upcoming distribution rates submission to the OEB. The information will be collected as part of the application and the First Nations participants' voices will be heard there.

Hydro One is transitioning with a new leadership team with a purpose to put customers first. Hydro One is a publicly listed company with lots of opportunity but everyone must act together. In this there is a need to build and maintain relationships with First Nation communities. Hydro One serves 88 First Nation communities.

Mr. Schmidt recognized that consultation is a protected right and First Nations have a unique cultural relationship with the land. While First Nations are not the only customers, they do have a special relationship. The rising cost of electricity is a concern for all of us, so we will redouble our efforts.

In terms of how billing is structured, 51% of the costs that consumers pay comes from nuclear, hydroelectric, wind or solar producers (will fluctuate, but this is the average), 12% sales taxes and 37% is payable to Hydro One for delivery of power through the network of wires, poles and transmission stations. There is a cost to maintaining this infrastructure, and as an example, Mr. Schmidt mentioned the example of a recent transformer fire, where in replacing that asset, Hydro One recognized that it was built in 1962, so there is a need for continual maintenance of aging assets.

On the question of how do we keep the costs down, Hydro One intends to have a customer presence in local offices; the customer bill was redesigned because customers need to understand the bills; Hydro One has reinforced the commitment to service and of responding in a timely manner.

There was a recent meeting with the province to talk about the cost of power where Hydro One advocated for lower power costs; Hydro One had also proposed to the Ontario Energy Board that the delivery charge to First Nations be lowered as part of the First Nations rate being studied by the Minister.

Hydro One has met with many First Nations over the last 8 years, including over 200 community visits. Mr. Schmidt suggested that communities interested in inviting Hydro One to visit, attendees should introduce themselves to Ms. Cameron and she will get a team out there.

The Hydro One First Nations and Métis Relations team demonstrates an appreciation for the concerns of First Nations communities. They want your feedback on how that works.

Hydro One is committed to making a change as demonstrated by offering additional regional outreach on procurement, by participating in First Nations employment, training and career fairs and through the First Nations Conservation Program.

Mr. Schmidt notes that Hydro One has come far with communities and individuals, by taking issues and solving them one-on-one. If session participants are looking for that attention, then Hydro One is willing to work with them.

Question from the audience: How about eliminating the reconnection fee?

- Mr. Schmidt responded that it costs Hydro One money to send trucks out to turn off and turn on power and that there is a better way to do this -- whether it is giving people who need it more time to pay their bills, getting them on to access programs to assist them, and work with Hydro One to provide guidance on these things.

Comment from the audience: A Chief noted that the connection fee is attached to bills in payment of arrears and is a stumbling block for community members.

- **Response:** Mr. Schmidt responded Hydro One launched a new Winter Relief Program to reconnect customers prior to the winter. This was a practice that started in November 2016 and asked participants to let Hydro One know when people are in that situation.
- **Follow up audience comment:** People are paying this now, sometimes two or three times per year.
- **Response:** Mr. Schmidt responded that if a customer is disconnected, they have to take some hardware off after six months and there are costs associated with that.
- **Follow up audience comment:** Hydro One gets all their fees paid.
- **Response:** Mr. Schmidt responded that in the past this might have been the case, but to participate in the Winter Relief Program, Hydro One needs the names on those accounts and there would be no fees. In general, those fees go into maintaining the system.

Mr. Schmidt: Mr. Schmidt noted that it is important for Hydro One to hear from the participants and focus on things that can be changed. He committed to listen, but also committed to meeting again in the future to work on some of the things we want to accomplish together. It will take bold action by all of us to effect change. It is a complicated industry, with complicated pricing. For these reasons Mr. Schmidt encouraged everyone to focus on what is within their power to change and set priorities. Hydro One is accountable to customers including the meeting participants. The team in place is a new team, and Mr. Schmidt encouraged meeting participants to place their trust and work with the team.

Chief Perrault: The Chief shared that last fall he received a call from a community member who had a Hydro One truck at their door ready to disconnect. He went down there and had to drag the guy off the hydro pole and asked him to leave the community or risk his boss getting a call. There is a perception that there is a push to cut people off before the snow flies. He believed this had to be addressed.

Mr. Schmidt: Mr. Schmidt shared that he cannot speak to what has happened in the past, but going forward, the focus is on getting people connected rather than disconnected. He also committed to dealing with the issue of cut-offs himself, along with Hydro One legal counsel. The time frames will be addressed, but in general there is no gain for anyone by cutting people off. The larger issue is that we need the cost of power to be reasonable.

Councillor Warren White: Councillor White commented that he has heard many of these promises before from government officials, but respectfully, he will believe it when he sees it. Further, he identifies a fundamental difference between how connections and disconnections are treated. For example, Hydro One is quick to disconnect but is slow to reconnect clients. There is often a long waiting period, even if the bill is paid. Related to procurement, Councillor White recognizes that there are procurement arrangements with some communities, but the only thing he sees by way of procurement opportunities is cutting brush. He thinks there must be more to offer than that. Councillor White noted that while there may be an Ontario-wide Engagement process, there are different issues; the grievances are different in Treaty 3 and therefore he strongly encouraged Hydro One to have more regional-type meetings. In addition, given geography, it is challenging for community representatives to get to meetings in Toronto, for example. Councillor White commented that February and March are stressful months for Elders because of the accumulation of bills that they cannot pay, and they know they will be cut off. Councillor White notes that Hydro One activities constitute a breach of the Treaties (through

flooding, etc.). In addition, there is supposed to be a relationship and a partnership that is not yet realized. Councillor White concluded by sharing a personal story related to disconnection. He had an overdue bill of \$1,200, and received a disconnection notice. The bill was paid on Friday and yet his power was cut off on Monday. He attempted to demonstrate to Hydro One that the bill was paid, but was told that the payment had not reached Hydro One's bank yet, so the disconnection went ahead. These situations are real.

Mr. Schmidt: Mr. Schmidt stated that he agreed with Councillor White, that Hydro One needed to be reasonable and to rethink previous behaviours that were practiced. He notes that there are a lot of attitudes to change throughout the organization and hopes to do better.

Chief Patricia Faries: Reflecting on Mr. Schmidt's previous comment about constitutionally protected rights, Chief Faries affirms that this is an important point to set the context. She stated unequivocally that the engagement is in no way to be considered consultation and accommodation between Hydro One and the Moose Cree First Nation. She emphasizes that action is key, and she wants a definitive answer on how to move forward. There are power lines going through her land that are intrusive. She expected a response on how her community would be engaged and compensated.

Mr. Schmidt: Mr. Schmidt assured participants that the engagement session was not consultation and they did not view it as such. Related to engagement and compensation at a community-level, Mr. Schmidt introduced Jamie Scarlett and Gary Schneider who can sit and meet with communities to work through their issues.

Jamie Scarlett, Hydro One, provided his email address (Jscarlett@hydroone.com) in order to set up future conversations.

Chief Nadjiwon: Chief Nadjiwon sought an update on the discussions around the delivery charge.

Mr. Schmidt: It was noted that industry was in conversation with government last week on this issue and discussions are ongoing. Mr. Schmidt notes that Hydro One is advocating for changes related to the delivery charge issue. He invited other Hydro One staff to comment.

Hydro One Representative, Oded Hubert: The Minister has asked the Ontario Energy Board to develop a First Nations rate, and the Ontario Energy Board has prepared a recommendation that has gone back to the Minister for consideration. Chief Ava Hill provided comments on the recommendations and Hydro One supplied data. It is with the Minister now.

Question from the audience: Is there a timeframe for an answer?

Hydro One does not have a time frame at this time, as this is the Minister's initiative.

Comment from Chief [Name Not Heard]: The Chief has attended many meeting over the years, some of which were classified as consultation. The Chief noted that the Hydro One Board of Directors was joining the meeting for dinner, and the CEO is accountable to the board, which gives the organization direction [Mr. Schmidt indicates this is correct]. The Chief commented that

having the board at the dinner is fine, but they should have been at the engagement session to hear First Nations' concerns firsthand.

Mr. Schmidt: Mr. Schmidt clarified that the Board of Directors does not run the company or specifically direct the CEO. Rather, Mr. Schmidt's team determines a plan, which is presented to the Board for comment. This is different than being instructed by the Board. It is not a decision-making group on an operations level body. In addition, plans that are developed by Hydro One must be approved by the regulator.

Chief Tom Bressette: Chief Bressette suggested that Hydro One must have come up with a proposed First Nations rate, given that they engaged with First Nations last year. He questioned why that rate was not presented to the engagement session. In addition, he felt as though the meeting was centrally about politics. He noted that it may be the same old song and dance and First Nations are growing frustrated without little reason to believe anything has changed.

Mr. Schmidt: Mr. Schmidt responded that the reason Hydro One felt that this engagement was important was the need to have a respectful conversation. Hydro One does not set the price of power; however, Hydro One can advocate alongside First Nations to address the price of power. He notes that it comes down to whether or not the participants are prepared to give Hydro One a chance.

Customer Care: Vision, Strategy and Key Initiatives

Presentation from Ferio Pugliese, Executive VP, Customer Care and Corporate Affairs, Hydro One

Mr. Pugliese is the Executive responsible for customer care and Indigenous relations. He noted his appreciation for the openness of the conversation. As the company changes direction from a Crown corporation to a public company, there is an opportunity. The electrical system in Ontario is complicated. In this shift there are three (3) things they have embarked on:

- The first is education, to help explain this complicated system including its regulation, etc. Hydro One has started to uncover what can be addressed and asked for the opportunity to first understand and then work on the things that they can change.
- The second task is related to advocacy. Hydro One owns the hydro bills and holds custody of the relationships with communities and customers. Hydro One has an impactful voice in advocacy similar to the loud voice that First Nations have.
- Mr. Pugliese reiterated that the session was not designed to be a consultation; rather, it was the first step in a series of discussions that will lead to change. He also recognized, like Mr. Schmidt, that change is indeed required, particularly in the area of affordability.

Mr. Pugliese recounted a meeting from the previous week between himself, Mr. Schmidt, the Chair of the Board and Premier Wynne. The Hydro One representatives shared stories similar to those that were heard at this engagement session. He noted that he has been to communities where the distribution charges are more than the power charges themselves and recognized the burden that this places on people like retirees.

He noted that he does not expect the participants to trust Hydro One at its word, but rather, to judge the new Hydro One team on their actions. They committed to visiting First Nations communities, reconnect those who are disconnected, and waive the fees. He asked that the participants let them know which of their community members need this assistance.

Mr. Pugliese recognized, once again, that the primary issue is around affordability, and noted that if Hydro One could control the rates, that the rates would be reduced. However, these changes require advocacy and lobbying. Their conversation with Premier Wynne was for that very purpose.

Mr. Pugliese asked the participants to trust that the information shared at the engagement session would not fall on deaf ears. Some action has been taken such as reconnections and winter relief. Previously, the collection process lacked flexibility and was unforgiving and that has changed. He encouraged participants to speak with Hydro One staff about these issues. The engagement session is one step in a new direction and changes will continue.

Mr. Pugliese left his email address and encouraged participants to hold him accountable to his promises (ferio.pugliese@hydroone.com).

Warren Lister VP Customer Care Hydro One]: Hydro One has indicated that they had solutions and ideas to give to the Minister. Many of the short-term solutions that are needed in the communities can be acted on immediately. Hydro One is willing to visit communities that they have not yet visited. For people having difficulty with payments, there can be new payment plans set up. In addition, the winter reconnection program can help get people connected and stay connected. There are still things Hydro One can learn regarding changes that need to be made for communities. The Hydro One staff present were there to answer specific questions and the Minister would be available during the evening dinner. The dinner is an opportunity for both Hydro One and First Nations to use their strong voices for change.

Grand Chief Gordon Peters: Grand Chief Peters noted that his organization has been involved in the process for some time beginning in 1989 around the grievance process. Since that time there has been a lot of work done in the communities and grievances were settled. Issues including billing and grievances arose again within the privatization process. The Hydro One customer care was terrible and did nothing to support communities. Grand Chief Peters was pleased to hear that things would be different; however, he warned that expectations are now high. Grand Chief Peters participated in the engagement process in the fall of 2016. He notes that Hydro One should have laid out the plan at that time; that Hydro One was looking at short-term and immediate changes while looking forward to a longer term plan. It needs to be laid out ahead of time and made less complex. First Nations are seeking how to participate effectively.

Warren White, Councillor: Councillor White shared that he met with Premier Wynne recently. He also met with her two years ago and raised the issue of high hydro bills. He took her his hydro bill, which was \$4,200 at the time. The Premier has known about this issue for a long time.

Mr. Pugliese reaffirmed Hydro One's commitment and assured the participants that the commitment will be ongoing. He reaffirmed the need for a partnership with First Nations to get

the required changes made. That is the reason why they invited the Minister to participate at the dinner, as he is the policy maker that can affect the changes that are needed.

Chief [Name Not Heard]: The Chief described that when a hydro truck pulls up to a house it dehumanizes the residents. He asked that hydro come to the band office first before disconnecting people. In the past, First Nations had the same experience with archaeologists. The Chief also noted that governments had left it to companies to do that engagement themselves, but that can be traumatizing to communities. The Chief asked what Hydro One is prepared to do when the power goes out in order to get people reconnected in a reasonable time.

Mr. Pugliese responded that the situation described by the previous speaker is not how Hydro One wants to do business. He noted that a colleague, Mr. Greg Kiraly, the Chief Operating Officer, would be joining in the afternoon and would like Mr. Kiraly to hear these concerns as well, as he is looking at the operations side of the business. They want to ensure that in the case of outage that restoration occurs in a timely manner.

Councillor Lisa Kooshet: A participant asked for a recap of the new positions within communities. She asked if there were going to be new Hydro One offices and how those would benefit First Nations communities. She notes that she worked for Ontario Hydro in the past and as a single mom, even while working, had a hard time paying the hydro bill. She expressed that this was disheartening.

Mr. Pugliese noted that Hydro One has launched “Get Local” and written letters to all customers. They are in the process of re-establishing regional or community business offices. They are currently building plans to reinstate regional/community offices to resolve customer issues. In addition, Hydro One is putting a great deal more emphasis on Indigenous Affairs and building more of a strategy around that builds on the good work of Mr. Cameron. This engagement session is the beginning of how Hydro One wants to move forward in doing business. They want to go to the community and regional level on a regular basis.

Distribution Rate Filing (2018-2022)

Presentation by Mr. Oded Hubert, Vice-President, Regulatory Affairs, Hydro One [Distribution Rate PowerPoint]

Mr. Hubert began by explaining what a Distribution Rate Filing means, which is a submission that seeks Ontario Energy Board approval of distribution rates for a five-year period [2018-2022]. The application has not gone in yet, but Hydro One is currently preparing the application and is planning to file at the end of March, 2017.

Hydro One conducted many customer engagements, including 300 First Nations customers, in developing the application. However, Hydro One is still seeking input, and this engagement is a good opportunity to inform the submission.

The distribution rate will apply to all Hydro One customers. There has been discussion on a First Nations rate; there is a request from the Minister of Energy to the Ontario Energy Board to

develop an on-reserve rate or rate mitigation for reserves. The Ontario Energy Board responded that they would work on that and in doing so consulted both with Hydro One and First Nations representatives.

Question from the audience: Why is there a discussion on something that is not complete? The commentator shared the worry that this is creating false expectations.

- Mr. Hubert responded that the discussion was taking place in order to hear back on what they are proposing as part of the distribution rate filing, before the Company submits it, so that the input can be included in the Application.

Question from Chief Rick Allen, Constance Lake First Nation: Chief Allen wondered as to the extent of First Nations input on the plan?

- Mr. Hubert responded that there has been some First Nations customer input.
- Mr. Hubert clarified that there are three different initiatives underway, which is leading to some confusion,
- The proposal by Hydro One to the Ontario Energy Board is an Application for distribution rates for the next 5 years.
- There is also working underway on a First Nations rate, which is being reviewed by the Minister.
- The other issue of hydro affordability is one for all customers, and especially for rural customers in Ontario, and this issue is being examined by the Premier .
- Hydro One is here to seek feedback on the first item, the proposed Distribution Rates Application.

Comment from Chief Bressette: Chief Bressette commented that in areas where there are wind turbines, First Nations people could not hunt. This is a violation of Treaty rights. They have found that there are very sudden restrictions based on hydro applications to the Ontario Energy Board.

- Mr. Hubert provided an overview of the generation, transmission and distribution system that serves industrial/residential/commercial customers. Related to Chief Bressette's question, Mr. Hubert notes that Hydro One's only role is to connect generators to the system. Hydro One does not have anything to do with land rights for generating facilities.
- **Chief Bressette:** Chief Bressette responded that First Nations own the land and expressed frustration at the common narrative that First Nations do not own the land and that Canada has rights to the land and resources. First Nations do not beg for "help"; rather, First Nations have a right to benefit from the resources drawn from First Nations land.

Question from Chief Allen: Chief Allen asked why Hydro One is talking about a specific distribution rate for First Nations. Given what Hydro One heard from participants already, why would there even be a distribution cost for First Nations.

- Mr. Hubert responded that Hydro One is not in a position to simply tell the Ontario Energy Board that First Nations will not be charged anything for distribution; however, there is an opportunity to do something, and Hydro One has made some recommendations to inform the OEB's review of the First Nations Rate. The Minister mentioned a First Nations rate or rate mitigation and asked the OEB to prepare a

recommendation. At the same time, Hydro One is preparing for an Distribution Rates application that applies to all customers. It is up to the Ontario Energy Board to approve it or not. In addition, the Minister may be able to make changes related to a First Nations rate, but that decision is with the Minister alone.

- **Chief Allen:** The Chief pushed back on the idea that Hydro One is still applying a distribution charge to First Nations and he recommended that Hydro One just tell the Ontario Energy Board that they are eliminating the charge for First Nations.
- Mr. Hubert noted that they are working on this as part of Hydro One's advocacy role around the rates for First Nations customers and affordability issues in general. They have asked the Ontario Energy Board to adjust the distribution charge.

Comment from Chief Bressette: Chief Bressette noted that the Ontario Energy Board has never invited First Nations to discuss this issue with them.

- Mr. Hubert noted that he believed that the Ontario Energy Board spoke with First Nations representatives about the First Nations Rate Report, but he was not aware of who was involved on behalf of the First Nations.
- **Chief Bressette:** Chief Bressette reminded the room that there is more than one Chief in Ontario and more than one First Nations provincial/territorial organization as well.
- Mr. Hubert stated he was not entirely sure about the Ontario Energy Board process.
- **Chief Bressette:** The Chief noted that the Ontario Energy Board gives other groups a lot of authority over First Nations land without the involvement from First Nations. It is very powerful as evidenced by breaking up Ontario Hydro and making changes without speaking to First Nations. He reiterates that First Nations own the land and are not reported to at all. He states that this way of operating has to change.
- In response, Mr. Hubert notes that forums such as this are intended to drive change. He also committed to finding out about the Ontario Energy Board process when it comes to the discussions that the OEB held on the First Nations Rate.
- **Chief Bressette:** The Chief reiterated that the Ontario Energy Board should be talking to First Nations; OEB should talk to First Nations.

Question from Amy Lickers: Ms. Lickers, in relation to the information on the PowerPoint, what is the difference between the transmission and distribution area in Hydro One

- Mr. Hubert explained that transmission is above 50,000 volts, and typically involves the larger, steel towers and large transformer stations, whereas distribution is below 50,000 volts. He likened the system to the highway and roads systems in the Province.
- **Follow up question from Chief Faries:** Chief Faries asked if that means Moose Factory First Nation were in distribution then, and if that was why the delivery fees are so high.
- Mr. Hubert explained that there is a delivery charge in both, but the majority of the delivery charge is for distribution. Mr. Hubert referred to his PowerPoint [Slide 6] and noted that electricity makes up the majority of the charge. He also committed to provide both hard and electronic copies of the presentation to the attendees.
- **Follow up by Chief Faries:** The Chief asked if it was the Ontario Energy Board who proposed a credit for remote communities. Also, she posed a question to the Chiefs of Ontario, who helped coordinate the engagement session, around whether or not the engagement needed to be with the Ontario Energy Board. In general, what is the

strategy and is meeting with Hydro One the best way to spend our energy. She also asked where Regional Chief Day was.

- Mr. Hubert suggested that the participants were indeed at the right forum and while there were many issues Hydro One cannot deal with, such as nuclear power for example, it is Hydro One who puts together the bill and delivers it to customers. So Hydro One, plays a role in explaining the system to customers. Hydro One proposes rates, but the Ontario Energy Board approves the rates. Mr. Hubert again invited a constructive conversation.

Grand Chief Gord Peters,: Grand Chief Peters noted that it was not Hydro One, but rather the Ontario Energy Board that did the visit last fall, to discuss the First Nations Rate. . He also mentioned again that Chief Ava Hill worked on this and at the time they could not get anyone else to sit on the committee with her. He acknowledged her for taking on that work. He also noted that other people got involved in the process and as that went forward only a handful of other people came to participate. He stated that the participants were there because they had been invited into the process. He did, however, note that Hydro One should have been clearer about what was going to be discussed and the goals of the meeting.

- Mr. Hubert recognized that they were not clear on the invitation that this is a discussion on the Distribution Rates Application by Hydro One, not the First Nations rate; however, they are not a stage where they can give an answer on the First Nations rate, nor are they in a position to do so, as this is the Minister's initiative.

Chief Daniel Miskokomon: Chief Miskokomon noted the need for cultural sensitivity training for Hydro One staff working within First Nations communities.

Councillor Ted Snache: Councillor Snache asked for clarity. From his understanding, power generation was from the Bruce Power plant, and then Hydro One buys the power and then distributes the power. He also noted that Bruce Power makes so much power that they sell it to the United States at a reduced rate.

- Mr. Hubert clarified that Hydro One does not buy the energy; rather they just deliver the power and issue the bills. Hydro One collects the money and then sends it to the Independent Electricity System Operator (IESO, a Crown agency) which then remits it to the power generators. The IESO is responsible for the market and the system operation. Related to shipping power to the United States, the IESO decides at certain times that it is more economical to ship to other jurisdictions at a lower price than to shut down the nuclear plant and start it back up again.

Cynthia Jamieson: Ms. Jamieson asked for additional clarity on the distribution rate application to the Ontario Energy Board. She asked if the three rates were: First Nations rate, regular rate, and an affordability issue.

- Mr. Hubert clarified that there were three independent issues: the First Nations rate, a Hydro One Distribution I rate application, and energy affordability, in general.
- **Follow up question from Ms. Jamieson:** Sought more explanation of the rural rate.
- Mr. Hubert noted that there was a separate discussion going on with government related to energy affordability.

Chief Brian Perrault: Chief Perrault reflected that the primary role of Hydro One is transmission and the business side of energy. He noted that the CEO spoke about trying to support First Nations. He reiterated that the expectation is to get rid of the distribution charge. He wondered why it would be in Hydro One's interest to get rid of that distribution charge. He ended by sharing some cynicism related to Hydro One's commitment to First Nations issues given that it would seem to go against their own business interests.

- Mr. Hubert assured the Chief that these two goals are compatible. He noted that Hydro One needs to collect the total revenues it needs to operate and maintain the distribution system, but rates for different groups could be different, although getting rid of a distribution rate is not an option that Hydro One was looking at. The reduced rate for First Nations, if implemented, will have to be made up somewhere else to fund the business operations.
- **Follow up from Chief Perrault:** The Chief shared that for some homes in his community, the delivery charge is more than half of the bill. He asked what is the percentage of the bill for delivery charge that Hydro One is comfortable with and going to the Ontario Energy Board with.
- Mr. Hubert explained that Hydro One does not have a percentage in mind. When the application is put together, they advise the OEB how much money it takes to run the system, and then developed a budget for five years for the OEB to approve. Once it is approved, Hydro One can recommend different rates for different classes. The Minister can ultimately make that recommendation and adjust through other income sources the rates for other groups..
- **Chief Perrault:** The Chief advised Hydro One against raising the rates of power itself to make up funding from the (potentially lower) distribution rates.
- Mr. Hubert noted that setting the electricity prices was beyond his control but he would not like to see that happen as it would essentially lead to a vicious cycle.

Councillor John Onabigon: Councillor Onabigon asked Hydro One to define a First Nations customer. Is it only on reserve? He noted that First Nations maintain the same rights no matter where they reside.

- Mr. Hubert noted that the letter from the Minister referred to exploring a rate for First Nations on reserve only.

Chief Rick Allen: Chief Allen asked who was involved in developing the First Nations rate. Was it the Chiefs of Ontario?

- Mr. Hubert responded that ultimately it is in the hands of the Minister however, there was an earlier discussion run by the Ontario Energy Board that did not involve Hydro One.
- **Chief Allen followed up:** The Chief asked Mr. Hubert if he knew who ran it.
- Mr. Hubert reiterated that the process was the OEB's and he did not know much more than that about the discussions that the OEB with First Nations. He then further explained the distribution system map in the PowerPoint [slide 4]. He noted that some First Nations are also serviced by Hydro One Remotes who have their own rates, separate from the Hydro One Distribution rates.
- Mr. Hubert elaborated on how the Hydro One distribution charges are spent: preventing outages (47%); upgrading the system (21%); customer service (12%); responding to power outages (10%) [Slide 7].

Chief Reginald Niganobe: Chief Niganobe stated that he participated in one of the sessions between the OEB and the Chiefs of Ontario. He shared a concern noted by an earlier speaker related to off reserve First Nations people. He noted that First Nations know who the members of their communities are. He concluded by asking Hydro One officials if there would be an opportunity to work towards considering off reserve First Nations for the special rate as well.

- Mr. Hubert stated that Hydro One is open to hearing that idea and, in fact, this was the kind of feedback they were hoping to get from this session. He hopes to find a way to work together on issues.

Councillor Skied: Councillor Skied asked about the loss ratio, how the loss is calculated and why customers are burdened with that loss [Slide 6].

- Mr. Hubert explained that line loss represents 4% of electricity costs to customers. He notes that line loss is an expenditure for Hydro One and has to be paid for by someone. The electricity generator produced it, but some of the power is lost as heat during delivery on the distribution system, and the losses have to be paid by someone. He noted that he understand the frustration over end users paying for something they did not get, so Hydro One is always trying to minimize those losses and costs.

Grand Chief Gord Peters: Related to First Nations people in urban areas, distribution charges go down in areas of higher density. He suggested that these reforms could be made in phases; first address First Nations on reserve and then move to urban areas.

- Mr. Hubert restated that the letter from the Minister only mentioned an on reserve rate or mitigation.

Chief Tom Bressette: Chief Bressette sees the on-reserve/off-reserve issue as an attempt to divide First Nations rights. He notes that those living off reserve have never given up their rights. It is called the principle of portability of rights. First Nations were never to be locked on to a little piece of land forever. The OEB should have an answer to the on-reserve/off-reserve issue. It is about Treaty rights and human rights. Canada recognizes human rights. The Chief reiterated that people who live off reserve have portability of rights and can come and go as they please in their own territory.

Councillor John Onabigon: Councillor Onabigon shared that if there are different rates for on and off reserve people it will mean that his Chief and Council will have to discriminate against their own people; however, they were elected by all of the First Nations membership no matter where they reside.

Chief Leslee White-Eye: Chief White-Eye inquired about the cost structure; specifically, what charges the OEB approves for Hydro One.

- Mr. Hubert clarified that Hydro One was responsible for operating the Transmission and Distribution systems. Further, IESO gets a small part of that bill as well.
- **Follow up from Chief White-Eye:** The Chief asked if there was a transportation levy to enter her community, the operating system is where it would fall?
- Mr. Hubert sought clarity on the question. Was the Chief asking who would pay a levy set by a community?
- **Chief White-Eye:** The Chief asked if a company would have to pay a levy.

- Karen Taylor, Hydro One, responded that there is sometimes a charge from communities for access and the presence of Hydro One facilities. This is included in the distribution portion of the bill and is also included as part of the company's revenue requirements.
- **Chief White-Eye:** The Chief asked if that is from the First Nation or the OEB.
- Ms. Taylor clarified that when Hydro One sets the rates they add up all of the costs and it is passed on within the rate. Any fees paid to First Nations for access are passed on through customer bills.

Chief White-Eye: The Chief suggests that those costs should be passed on to the distributors and generators.

Gary Schneider, Hydro One, clarified that Hydro One pays for land use, for the value of land and also payment in lieu of property taxes. He noted that they might be able to make unique payments to First Nations, depending on the situation.

Chief Mary McCue-King: The Chief expressed surprise to hear that the year-end amount was \$6.5B with costs of \$1.1B. There is quite a lot of profit, so she expressed frustration of being told Hydro One cannot afford to lower rates.

- Mr. Hubert noted that the proposed rate increases within the five year application does not take into account a First Nations rate yet. He notes that the majority of the increases are due to the costs of maintaining infrastructure and upgrades.
- **Chief McCue-King:** The Chief noted that in the annual report ending in 2015, Hydro One's debt to capital ratio was 50%. She stated that Hydro One could afford to lower rates as they profited \$620M in net earnings. She stated that she listened to what everyone is saying and that Hydro One can afford to eliminate the delivery rate for First Nations communities or both that and profit sharing on the transmission lines going through our communities.
- Mr. Hubert responded that Hydro One had an 8.87% Return on Equity allowed by the OEB, which is the profit and that we are allowed to earn, but if we significantly exceed it we can return some of it to customers as part of the Hydro One's Earning Sharing proposal.

Chief Tom Bressette: Chief Bressette reminded Hydro One that they do not own the land neither does Canada, Ontario or the Ontario Energy Board. Yet Hydro One is taxing it. He wondered what the First Nations' portion of those profits is.

- Mr. Hubert responded that this is a broader question.
- **Follow up from Chief Bressette:** The Chief reiterated that Hydro One is taxing First Nations and he wanted to know where the First Nations' share is. He noted that Hydro One and First Nations are partners. The land is First Nations land, and First Nations people are generous to share it and help non-Indigenous people on these lands. First Nations did their part of fairness and goodness within a partnership and are asking for their half in return.
- Mr. Hubert suggested that the issue of partnership is a broad question. There are some partnerships developed with First Nations already and he hoped that more discussions on partnerships come out of the engagement session.

Councillor Ted Snache: Councillor Snache asked about the potential for breaks related to peak time rates.

- Mr. Hubert said that related to peak rates, this is a challenge because those rates are determined by the OEB. Therefore, any adjustment would have to be explored with the OEB. The Hydro One recommendation was a limited to a change in the delivery charge.

Councillor Warren White: Referring to the Ontario map in the PowerPoint presentation, Councillor White noted that he is a Treaty person, as part of Treaty 3. He asked the Hydro One team if they are willing to honour and respect the Treaty 3 Sacred Law. He asked if Hydro One knows the Sacred Law, or Treaty 3 Resource Law? He suggests that Hydro One needs to learn First Nations laws within Treaty 3. He noted that it is a land base of 55,000 square miles. Hydro One does not have a territory. He notes that education is an important part of any partnership and within regional engagements, and that Chiefs should be educating Hydro One about First Nations resource laws. With this in mind, Councillor White recommended changing the PowerPoint slide with the map of Ontario, which refer to Hydro One's Service Territory, because Hydro One does not have a territory.

Councillor [Name Unknown]: The Councillor wondered if Hydro One staff could explain rate classes. In addition the Councillor mentioned that there are seasonal customers and wonders why they cannot have their own class.

- Mr. Hubert said that in regards to rate classes, when Hydro One applies to the OEB, they develop proposals for specific rates including: urban, two rates for rural, seasonal, and commercial/industrial. He notes that they could also add a First Nations rate. These rates are based on the cost of the assets that serve them. A proposed rate that is not cost-based is therefore a policy decision of the Government and the OEB and is not an arbitrary process.

System Investments

Presentation by Mr. Greg Kiraly, Chief Operating Officer, Hydro One

Mr. Greg Kiraly provided personal background information. He is in charge of operations and is responsible for the Transmission and Distribution System (T&D system) along with Mike Penstone, Vice President of Planning, and Gary Schneider, Vice President of Shared Services. In his role, Mr. Kiraly is responsible for safety and reliability of the system (including the number of outages and duration of outages). He noted that his job is also to keep costs low or lower costs. This essentially means trying to improve productivity and decrease costs, decrease vendor costs. Essentially, his aim is to keep the system safe, reliable and affordable.

Mr. Kiraly also acknowledged that he does not know much about First Nations and this has been an education for him. He noted that his job is to achieve operational excellence. To identify where Hydro One is at, identify where they can get to and to put a plan into place to get Hydro One there.

Representative from the Chippewas of Rama [No Name Provided]: The speaker questioned what Mr. Kiraly's presentation has to do with hydro rates. They noted that they had to cancel some important meetings to attend this engagement session.

- Mr. Kiraly responded that he will get to a discussion about reliability and how that affects everyone within the system.

- Referring to the PowerPoint [slide 8] he noted that within the transmission system the primary causes of interruptions is equipment failure and weather. Other causes are major environmental events (tornados, fires, etc.) and animal/vehicle/tree contacts.

Chief Patricia Faries: Referring to Slide 9, she noted the green dots, which indicate issues with reliability. She wondered why there were no lines identified on the slide in those areas.

- Mike Penstone, Vice President of Planning, Hydro One, explained that not all Hydro One lines are represented on the map as it would be too cluttered. He noted that they are monitoring those lines within the distribution system where there are system disruptions. Where Hydro One sees deterioration or degradation, there will need to be repairs and costs associated with those improvements.
- Mr. Kiraly added that it costs more in northern and remote areas to service the system.

Chief Gerry Duquette Jr.: The Chief suggested this is just a reality in Canada. Further, he noted that his community was not represented by a dot on the map within the slide.

- Mr. Penstone clarified that the dots represent hydro stations, not communities.
- **Follow up from Chief Duquette:** The Chief noted that his community had created their own energy project, where the band paid for the line in the 1950s. He suggested that it is discouraging when he hears about the costs. He also suggested that Hydro One should provide their employees a lunch box as many times they are working close to restaurants and so once they leave to get lunch, it takes a long time and things do not get done. In his community they had outages for 11 days; also during Christmas time. Chief Duquette suggests that he is looking forward to change and that his community has been asking what was going to happen. He needs to take the information back and share it with his community.
- Mr. Kiraly responded that Hydro One does not rest until every customer has their power back on but recognizes that it is more challenging in the remote north.

Chief Melvin Hardy: The Chief suggested that Hydro One look at repairing the transmission lines around Lake Nipigon. There is a station near his community and there is still trouble. He also asked a question around when the lines break and are repaired, would the rates go up.

- Mr. Penstone responded that, in order to ensure transmission networks provide reliable service, investments need to be made. He notes that Hydro One is spending money to sustain its networks and those investments are recovered through hydro rates.
- **Follow up from Chief Hardy:** The Chief asked that if it breaks do customers pay for it?
- Mr. Penstone responded that Hydro one anticipates that there will be repairs and costs
- **Chief Hardy:** Responds by saying that there are lots of hours with power and when Hydro One equipment fails, do customers pay for it?
- Mr. Penstone answers that, yes, but all rate payers pay for the repairs.
- **Chief Hardy:** Notes that there is greater density in the south and thus they have lower rates. He noted that Hydro One should have some statistics that are First Nations specific.

Mr. Kiraly noted that Hydro One is looking at getting coverage around the clock and is working with the unions on that. He notes that they have good reliability on the transmission system but less so on the distribution system as it does not have the same technology. Mr. Kiraly notes that

Hydro One workers sometimes have to check an entire line; that could be 100 miles long. Hydro One needs to upgrade this to avoid these delays. These upgrades will take years of investment and changing labour agreements, all aimed at improving reliability.

Chief Brian Perrault: The Chief recounts an incident last spring where there was a Hydro One crew in his community clearing trees around the lines. The crew came right into his yard where he had 5 trees. Instead of trimming the trees, they cut them all down. The Chief's wife's grandfather planted those trees and he felt like he should have been spoken to about it before they were cut.

- Mr. Penstone said that Hydro One has not trimmed in a long time. There are OEB standards related to dying and diseased trees. However, Mr. Penstone felt that he could not comment any further because he did not know about the specific situation. In addition, he committed to following up.

Councillor Ted Snache: Councillor Snache noted that the cost saving measures were part of what Hydro One does and it makes sense to redo the lines as quickly as possible.

- Mr. Kiraly noted that it is about balance. That Hydro One can ask the OEB to make these kinds of investments that are needed, but if we ask for that there needs to be an increase in the rates.

Chief Mary McCue-King: The Chief noted that there were issues with the lines in her area and asked if this is that going to impact the hydro rates in her community. She noted that Hydro One had proposed a change from a single phase to three phase power. She wonders if that is necessary and if it were more expensive.

- Mr. Kiraly responded that it would be more expensive. What you are talking about is a submarine cable and the cost would be borne by all rate-payers. Referring to slide 10, Mr. Kiraly describes the line performance for First Nations in 2016.

Chief Leslee White-Eyes: The Chief thanked the presenters and noted that the information was helpful. She was wondering about the relationship to community emergency planning. Specifically, she asked if Hydro One develops relationships in the community or is it more reactive. For example, can there be collaborative work to develop poles that have street lights on them. In this, Hydro One would be giving back to the community. She asks if there are other details of potential relationships going forward including sponsorships, career fairs, developing community protocols for when Hydro One comes into First Nations.

- Mr. Kiraly responded that Hydro One is open to any of the ideas the Chief just mentioned.
- Mr. Penstone said that related to the street lights, there is a legacy of sentinel lighting, but Hydro One is open to any suggestions.
- Mr. Kiraly mentioned that related to emergency planning, there are some relationships with communities around that, but he recognized that there is certainly not enough of that going on. He continued that they are open to any protocol that the Chiefs feel is most appropriate, for example, Hydro One workers stopping at the band office to let the leadership know what is going on. Mr. Kiraly concluded by saying that many of the items that Chief White-Eye mentioned were possible to achieve.

WRAP UP

Mr. Goulais indicated that as heard from the participants, Hydro One should be providing the wrap-up.

Mr. Ferio Pugliese, Executive VP, Customer Care and Corporate Affairs, Hydro One, began by thanking Mr. Goulais and calling up the Hydro One Executive Team to the front. He noted that the conversations were captured visually and in notes. He reminds participants that these are the beginning of more discussions in order to lead to action. Mr. Pugliese identifies the main themes of the discussion.

1. The short-term, immediate economic issues including affordability: There is the additional rural burden and hefty delivery charges. There needs to be serious attention paid to the economic realities faced by First Nations and identify how to provide relief.
2. The need for policy change: A First Nations rate is beyond the power of Hydro One to change, but the Minister will be attending the dinner and may have more insight into the First Nations rate.
3. Longer term issues: There is a need to address longer term issues including outstanding agreements around access, rights, land use, assets on the land. There have been fruitful agreements in the past and Hydro One will continue to work on agreements with First Nations.
4. Relationships and Engagement: Hydro One needs to work with First Nations to develop a long term strategy on engagement. This was the first of many meetings. Hydro One is willing to come to your communities, regions, and tribal councils. These are opportunities to share information and educate both ways.

Mr. Jamie Scarlett, Executive Vice President, Chief Legal Officer, Hydro One, noted that the executive team members see working with First Nations as an overlapping mandate across their areas of focus. He noted that they understand it is critical to deal with costs and rates and Hydro One needs help from the government on that. Senior management understands how acute the issue is for First Nations. Regarding land use and resources, the team learned about how long negotiations have gone on and how this has been unacceptable for First Nations. They do not want these kinds of delays to continue. In order to achieve this, he encouraged direct, open and energized conversations. He encouraged a principled and fact-based method of moving forward. Thirdly, he noted the need to move forward on partnerships and co-ventures and working with First Nations more in the area of procurement.

Mr. Greg Kiraly, Chief Operating Officer, Hydro One, expressed gratitude for being at the engagement session. He thanked the crowd for good questions, comments and providing an education for him. He also noted that the participants could count on him and his team to improve the reliability of the system and get costs under control.

Mr. Pugliese asked for any questions or final comments?

Councillor Ted Williams: Councillor Williams shared an appreciation for the meeting and noted that he learned a few things. He stated that it was a difficult day and he appreciates that Hydro One heard their community issues. He noted that he does not want to come back in a year with

nothing changed for the better regarding power. He commended the senior officials for facing a tough crowd.

Mr. Pugliese noted that he wants to be back here celebrating success in one year. The comments will be shared with board members. He concluded by noting that the meeting will end but the conversation will not. He encouraged participants to reach out to Hydro One if there is something you would like to add, and Hydro One will be happy to come to your communities for similar meeting. Thank you.

Meeting Adjourned

Hydro One and First Nations Engagement Session
Mandarin Room, DoubleTree by Hilton
Friday, February 10, 2017

SESSION REPORT

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WELCOME

Mr. Phil Goulais, Session Facilitator, called the meeting to order and introduced Elder Andrew Wesley. Elder Wesley provided the opening prayer and a smudge. Mr. Goulais noted that on the previous day, the session was welcomed by the Mississaugas of New Credit First Nation and he thanked them for continuing to allow the attendees to meet on their territory.

Mr. Goulais provided background information from the previous day and thanked participants for letting him share the day with them. He noted that he was pleased to see his own Chief present, Chief McLeod. In his work with Hydro One, Mr. Goulais has built relationships with communities and has travelled to communities to give procurement workshops and share career opportunities at Hydro One. He noted that Chiefs were asking how to work with Hydro One and effect change, particularly around hydro rates. At the same time, Hydro One was asking how to work with First Nations. This came from an understanding of the need to work better together. This was part of the motivation for hosting the engagement session.

Mr. Goulais shared the message from the invitation related to the objective of the session: *“Our most important objective is to hear from you and the issues that matter to your community. We will also be pleased to share our current thinking and solicit feedback on the application for Distribution Rates and the distribution system plan that we are preparing for submission to the Ontario Energy Board.”* He reassured participants that these discussions did not constitute consultation, and that it was just meant as a discussion. He noted that it was an honour to work with the Chiefs and Councillors, Grand Chiefs, Deputy Grand Chiefs and the Regional Chief. It was an honour to hear firsthand what community members are saying.

Mr. Goulais noted three senior executives from Hydro One in the room, noting that they are the decision-makers and the engagement is an opportunity to draw from their experience and knowledge. They were attending to hear the views of First Nations. He concluded by stating that the engagement is an important first step. He commended the participants for venturing out and taking that step. He shares his hope for a productive day of information sharing and discussion as well as establishing a plan going forward to continue the discussions and strengthen the relationship further. He asks that everyone consider what they will collectively leave as a legacy for their young people and generations to come.

As far as the morning’s agenda, Mr. Goulais asked that participants introduce themselves, state where they are from and any early comments. Mr. Ferio Pugliese, Executive Vice President, Customer and Corporate Affairs will give a presentation on customer service. He asked participants to speak to what they would like to get out of the session, and what great customer service means to them. It was noted that notes of the meeting are being taken and participants would receive the written notes of the session for review. In addition, a graphic artist is capturing comments in a graphic way.

INTRODUCTIONS

Chief Barron King, Moose Deer Point First Nation: Personal Introduction

Jerry Fontaine, First Nations and Métis Relations, Hydro One: His work with Hydro One involves travelling to communities and conducting relationship-building work. He is from Treaty 1

in Manitoba, Sagkeeng First Nation. He is also party of Treaty 3, as the treaties did not recognize provincial borders. He noted that at the session yesterday there was some confusion on the point the purpose of the meeting, so he clarified that it is about building a relationship, trying to do things right, and identify where there can be changes at Hydro One. The company is seeking how to do things differently.

George Kakeway, First Nations and Métis Relations, Hydro One: Mr. Kakeway introduced himself as from Rat Portage, Treaty 9. He noted that he works with Treaty 3 communities and has been doing this work for Hydro One for about three years. In doing so he follows the traditional spiritual protocols before entering each community.

Chief Tom Johnson, Seine River First Nation: Chief Johnson noted that in his community when they see a Hydro One truck it is only for one thing [presumably to cut off service]. He notes that it has been a long process of negotiations and he would like to walk out of the engagement session feeling good about the process. He recognized that one day would not solve everything; there will need to be more time. However, he was looking for something to look forward to regarding hydro rates.

Rob Globocki, Director, Customer Service, Hydro One: This Customer Care Director noted the desire to establish connections with customers. They do not want to be seen as just people who come to cut people's power off. He suggests that Hydro One wants to work with First Nations, provide information and ask about First Nations' needs and priorities.

Ferio Pugliese, Executive Vice President, Customer and Corporate Affairs, Hydro One: Mr. Pugliese noted that he has only been with Hydro One for five months. He is originally from Ontario. He describes his responsibility as being about customer care and Indigenous Relations. He thanked the participants for coming and noted that the previous day had been a frank and honest discussion. He suggested that the Hydro One executive team were forging a new commitment to relationship building. He reiterated that Hydro One appreciates the presence of the attendees and recognized that they were busy. He reaffirmed that the session is a conversation and is not a consultation. He saw this as the first chance to meet and get to know the new team and answer participant questions. He also mentioned that they wanted to do more community visits.

Steven Nootchtai, Councillor, Atikameksheng Anishnawbek: Personal introduction.

Chief Alex Batisse, Matachewan First Nation: Chief Batisse noted that he was attending to voice his concerns about the very high delivery rates.

Amy Lickers, Chiefs of Ontario: Ms. Lickers introduced herself and said that she works with the Chiefs of Ontario Chiefs Committee on Energy.

Sherrylyn Sarazin, Councillor, Algonquins of Pikwakanagan: Councillor Sarazin noted that her community has a long-held grievance with the energy sector. Dams took away their food; the eels disappeared. Energy lines were brought through in 1954 without permission. They are only now almost at an agreement. She noted the need for more cross-cultural sensitivity training for the staff dealing with First Nations. They should know the Seven Grandfather Teachings. She wondered how her community members could see relief directly on the bills, given the rising cost

of living and high hydro bills with delivery fees costing more than the energy. She is seeking a solution.

Chief William Diabo, Magnetewan First Nation: The Chief noted that he is in his third term in office. He thanked the organizers for putting together the gathering to bring his community's concerns to the table. His concerns are primarily about the relationship, the services and the high rates faced by his community. He noted his hope to achieve a solution, not just hear more words.

Chief Greg Peters, Delaware Nation (Moravian of the Thames): The Chief noted he is in his fifth term in office. He was attending the meeting for similar reasons to everyone: the standard of living for his people is in jeopardy. They have lower standards of living than other communities. To address this, they need to come up with a plan.

Chief Dean Sayers, Batchewana First Nation: Chief Sayers notes that the government of Ontario compels Hydro One to work with First Nations. His Elders make sure he expresses the fact that First Nations in Ontario pay the highest taxes of anyone. They had to give up 50% of their revenues and their quality of life. In the 1800s they were managing the resources but that was taken away. They refused to pay taxes to the government because they already paid with the violations on the land. Any tax that is paid today (PST, GST, etc.) is a violation of their Treaty. He notes that one measure that Ontario could do is point of sale exemptions for all First Nations in Ontario for any tax. If First Nations, no matter where they live, show a status card in paying a Hydro One bill, all taxes should be removed. The delivery charge should also be removed because of the lines going across their lands. Chief Sayers notes that there are many other issues that he would like to bring forward. He thanked Hydro One for inviting him and the other Chiefs for attending as well.

Tausha Esquega, First Nations and Métis Relations Team, Hydro One: Personal introduction.

Cesar Martinez, Customer Care, Hydro One: Mr. Martinez was attending the session to find solutions that are mutually agreeable.

Chief Scott McLeod, Nipissing First Nation: The Chief shared that he was encouraged to hear that Hydro One wants to hear the issues faced by First Nations. The situation is tough. His community just signed a bunch of cheques to help seniors make it through the winter. Most of the homes in his community are heated by electricity, so people have to choose between food and heat. He also echoed the comments from Chief Sayers regarding the constant struggle with the government to honour their Treaty obligations. He notes that hydro is a resource that is taken from the land, and instead of sharing; First Nations have to pay huge costs for it. Energy is generated from Mother Earth, and we have agreed to share it in the Treaties. The Chief hopes he can start seeing the government live up to their obligations.

Kathleen Naponse: Ms. Naponse noted that she is from Whitefish Lake but is attending on behalf of Thessalon First Nation. She would like to know what is happening with the rates and where there are plans for more lines to go. She sees this as impacting her Treaty rights.

Imran Merali, Interim Director, First Nation and Métis Relations, Hydro One: Personal introduction.

Karen Taylor, Senior Director of Regulatory Affairs, Hydro One: Ms. Taylor noted that she worked on the application to the Ontario Energy Board (OEB) and she was also a member of the Ontario Energy Board at one time. From the meeting, she hoped to take away sustainable and actionable items.

Chief R. Donald Maracle, Mohawks of the Bay of Quinte: Chief Maracle described his vast traditional territory that extended to both sides of the river. This territory was never surrendered nor was any of the rights within that territory surrendered. The Niagara Power Generation Station is within that territory and his community is looking for benefits from that. First Nations' resources have led to a comfortable life for the colonizing nation to the detriment of First Nations' quality of life. People on reserves are paying the highest rates. These people are further away from big cities, have lower incomes, can only find part-time jobs and often work minimum wage. He notes that the dynamics within the province were not considered in developing the current rates. In addition, municipalities have collected royalties from power lines that cross First Nations land. Sometimes there are land claims or lands that have not been surrendered at all and First Nations should be compensated. He notes that First Nations have contributed resources to the country and have also contributed in times of war. Rates are a political decision, and thus can also be changed by politicians. The rural rate is not properly applied to First Nations. From the meeting, Chief Maracle was looking for some kind of commitment. The OEB will do what the Minister tells it to do. If the Minister was committed to developing a First Nations rate, they should have already had their discussion and told the Chiefs what the decision is. He noted that he hopes this happens. He also hopes that First Nations can build a better working relationship with Hydro One and Ontario, based on the actions that are taken in response to First Nations' concerns.

Art Jacko, Manager of Lands and Resources, Whitefish River First Nation: Mr. Jacko noted that Chief Shining Turtle could not attend, so he was attending in his place, primarily to find out more information. His territory encompasses Treaty 3. None of the promises were ever fulfilled. Fast forward here today, Ontario has created a huge regulated monster. He stated that he was glad to see there is a new management group and will be watching to see how things change. He noted that the process is about the Hydro One application to OEB. He agrees that the infrastructure needs to be addressed. He noted that he knows the cost of running a business however, it is hard to understand and to explain to his people the rationale and reason for the rates that are being contemplated. While there are huge profits at Hydro One, First Nations communities continue to suffer and have not seen any breaks. In the 1853 treaty, First Nations were promised \$4 at that time. Today it is still \$4. He noted that he looked forward to seeing the application that Hydro One will submit and how they intend to deal with those Treaty issues.

Peter Nahwegahbo, Consultation Officer, Aundeck Omni Kaning First Nation (Sucker Creek): Mr. Nahwegahbo noted that he was attending on behalf of the Chief, and will be taking information back for the Chief. He noted that he was looking forward to this meeting, as it was his first session with Hydro One. He recalled that, 15 years ago, he went to his Chief about his hydro bill and then followed up 10 years ago. The Ombudsman of Ontario is finally hearing his case.

Chief Edward Wawia, Red Rock Indian Band: The Chief noted that 15 years ago his mother was Chief and she was saying the same things being said at this engagement session. His community has three dams in their back yard. They are close to Nipigon and yet their bills are 2

or 3 times higher. He would like an answer for why that is. He explained that they teach their young people to conserve energy and pay their bills, but when their bills are so high and the delivery charge is so high, they have troubles paying. He suggested that the delivery charge is so high because First Nations cannot be taxed. He concludes with a comment on maintaining the hydro lines; he would like to see a manual way of tending the lines and an end to spraying the lines.

Gary Schneider, Vice President of Shared Services, Hydro One: Mr. Schneider explained that procurement and land matters falls under his area of responsibility.

Chief Dwight Sutherland, Takwa Tagamou Nation: Personal introduction.

Peter Archibald, Councillor, Takwa Tagamou Nation: Councillor Archibald cited a number of issues that needed to be discussed with Hydro One. He mentioned a transmission agreement process they are hoping to start and they need to know who to speak with and where to go from here. He reflects that delivery charges are another issue. These charges are sometimes three times the electricity charge. There are also transmission problems despite there being several generating sites in his territory. One was just built at New Post Creek. They have also been impacted by not being able to fish out of their river anymore. There are well-documented impacts of sewage dumping, including damage to the environment, and the animals cannot drink there either. This is not being monitored. They are also impacted by Highway 101 and mining in the area. There was no regulation on these activities prior to the Environmental Assessment process. He shares that there is no doubt that people got sick and died from the contamination. He concludes by inviting Mr. Cesar Martinez to meet with him and discuss these issues further.

Oded Hubert, Vice President, Regulatory Affairs, Hydro One: Mr. Hubert noted that he would be giving a presentation later in the afternoon.

Devi Shantilal, First Nations and Métis Relations, Hydro One: Personal introduction.

Lucy Trudeau, Band Manager, Sheguiandah First Nation: Ms. Trudeau noted that she would like to bring back to her community real world solutions to the many issues they face related to hydro.

Daniel Charbonneau, First Nations and Métis Relations, Hydro One: Personal introduction.

Erin Henderson, Regulatory Affairs, Hydro One: Ms. Henderson noted that she had been working with the First Nations and Métis groups at Hydro One in relation to this session.

Valerie George, Consultation Coordinator, Chippewas of Kettle and Stony Point First Nation: Ms. George noted that she wanted to follow up on a point made earlier by Chief Sayers around transmission lines. She also raised the point around an off-reserve exception because sometimes people have to move off-reserve but that does not mean they have forgone their right. She ended by reminding Hydro One that this is not a consultation and Hydro One was not provided consent for anything.

Chief Paul Eshkakogan, Sagamok Anishnawbek First Nation: The Chief expressed his desire to talk more about solutions and the work that needs to be done to achieve those solutions. He noted that the Premier could impact the rates. He added that there was a need in

his community for employment and training. He recalled, years ago, when Hydro One was building the 250kV line from Sudbury to Sault Ste. Marie; they were recruiting community members across the North Shore. He noted that now, we need to go back and look at how First Nations can participate in the business and create employment in his community. He would also like to look at partnering with Hydro One to look at creating energy efficient communities. He notes that there are many energy sources in First Nations that should be considered. He shared that he was looking forward to the discussion.

Warren Lister, Vice President of Customer Care, Hydro One: Mr. Lister explained that his role is everything to do with billing and energy conservation. He noted that they are waiting to hear about rate relief from the Minister, but that in the meantime, Hydro One can do some things to assist First Nations and that is what he was interested in speaking about. He noted that he knows Hydro One has work to do as it relate to policies and procedures and committed to taking action on those.

Chief Wayne Pamajewon, Shawanaga First Nation: The Chief explained that he was attending the session out of a concern for where we are headed and how we get there. He also affirmed the words of Chief Sayers. He notes that the issues with Hydro One have been around for a long time. His community signed an agreement on hydro in 1951, which clearly points out that power would be delivered, to his community and three other communities at no cost. The interpretation of the agreement is not done from the First Nations perspective. His band members are telling him that they cannot pay their hydro bills and have to choose between food, power or rent. He notes that he came from a time where they would study using a coal oil lamp and when they ran out of oil they borrowed or got creative. Today people need power. We must find a way to make it better for his people. He notes the treaty, which begins at the Severn River and goes to Batchewana Bay. Those lands belong to his community and Hydro One has not paid for crossing those lands. That Treaty said that the First Nations would get benefits. This has not happened. According to that Treaty, his people should not be paying for hydro. They have paid enough. The Chief noted that his community needs three-phase power. They have upgraded the lines a little bit in the community but they still have lower electricity costs and very high delivery charges. The Chief had asked his community members to hand in their bills in order to record the total costs his people were facing. He suggested that all the leadership in the room do that. As Chief, in 2012, he sat at a huge table with First Nations on one side and Hydro One lawyers on other. They did not get very far. He questions how Bell Canada can be paying Hydro One for the use of the poles with no agreement from the First Nations. He noted that he wished some Hydro One policy people had to live on the reserves before making policy for First Nations. He concluded by saying he wanted to talk about the future for his community.

Mary Ann Giguere, Councillor, Thessalon First Nation: Councillor Giguere noted that she has concerns about the high hydro costs, and was attending the meeting to take information back to her people.

Chief Patricia Big George, Anishnaabeg of Naongashiing: Chief Big George began by stating her community was part of Treaty 3. Many of the issues that had already been brought up, resonated with her. She described that her community is at the end of Highway 21. She notes that the delivery charges are usually way more than the hydro charges. She asked if anyone sits at a negotiation table with Hydro One. She described a substation about 35 km from her community that was built when a mine came in. She thought that hydro rates would go down, as a result, but they actually went up. She viewed Hydro One as catering to the mine as

there is an economic incentive coming from the mine. Regarding procurement, she noted that the only contract work for First Nations seems to be cutting trees around the line. She asked if that was the only work available. She asserted that First Nations are worth more than menial tasks. She noted that about 60% of her community members are taking their hydro bills to the band office because they cannot afford to pay them. They should not have to rely on band funds to pay those astronomical rates.

Chief Lorraine Crane, Slate Falls First Nation: Chief Crane noted that she wanted to come to the meeting to discuss the many issues with Hydro One. She describes being born and raised on the land. Hydro One entered the area in 1930. There were agreements between Hydro One and six bands signed in the 1990s. She notes that they have never received reserve status, partly, she believes, because of Hydro One. They have been fighting for decades. The Chief recalled talking to a woman at Hydro One and the woman said Hydro One held the pen. This was both frustrating and offensive. In addition, her community shares many of the same struggles with Hydro One as others have mentioned. Hydro One can just drive in any time and disconnect people, and the community struggles to get people connected so the pipes do not freeze. The hydro bills are high and there is not a lot of employment in her community. They have annual contracts with Hydro One for clearing the land around the lines. She noted that when she was growing up, she always respected the hydro line going through the land. They always let people go through the land. This adds to her frustration alongside no reserve status, high costs of hydro and Hydro One can just come in whenever they want. She wants this to stop.

Chief Dorothy Towedo, Aroland First Nation: Chief Towedo noted that their concerns were many of the same already stated. She is new as a Chief and is learning. Her community is about four hours from Thunder Bay. They also do not have reserve status. She noted the outrageous cost of hydro while her people live in poverty. It makes it hard to pay for heating in winter. Many in her community are unemployed. Many families are forced to choose between power and food. This is also a challenge for Elders and people on fixed income. They also face challenges with interruptions to power that sometimes last days. As a result food gets spoiled and these are people who cannot afford to waste any food. Many people come to the band office for help with food or the hydro bill. The Chief concluded by stating that she was attending to learn how the system works and how these rates are determined.

Chief Elaine Johnston, Serpent River First Nation: Chief Johnston expressed gratitude for attending the session. She supported the comments of Chief Sayers regarding the Treaties. Her community is part of the Robinson Huron treaty area. The political conversation around 'Canadian Values' from Kellie Leitch reminds her that everyone who came to Canada is an immigrant. She posed the question: what are Canadian values? How did settlers treat First Nations people? She reminded the room that First Nations people treated newcomers well but that was not reciprocated. The way that First Nations have been treated for 500 years has been abysmal. Regarding relationships, the Chief notes that each side has to understand one another. She was pleased for the opportunity to open up a conversation; however, there is a need for some cultural understanding and an understanding of First Nations history, in order to understand where First Nations are coming from. The fathers of confederation gave First Nations people the residential school system. Hydro One needs to know the history of this country. Regarding energy, the Chief noted three things: 1) the Minister of Energy is the one making decisions; 2) there is confusion around Hydro One and the OEB. Who is doing what? and, 3) there needs to be some cultural recognition within Hydro One from the bottom to top. In addition, there needs to be designated staff as part of the call centres that can respond to land

issues and taxation issues, etc. The Chief noted that when members call the call centre they get nowhere. Chief Johnston concluded by sharing appreciation to Hydro One for hosting this event because relationships start with dialogue. While Hydro One is sharing information, First Nations should share their perspectives too.

Deborah Wetzel, Councillor, Big Grassy First Nation: Councillor Wetzel concurs with everything previously said.

Lee Anne Cameron, First Nation and Métis Relations, Hydro One: Personal introduction.

Chief Wayne Smith, Naicatchewenin First Nation: Chief Smith noted that it was a pleasure to attend the engagement session. He came hoping to know more about delivery charges, as it is the biggest issue facing his First Nation. He recounted a personal anecdote that was instructive of what his community members deal with related to Hydro One. He shared that he had a rental unit that he paid the hydro for monthly. His tenant moved out in October, so he closed off the account. When a new tenant moved in, he transferred the bill to the new tenant. He received an excellent letter of recommendation from Hydro One, but also received a \$126 bill from the month before. He forgot about it and missed the due date by a week and a half. Ultimately he paid the bill online. However, when he came back from vacation it had been sent to collections by Hydro One. The Chief noted that First Nations members are badly treated by Hydro One customer service and there is a real need for a change in attitude. He also agreed with the issues brought up by the other participants. Out of this meeting, the Chief was hoping to learn more about Hydro One and also move from talking to action.

Jason Laronde, Director of Lands and Resources, Union of Ontario Indians: Mr. Laronde shared that he was attending the meeting to listen.

Brendon Huston, Economic Development Coordinator, Union of Ontario Indians: Mr. Huston noted that he was also attending to listen.

Chief Wayne Pamajewon, Shawanaga First Nation: The Chief noted that when it comes to submersible lines, that First Nations never gave up rights to the water.

CUSTOMER CARE

Mr. Ferio Pugliese, Executive Vice President, Customer and Corporate Affairs, Hydro One
Mr. Pugliese began by thanking the participants for the frank discussion and open dialogue. He noted that Hydro One was undergoing a lot of changes, including a new system in Ontario. There are a lot of moving parts. For its part, Hydro One is undergoing profound changes, because of the shift towards a private company with shareholders. Providing some clarity, Mr. Pugliese noted that Hydro One was not in the power generation business, but in the Transmission and Distribution businesses. Hydro One does manage the delivery charges. He admitted that the new team at Hydro One recognizes that things had happened in the past when it came to First Nations land and communities. While they cannot change what happened in the past, the new Hydro One team is making a commitment to work differently, in partnership with First Nations. He asked the attendees to judge the new team on their actions. He noted that in a year from now, or sooner, Hydro One will be able to share insights and progress on closing out past grievances, in helping community members with bills, and making movement on

affordability. He recognized that this meeting was the first step in a long journey of building relationships.

Mr. Pugliese provided information on four points: the First Nations rate, affordability, calls to action, and understanding the distribution rate filing. Regarding the First Nation rate: in Ontario hydro bills are generally made up of the following: 50% for generation costs (nuclear, hydro, gas, wind, solar, biofuel) and 37% of the bills are distribution costs. These costs vary based on density (more poles than people in rural areas). Hydro One applies for, but does not set the distribution rates; those are set by the OEB. However, Hydro One is trying to influence change related to those distribution rates. Mr. Pugliese recalled seeing bills where the delivery charge is larger than the consumption charge. He noted that he views this as a serious problem. He recognized that in remote communities, where there is electrical heat combined with poorly insulated homes (not on gas lines for forced air), the result is high consumption charges plus even higher delivery charges.

Regarding the potential for a First Nations rate; this is an issue being managed by the Minister of Energy. In developing the proposed First Nations rate, there were meetings with the Chiefs of Ontario and five (5) sessions that included 48 communities. The First Nations consultation was completed last fall in 2016. Mr. Pugliese shared that the final paper was filed by the OEB with the Minister on December 29, 2016 and he believes an announcement on the First Nations rate is imminent.

Hydro One does not want those high rates for communities and has teams working on affordability issues. Once those are resolved, then they can move on to system issues. Hydro One has been focused on education, advocacy and responsiveness. The need for education is acute because not many people understand the hydro system in Ontario. Customers, communities and even decision makers/policy makers need to understand the breakdown of costs and why they are so high. There was a cost increase once Ontario got off coal, for example, which was transferred to the cost to consumers. Hydro One can watch its costs, save money in different ways, and defer expenditures, where possible. Hydro One operates on the cost recovery system, and there are costs associated with maintaining that system which requires capital investments. These plans all have to be submitted to OEB.

Mr. Pugliese noted that Hydro One also plays an important role in advocacy that includes going to policy meetings at the Minister's office and also with the OEB. Hydro One met with the Premier last week and presented an advocacy position on behalf of customers. In that meeting, Hydro One described the situation as a crisis that needed radical redesign of policy in order to address the affordability issue. At that meeting, Hydro One shared information on how the redesign might look to reduce costs on the power generation side, etc. Mr. Pugliese noted that it was not just Hydro One who brought this message to the Premier, although Hydro One probably feels the most pressure because their name is on the bill. Hydro One owns that relationship with customers. Hydro One needs to start listening to the impact that high bills are having. The message was well received by the Premier and the level of engagement and knowledge of the Premier and her staff was impressive. Mr. Pugliese commented that Hydro One saw it as time to act as the voice for their customers, but this advocacy is not something that they can do alone. Hydro One believes that the voice of First Nations on this issue is strong. Hydro One and First Nations sharing the same message on affordability would be powerful. Related to improving Hydro One's responsiveness, Mr. Pugliese noted that they have heard First Nations speak about empty promises from the past. The new team at Hydro One will improve on this performance.

Mr. Pugliese notes that there are some actions that are beyond their ability to change, however, where they can; there are some actions that can be taken to respond to First Nations concerns. Recently they have taken some steps such as waiving reconnection fees. A customer was in arrears and had failed in the payment plan, but in working with the customer they learned that, it was not that the customer could not pay, they just could not follow the plan exactly. Hydro One recognized that they must be more flexible to meet customers' realities. Payment plans can be worked out to better suit customers. Also related to 'taking action', Mr. Pugliese asked participants to let Hydro One know what they wanted in terms of training programs for communities. They are willing to go to communities to work on individual bills, explain the bills, and get clients on plans; however, these activities take many visits. Another option is training people within communities to host these meetings and provide this service within the community. These programs are just getting started, but Hydro One will continue to work with communities in this area.

Chief R. Donald Maracle: The Chief noted that some councils loan monies to community members for bills in arrears. He asked what Hydro One could do for communities in this situation. Some people have had to go to high interest rate companies to borrow, which is a hard cycle for people to get out of.

- Mr. Pugliese responded that people would generally have to rely on social service agencies and that Hydro One does not have a policy on this issue, but can potentially look into it. In addition, he noted that they spoke with the Premier on affordability funding. The current program qualifiers are stringent but perhaps Hydro One can use the surpluses in cases such as this.
- **Follow up from Chief Maracle:** The Chief notes that in smaller communities there are no service agencies and have to depend on the band council.
- Mr. Martinez, Hydro One, noted that when they come to the community in March they will bring the United Way with them. Community members can apply for relief from the United Way. He has done this with First Nations communities before.
- Mr. Pugliese noted that this issue has come up before and is something that they want to look at. They are looking to support an adjudication process in order to address it. This is a potential suggestion for action going forward.

Chief Elaine Johnston: Chief Johnston noted that a lot of her people are living in poverty, so a payment plan will not help them. They are having a hard time paying for food. There are other social service programs, but those have a limit.

- Mr. Pugliese commented that Hydro One cannot address poverty in a general sense. It is a very broad, complex social issue. However, Hydro One can focus on the bills as part of their own social responsibility. Also related to community social services, perhaps Hydro One can support those through Hydro One's community giving program.

Peter Archibald, Councillor: Regarding Hydro One coming into communities and turning off power, Councillor Archibald asked if it was possible to put a load limiter on these houses. He reiterated that when the power is turned off pipes freeze causing unnecessary renovations that cost even more money. He also expressed frustration that Hydro One staff go on reserve to shut people's power off and do not even stop at the band office first. If this does not change, Councillor Archibald suggested that Hydro One staff would no longer be welcome in his community. He reiterates that concerns must be addressed, especially the delivery charges. He shared his position that the delivery charge should be removed altogether.

- Mr. Pugliese responded that Hydro One supports Councillor Archibald's position on the delivery charge; however, it is not Hydro One that controls that. Regarding Hydro One staff entering the community, Hydro One has heard this concern previously and believes that their staff must respect the community protocols. They should first visit the band office. Finally, with respect to the disconnection and whether there could be load limiters, Mr. Pugliese noted that there are resources on this that Hydro One is willing to share through their outreach activities.

Chief Wayne Pamajewon: Chief Pamajewon brought back the conversation on the agreement from 1951, which was signed by four communities. He inquired about how much revenue was generated through that agreement over the years. He would like to see the historical numbers. He also suggested the conversation on submersible cables should move forward.

- Mr. Pugliese responded that he is sure there must be information on the revenues generated through those agreements. He noted that he and the Chief Legal Officer had been going through all of the agreements to identify what had gone wrong in the past and where there are fixable issues. Hydro One wants to re-evaluate all of those agreements and resolve outstanding issues. Regarding submersibles, Mr. Pugliese noted that they are happy to sit and meet to have a discussion. In addition, the Chief Operations Officer would be presenting later and would be better suited for that discussion.

Chief William Diabo: Chief Diabo spoke about delivery costs. He shared that they have houses in his community that they rent. They turn the breakers off in the summer and yet they still receive bills with an astronomically high delivery charge. He is seeking an explanation for that. In addition, he asked for more details about the First Nations rate and the consultation with First Nations on that issue.

- Mr. Pugliese noted that consultation has not started for Hydro One on that issue. Regarding the First Nations rate, that was a consultation conducted by the OEB last year.
- **Response from Chief Diabo:** The Chief noted that his community was not consulted and added that the Chiefs of Ontario does not consult for his community; rather, they only advocate for his community.
- Mr. Pugliese noted that Hydro One can provide more information on that consultation initiated by the OEB and on the request for a First Nations rate.

WELCOME REMARKS FROM THE PRESIDENT

Mr. Mayo Schmidt, President and CEO, Hydro One

Mr. Schmidt provided a warm welcome to the Grand Chiefs and Chiefs. He recognized that the participants were looking for action and outcomes. He noted that the Hydro One team was learning more about the issues that are facing First Nations. Many of the issues identified the previous day were brought up again at this session. Hydro One is going through a period of transition. As part of the transition, the company has taken a renewed focus on customer service. He assured participants that their voices are being heard, not just by the leadership team in attendance, but also the entire Board of Directors. Hydro One, being a publicly listed company, opens up an opportunity to advocate on behalf of customers, whereas before Hydro One just took instructions from the province. The leadership team has come to understand how painful the delivery charge is for First Nations and they are speaking with the province to try to address that. Hydro One serves 88 different First Nation communities, which represent a great

deal of diversity. He noted the need to account for constitutionally protected rights and unique cultural connection to the land.

Mr. Schmidt shared that Hydro One met with the majority of the First Nations communities that they serve, which included over 200 community visits. He noted that they are looking to expand community visits and welcomed the participants to let Hydro One know if they were interested in a community visit. He appreciated the goals and aspirations, as well as the needs of First Nations rights-holders and landowners, in terms of business development and community relationships.

The rising cost of power is a serious concern and Hydro One would like to see lower rates. He assured the room that Hydro One staff were listening and taking notes which they will use to advocate First Nations concerns when meeting with the Premier and Minister of Energy, in making those points about affordability. Mr. Schmidt noted that Hydro One has information about how the rate increases occurred and plans for how they can be addressed. They will use this information to try and influence better outcomes for customers. Hydro One met with the OEB on the First Nations rate and supported reducing the delivery charge for First Nation communities. They also met with the Premier. Mr. Schmidt shared his optimism in seeing a policy change in the near future.

Regarding high bills and high arrears Mr. Schmidt noted that they are expanding the delivery of a new service model in First Nations communities. The new model centres on sitting down with customers face-to-face to review accounts and provide assistance where possible. To date, they have met with over 600 customers and are seeking to expand. Mr. Schmidt stated that if this is of interest to participants, to let Hydro One staff know. He noted that in the coming months they will be developing new programs for sustainable relationships. He views this as not only good business but also the right thing to do.

Mr. Schmidt concluded by thanking attendees for participating, as well as thanking the Minister of Energy and Regional Chief Day for working together towards building a strong and sustainable relationship.

Chief Dean Sayers: The Chief began by thanking Mr. Schmidt for attending the meeting. He explained that Indigenous people in Ontario pay the most taxes of anyone. There was an agreement to share the economy with settlers based on the understanding that First Nations people do not have to pay taxes. In Ontario, this is largely unrecognized. Chief Sayers asked if Hydro One would be willing to honour the point of sales tax exemption for all Indigenous people in Ontario no matter where they live. This was his formal request. The Chief's second point is on working for mutual benefit; he wondered how working together would look, and what would be the benefits, in general.

- Mr. Schmidt asked his staff member, Ms. Lee Anne Cameron [First Nations and Metis Relations], to make a note on the issue of taxes. He stated that given the complexity of the tax system there would have to do some analysis on that. He committed to going back to Chief Sayers on that topic.
- Ms. Cameron sought to clarify Chief Sayers' statement; that the tax can be removed for customers on reserve once Hydro One receives a status number, but she believes what Chief Sayers is referring to is eliminating the taxes even for those First Nations who are not living on reserve.

- **Chief Sayers:** The Chief clarified that at the time the agreement was made, there was no differentiation between on-reserve or off-reserve.
- Ms. Cameron said that Hydro One would go back to their tax group to discuss as well as talk to the province. She noted that they had been audited several times by the Canadian Revenue Agency related to tax collection. She also noted that, on a personal level, she agreed with Chief Sayers.

Mr. Schmidt described recent conversations with the province where they sought to provide solutions to the challenge of high delivery charges. The Province is currently looking at those issues. Hydro One is seeking to make progress on the big issues, and is trying to get away from disconnecting customers; rather, they are seeking to turn the power back on and work with customers one-on-one to try and solve the challenges.

Chief Scott McLeod: Chief McLeod shared that his band council had to issue 220 cheques to Elders to assist them in paying their hydro bills. That is \$88,000 in one month. He notes that it is not just the financial burden; they view it as insulting and immoral. The Chief shared that there are two major lines running through his First Nation, and yet leadership has to explain why citizens who are struggling are getting delivery charges. He noted that his community members are outraged, particularly because Hydro One does not pay anything to the community for the lines running through their territory and then Hydro One turns around and charges outrageous rates. They view this as money that is owed to them, and they need a conversation about that.

- Mr. Schmidt noted that Hydro One staff needed to meet with Chief McLeod on this issue and wondered if the contract lapsed or was ever renewed? He committed to reviewing these agreements.
- Ms. Cameron suggested that Mr. Gary Schneider, Hydro One, can talk with the Chief on this issue.
- **Chief McLeod:** The Chief explained that the issue cannot be resolved because the land is the First Nations' land, it was unsold and un-surrendered. It took 50 years to get the land back from the federal government. In the meantime, the delivery charges keep rising.
- Mr. Schmidt commented that Hydro One could work with the First Nations as a partner in approaching the federal government when these things are taking so long to resolve.

Peter Archibald, Councillor: Councillor Archibald noted that when it comes to projects in their area, the First Nations should be contacted for employment. He noted the case of Otter Rapids specifically. They had sent permits for the band council to review, and when the band signed off, the contractor said "oh sorry, no jobs." Councillor Archibald's second point is related to disconnections. He does not believe that Hydro One staff are aware of the new policies around working with people one-on-one to avoid disconnections because in his community they just cut people off. He noted that he sent a letter to Mr. Schmidt's office and received no response.

- Mr. Schmidt assured Councillor Archibald that he responds to every note that comes into his office. He asked that he resend a copy and he will respond. In terms of employment, Mr. Schmidt stated that he could not agree more and wants First Nations employees to participate in projects. He committed to putting people in touch with Ms. Judy McKellar, Executive Vice President, Chief Human Resources Officer. In regards to disconnection, Mr. Schmidt asked participants to let Hydro One know of anyone living without power. Hydro One wants to get them connected. If any community has people headed in that direction, Mr. Schmidt asked them to let Hydro One know and they will try and find a way

to manage. In addition, if your community would like Hydro One to make a community visit, just ask.

- **Councillor Archibald:** He commented that Hydro One comes to the community and does not want to hire his people.
- Mr. Schmidt noted that this might have something to do with Ontario labour law, and they will look into it.
- Mr. Martinez, Hydro One, announced that they would pass around a note and for participants to identify any preferred dates for community visits.

Chief Edward Wawia: The Chief shared that he did not get anything out of the presentations today. He felt that he needed to return to his community with answers for the Elders and young people about why their bills are so high. Based on this meeting he noted that nothing will be done about the high bills except another group of people will come to the community to show them how to manage their bills. That is degrading for his community members. The solution on offer is just extending their payments for a longer period of time. The Chief noted that what is actually required is getting serious about profit sharing so First Nations can deal with the huge bills.

- Mr. Schmidt clarified that Hydro One is in the transmission and distribution business, and it is the regulators who set the prices. Hydro One is indeed advocating getting better rates, but they cannot control the rates themselves. However, Hydro One can control certain things and make some changes such as infrastructure repairs and such. Hydro One can also provide assistance before a disconnection. He again encouraged people to approach Hydro One to see what they can do on that end. He reiterated that Hydro One is just one part of a much larger system. He also reiterated that the organization is undergoing a culture shift and asked that they be given a chance.

Steven Nootchtai, Councillor: Councillor Nootchtai began by thanking the organizers of the event. He noted that many of the concerns raised were also concerns for his community. Councillor Nootchtai provided a recommendation: that Hydro One uses their influence with their suppliers, because he views externalized costs as a Treaty issue. Hydro One has much more power than First Nations to influence change.

- Mr. Schmidt was in agreement with the speaker. He noted that Hydro One went from a Crown corporation to a commercial operation and in doing so has a greater influence on their suppliers. In addition, they are asking the province to make adjustments where necessary. He noted that, as a company, Hydro One has to get costs down as well. They are doing more work with less people and are reinvesting the savings back into stabilizing the system.

Chief R. Donald Maracle: Chief Maracle reminded the room that land was never surrendered to the Crown, yet the Crown gave letters of patent to others for some of his reserve land. Some members of his community live on that land part time. He wondered if their bills could be tax exempt, as their rights are being infringed on.

- Mr. Schmidt offered to talk to legal counsel on the issue and help investigate the situation. He noted that, if necessary, Hydro One could advocate the community's position with the provincial and federal governments as well.
- Mike Penstone, Vice President of Planning, Hydro One suggested that what the Chief was describing was a federal jurisdictional issue. The land was not surrendered. Secondly, the status of First Nations as it relates to tax is also a federal issue that would have to be determined by the Canadian Revenue Agency.

- **Chief Maracle:** The Chief restated that the land was not surrendered.
- Mr. Penstone responded that he understands the Chief's argument, but it is an argument that needs to be made to the federal government.
- **Chief Maracle:** Chief Maracle asked why Hydro One does not just try it and see what the Canada Revenue Agency says.
- Mr. Penstone responded that this might be an option for the Chief.

Chief Wayne Pamajewon: The Chief began by describing an issue his community had related to a road. The province was involved, and the First Nations took them to task on that. Cottagers were pushing the province to build a road west of his community. The community knew that those lands were still theirs. All the blasting required to build that road affected the aquifer and wells dried up. The community had to fight INAC on that issue. His community drilled the well and successfully negotiated with the Ministry of Transportation. Now the community has a water station, which requires power to operate. The Chief noted that there are many power outages and as a result, the community had to purchase generators for the well and the facility. There are a number of outstanding expenses related to power failures.

- Mr. Schmidt commented that Hydro One formed a group specifically to deal with water station outages. On occasion they have supplied the province with generators and fuel in the past. Mr. Schmidt suggested that perhaps Hydro One could support First Nations in this way, with the support of the province and the OEB.
- **Chief Pamajewon:** The Chief responded that his community had already expended that money
- **Lee Anne:** Ms. Cameron suggested that they would ask Mr. Penstone to speak to this point in the next presentation.

SYSTEM INVESTMENTS

Mr. Mike Penstone, Vice-President, Planning, Hydro One

Mr. Penstone explained the power system within the PowerPoint presentation. He explained that the transmission system map shows the system that takes the power from the generation to "load centres" through high-voltage transmission lines. The Hydro One distribution system (map) does not support the entire province. It mostly supports the rural part of Ontario. So, for example, Toronto uses Toronto Hydro for a distribution system rather than Hydro One. Most First Nations are in rural areas and are served by the Hydro One distribution system. The number of assets within the transmission and distribution systems is enormous and Hydro One are one of the larger transmitters in North America.

Question from Chief Elaine Johnston: The Chief asked how Hydro One does not service Toronto and if there is some type of agreement.

- Mr. Penstone responded that within their transmission network, Hydro One brings power to Toronto's boundaries and then Toronto uses its own distribution network to reach customers. There are operational agreements in place, as the operations and investment need to be coordinated.
- Mr. Penstone noted that the primary causes of interruption are equipment failure (49%) and weather (18%). Hydro One has to spend money to maintain or replace equipment. This costs roughly \$1.4B annually. He added that a lot of the equipment is from the 1950s and 1960s and is reaching end of life. It will need to be replaced and Hydro One needs to ensure there is the money to do that.

Chief McLeod: The Chief asked if the rates covered the delivery and upgrades

- Mr. Penstone responded positively.
- **Chief McLeod:** Chief McLeod noted that he runs a business and when upgrades are required it comes out of his profit. He wondered why Hydro One did not operate that way.
- Mr. Penstone responded that Hydro One collects money to cover ongoing costs of operating the business and providing reliable service is their business and requires upgrades. He also noted that Hydro One does have a net income and Mr. Hubert, Hydro One, would be able to explain that more in the next presentation.

Steven Nootchtai, Councillor: Councillor Nootchtai questioned whether there were investments in innovation or research in order to replace the old equipment.

- Mr. Penstone responded that yes, Hydro One invests in finding better, less costly ways of delivering reliable service. One potential innovation is drones. Utility companies can use them, but there is a lot of resource and development work that goes into determining how they could be used. Specialized drones can be used to inspect the lines for example. . Also they are looking at technology that can identify failures in the system to address them quickly.
- Mr. Penstone noted that Hydro One is maintaining reliability in the transmission system by increasing capital investments (lines) and leveraging technology. He noted that disruptions to the distribution system are most often caused by trees (24%) and equipment failure (24%).
- Vegetation management is a sensitive issue for customers and landowners all across the province because it involves cutting down trees. Hydro One recognizes that it is controversial but the company's focus is on reliability. However, Hydro One workers should not be surprising homeowners with action taken on their trees. They are working to notify homeowners prior to cutting.
- Related to First Nations distribution connections, they are often long, heavily treed lines. There is an impact on reliability for those reasons.

Question from Ms. Amy Lickers: Ms. Lickers wondered if these distribution connections are less likely to get three phase power.

- Mr. Penstone responded that he is referring only to the performance of the wire. It is a separate issue related to the demands for electricity. Converting lines from single to three phases is because of high consumption.
- Related to maintaining reliability of the distribution system, Mr. Penstone is looking to reduce the number of outages per year through the renewal program, tree trimming and the smart grid and shortening the length of outages through improved outage response, monitoring and control.
- Mr. Penstone noted that Hydro One asked customers about their priorities and they responded that the priority should be minimizing costs and less of a priority on improving reliability. The survey included 300 customers in First Nations communities.
- In order to control costs Hydro One is pacing expenditures, undertaking vegetation management and moving to mobile technology. He noted that Hydro One spent \$100 million this year on vegetation management.

Chief Paul Eshkakogan: The Chief noted that this morning a Hydro One representative said that they could not do anything about poverty in First Nations communities, yet the company

spent \$1.4 billion on equipment. He asked what percentage of that goes into First Nations communities in terms of contracts and employment. He suggested that there should be more effort in integrating First Nations communities and business and helping them get a piece of that \$1.4 billion. When it comes to procurement, terms like “best efforts” are not effective. He referred to the use of “set asides” or sole source contracts. He also noted that training is an important component. Communities are getting better at drafting and negotiating Impact Benefit Agreements (IBAs) with industry. He did, however, observe that Ontario and its Crown corporations are lagging behind other sectors when it comes to meaningful and capacity building opportunities for First Nations. The Chief would like to see a table developed to move this work around contracts and employment/training forward. As an example of his frustration, the Chief noted that even on the issue of vegetation management, they could not get anyone on the project because of a union issue. He reiterated that they need jobs in his community to pay the bills. The Chief expressed a desire to come to an agreement to continue the dialogue related to unlocking job and contracting opportunities for First Nations.

- Mr. Penstone agreed with the Chief and noted that there have been instances where First Nations communities provided material and services for projects. Mr. Penstone directed the comment to his colleagues in procurement.
- A Hydro One representative agreed with the Chief and suggested that they do a workshop with the community and their businesses in order to participate in the Hydro One sourcing events. He also commented that he supported the idea of a table for dialogue and is considering what that would look like from a strategic perspective. He agreed that they needed to start those discussions.
- **Chief Eshkakogan:** The Chief noted that that was pretty weak language and something they are used to hearing. He noted that he does not believe any company is going to work with First Nations, despite their best efforts. Rather, what will work is when communities have something of value like contract work in their hands, businesses will come to them. Hydro One can choose the company that they want to work with and allow the community to build capacity through that relationship. There is a lot that can be learned from each other. His community established the Lake Huron Transmission Company and participated in a procurement process on the east/west line. It was ultimately not successful but it was a good learning process. Hydro One should be unbundling larger contracts to support First Nations, as they likely do not have enough capacity to do the full contracts. The Chief concludes that there are many things that can be done and companies that could partner with First Nations. In addition, he offered to make himself available to work on this issue with Hydro One.

Chief Patricia Big George: The Chief asked why Hydro One does not move forward on sole source processes for First Nations. Also, related to the work around vegetation control, the Chief asked where to find out more information.

- Mr. Penstone noted that a description of where they spend their money and how is included in all applications to the OEB. They are on the OEB website and they are also on the Hydro One website. The descriptions go into a great deal of detail. Hydro One staff would provide the links to those websites.

Chief Elaine Johnston: Chief Johnston expressed some concern about the survey, which determined that cost was more important than reliability. She noted that clearly they needed to deal with the high bills, but they also need reliable lines. Reliable lines are needed for economic development initiatives to work; it is how the community functions. She asked what plan was in

place for those lines that are unreliable. She suggests perhaps a pilot project for other initiatives to deal with reliability.

- Mr. Penstone responded that the customer survey was only to determine customer priorities. Hydro One is not using the survey to justify ignoring the reliability aspects of the lines. He reassured the attendees that Hydro One continually monitors performance and where it is bad or degrading they will make investments. When lights go out in the community there are health and safety impacts. This is also part of determining where investments in reliability are made.

DISTRIBUTION RATE FILING (2018-2022)

Mr. Oded Hubert, Vice-President, Regulatory Affairs, Hydro One

Mr. Hubert described how Hydro One is going to the OEB with a distribution rate application that, if approved, would provide the necessary Revenue Requirement to operate the system for the next five years (2018-2022). This is the standard application that Hydro One has to complete (from now on, every five years). It is completely separate from the policy decision around a First Nations rate that the Minister will decide on.

To assist the OEB's work on a First Nations rate,

- Hydro One has given the OEB a significant amount of information to make their determination including the size of bills and the amount of the delivery charge compared to the commodity charge.

Also, the Premier asked Hydro One, among others, for advice on providing relief to rural customer, given that the delivery charge is often higher than the commodity charge.

Chief Elaine Johnston: wondered what was the difference between the All-Ontario rate and the First Nations rate.

- Mr. Hubert responded that the general distribution delivery rate is for all Hydro One customers. The Minister will decide the First Nations rate and then the Minister will tell the OEB what the First Nations rate will be. The general rates (other than the First Nations rate) are determined by the OEB, through Hydro One's application.
- Hydro One is filing this submission at the end of March and is looking for input before it is completed. Included in the submission will be results from the customer engagement surveys, and also the notes from this meeting. There are some First Nations that have actually represented themselves at the OEB, so there is a voice for First Nations at the hearings.

Chief R. Donald Maracle: thanked Hydro One for advocating for a reduction in the rates paid by First Nations. He asked if First Nations would benefit from the rural/remote reduction.

- Mr. Hubert responded that everyone within the R2 classification already receives a subsidy on their bills automatically.
- **Chief Maracle:** The Chief inquired as to the total profits for Hydro One last year.

Mr. Hubert responded that this figure is available online (Hydro One Limited's consolidated Net Income for 2016 was \$721 M).

First Nations Representative [name unknown]: The participant wondered about the implications for members that do not live on reserve.

- Mr. Hubert noted that the Minister's letter which asked them to explore the idea of a First Nations rate specified on-reserve customers only.

- **First Nations Representative:** First Nations leadership has a responsibility for all of their members, no matter where they live.
- **Chief McLeod:** The Chief noted that it is a huge concern, if the rates for off-reserve First Nations go up; while on-reserve it goes down.

Chief R. Donald Maracle: Chief Maracle asked if hydro rates overall are going up 10% next year

- Mr. Hubert responded that not according to Hydro One's numbers. The PowerPoint presentation will explain further.
- Slide 6 showed the breakdown of electricity costs to customers. The diagram represents an average customer: 51% goes to electricity generation, 37% goes to Hydro One delivery charges, 5% is a sales tax, 3% is regulatory charges and line losses represent 4%.

Chief Elaine Johnston: Chief Johnston wondered why rates had increased so much.

- Mr. Hubert responded that the increase is due to a few factors: the increased cost of electricity, the move to eliminate coal, renewable energy and infrastructure costs.
- Slide 7 showed how distribution charges are spent by Hydro One: preventing outages (47%), upgrading the system (21%), customer service (12%), responding to power outages (10%), and information technology (7%) and, administration (3%).
- The next slide details how distribution rates are set by the OEB.
- Mr. Hubert explained that this year Hydro One could earn an allowed profit (Return on Equity) of about 8.78%.
- Slide 10 identifies the stages in developing and submitting an application to the OEB including preliminary matters (3-4 months), issues and discovery (2-3 months), hearing (3-4 weeks), and decision and approvals (2-4 months). In total, the process usually takes 8-12 months.
- Slide 11 shows that the Hydro One application must balance key considerations including customer needs and preferences, rate impact and asset needs.
- Related to customer needs and preferences, Hydro One called about 800 customers including 300 First Nations people. In general, First Nations had greater levels of dissatisfaction, more cost sensitivity and placed greater importance on keeping costs low. In general, the First Nations surveyed would accept a 1% bill increase if they saw some improvement in service. Many findings were similar with the non-First Nations respondents.
- Mr. Hubert's presentation also noted that shrinking consumption so the cost serving each consumer has to go up.

First Nations Representative [Name Not Heard]: The participant asked if the seasonal rate is more than the rural rate 2 (The R2 rate).

- Karen Taylor, Hydro One, explained that the charge is based on how much a customer consumes. She noted that the OEB is looking at moving those into fixed monthly charges and eliminating the variable component.
- Mr. Hubert noted that Hydro One is asking the OEB for rates for five years and will not be going back except for minor adjustments. However, over the five years, Hydro One can continue to search for productivity savings, innovations, and better technology and reduce costs. This could lead to more profit, but Hydro One has committed that if it were

more than a 1% increase above the allowed ROE, the additional profit would be shared 50/50 with customers.

Chief Patricia Big George: Chief Big George asked if this would affect the First Nations rate.

- Mr. Hubert responded that it would not change the First Nations rate and that they would all have to see how the First Nations rate unfolds.

Chief Elaine Johnston: Chief Johnston asked what is causing the decreasing consumption.

- Mr. Hubert responded that it was mostly due to conservation activities and economic conditions.
- Mr. Hubert concluded that the participants can send any additional questions via email.

WRAP UP

The Facilitator closed the meeting by mentioning that the PowerPoint presentations would be available. In addition, pictures of the artwork and copies of the notes will be distributed.

Summary points:

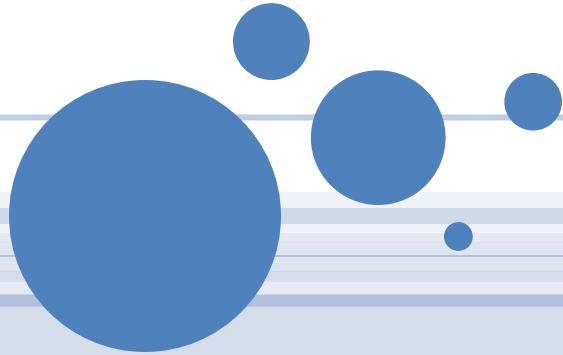
- Where they went from here will be determined by relationship building that will continue. There will be ongoing meetings set up including community meetings.
- Please judge Hydro One based on actions and results over the next five years.

The closing prayer was done by Elder Andrew Wesley.

Meeting Adjourned.

HYDRO ONE AND FIRST NATIONS ENGAGEMENT SESSION

February 9th & 10th, 2017



DISCLAIMERS

In this presentation, all amounts are in Canadian dollars, unless otherwise indicated. Any graphs, tables or other information in this presentation demonstrating the historical performance of the Company or any other entity contained in this presentation are intended only to illustrate past performance of such entities and are not necessarily indicative of future performance of Hydro One. In this presentation, "Hydro One" refers to Hydro One Limited and its subsidiaries and other investments, taken together as a whole.

Forward-Looking Information

This presentation contains "forward-looking information" within the meaning of applicable Canadian securities laws. Forward-looking information in this presentation is based on current expectations, estimates, forecasts and projections about Hydro One's business and the industry in which Hydro One operates and includes beliefs of and assumptions made by management. Such statements include, but are not limited to: statements related to project costs; statements related to continued consolidation of the electric utility market; statements related to dividends, including expectations regarding the ability of continued rate base expansion through capital investments to drive growth in dividends; statements regarding future equity issuances; expectations regarding funding for planned capital investments; statements related to rate applications and models; statements regarding rate base and cash flows; and statements regarding productivity improvements.

Words such as "aim", "could", "would", "expect", "anticipate", "intend", "attempt", "may", "plan", "will", "believe", "seek", "estimate", "goal", "target", and variations of such words and similar expressions are intended to identify such forward-looking information. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking information. Hydro One does not intend, and it disclaims any obligation to update any forward-looking information, except as required by law.

The forward-looking information in this presentation is based on a variety of factors and assumptions, as described in the financial statements and management's discussion and analysis. Actual results may differ materially from those predicted by such forward-looking information. While Hydro One does not know what impact any of these differences may have, Hydro One's business, results of operations and financial condition may be materially adversely affected if any such differences occur. Factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information are described in the financial statements and management's discussion and analysis.

Non-GAAP Measures

Hydro One prepares and presents its financial statements in accordance with U.S. GAAP. "Funds from Operations" or "FFO" and "Adjusted Earnings Per Share" are not recognized measures under U.S. GAAP and do not have standardized meanings prescribed by U.S. GAAP. These are therefore unlikely to be comparable to similar measures presented by other companies. Funds from Operations should not be considered in isolation nor as a substitute for analysis of Hydro One's financial information reported under U.S. GAAP. "Funds from Operations" or "FFO" is defined as net cash from operating activities, adjusted for the following: (i) changes in non-cash balances related to operations, (ii) dividends paid on preferred shares, and (iii) non-controlling interest distributions. Management believes that these measures will be helpful as a supplemental measure of the Company's operating cash flows and earnings. For more information, see "Non-GAAP Measures" in Hydro One's 2016 full year MD&A.

Thursday, February 9th 2017 - Agenda

Hydro One and First Nations Engagement Session

Thursday, February 9, 2017
8:30 a.m. - 4:30 p.m.



Session Objectives: We would like to come together to share mutual aspirations and hear from you about the issues that matter to your community. We will also be pleased to share our current thinking and solicit feedback on the application for Distribution Rates and the distribution system plan that we are preparing for submission to the Ontario Energy Board

Item	Speaker	Start Time	Duration
Welcome <ul style="list-style-type: none"> • Introduction to Today's Session • Introduction of First Nations' Elder (Andrew Wesley) • Prayer from Elder 	Phil Goulais & Elder	8:30am	30 mins
Introductory Remarks <ul style="list-style-type: none"> • Hydro One's Commitment to First Nations (including recent success stories) 	Mayo Schmidt	9:00am	30 mins
Individual Introductions <ul style="list-style-type: none"> • Introduction of each Chief or Delegate • Open Discussion "What would you like to get out of today's session?" 	Phil Goulais	9:30am	60 mins
BREAK		10:30am	15 mins
Customer Service <ul style="list-style-type: none"> • Customer Vision, Strategy, & Key Initiatives • Facilitated Dialogue: Exercise at each table. "What does great Customer Service mean to you?" 	Ferio Pugliese	10:45am	90 mins
NETWORKING LUNCH		12:15pm	45 mins
Distribution Rate Filing (2018-2022) <ul style="list-style-type: none"> • Key Findings from Customer Consultation • Revenue Requirement and Distribution Rate Profile • Cost Allocation Methodology, Rate Design 	Oded Hubert & Henry Andre	1:00pm	90 mins
BREAK		2:30pm	15 mins
System Investments <ul style="list-style-type: none"> • Education about why the power goes out • Reliability statistics on FN communities (either a few sample communities or in aggregate) • Investments in the Dx Rate Filing which will help to improve reliability (i.e. worst feeder) 	Greg Kiraly	2:45pm	60 mins
Wrap Up <ul style="list-style-type: none"> • Feedback • Protocol for Future Discussions 	Phil Goulais	3:45pm	30 mins

Friday, Feb 10th 2017 - Agenda

Hydro One and First Nations Engagement Session

Friday February 10, 2017
8:30 a.m. - 4:30 p.m.



Session Objectives: We would like to come together to share mutual aspirations and hear from you about the issues that matter to your community. We will also be pleased to share our current thinking and solicit feedback on the application for Distribution Rates and the distribution system plan that we are preparing for submission to the Ontario Energy Board

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BREAK		10:00am	15 mins
Customer Service <ul style="list-style-type: none"> • Customer Vision, Strategy, & Key Initiatives • Facilitated Dialogue: Exercise at each table: "What does great Customer Service mean to you" 	Ferio Pugliese	10:15am	60 mins
CEO Remarks <ul style="list-style-type: none"> • Hydro One's Commitment to First Nations (including recent success stories) 	Mayo Schmidt	11:30am	30 mins
NETWORKING LUNCH		12:00pm	30 mins
System Investments <ul style="list-style-type: none"> • Education about why the power goes out • Reliability statistics on FN communities (either a few sample communities or in aggregate) • Investments in the Dx Rate Filing which will help to improve reliability (i.e. worst feeder) 	Greg Kiraly	2:45pm	60 mins
BREAK		2:30pm	15 mins
Distribution Rate Filing (2018-2022) <ul style="list-style-type: none"> • Key Findings from Customer Consultation • Revenue Requirement and Distribution Rate Profile • Cost Allocation Methodology, Rate Design 	Oded Hubert & Henry Andre	1:00pm	90 mins
Wrap Up <ul style="list-style-type: none"> • Feedback • Protocol for Future Discussions 	Phil Goulais	3:45pm	30 mins

CUSTOMER SERVICE

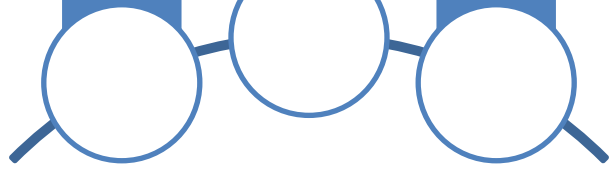
Ferio Pugliese

Executive Vice President, Customer Care and Corporate Affairs

Hydro One and First Nations Engagement Session

February 9 and 10, 2017

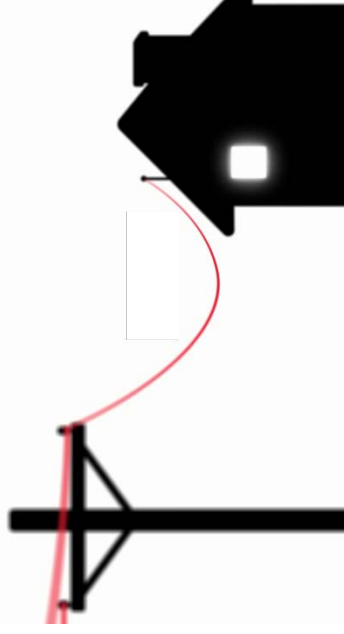
Customer Service Vision



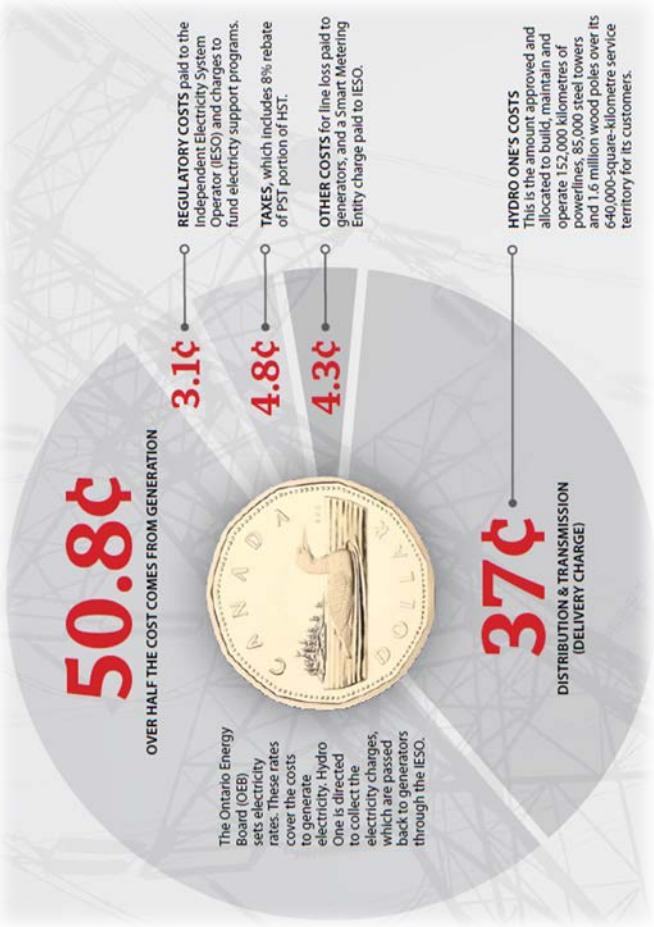
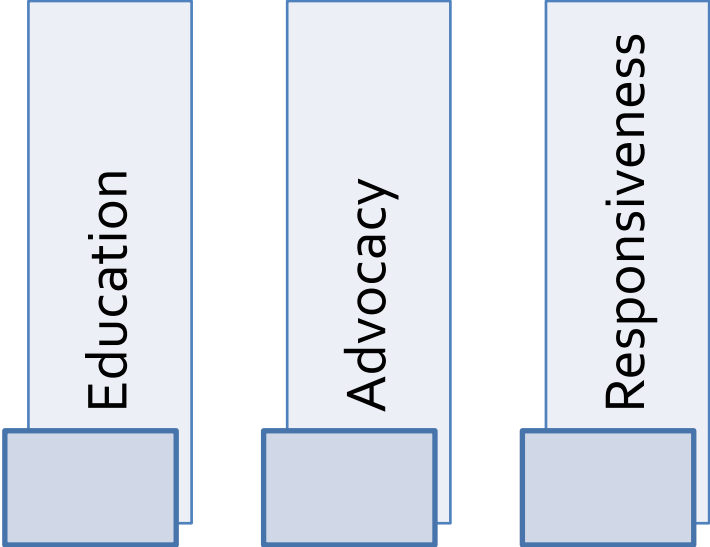
We are easy to do business with

We are there when customers need us

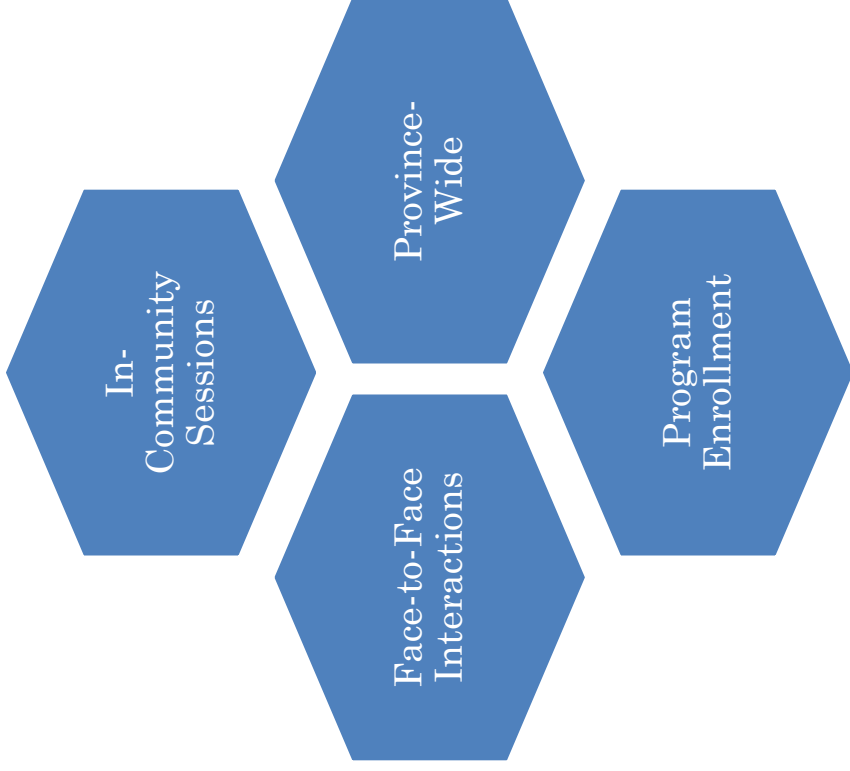
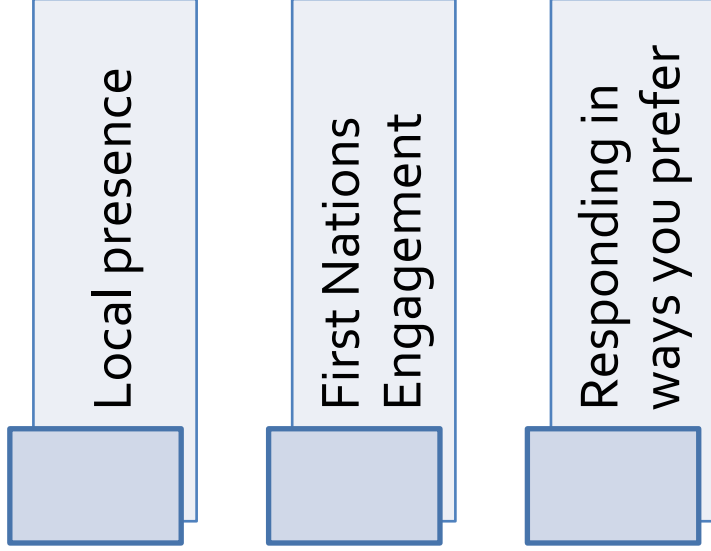
We are always connected



We Are Easy To Do Business With



We Are There When Customers Need Us

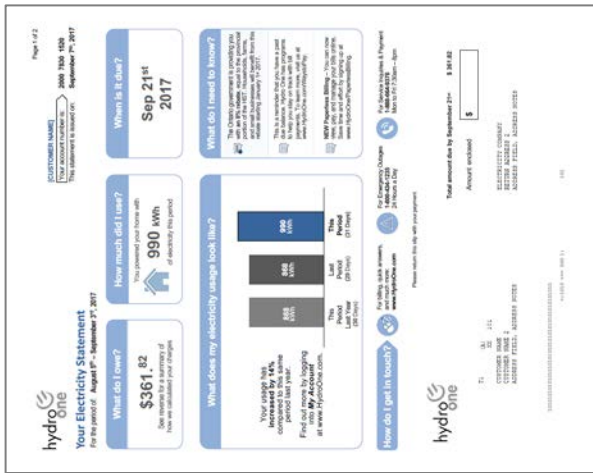
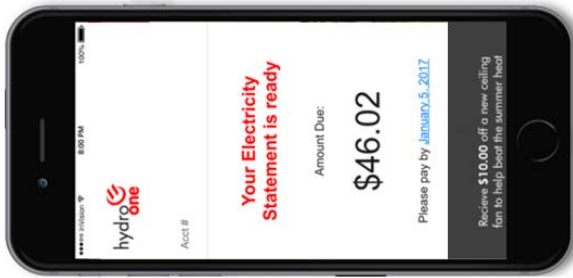


We Are Always Connected

eBill Notifications & High Usage Alerts

New Website

Redesigned Bill

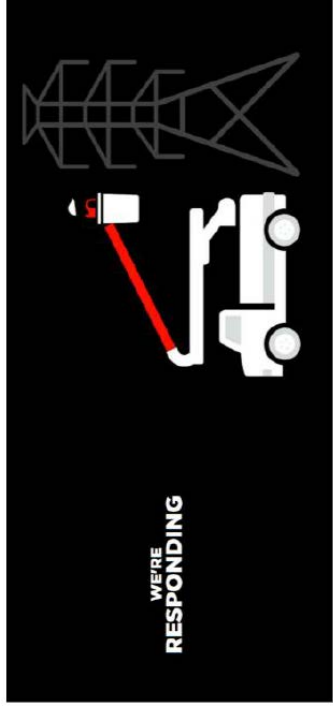


Our Commitment to You

Be present where we can

Listen and advocate on your behalf

Partner and respond

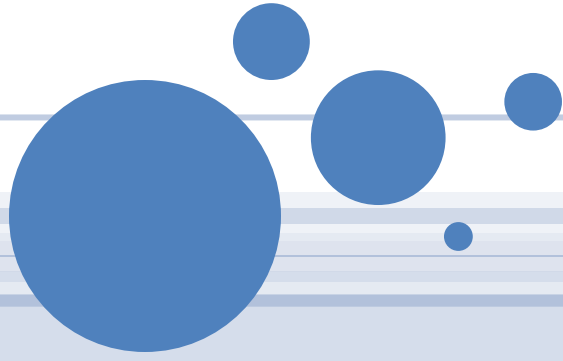


FIRST NATIONS RELIABILITY PERFORMANCE OVERVIEW

Greg Kiraly and Mike Penstone

Hydro One and First Nations Engagement Session

February 9 & 10, 2017



Today's Presentation

- Customer Engagement Initiative
- Reliability to First Nations Communities
- Managing Costs

Customer Engagement Initiative

- Occurred in Q2 2016
- A 3rd party facilitated the initiative
- Input received from 300 First Nations Customers

Customer Engagement Results

ALL CUSTOMER SEGMENTS CUSTOMER PRIORITIES

FIRST NATIONS

Keeping costs as low as possible

36%

Reducing the number of power outages through activities
such as tree-trimming, replacing equipment

21%

Shortening the length of power outages through activities
such as installing remote control devices

13%

34%

Upgrading the system to connect new customers
including those producing renewable energy or using
energy storage such as wind, solar, and electric vehicles

16%

Improving customer service such as billing accuracy
and answering customer questions

15%

Focus of this
presentation

Customer Engagement Results

ALL CUSTOMER SEGMENTS CUSTOMER PRIORITIES

FIRST
NATIONS

Keeping costs as low as possible

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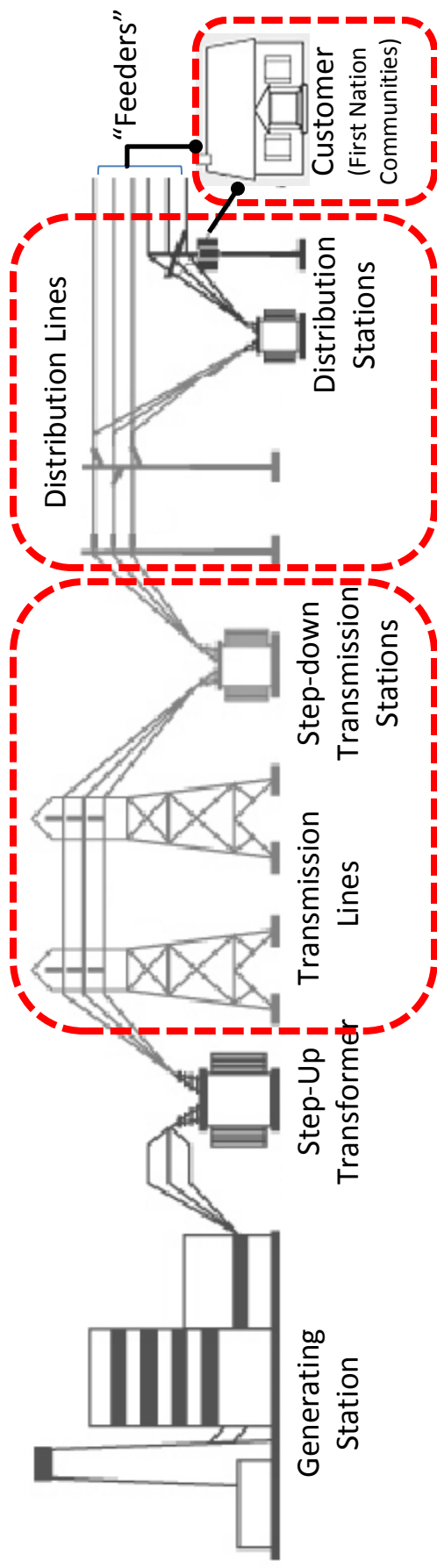
16%

Improving customer service such as billing accuracy
and answering customer questions

15%

Part 1:

Generation → Customer

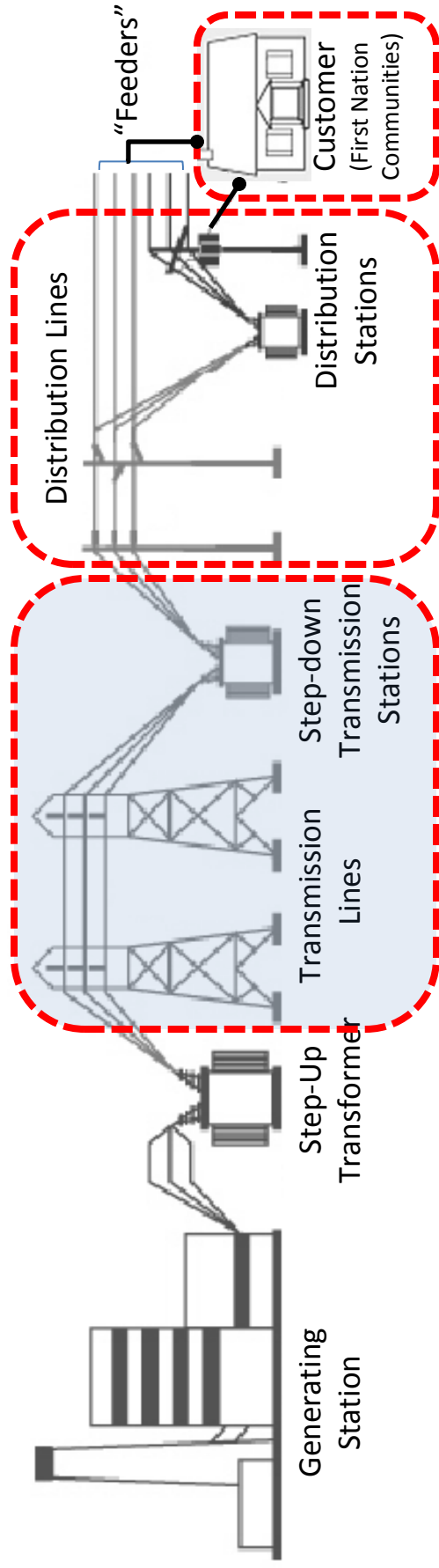


1 **Transmission System:** ~490 Transmission Lines, ~340 Transmission Stations, 29,000 km of Transmission Lines

2 **Distribution System:** ~3200 Distribution Lines, ~1000 Distribution Stations, 130,000 km of Distribution Lines

3 **First Nation Communities:** Supplied from 55 Transmission Lines and from 89 Distribution Lines

Transmission System



1 Transmission System: ~490 Transmission Lines, ~340 Transmission Stations, 29,000 km of Transmission Lines

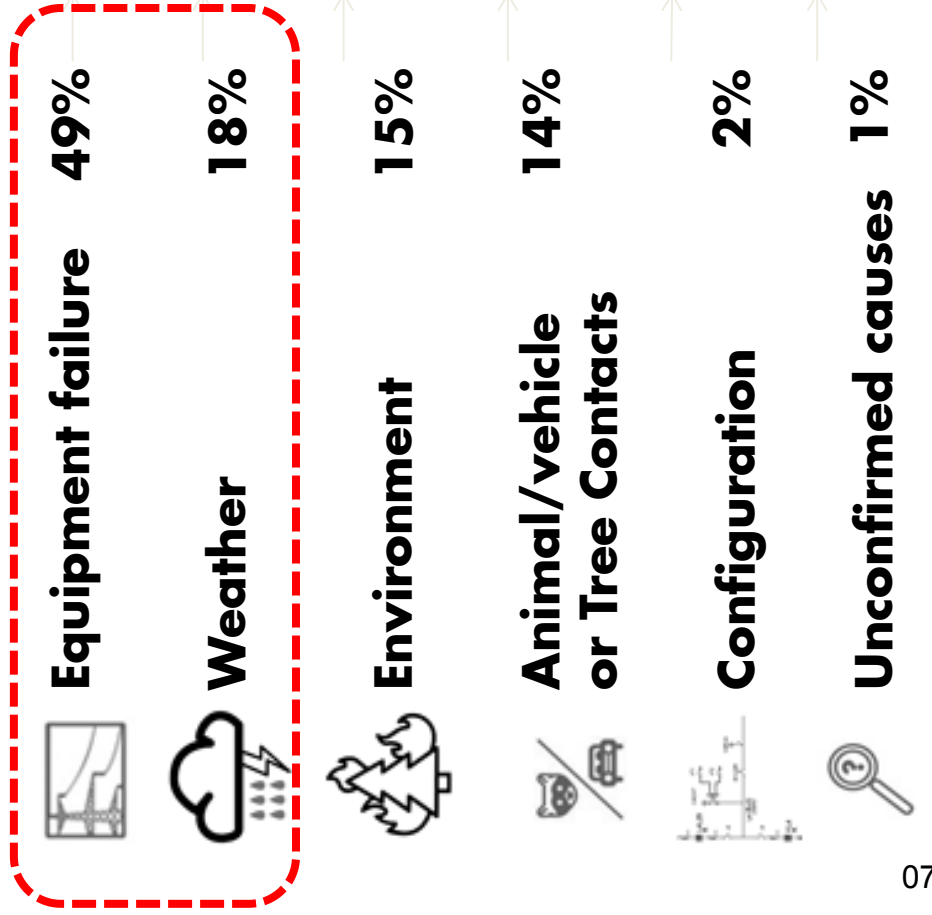
2 Distribution System: ~3200 Distribution Lines, ~1000 Distribution Stations, 130,000 km of Distribution Lines

3 First Nation Communities: Supplied from 55 Transmission Lines and from 89 Distribution Lines

Tx System – Primary Causes of Interruptions:

(~67% occurs from Weather & Equipment Failures)

Power outage causes (2012-2016)



Majority of failures have occurred on Lines assets (Insulators, Wood Poles, Conductor, etc)

Adverse weather (freezing rain, ice, lightning)

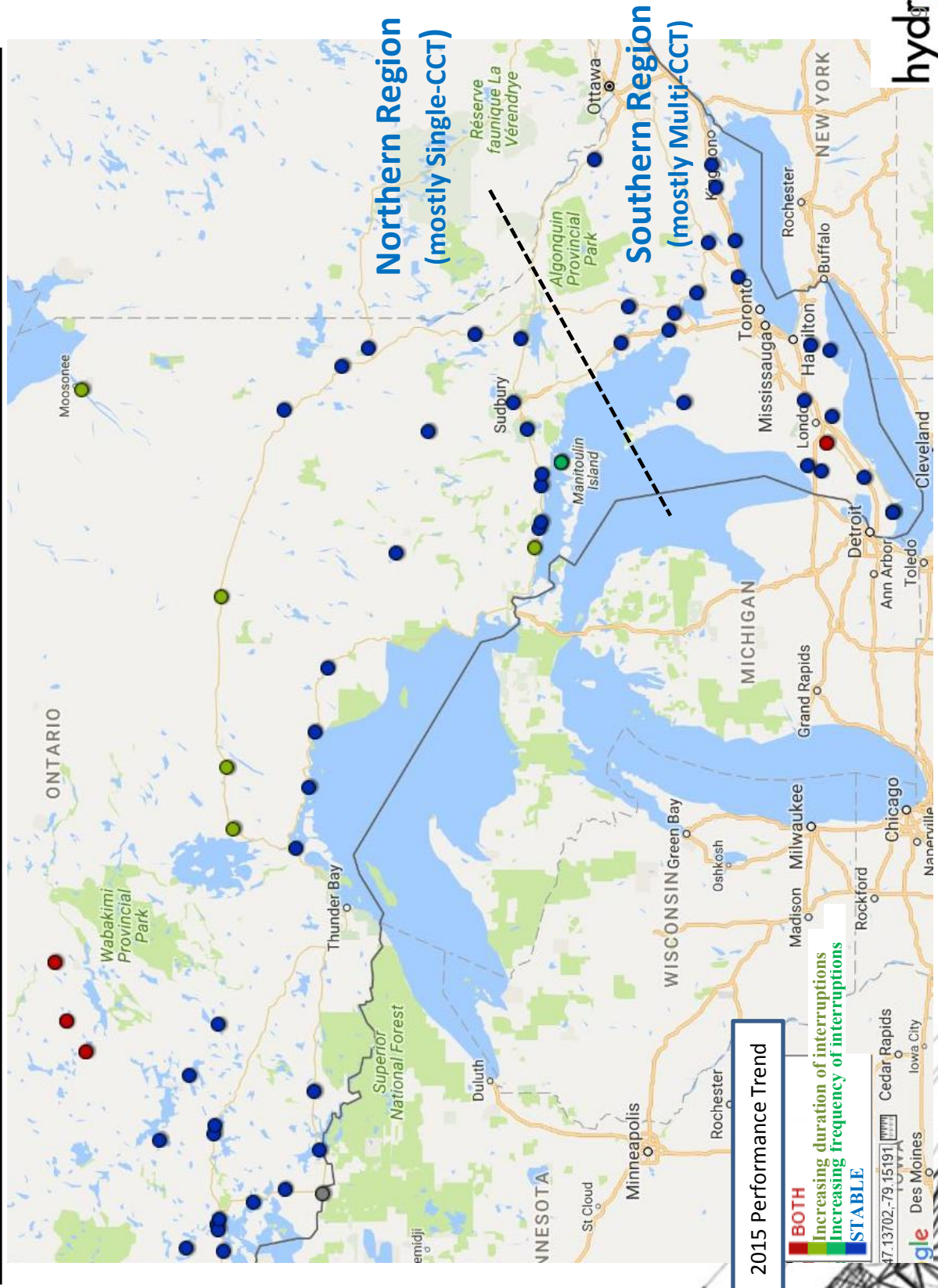
Occasionally, Hydro One experiences tornados, forest fires, major environmental events

Animal contacts with Hydro One's equipment and off-corridor tree-felling events

Issues relating to the configuration of the system at the time of the event.

Sometimes Hydro One crews can't determine the exact cause of an outage.

First Nations: Transmission Connections



Transmission Connections Performance: By Geographic Region (First Nations Only)

Transmission System - <u>Northern</u> Sub-System (2016 YE Performance)			
Tx Reliability Index	# of Transmission Connections	Duration of Interruptions (interruption minutes /Tx Connection)	Frequency of Interruptions (# of interruptions /Tx Connection)
¹ First Nations	44	216.4 (68.4)	4.48

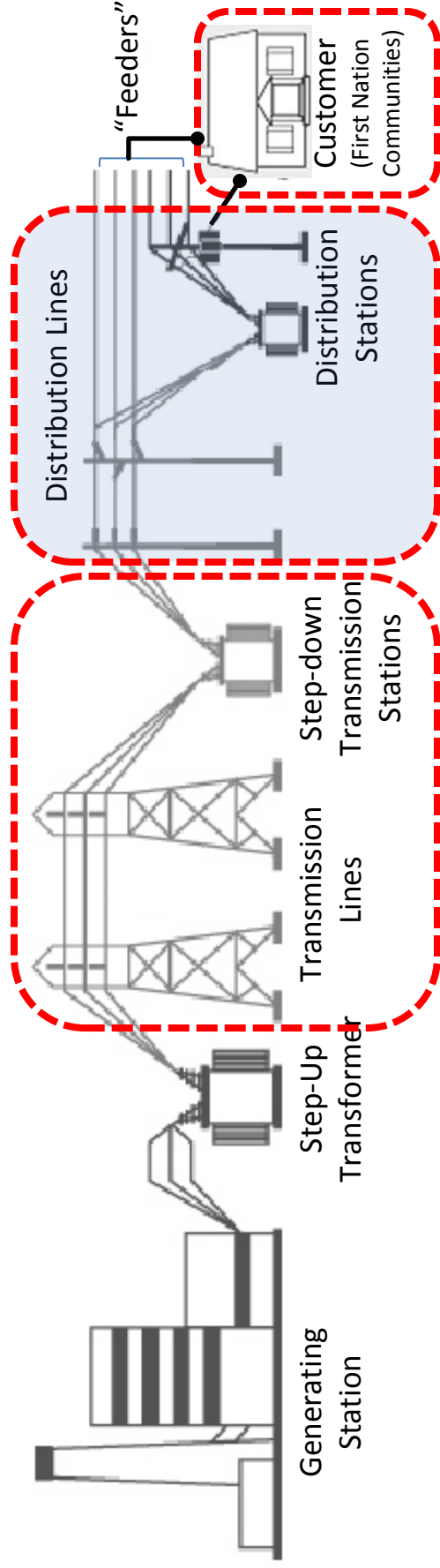
Transmission System - <u>Southern</u> Sub-System (2016 YE Performance)			
Tx Reliability Index	# of Transmission Connections	Duration of Interruptions (interruption minutes /Tx Connection)	Frequency of Interruptions (# of interruptions /Tx Connection)
First Nations	25	25.1	1.20

¹ Two lines account for 58% of total interruption minutes for entire year

How is Hydro One maintaining Reliability in the Transmission System?

- **Increasing Capital Investments (Lines)**
- **Leveraging Technology (Distance-to-Fault)**
- **Reducing Planned Outages (Bundling Work)**

Distribution System



1 Transmission System: ~490 Transmission Lines, ~340 Transmission Stations, 29,000 km of Transmission Lines

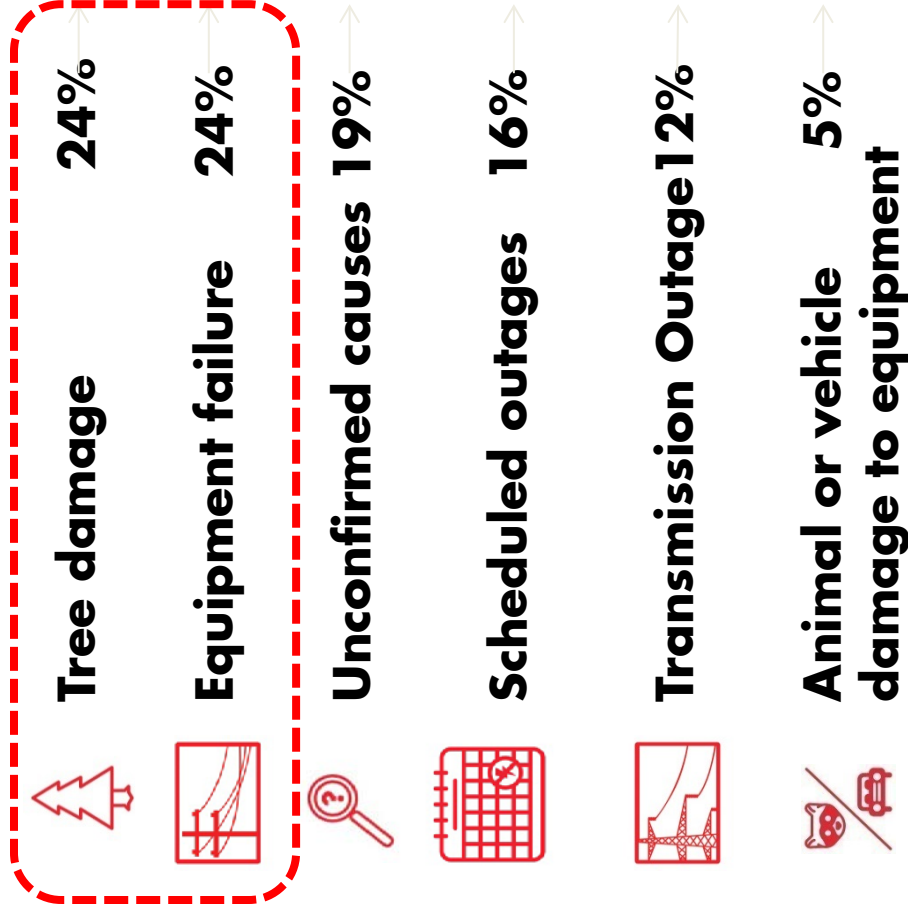
2 Distribution System: ~3200 Distribution Lines, ~1000 Distribution Stations, 130,000 km of Distribution Lines

3 First Nation Communities: Supplied from 55 Transmission Lines and from 89 Distribution Lines

Dx System – Primary Causes of Interruptions:

(~50% occurs from Tree Contacts & Equipment Failures)

Power outage causes (2013-2015)



Trees fall on lines during storms.

Poles, transformers, lines failures can cause an outage.

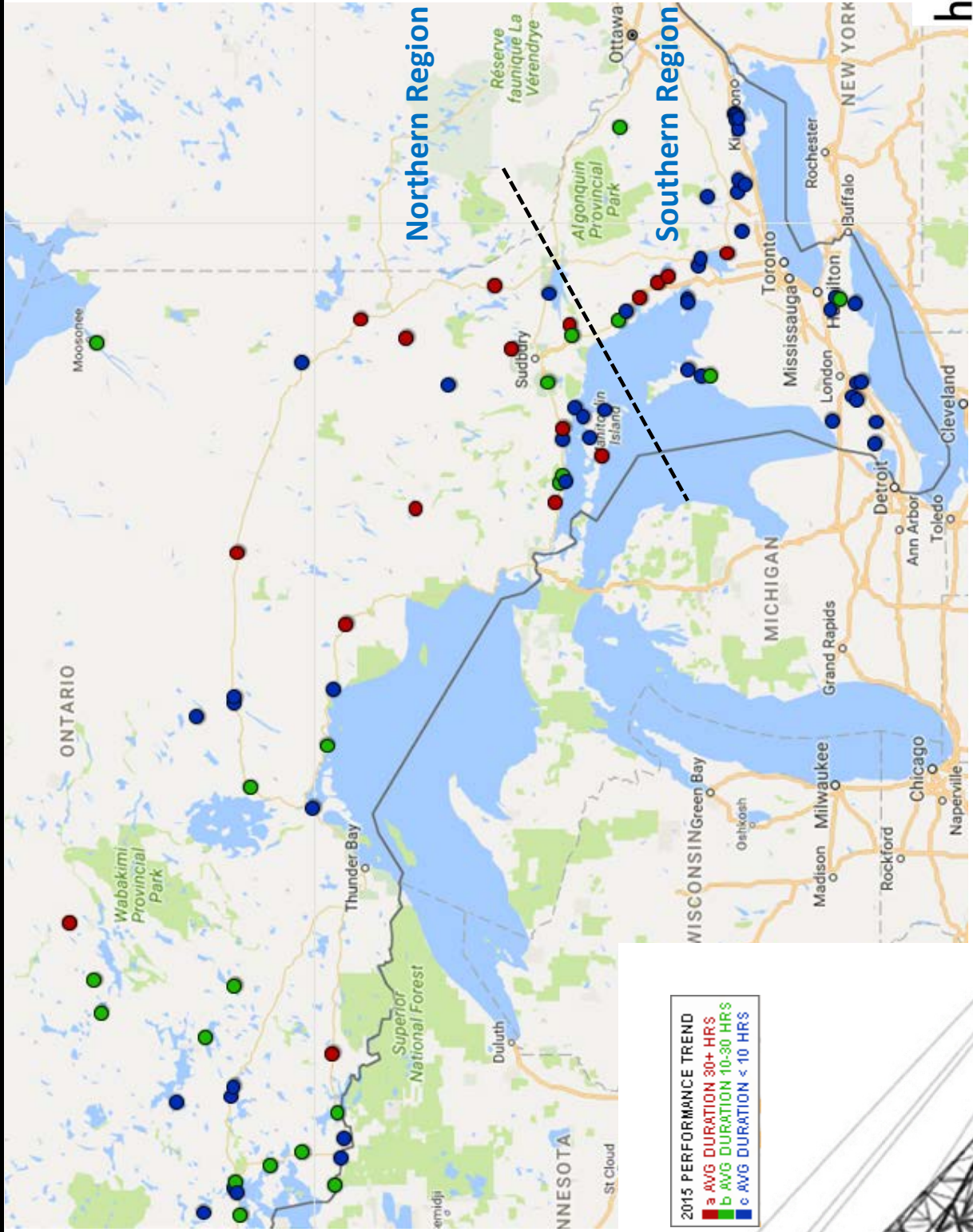
Sometimes Hydro One crews can't determine the exact cause of an outage.

Occasionally, Hydro One needs to schedule power outages to safely replace or update equipment.

Issues relating to the larger grid, like damage to transmission lines.

Animal contacts with Hydro One's equipment and car accidents that damage poles.

First Nations: Distribution Connections



Dx Performance: By Customer Segmentation (& First Nations Only)

Distribution System - Overall (2016 YE Performance)		
Distribution System Reliability Index	Interruption Hours/Customer (SAIDI)	# of Interruptions/Customer (SAIFI)
Hydro One	13.3	3.4
¹ First Nations	13.5	3.6

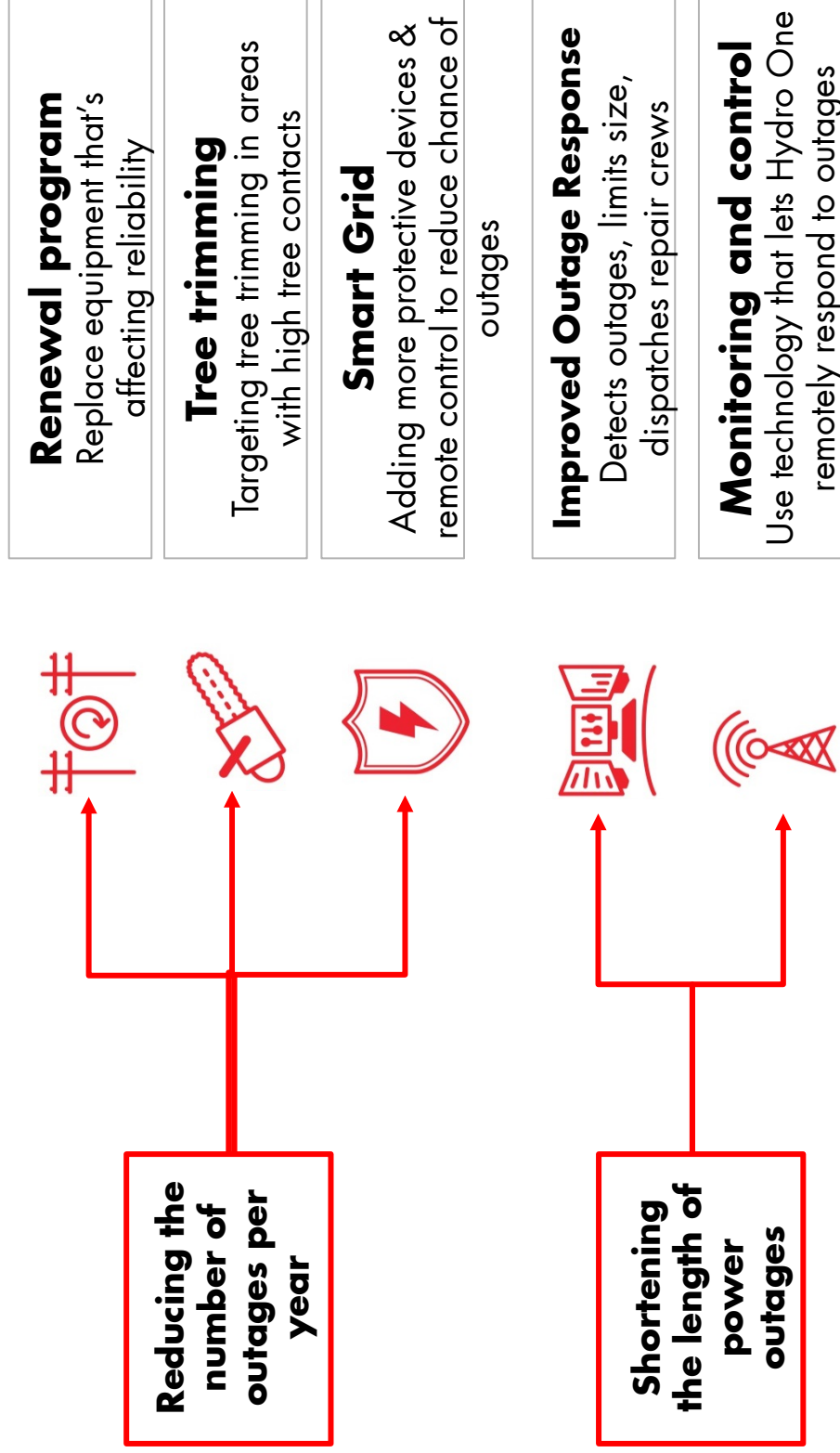
Note: Includes Force Majeure and Loss of Supply (i.e. interruptions due to Transmission events)

Distribution System - Rural (2016 YE Performance)		
Distribution System Reliability Index	Interruption Hours/Customer (SAIDI)	# of Interruptions/Customer (SAIFI)
Hydro One	14.6	3.7
¹ First Nations	13.5	3.6

Distribution System - Urban (2016 YE Performance)		
Distribution System Reliability Index	Interruption Hours/Customer (SAIDI)	# of Interruptions/Customer (SAIFI)
Hydro One	3.0	1.7
¹ First Nations	Mostly Rural	Mostly Rural

¹ First Nations results are for 2015 year. When available, 2016 numbers will be inserted. 15
Only a small portion of First Nations are in an Urban area (<10% estimated)

How is Hydro One maintaining Reliability in the Distribution System?



Customer Engagement Results

ALL CUSTOMER SEGMENTS CUSTOMER PRIORITIES

FIRST NATIONS

Part 2:

Keeping costs as low as possible

36%

Reducing the number of power outages through activities
such as tree-trimming, replacing equipment

21%

Shortening the length of power outages through activities
such as installing remote control devices

13%

Upgrading the system to connect new customers
including those producing renewable energy or using
energy storage such as wind, solar, and electric vehicles

16%

Improving customer service such as billing accuracy
and answering customer questions

15%

Controlling Costs:

- **Pacing Expenditures**
- **Vegetation Management**
- **Move-to-Mobile**

Questions & Answers

HYDRO ONE'S DISTRIBUTION RATES APPLICATION (2018-2022)

Oded Hubert

Vice President – Regulatory Affairs

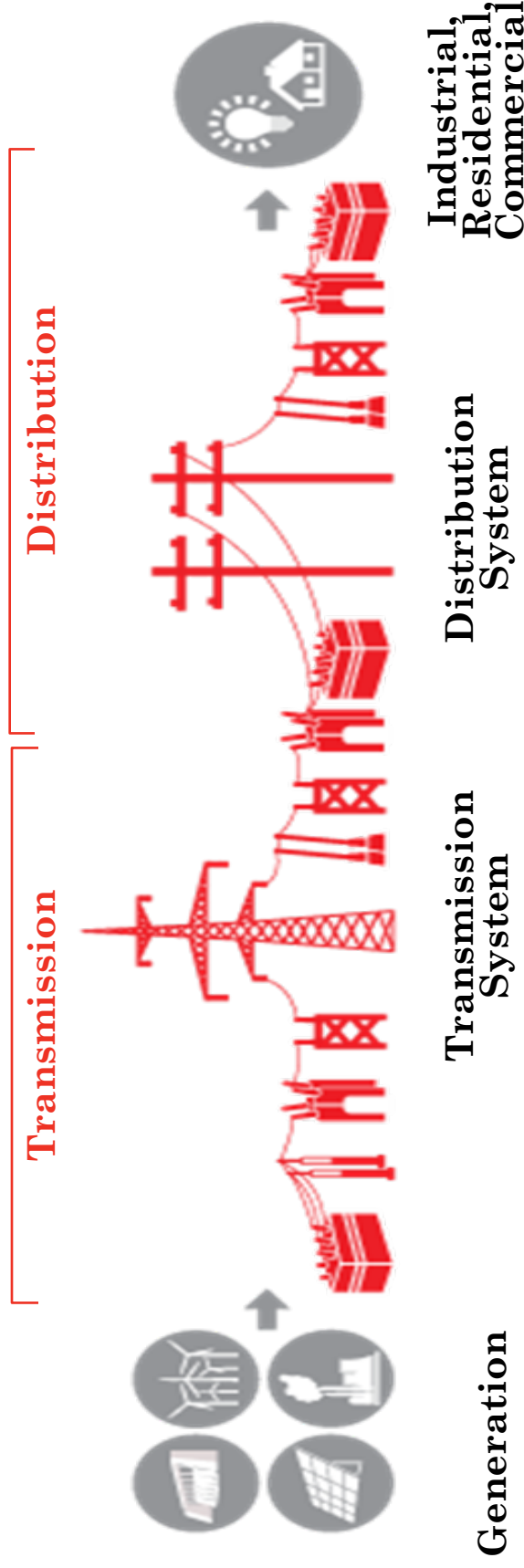
Hydro One and First Nations Engagement Session

February 9 and 10, 2017

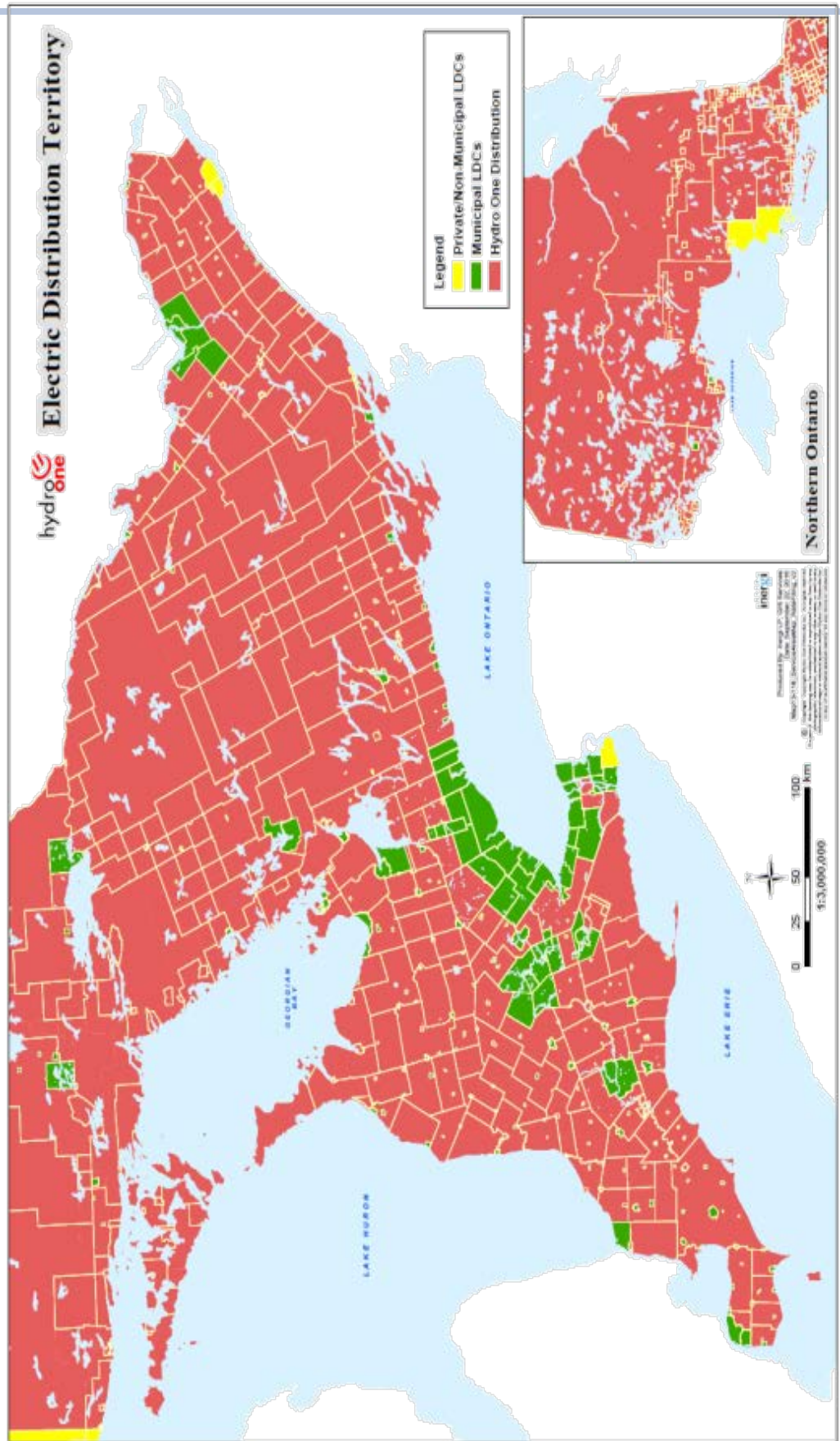
Hydro One Limited (Hydro One)

- Hydro One is Ontario's largest electricity delivery company
- We are owned 70% by the province of Ontario and 30% by public shareholders
- We have three businesses:
 - Transmission;
 - Distribution; and
 - Telecommunications

Hydro One's Role in the Ontario Electricity System



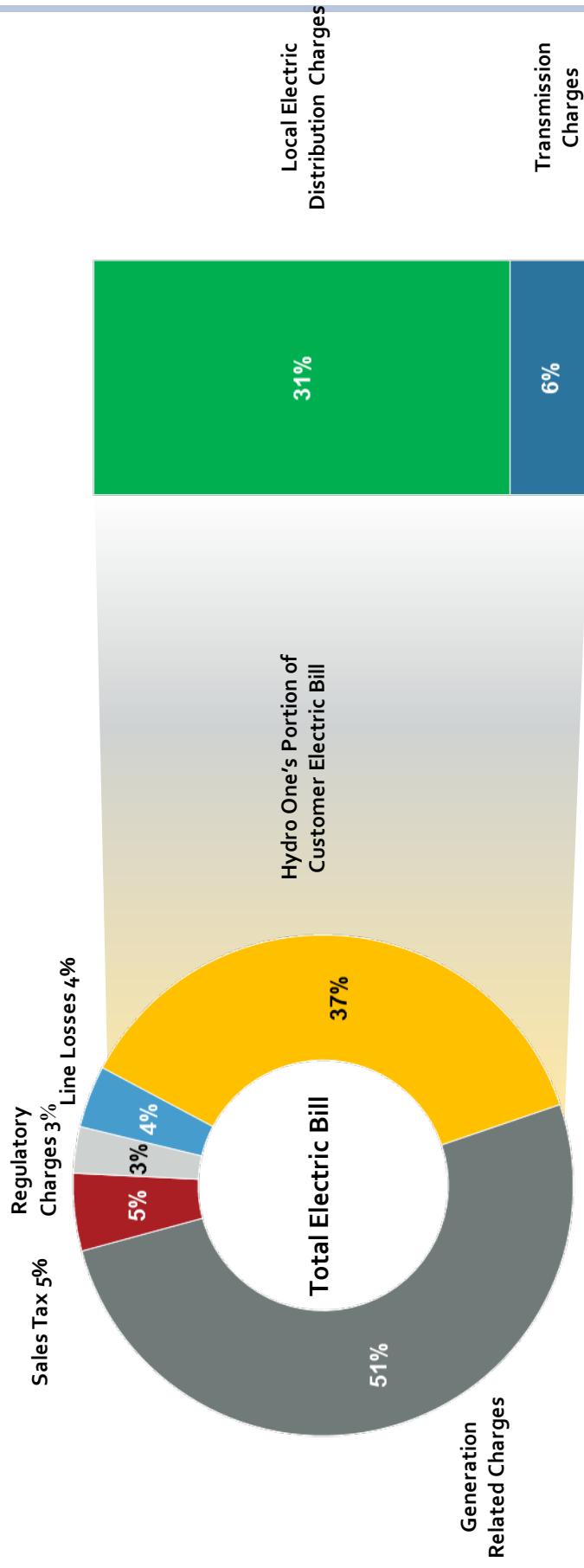
Distribution System Map



Distribution System Stats

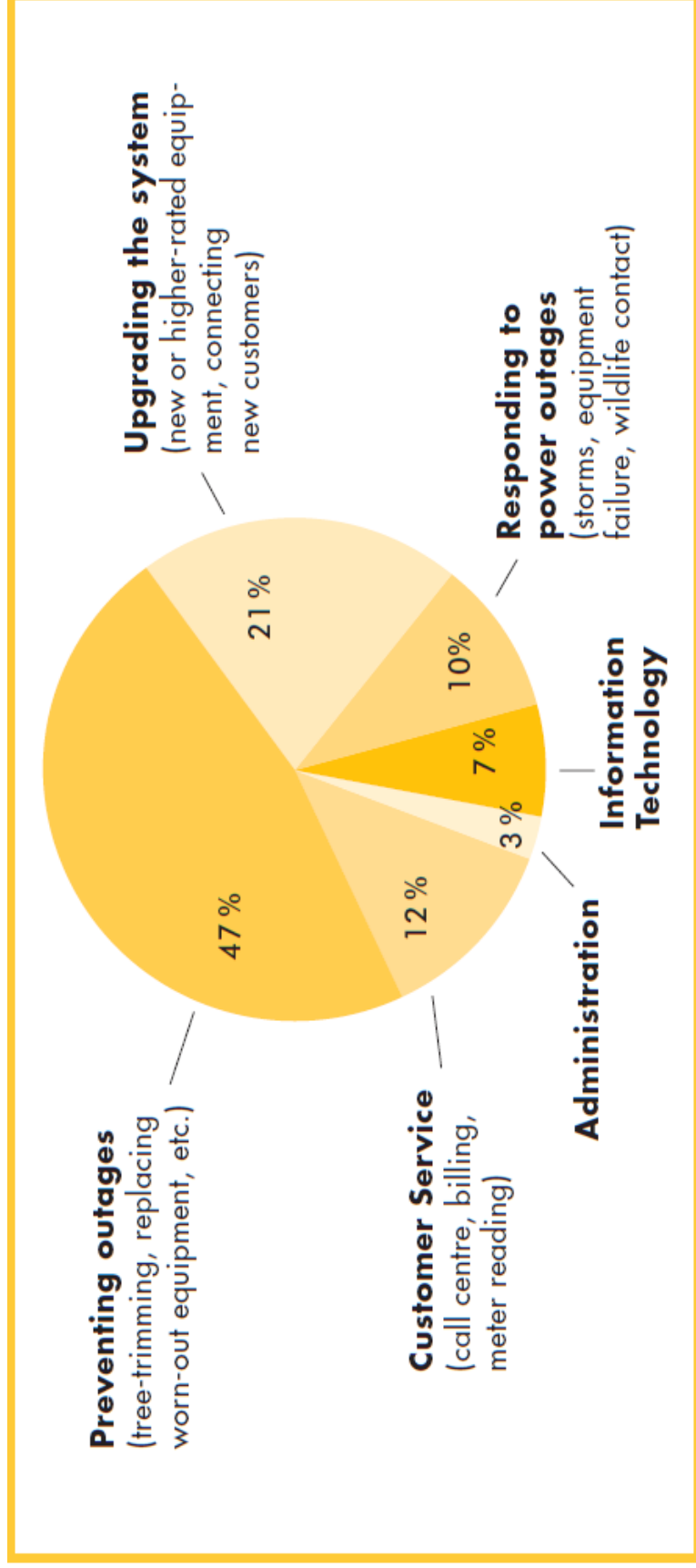
Service Territory	Rural Service Area - 960,123 sq. km Urban Service Area - 677 sq. km
Customers	1.3 million residential and business customers as well as 55 local distribution companies
Distributed Generation	Approximately 13,400 small, mid-size and large embedded generators connected to Hydro One's distribution network, including approximately 12,600 generators with capacities of up to 10 kW and 1,600 generators pending connection
Stations	Approximately 1,000 distribution and regulating stations
Circuit Length	123,000 kilometres of primary low voltage distribution lines

Breakdown of Electricity Costs to Customers



How Distribution Charges are Spent by Hydro One

- Hydro One receives a distribution charge which pays for a broad range of distribution system costs:



How Distribution Rates are Set

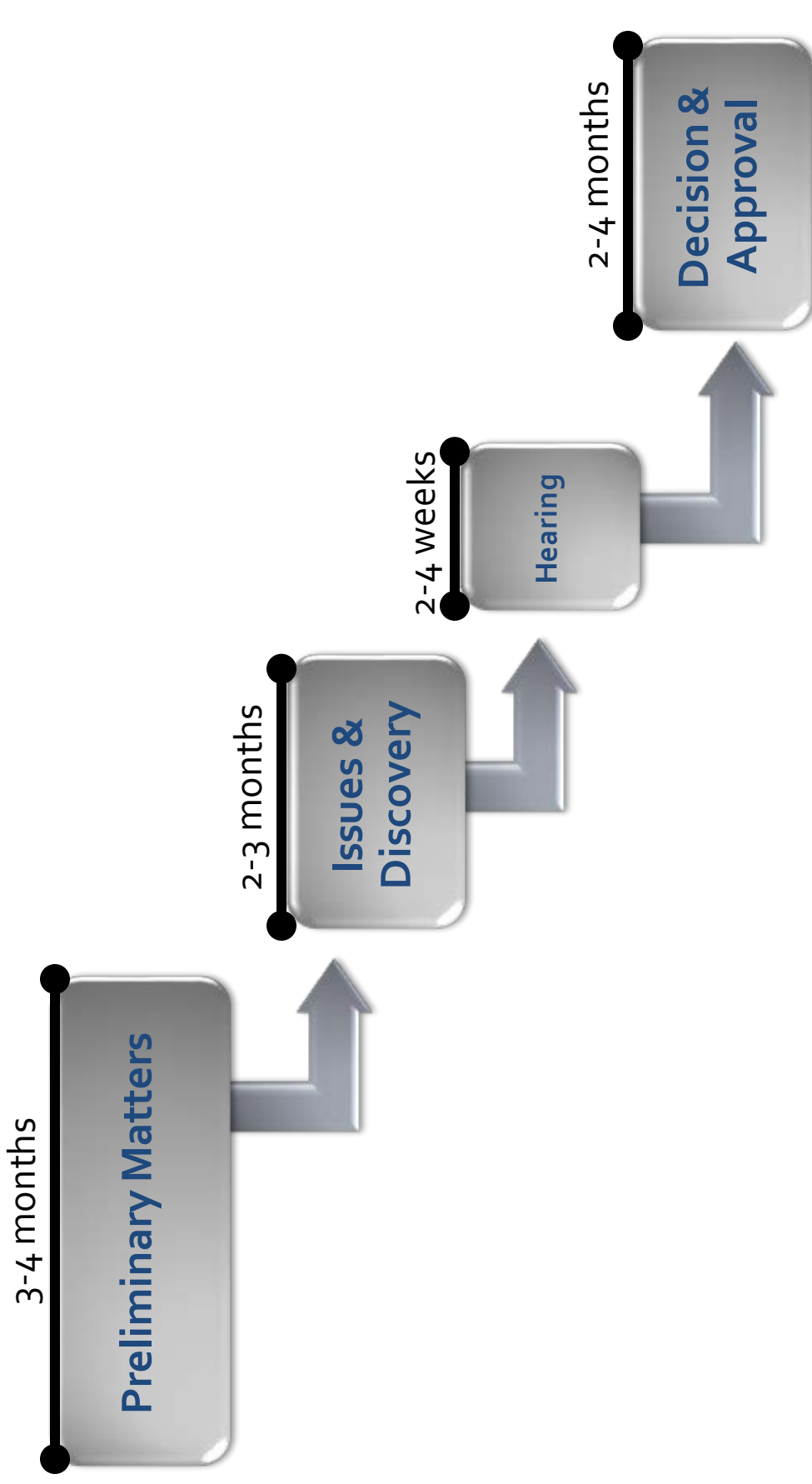
- Electricity distribution rates are set by the Ontario Energy Board (OEB), an independent public agency.
- The OEB sets rates following a public hearing based on evidence.
- Hydro One will be applying to the OEB to set our distribution rates for the period 2018-2022 in March 2017.

Objectives of the OEB

1. Protect the interests of consumers
2. Promote economic efficiency and cost effectiveness... maintain a financially viable electricity industry
3. Promote conservation & demand management
4. Facilitate the smart grid
5. Promote generation from renewable energy sources:
 - consistent with the policies of Government; and
 - expansion or reinforcement of transmission and distribution systems.



Stages of an Application



Usually takes 8 – 12 months

Balancing Key Considerations



Hydro One's Application

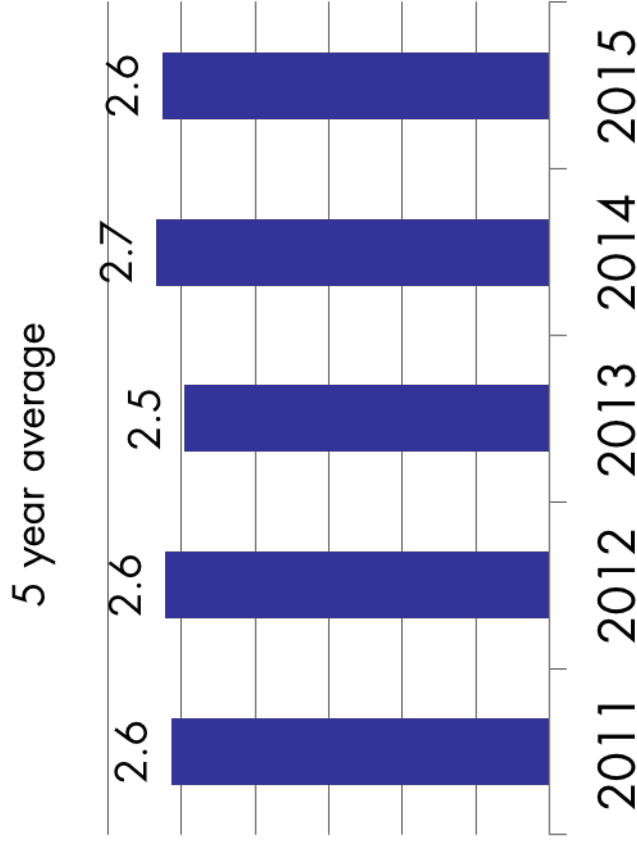
Our proposal is focused on addressing customer needs and preferences including:

- **Keeping Costs Low**
Keep costs as low as possible is customers' top priority
- **Maintain Reliable Service**
Maintaining reliable electricity service is consistently second priority to cost
- **Large Customers**
Large customers are more concerned with reliability and capacity
- **Manage Rate Impacts**
Willingness to accept a rate increase to improve service level is limited

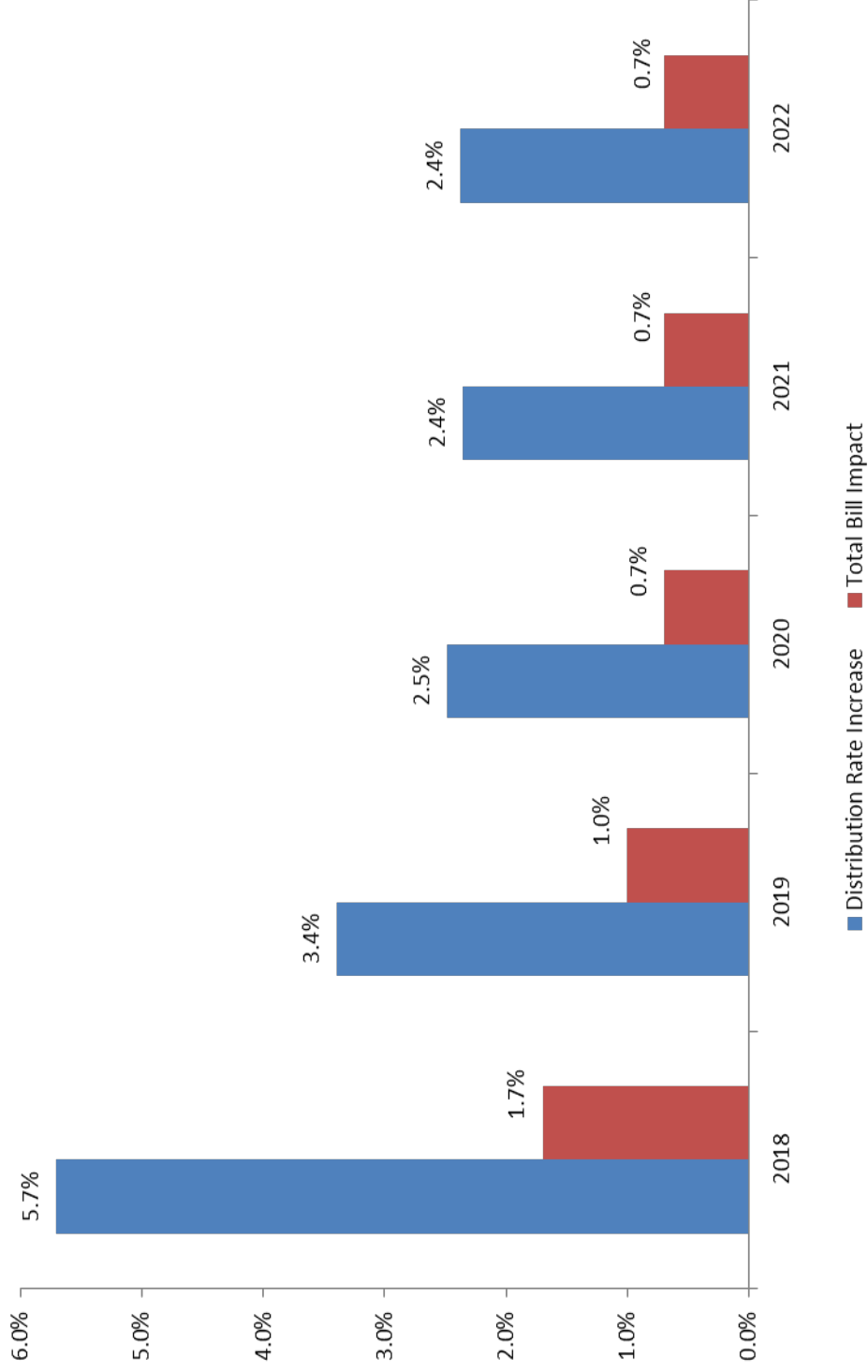
Service Enhancements Hydro One Will Deliver

Hydro One's overall business plan was optimized such that asset condition and reliability will not deteriorate

LDC Scorecard SAIFI



Proposed Distribution Rate Increases And Total Bill Impact



Main Areas of Hydro One Rate Increases

Cost Drivers	2018	2019	2020	2021	2022
Operations, Maintenance and Administration	-0.1%	0.5%	0.5%	1.2%	0.5%
Capital Related (e.g., poles, wires and transformers)	2.0%	2.9%	2.6%	3.3%	2.5%
Taxes	0.7%	0.2%	0.1%	0.4%	0.1%
Load Impact	2.0%	-0.2%	-0.7%	-2.5%	-0.6%
Other Revenue and Rate Riders	1.1%	0.0%	0.0%	-0.1%	0.0%
Total	5.7%	3.4%	2.5%	2.4%	2.4%

Additional Cost from Declining Electricity Use (Load Impact)

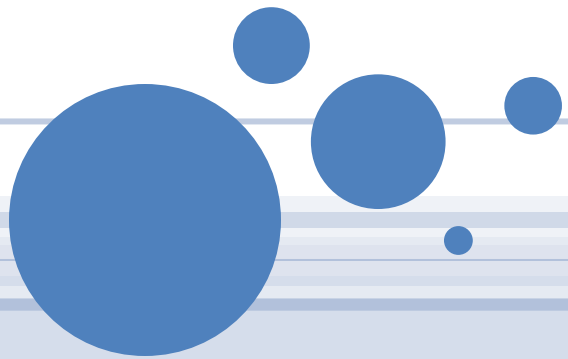
- The cost of distribution services is spread out among all Hydro One customers based on total electricity consumption.
- Total electricity consumption has been decreasing since rates were last set, so the cost of serving each individual customer will increase by 2% in 2018.
- This is a one-time adjustment and will not lead to increases in 2019-2022.

On-Reserve First Nations Electricity Customers

- Minister of Energy asked the OEB to examine and provide advice for an appropriate electricity rate or rate assistance program
- Hydro One has been supportive of this initiative and has provided input to the OEB
- January 1, 2017 OEB submitted its report to the Minister of Energy and now waiting for next steps to be announced.

Questions & Answers

**THANK YOU FOR
ATTENDING!**





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PAR COMPANIES

PAR Companies

[PAR Gold](#) | [PAR Silver](#) | [PAR Bronze](#) | [PAR Committed](#)

PAR companies are large corporations, small and medium-sized enterprises as well as Aboriginal businesses, and range from industries in oil and gas to food and facilities management to financial services, IT and more.

Companies promote their level with a PAR logo signaling to communities that they are good business partners, great places to work and are committed to prosperity in Aboriginal communities.



PAR Gold companies demonstrate sustained leadership in Aboriginal relations and their commitment to working with Aboriginal businesses and communities has built the business case that other companies aspire to prove. Their introduction of innovative programs and engagement of Aboriginal people have made an enduring impact on Aboriginal businesses and communities, and demonstrate best practice for those companies introducing Aboriginal relations to their business strategy or seeking to improve year over year.



ALBERTA
PACIFIC
FOREST INDUSTRIES INC.



PAR Silver companies have had their business case proved through their Aboriginal relations; business partnerships are in place; Aboriginal people are adding value at their workplace; and they are supporting sustainability through investment in communities and people. PAR Silver companies recognized early the value of working with Aboriginal communities and can point to outcomes that have made a difference.

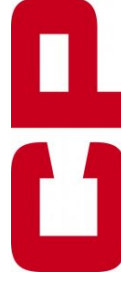


PAR Bronze companies are distinguishable among thousands of Canadian businesses because they recognize the business case for working with Aboriginal businesses and communities. Their strategic planning recognizes the mutually-beneficial impact of business development with Aboriginal-owned businesses, the value that Aboriginal people bring to the workplace, and the potential of Aboriginal communities. PAR Bronze companies are beginning a journey, developing the goals and action plans that position them to work with the Aboriginal community.





PAR Committed companies are in the beginning stages of tracking and managing their Aboriginal relations strategies. Committed companies have submitted a report for one year's worth of company activities and intend to undergo external verification of their performance in the future. The Committed logo represents a company's commitment to continual improvement in Aboriginal relations and to working across cultures.







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Hydro One Submission on Scope of Utility Remuneration and Responding to DERs Consultations

hydro^{One}

September 17, 2019

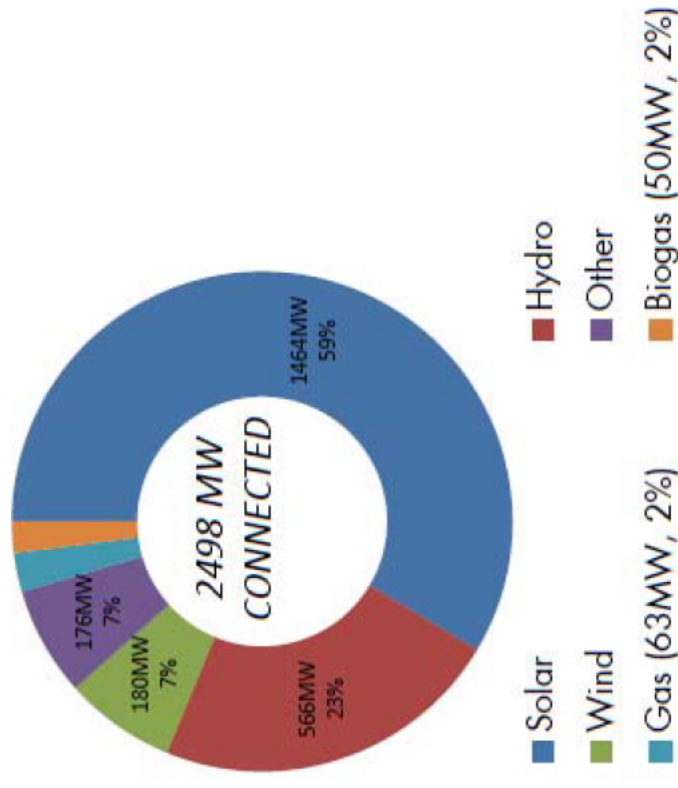
Agenda

- Ontario and Hydro One Context
 - Feedback on OEB staff principles
 - General comments applicable to both consultations
 - Considerations for developing scoping paper.
 - Utility Remuneration
 - General comments
 - Objectives to be achieved
 - Specific problems/issues to be addressed
 - Responding to DERs
 - General Comments
 - Objectives to be Achieved
 - Specific problems/issues to be addressed
 - Summary of comments
-

DER Experience in Ontario

- Ontario has significant experience integrating DERs.
 - Distributed generation capacity is ~20% of the transmission system peak.
- Hydro One has already connected substantial amounts of distributed generation.
 - About 65% of total distributed generation capacity in Ontario is connected to Hydro One's distribution system.
 - Over 1300 distributed generation facilities are connected to Hydro One's distribution system.

Generation Connected to Hydro One's Distribution System





Ontario Context

- The approach to remuneration and DERs should be specifically tailored to the objectives and policies in Ontario.

Issue	Then	Now
DERs	<ul style="list-style-type: none"> Green Energy Act driven by government policy direction. Eliminate coal and introduce renewable sources of generation. Subsidies established in DSC to encourage more renewable generation (e.g. expansion costs above \$90k and “enabling” investments fully funded by LDC). 	<ul style="list-style-type: none"> Largely customer driven. Customers want to install DERs to control costs and to address reliability and power quality concerns. Moved beyond wind and solar to include new technologies (e.g. energy storage). Utilities considering DERs as alternatives to traditional investments for meeting system needs
Utility Remuneration	<ul style="list-style-type: none"> Renewed Regulatory Framework (RRF) implemented in 2014 for electricity distributors. RRF marked a transition to outcomes-focused regulation. Introduced different application types to match utility needs (e.g. Custom IR). Established 5-year incentive rate-setting cycle 	<ul style="list-style-type: none"> Utilities must balance adherence to OEB-approved 5-year DSP with changing circumstances over CIR/IRM term. Proliferation of DERs may warrant revisiting outcome measures to reflect customer expectations and funding mechanism to drive innovation. Existing rate design does not fully address cost-shifting as more DERs are connected.

Feedback on Principles Proposed by OEB Staff

- Hydro One largely in agreement with proposed principles, with the following caveats:
 - **Economic Efficiency and Performance:**
 - Principle captures economic and customer perspective but does not consider system needs.
 - Need to include reference to ensuring reliability and safety of the system.
 - **Customer Focus:** 
 - **Stable yet Evolving Sector:** 
 - **Regulatory Simplicity:**
 - Principle should include that the regulatory framework will be appropriately derived through evidence based decision making.
 - Principle should capture that level of regulatory oversight needs to align with level of competition. Where competition in certain areas is increased, regulation should be pared back.

1. Scoping paper for *Utility Remuneration* and *Responding to DERs* consultations should address the following:
 - A **defined problem statement** that each consultation is intended to resolve.
 - The appropriate objectives and issues for consideration depend on the problem.
 - A **long-term engagement plan** for each consultation.
 - Identify what opportunities for feedback are planned, including any plans for working groups.
 - Provide clarity regarding the long-term plan for these consultations. E.g. Are the consultations self-contained or will they provide a high-level roadmap of issues to be resolved in subsequent consultations?
 - A **description of how the consultations fit with other work at OEB and sector at large?**
 - How will OEB address or be informed by the potentially overlapping work of its existing policy consultations (e.g. DER Connection Review, C&I rate design, Activity and Program-based Benchmarking, OEB Scorecard Review, ARC review, etc.).
 - How will OEB coordinate and consider the work being undertaken by the IESO related to DERs (e.g. ETNO Report and white paper series on the role of utilities, cost responsibility, non-wires solutions).
-

2. Scope of consultations should specifically include consideration of upstream impacts.
 - The connection of DERs to the distribution system will have upstream impacts on the remuneration, planning and operation of the systems of transmitters and host distributors.
 - Current transmission rate design that is 100% volume-driven may not be appropriate with a high penetration of DERs; poses risk to customers (cross-subsidization of costs).
 3. OEB should identify its **vision for the sector** that this consultation is working towards.
 - The role of DERs in meeting Ontario's supply mix and the utility's role in operation and procurement of those resources will drive the approach to integration of DERs.
 - Utility role in enabling DERs for customer needs only is different than the framework and role required to enable participation of 3rd party DERs in markets at both the bulk system and utility level.
 4. OEB should consider **access to capital** in its decision making.
 - OEB should avoid actions that create the perception that Ontario is an unstable environment when compared to the risk/reward balance in other jurisdictions.
 - Negative change to risk/reward balance, or introduction of significant uncertainty or regulatory lag, will cause investors to look at other jurisdictions first which can negatively impact utility credit ratings, ultimately leading to higher costs for customers.
-

General Comments

- The OEB has not defined what aspects of “remuneration” are being reviewed in this proceeding and how this links to RRF.
- There are multiple elements of remuneration. (E.g. derivation of revenue requirement, performance incentives, driving/promoting innovation, rate design).

Potential Problem Statement

- *Do the original RRF objectives and policies need to be revised to accommodate expected changes in the industry and drive continuous improvement of regulated entities in Ontario?*

Objectives to be Achieved

- Improve alignment between incentives provided under rate-setting framework and desired customer outcomes.
- I.e. continue to shift from input/cost focus to outcome focus.
- Provide transparent mechanisms to incent and reward innovative solutions.
- Afford utilities greater flexibility in making investment decisions that minimize costs for customers.
- Ensure continued investment in Ontario's energy infrastructure.

Specific Problems to be Addressed

- Need funding mechanisms to encourage R&D/innovation that offers the potential to reduce costs for customers.
- Existing incentive mechanisms should be reviewed against their ability to achieve desired objectives (e.g. capital in-service variance accounts) and new incentives explored (e.g. performance incentives).
- Broader aspects of utility remuneration should also be considered, such as rate design.
- Significant changes to remuneration framework could impact utility's costs and planning, so implementation needs to consider rates application cycle and time required to adopt material changes.
- Evaluate whether the current Transmission Rate design is appropriate given the increasing penetration of DERs.

General Comments

- DER consultation should consider the role of the utility, which is fundamental to determining required changes.
- Current regulatory framework includes incentives to achieve policy objectives that may no longer apply.
- There is significant potential for overlap between the DER Connection Review, Responding to DERs consultation and IESO consultations on DERs.
- Need clear definition of DERs to ensure all DER-related consultations are working with common understanding.

Potential Problem Statement

- *How should the regulatory framework and the role of utilities change to ensure that the integration of DERs provides the choice customers seek and results in the most efficient use of grid resources without negatively impacting the safety, reliability and cost of service for existing customers?*

Objectives to be Achieved

- Determination of role utilities play in operation/dispatch of DERs (e.g. DERMS)
- Determination of appropriate scope of ownership and method of rate recovery for utility-owned DERs.
- Clear definition of utility's obligations to DER owners (e.g. reserving capacity) and DER owners obligations to utility (e.g. availability, dispatch obligations).
- Remuneration should ensure DER owners contribute their fair share to system costs (i.e. must avoid cross-subsidization).
- Enhance transparency; both ensuring utilities have maximum transparency of the DERs connected to their systems and 3rd parties have appropriate transparency of potential system needs.
- Provide a clear definition of DERs for regulatory purposes.

Specific Problems to be Addressed

- Customers using DERs should not negatively impact system reliability or shift costs (increase rates) of other customers.
- Regulation should reflect difference between DERs that provide tangible system benefits vs. customer benefit.
- System benefits must be determined using objective framework to avoid cross-subsidization.
- Non-wire alternatives may result in stranded assets. The consultation should consider how stranded costs may be appropriately recovered.
- Greater flexibility in establishing DER connection agreements to ensure system reliability.
- Consider the upstream impacts to transmitters and host distributors for DER connections.
- Consider the role of transmission assets in enabling the operation and dispatch of DERs.

Summary of Comments

- Jurisdictional scans should **consider** applicability of circumstances to **Ontario context**.
 - The scoping papers for *Utility Remuneration* and *Responding to DERs* should include a **clear problem statement**.
 - The scope of both consultations should specifically consider the **upstream impacts** on transmitters and host distributors. In particular, OEB should consider whether the current rate design for transmission rates is appropriate with a high DER penetration.
 - *Utility Remuneration* consultation should seek to improve alignment between incentives and outcomes and afford utilities greater flexibility to minimize costs.
 - Determination of the **role of utilities for the future is the fundamental issue** which will determine the appropriate obligations of utilities to DER owners, as well as, the appropriate obligations of DER owners to utilities in the *Responding to DERs* consultation.
-

FIRST NATIONS AND MÉTIS ENGAGEMENT STRATEGY

1. BUILDING RELATIONSHIPS WITH INDIGENOUS COMMUNITIES

Hydro One serves eighty eight First Nation communities representing close to 22,000 distribution system customers. While Indigenous communities (First Nation communities and Métis Councils) in Ontario are not directly connected to the transmission system, Hydro One's transmission business may impact them in other ways. In particular: (1) Hydro One transmission assets are located on reserve lands of twenty three First Nation communities and within the traditional territories of Indigenous communities; (2) The company has large projects that cross or may impact First Nation communities such as the Niagara Reinforcement Project; and (3) Hydro One enters into business partnerships with First Nation communities. Hydro One is committed to developing and maintaining relationships with Indigenous communities and adapting its business practices in response to evolving industry best practices and legal rights of Indigenous communities and individuals.

This exhibit outlines: (i) Hydro One's ongoing efforts to engage with Indigenous communities; (ii) the needs and preferences that have been identified through those activities as they relate to Hydro One's transmission system; and (iii) the steps Hydro One has taken to address those needs and preferences. The exhibit also describes the company's overall approach to Indigenous relations and highlights areas where the company's transmission business affects Indigenous communities. To a certain extent, the information in this exhibit reflects the fact that the company also has a relationship with Indigenous communities and people as distribution customers and that distribution system issues naturally arise during the company's engagement sessions with Indigenous communities.

Witness: Derek Chum

1 Hydro One developed an Indigenous Relations Strategy Framework to guide its
2 Indigenous relations and engagement with a view to becoming the primary business
3 partner to Indigenous communities by 2021. To realize this vision, Hydro One is
4 continuing to develop its relationships with Indigenous communities by providing
5 employment opportunities, developing business relationships and by investing in and
6 engaging with communities. Hydro One meets with Indigenous communities on a regular
7 and ongoing basis to listen to feedback, conduct meaningful engagement on capital
8 investment transmission and distribution projects and to deliver various customer-based
9 programs.

10
11 As part of Hydro One's efforts to build and maintain strong relationships with Indigenous
12 communities, Hydro One obtained Bronze Level Certification under the Canadian
13 Council for Aboriginal Business' *Progressive Aboriginal Relations Program* in 2017 and
14 will seek a Silver certification starting in 2019. The certification program reflects Hydro
15 One's performance in Indigenous relations and indicates to Indigenous communities that
16 Hydro One is a good business partner, is a great place to work and is committed to
17 prosperity in Indigenous communities.

18
19 **2. ENGAGEMENT SESSIONS – PROCESS AND OUTCOMES**

20
21 To build and maintain sustainable relationships with Indigenous communities, Hydro
22 One hosts formal provincial and regional engagement sessions with Indigenous
23 communities and visits First Nation communities located on reserve on a regular basis to
24 address community concerns, provide information about Hydro One programs or
25 Provincial electricity programs and to explore potential employment, business and
26 investment opportunities.

1 In 2017, Hydro One began hosting formal provincial and regional engagement sessions
2 with Indigenous communities. In addition to strengthening relationships with Indigenous
3 communities, the key objectives of these sessions are to present information on Hydro
4 One's customer programs and initiatives, to hear transmission and distribution related
5 concerns and to identify potential solutions moving forward. Participants have discussed
6 transmission and distribution matters including affordability, reliability, access rights and
7 procurement and employment opportunities.

8
9 Provincial engagement sessions were held on February 9 and 10, 2017 and February 21,
10 2018 with the eighty eight First Nation communities that Hydro One serves through its
11 distribution system. The session report and presentations from the 2018 engagement
12 session are included as Attachments 1 to 4 to this exhibit. A provincial engagement
13 session was also held with the twenty nine Métis Councils represented by the Métis
14 Nation of Ontario on May 13, 2017 with another session planned for 2019. Presentations
15 and the reports from Hydro One's engagement with First Nation and Métis communities
16 are available on the company website.¹

17
18 Regional engagement sessions were held in 2017 and 2018 with First Nation
19 communities and Metis Councils to discuss region-specific matters related to
20 affordability, reliability, access rights, and procurement and employment opportunities.
21 In 2017, Hydro One held over 130 meetings with First Nation communities and twenty
22 nine meetings with Métis Councils.

¹ Métis Nation Engagement Session materials available online at:
<https://www.hydroone.com/about/indigenous-relations/metis-nation-engagement-session> and First Nation
Engagement Session materials available online at:
<https://www.hydroone.com/about/indigenous-relations/first-nations-engagement-sessions>
(accessed February 19, 2019)

1 In 2019 Hydro One will actively focus on: (1) the 23 First Nation communities with
2 transmission assets located on reserve; (2) communities that Hydro One has business
3 partnerships with such as the Six Nations of the Grand River, Mississaugas of the Credit
4 First Nation, Saugeen First Nation, Chippewas of Nawash; (3) communities impacted or
5 affected by projects. The initiatives described above and planned for 2019 will allow
6 Hydro One to address the OEB's direction in EB-2016-0160 that Hydro One improve its
7 customer engagement process by seeking "timely and meaningful input from First
8 Nations representatives."

9
10 Feedback from Métis communities focused on procurement and employment
11 opportunities. Feedback from First Nation communities focused on affordability,
12 reliability, liability and access rights, partnerships and employment opportunities. These
13 are detailed along with steps Hydro One is taking to address these issues, in the next
14 section.

15
16 Of these issues, affordability, reliability and access rights were the most significant
17 concerns identified in respect of First Nations' relationship with Hydro One as a
18 transmitter and a distributor, as the case may be. Hydro One notes that affordability
19 issues relate primarily to the distribution side of the business and are alleviated in part by
20 the Fair Hydro Plan.

21
22 **3. ADDRESSING THE NEEDS AND PREFERENCES OF FIRST NATIONS**
23 **COMMUNITIES AND CUSTOMERS**
24

25 The key actions Hydro One is taking to address the needs and preferences of Indigenous
26 customers and communities are summarized in the table below:

1

Common Issues		Actions Taken to Address Issues
Affordability	<ul style="list-style-type: none"> Some First Nation communities felt disproportionately impacted by high electricity costs at the individual customer and band levels. 	<ul style="list-style-type: none"> Hydro One's Get Local initiative helped customers reduce their arrears. Provincial initiatives including the Fair Hydro Plan, the First Nations Conservation Program and the Affordability Fund helped customers with their bills.
Reliability	<ul style="list-style-type: none"> Frequent or lengthy outages impacting electricity supply to on reserve businesses. First Nation community growth plans limited by existing power loads and capacity. 	<ul style="list-style-type: none"> Aging assets are being replaced, as described in Attachment 3 titled "First Nations Reliability Performance". New technology (Distance-to-Fault) is being leveraged to monitor unplanned outages. The number of planned outages has been reduced by bundling renewal work where possible. Hydro One is performing forestry maintenance on reserve more frequently. First Nations represented by Anwaatin Inc. intervened in the 2017 Hydro One distribution rate application and settled on a DER solution to address power reliability issues. The battery storage solution will be in-serviced on the Aroland First Nation.
Liability and Access	<ul style="list-style-type: none"> Outdated access rights/permits and compensation issues for transmission and distribution assets on reserve land and within traditional territories Notification protocols for planned and non-planned disconnection work. 	<ul style="list-style-type: none"> Progressed with negotiations to settle outstanding real estate agreements. Hydro One's Indigenous Relations Group and Real Estate Group are working together to develop an Indigenous Integration Plan to address access rights in a fair and timely manner. Hydro One's Indigenous Relations Group and Provincial Lines and Forestry are working together and have developed an Indigenous Integration Plan which includes communication protocols between the company and the First Nation communities it

Witness: Derek Chum

Common Issues		Actions Taken to Address Issues
		<p>serves.</p> <ul style="list-style-type: none"> The Indigenous Relations department at Hydro One is leading these efforts in close consultation with the Real Estate, Legal and Regulatory Affairs departments to resolve these outstanding matters. The team is targeting to resolve the majority of outstanding agreements by year-end 2018.
Partnerships and Business Opportunities	<ul style="list-style-type: none"> Indigenous communities expressed interest in more procurement opportunities, ownership opportunities and other business partnerships. 	<ul style="list-style-type: none"> Hydro One increased available procurement opportunities and will continue to do so over the next three years. Hydro One delivered eight Indigenous Procurement Workshops in 2018. Hydro One developed a tool to set aside a portion of its contracts for Indigenous business. Hydro One signed equity partnership agreement on the Niagara Reinforcement Project with the two affected First Nation communities.
Employment and Training	<ul style="list-style-type: none"> Indigenous communities are interested in more employment opportunities and training. 	<ul style="list-style-type: none"> Hydro One increased employment with new permanent hires in 2017 and set targets and developed plans to increase Indigenous employment over the next three years. Hydro One will continue to participate in career fairs and workshops promoting employment and training. Hydro One created the Indigenous Network Circle, an internal group of Indigenous employees promoting Indigenous employment and training.

- 1 Hydro One will continue to engage and work with Indigenous communities as it develops
- 2 and executes programs intended to provide better service and customer care and works to
- 3 build and maintain positive relationships with Indigenous communities across Ontario.

Witness: Derek Chum

1 **4. PROGRESS ON FIRST NATIONS PERMIT NEGOTIATIONS**

2
3 Hydro One owns assets on First Nation reserve lands and within the traditional territories
4 of Indigenous peoples. Hydro One is committed to developing and maintaining
5 relationships with Indigenous peoples that demonstrate mutual respect for one another.
6 Hydro One recognizes that Indigenous peoples and their lands are unique in Canada, with
7 distinct legal, historical and cultural significance. In EB-2016-0160, the OEB found that
8 Hydro One “should continue to work diligently with affected First Nations to resolve
9 outstanding permit issues in a timely manner with the objective of providing appropriate
10 compensation while respecting First Nations rights.”

11
12 A number of First Nation communities have stated that they have outstanding agreements
13 with Hydro One. The majority of these outstanding agreements relate to Hydro One’s
14 assets on reserve and/or within traditional territories. More specifically the common
15 issues are: outdated Memoranda of Understanding, Payment In Lieu of Tax Agreements,
16 Agreement and Annual Land Rental Payments and Transmission Permit. In the EB-2016-
17 0160 decision, the OEB directed Hydro One to continue to work with affected First
18 Nations to resolve outstanding permitting issues in a timely manner with the objective of
19 providing appropriate compensation while respecting First Nation rights.² The
20 Indigenous Relations department at Hydro One is leading these efforts in close
21 consultation with the Real Estate, Legal and Regulatory Affairs departments to resolve
22 these outstanding matters. As of February 2019, five of the previously outstanding
23 agreements have been finalized and are with the federal government for final permit
24 issuance, three of the previously outstanding agreements are in active negotiations and a
25 newly expired agreement has entered into the negotiation phase.

² EB-2016-0160, Decision and Order (revised November 1, 2017) at p. 77

2nd Annual Hydro One and First Nations Engagement Session
Slivernightingale Room, Casino Rama
Wednesday, February 21, 2018

Filed: 2019-03-21
 EB-2019-0082
 Exhibit A-7-2
 Attachment 1
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SESSION REPORT

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WELCOME

Mr. Phil Goulais, Session Facilitator, called the meeting to order and introduced Elder Mryna Watson, Chippewas of Rama First Nation. Elder Watson provided the opening prayer. Mr. Goulais introduced Chief Rodney Noganosh, Chippewas of Rama First Nation, to provide welcoming remarks. Chief Noganosh welcomed the participants to their territory and thanked them for coming. He specifically thanked their leadership who had been working on a new relationship with Hydro One. He thanked Hydro One for the reduction in delivery rates for First Nations communities and he was looking forward to working together to address more issues for the betterment of their First Nation communities.

Welcome remarks were also provided by Mayor Steve Clarke, City of Orillia. He welcomed all participants and stated that they had a strong working relationship with the Chippewas of Rama First Nations and met on a regular basis to discuss issues in common. He said that he had learned a lot about First Nations and continued to learn; he stated that relationships were built on true collaboration. He also welcomed the representatives from Hydro One; the City of Orillia had recently gone through negotiations with Hydro One and he welcomed them back to the city.

Chief Ava Hill, Six Nations, provided welcoming remarks on behalf of the Chiefs of Ontario Chiefs Committee on Energy (CCOE). She thanked them all for taking the time to attend this important session. She provided background information on the CCOE stating that Government of Ontario wanted to sell Hydro One shares and the Chiefs wanted to be part of that. Resulting discussions brought up many issues that First Nations had with Hydro One so two committees were set up - one to deal with purchasing the Hydro One shares and the other to deal with outstanding grievances. The grievance one was further split into two groups – one to deal with high hydro rates and the other to deal with hydro lines crossing First Nation lands for which compensation was required. Chief Hill stated that these groups were not negotiating on behalf of First Nations but rather facilitating a relationship between the First Nations and Hydro One..

She mentioned that high hydro rates have been on ongoing issue in her community and they appreciated the commitment that Hydro One had made to eliminate the delivery charge to First Nation community homes. This had a huge impact on First Nation community members. She also mentioned that Hydro One staff had come to her community to talk with members about how to deal with their outstanding hydro bills. This could be done in any community served by Hydro One. She stated that the next priority for the CCOE is to work towards delivery charge relief for all Band owned buildings on the First Nations and then they would work on getting the same commitment for privately owned businesses on the reserve. Once the band owned buildings and businesses has been resolved, she explained that they will then work on getting the same commitment for off-reserve members.

On December 29, 2017, an agreement was reached with the Government of Ontario for the First Nations to purchase just over 14 million of Hydro One shares worth \$260M. She said that they were proud of this partnership that would benefit future generations. She said that the work they had undertaken with Hydro One was reconciliation in action; reconciliation involved everyone, she said, not just First Nations and government. They all had a mutual interest in addressing the challenges and First Nations needed to come up with their own solutions she said and take advantage of their opportunities.

Chief Hill stated that they needed to deal with racism that still existed today in Canada; a change of attitude is needed, Canadians needed to be educated about First Nations.

She acknowledged the efforts of Hydro One; the operations of Hydro One had changed since the new executive team had come in. She also recognized the work of the Chief Committee on Energy and encouraged all the chiefs in the room to lobby the Government of Ontario to support work they still need to do with Hydro One. She also encouraged them to review the Long-Term Energy Plan in detail, as there was a lot going on in the province. She thanked the Chiefs for their strength and perseverance in continuing this work.

HYDRO ONE ADDRESS

Mr. Ferio Pugliese, Executive Vice President, Customer Care and Corporate Affairs, Hydro One, provided opening remarks on behalf of Hydro One. He thanked the Elder for her prayer and Chief Noganosh for welcoming them all to their territory. He also thanked Chief Hill for her opening remarks and highlighted her leadership on the CCOE and he thanked them all for coming and taking time out of their busy schedules. He said that this day was designed for the participants and it was a second one of what they wanted to host on an annual basis. Last year, they held a candid dialogue and he hoped that they could do the same this year.

In the last few years, Hydro One has gone through a IPO process which took them from a Crown Corporation to a privately held company. He said that they gave them increased opportunities to develop partnerships and the flexibility to grow their business. They have also changed their organization to a focus on putting the customer first; they provided a life sustaining service and they had to improve as an organization. Their work with First Nation communities was identified as a priority for Hydro One and he believed that they have made some significant progress.

He said that there have been three areas of focus including: education for the public, communities and leadership around how electricity generation and distribution worked in Ontario; advocacy to support First Nations such as the advocacy work undertaken by Hydro One on the First Nation delivery credit work with the Ontario Energy Board last year; and, First Nations engagement and outreach including community visits. They have also completed training with First Nations administrators on billing, collections and other issues and that had worked well.

Mr. Pugliese stated that they were also open to talking about capital projects and mentioned the Niagara Reinforcement Project (NRP) as an example. They had been paying for an asset that was not complete and not in service but now they would work together on this and there would be significant benefits for all involved. Indigenous procurement was another example. A6N was a Joint Venture between Six Nations of the Grand River Development Corporation (51% ownership) and Aecon Group Inc. (49% ownership). The company performs utility related work in southwestern Ontario. He said that Hydro One has delivered \$23M last year in Indigenous procurement and this will be increased in future years.

He stated that the First Nations were valued partners; he encouraged them to take a look at Ontario's Long-Term Energy Plan. There were many opportunities for economic development but also it provides information on how the energy system was changing in the province. Their

focus was on capacity building for everyone and on sustainability. He thanked them all for attending this session and he looked forward to ongoing engagements in their communities or regions.

INTRODUCTIONS

1. **Mr. Phil Goulais, Facilitator, Nipissing First Nation:** Personal introduction
2. **Mr. Stan Judge, Consultation Officer, Shawanaga First Nation:** Personal introduction
3. **Chief Elaine Johnston, Serpent River First Nation:** Chief Johnston thanked Hydro One for coming to her community for outreach, as this was positive experience.
4. **Ms. Amelia Williams, Chiefs of Ontario:** Personal introduction
5. **Amy Lickers, Chiefs of Ontario:** Personal introduction
6. **Chief Bruce D. Archibald, Taykwa Tagamou Nation:** Personal introduction
7. **Chief Rodney Noganosh, Chippewas of Rama First Nation:** Chief Noganosh mentioned that they had recently passed their land code vote with 91% of the membership's support.
8. **Councilor Dan Shilling, First Nation Manager, Chippewas of Rama First Nation:** Personal Introduction
9. **Elder Myrna Watson, Chippewas of Rama First Nation:** Personal introduction
10. **Chief Ava Hill, Six Nations of the Grand River:** Personal Introduction
11. **Councilor Wray Maracle, Six Nations of the Grand River:** Personal introduction
12. **Darryl Hill, A6N Utilities LP:** Personal introduction
13. **Daniel Charbonneau, Indigenous Relations, Hydro One:** Personal introduction
14. **Brian George, Indigenous Network Circle, Hydro One:** Personal introduction
15. **Kevin Hill, Indigenous Network Circle, Hydro One:** Personal introduction
16. **Kyla Thistle, Contract Officer, Supply Chain, Hydro One:** Personal introduction
17. **Ferio Pugliese, Vice President, Customer Care and Corporate Affairs, Hydro One:** Personal introduction
18. **George Kakeway, Indigenous Relations, Hydro One:** Personal introduction
19. **Susan Wylie, Director, Supply Chain, Hydro One:** Personal introduction
20. **Cesar Martinez, Customer Care Manager, Hydro One:** Personal introduction
21. **Tania Jacko, Energy Advisor, Whitefish River First Nation:** Personal introduction
22. **Joel Strickland, Vice-President, Longnorth Capital Group:** Personal introduction
23. **Jake Linklater, President, Longnorth Capital Group:** Personal introduction
24. **Chief Rick Allen, Constance Lake First Nation:** Personal Introduction
25. **Councilor Peggy Mansur, Chippewas of Nawash First Nation:** Personal introduction
26. **Michael Harney, Economic Development Officer, Nipissing First Nation:** Personal introduction
27. **Jay Armitage, Hydro One:** Personal introduction
28. **Steven Mantifel, Hydro One:** Personal introduction
29. **Chief Jason Fisher, Moose Deer Point First Nation:** Personal introduction
30. **Chief Gerry Duquette Jr., Dokis First Nation:** Personal introduction
31. **Chief Lloyd Myke, Magnetewan First Nation:** Personal introduction
32. **Chief Warren Tabobondung, Wasauksing First Nation:** Personal introduction
33. **Councilor Richard Jason, Shawanaga First Nation:** Personal Introduction
34. **Harvey Thunderchild, Wahnapiitae First Nation:** Personal Introduction

35. **Shane Innes, Hydro One:** Personal introduction
36. **Kevin Hill, Indigenous Network Circle, Hydro One:** Personal introduction
37. **Councilor Gary Smith, Naicatchewenin First Nation:** Personal introduction
38. **Chief Robin McGinnis, Rainy River First Nation:** Personal introduction
39. **Chief Steve Miller, Atikamekshang Anishnawbek:** Personal Introduction
40. **Grand Chief Francis Kavanagh, Treaty #3:** Personal introduction
41. **Chief Wayne Smith, Naicatchewenin First Nation:** Personal introduction
42. **Stan Kapashesit, Moose Cree First Nation:** Personal introduction
43. **Derek Chum, Indigenous Relations, Hydro One:** Personal introduction
44. **Tausha Esquega, Indigenous Relations, Hydro One:** Personal introduction.
45. **Chief Edward Wawia, Red Rock Indian Band:** Personal introduction
46. **Jeff Corbiere, Renewable Energy Coordinator, M'Chigeeng First Nation:** Personal introduction.
47. **Albalina Metatawabin, General Manager, Mushkegowuk Tribal Council:** Personal introduction.
48. **Chief R. Donald Maracle, Mohawks of the Bay of Quinte:** Personal introduction.
49. **Chief Philip Franks, Wahta Mohawks:** Personal introduction
50. **Christine Goulais, Hydro One:** Personal introduction.
51. **Councilor Larry Sault, Mississaugas of the New Credit First Nation:** Personal introduction.
52. **Councilor Lawrence Solomon, Sagamok Anishnawbek First Nation:** Personal introduction.
53. **Marlene Stiles, Economic Development Officer, Chippewas of Georgina Island First Nation:** Personal introduction.
54. **Chief James R. Marsden, Alderville First Nation:** Personal introduction.
55. **David Mowat, Mississaugas of Scugog Island First Nation:** Personal introduction.
56. **Councilor Patrick Brennan, Henvey Inlet First Nation:** Personal introduction.
57. **Chief Andrew Aguonie, Sheguiandah First Nation:** Personal introduction.
58. **Chief Dean Roy, Sheshegwaning First Nation:** Personal introduction.
59. **Councilor Jim Meness, Algonquins of Pikwakanagan First Nation:** Personal introduction.
60. **Jeff Smith, Hydro One:** Personal introduction.
61. **Erika Dawson, Hydro One:** Personal introduction.
62. **Councilor Ted Williams, Chippewas of Rama First Nation:** Personal introduction.
63. **Chief Vanessa Powassin, Animakee Wa Zhing #37:** Personal introduction.
64. **Robin Koistinen, Temagami First Nation:** Personal introduction.
65. **Councilor Laurie Hockaday, Curve Lake First Nation:** Personal introduction.
66. **Warren Lister, Vice President, Customer Service, Hydro One:** Personal introduction.
67. **Councilor Anthony Petten, Ginoogaming First Nation:** Personal introduction.
68. **Councilor Ernest Waboose, Ginoogaming First Nation:** Personal introduction.
69. **Gary Allen, Executive Director, Grand Council Treaty #3:** Personal introduction.
70. **Sarah Luce, S. Barnett and Associates (Wabigoon Lake First Nation):** Personal introduction.
71. **Chief Gregory Nadjiwon, Chippewas of Nawash Unceded First Nation:** Personal introduction.
72. **Chief A. Myeengun Henry, Chippewas of the Thames First Nation:** Personal introduction.

73. **Valerie George, Consultation Coordinator, Chippewas of Kettle and Stoney Point First Nation:** Personal introduction.
74. **Sara Jane Souliere, Indigenous Relations, Hydro One :** Present
75. **Chief Reginald Niganobe, Mississaugas #8 First Nation:** Personal introduction.
76. **Ron Allen, Nigigoonsiminikaaning First Nation:** Personal introduction.
77. **Chief Daniel Miskokomon, Bkejwanong Territory (Walpole Island):** Personal introduction.
78. **Vivian Yoanidis, Director, Recruitment, Diversity & Inclusion, Hydro One:** Personal introduction.
79. **Alicia Sayers, Hydro One:** Personal introduction.
80. **Chief Joel Babin, Wahgoshig First Nation:** Personal introduction.
81. **Bruno Jesus, Director, Strategy and Integrated Planning, Hydro One:** Personal introduction.
82. **Chief Duke Peltier, Wikwemikong Unceded First Nation:** Personal introduction.
83. **Tabatha Bull, Senior Manager, First Nations and Metis Relations, Independent Electricity System Operator:** Personal introduction.
84. **Erika Dawson, Indigenous Relations, Hydro One:** Present
85. **Emily Spitzer, Indigenous Relations, Hydro One:** Present

HYDRO ONE CUSTOMER SERVICE

Mr. Cesar Martinez, Customer Care Manager, Hydro One, provided an overview of his powerpoint presentation entitled “Customer Programs”. To date, he explained, they had visited over 1,500 customers in 35 Communities across the province. In addition, there have been a reduction of customers in arrears by 2,400 since January 2017, a reduction from 8,900 to 6,500. Hydro One launched a blitz in August 2017 to reach out to customers who were not receiving the First Nations Delivery Credit. Since then, they had reduced that number by 1,600 to a total of 4,891. He asked for assistance in making sure that their members registered with their status cards for the delivery credit, as there were still approximately 5000 customers who were not registered. They had also doubled the Ontario Electricity Support Program (OESP) enrollments for First Nations customers through their local efforts from 1,600 to 3,400. Enrollment in these programs should be much higher and stated that Hydro One could work with First Nation customers to take advantage of their programs.

He provided a list of those communities where there were customers who had not yet signed up for the First Nations Delivery Credit (FNDC). Hydro One will be attempting to have 100% enrollment in FNDC by the end of 2018 to ensure all customers are receiving the full benefit of the credit. In order to achieve this, Hydro One needed the support of the First Nations and they would also be looking at increasing their local visits, identify seasonal properties where non-status residents live (which do not qualify for the FNDC) and initiating social media and other marketing campaigns. It was important because the credit was significant and he gave an example of a bill which took the total charge from \$699 to \$ 399 from the previous year in the same month.

Mr. Martinez encouraged them to get in touch with Hydro One to request a local session which could include one-on-one meetings with customers, assist with enrollments in the different programs and answer any questions or concerns that local customers might have.

Chief Elaine Johnston: Chief Johnston asked that the specific numbers for her First Nation could be sent to her so they would know how many have been enrolled for the FNDC and how many more need to enroll. Mr. Martinez stated that this could be sent to her.

Chief _____: The Chief asked when they could expect that this FNDC would be available to their off-reserve members, as it should apply to all First Nations. Mr. Martinez said that some of their other programs do apply off-reserve and could be accessed by off-reserve members but the FNDC, at this point in time, was only for on-reserve residents. Chief Ava Hill, Chiefs Committee on Energy, added that they were working on this and that they were proceeding in stages. Their next stage was an attempt to get the FNDC apply to all band owned buildings, then for private businesses on-reserve and then they were going to work on getting the same benefit for their off-reserve members. She said they agreed that the benefit should be available to all First Nations regardless of where they resided and she asked that all the leaders lobby the province whenever possible.

Chief R. Donald Maracle: Chief Maracle asked how many people had not yet signed up for the FNDC and the response was that there were approximately 5000. The Chief asked if their 911 addresses had been sent and the response was that they had not. The Chief said that the Chiefs Committee on Energy would work on asking their Chiefs to send their 911 lists and Mr. Martinez said that these could be sent to Chris Cooley or himself.

Robin Koistinen, Temagami First Nation: Ms. Koistinen suggested that these First Nation customers might also be being charged tax and asked how retroactive that would be if they provided the information to take that off their bills. She also asked about how retroactive for the FNDC or the OESP. Mr. Martinez mentioned that for the OESP, it would not be retroactive; he also noted that people have to re-enroll for that after two years so that was something they had to work on as well. Benefit for the FNDC could go back to July 2017. For the taxes, he believed that it went back on during the current fiscal year.

Chief Elaine Johnston: Chief Johnston said that she had some concerns with providing the 911 lists as there were issues with this since it did not always co-relate to the residences. She also added that if the First Nations were not enrolling again for the OESP, maybe it was a communication issue. Mr. Martinez agreed that it was likely a communication issue; the letter goes out by mail 90 days before but people were not reading it. They needed to look at communicating this information in different ways.

Councilor Peggy Mansur, Chippewas of Nawash First Nation: Councilor Mansur asked if there were any representatives in the room from the welfare administrator organizations and was told that there was not. She suggested that they might want to increase their communications with this group and some others who would be relevant to these discussions. Mr. Martinez said that there was some communication but not enough; they have attempted to reach out to the welfare administrators in the communities when they were there. Councilor Mansur suggested that more cooperation was needed in coordinating community visits. Mr. Martinez agreed with this and would look at different groups that they could meet with locally and regionally.

Valerie George, Chippewas of Kettle and Stoney Point First Nation: Ms. George asked if they could get an extension on the OESP re-enrollment deadline. Mr. Martinez stated that there was no deadline but he said that they would look at the letter again to check for clarity and also follow up with those customers who have not re-enrolled. Hydro One also wanted to talk to the Ontario Energy Board about making that transition easier for the customer.

CHIEFS OF ONTARIO ADDRESS

Ms. Amy Lickers, Chiefs of Ontario, provided an overview of her powerpoint presentation entitled “Ontario First Nations Sovereign Wealth LP – Update February 2018”. Ms. Lickers explained that she was from Six Nations and she worked at the Chiefs of Ontario; she worked with a number of Chiefs Committee there. For the past few years, she said, they have been working on an agreement with the province to acquire Hydro One shares. 129 First Nations have signed on to be shareholders in Hydro One; she provided the ownership structure and an overview of the agreement.

Currently they had an interim board of directors in place and they were in the process of electing board members and they were hoping to ratify a new board at the All Ontario Chiefs Conference in June 2018. She asked that they contact their PTO for suggestions on who should be on the board. She said that they will grow the fund to \$90M or 12 years, whichever comes first, so there was time for more discussions around a funding formula.

Chief _____: The Chief asked about if the First Nation did not have a PTO, how could they follow up on that. Ms. Lickers noted that there were a number of Independent First Nations and they have formed a group and suggested that could be avenue to participate.

PROGRESS ON PROCUREMENT/BUSINESS PARTNERSHIPS PANEL

Ms. Susan Wylie, Director, Supply Chain, Hydro One, introduced the panel including: Mr. Darryl Hill, A6N Utilities LP; Mr. Brian Johnson, Aecon-Six Nations Joint Venture; Chief Reginald Niganobe, Mississaugas #8 First Nation; and, Ron Allen, Nigigoonsiminikaaning First Nation.

What are the top three challenges in working with Hydro One?

Mr. Johnson stated that it was getting through a complicated procurement process. There were a number of documents needed and they were fortunate to have a partner in Aecon with a lot of resources to assist in getting that done. He suggested that stronger relationships would be helpful. Mr. Hill stated that they needed to meet with everyone involved in the project and clearly set out the milestones for the project. There were challenges to being a small company like theirs. Ms. Wylie stated that they could look additional education programs and more relationship building around the document requirements for procurement.

Mr. Johnson also suggested that they needed an avenue or process to identify the skills sets available in different Indigenous businesses. Ms. Wylie stated that they had been working with

Indigenous Relations to build that directory and outreach activities were being undertaken to have a better working knowledge of the business out there when the projects come up.

Mr. Allen noted that there were issues with Aboriginal set asides, as it was very hard to get in there and there seemed to be many different ways to get screened out as an Indigenous business. Ms. Wylie noted that Mr. Pugliese had mentioned their commitments and they were undertaking more outreach activities to get to know the capacity out there. Hydro One had committed to establishing a set aside process in 2018.

Chief Niganobe stated that they had experienced the procurement issues that have been mentioned and added that they had to build their capacity in order to take advantage of procurement opportunities.

What advice do you have for Hydro One in working with the communities to build community capacity and enhance opportunities for Indigenous businesses?

Mr. Hill suggested that they should have more Indigenous people to make those initial introductions and a good retention plan to keep them on. Mr. Johnson added that they should hold their contractors to socially responsible behaviour around engaging with Indigenous communities where there were projects on the First Nation's territory. It was also suggested that Hydro One should measure and know how their contractors do in this.

Ms. Wylie asked how they could support communities through increased communications. Mr. Allen stated that they needed support for their basic programs to get their people driver's licenses and they also needed to address employment issues such as working with unions. Ms. Wylie suggested that they could bring in their Labour Relations team to address that needs. Mr. Hill stated that they worked with unions every day and suggested that they could help with that.

Final Panel Comments

Chief Niganobe suggested that they could do more regional liaison; he said that they had trouble finding skilled labour but they do have people who could do more. Mr. Allen stated that they had a hard time with relationship building so they could use some help with that. Mr. Johnson said that they wanted to be part of the solution and wanted to provide even more opportunities to community businesses. Their goal was to hire 100% from Six Nations and to achieve that, they needed the help of their partners. Mr. Hill added that they had a good partnership with AECON and they wanted to ensure their community members would get more experience. He thanked Chief Ava Hill for her support and they looked forward to sharing their experiences with other First Nations.

Chief Daniel Miskokomon, Bkejwanong Territory (Walpole Island): The Chief asked about maintaining cash flow and if they had a line of credit. Mr. Johnson agreed that this was challenging but, in their situation, their partner was AECON so they did not have to worry. Smaller companies would have trouble with this and he would suggest quicker milestone payments and keeping the lines of communication open to explain the situations

Councilor Larry Sault, Mississaugas of the New Credit First Nation: Councilor Sault stated that what he was seeing in the community was that they always looked for employees who had

to have grade 12, but this was not always necessary depending on the position. They also should work with people to get their driver's licenses and those who have criminal records from the past. He also said that they should be challenging the unions on First Nation rights; First Nations have portable rights.

HYDRO ONE DIVERSITY AND INCLUSION

Vivian Yoanidis, Director, Recruitment, Diversity & Inclusion, Hydro One, provided an overview of her PowerPoint presentation entitled "Diversity and Inclusion at Hydro One". She provided information on Hydro One's Diversity and Inclusion Strategy, which had three main goals: to build a diverse workforce; to create a culture of inclusion; and, to be a leader in diversity and inclusion in the energy sector. She explained that background on the establishment of the Indigenous Network Circle. She also provided an overview of the company's commitment which included the following: hiring a Diversity & Inclusion Consultant to focus on Indigenous Outreach, Recruitment and Inclusion; hiring more Indigenous employees (regular hires, co-op/Internship, new graduates, Summer Outreach Program); visiting communities across the province sharing information about recruitment requirements and career opportunities; working with Hydro One Indigenous employees to educate and raise cultural awareness within the organization; engaging Indigenous communities in a dialogue regarding training and development partnerships; and, researching and adopting, as required, Indigenous employment and retention industry best practices.

Panel – Hydro One's Indigenous Network Circle

Mr. Kevin Hill introduced himself saying that he was from Six Nations, adding that he has been with Hydro One for many years and he was happy to see the focus on the Indigenous employees. He spoke to the importance of Indigenous Circle Network; he was proud to sit in a room with other First Nations people at Hydro One. As staff, it was important to have those links to their people.

Mr. Brian George stated that he was from Saugeen and had been a forester for Hydro One for 12 years. The Indigenous Circle Network was a good way for them to get involved in organization and they could provide more support for employees particularly new First Nation employees coming in.

Mr. Charles Doxtator-Young stated that he was from Six Nations. He stated that it was not easy coming from the reserve and joining Hydro One; it seemed far from where he thought he should be but it was important to provide for his family. The Network was a good way for him to be involved and promote careers at Hydro One to their First Nation youth.

Ms. Alicia Sayers stated that she was from Garden River First Nation and had been with Hydro One since 2009. As a young person, she said, she did not know what Hydro One was or what they did but she was not from a community served by Hydro One. She had started there in a summer position and she became fascinated by what Hydro One did so she joined the company full time when she graduated. She felt very isolated; she felt alone. She was happy to be part of the Network and they were there for the right reasons. She said that she believed in the company and what they were doing.

Steven Mantifel, Hydro One: Mr. Mantifel stated that the Network was new and he asked the panelists how they planned on engaging other Hydro One staff. Mr. Doxtator-Young responded that they have not yet set goals for the Network, as they were still building it. To him, he said, it made sense to make those connections because they wanted to share information with non-First Nations employees as well as First Nations employees. He said they were not quite there yet but the idea of non-First Nations group of employees, an ad-hoc committee, to feed into the Network was discussed.

Ms. Amy Lickers, Chiefs of Ontario: Ms. Lickers asked if the panelists had ideas for promoting First Nations employment outside of Hydro One. Mr. Doxtator-Young said that, in Hydro One, they had staff that worked on this so this was happening but they wanted to support that through the Network's activities. Mr. Hill noted that they could also develop their own Network webpage to distribute information as well as encouraging more apprenticeships so people will look to Hydro One for training.

Chief Joel Babin, Wahgoshig First Nation: Chief Babin mentioned that he had a number of issues with Hydro One and he was not sure of the timing to bring them up. He felt that one department at Hydro One for Indigenous Relations was not enough; it should be throughout the organization. He felt that they were trying to dictate the relationship with the First Nations.

Councilor Dan Shilling, First Nation Manager, Chippewas of Rama First Nation: Councilor Shilling stated that he wanted to commend the panelists. In terms of First Nations employment in Hydro One, he asked if they had specific targets they would attempt to reach. If they did not set goals, he felt that this could turn into a token project with no real results. Ms. Yoanidis stated that it was difficult as they needed to self-identify as First Nations or Metis. She did not feel it would be a token project as it has been a long time coming; they wanted to increase the current number of 2.3%. They did not have a hard target in mind but wanted to increase that.

Chief Daniel Miskokomon, Bkejwanong Territory (Walpole Island): The Chief mentioned that he really enjoyed the presentations and stated that their youth needed to hear these presentations. He also mentioned that when Hydro One staffs come into the communities or territories, they should have a certain number of Indigenous staff with knowledge of the area to deal with any issues. He said that their people could work in their territory and they would be role models seen by the youth. Mr. Doxtator-Young said the Hydro One had their own program such as apprenticeships and it was a difficult process to go through because they had to leave home. He agreed it was not perfect but they had to put their time in and pay their dues. The Chief agreed and said that their youth needed to be aware of the challenges and presentations such as these would have a positive impact.

HYDRO ONE TRANSMISSION AND DISTRIBUTION PLANNING

Bruno Jesus, Director, Strategy and Integrated Planning, Hydro One, provided an overview of his powerpoint presentation entitled "First Nations – Reliability Performance Overview". He provided detailed information on the distribution grid modernization and an overview of the work that will take place in the community.

Chief Edward Wawia, Red Rock Indian Band: The Chief asked about the Ring of Fire Transmission lines and if Hydro One was involved in that. Mr. Jesus responded that they probably were but he was not sure. He said that he could find out. Now confirmed Hydro One is not currently building any transmission lines to supply the Ring of Fire area.

Chief _____: The Chief stated that coordinating the communications was key within the community when the power goes out; they needed to let their communities know when they can expect the power to come back on. Mr. Jesus stated that they were looking at working with a central coordinating person when the power goes out.

Chief R. Donald Maracle, Mohawks of the Bay of Quinte: The Chief asked about the frequent power outages on his territory and asked if this could be because of defective equipment. Mr. Jesus said that he was not sure because they would have to look specifically at that case but during storms, they do have outages and Hydro One responds as quickly as possible. The Chief then asked what the plans were to address the issues of climate change. Mr. Jesus stated that they had met with the Ministry of Environment and they have established a committee to look at that. He said that the transmission usually performed well but the distribution networks were not as resilient.

Robin Koistinen, Temagami First Nation: Ms. Koistinen said that they wanted to talk about traditional territories and the transmission lines that cross these territories. There were established Indigenous rights and interests in their traditional territories and they need to be aware when work was taking place in these territories. When notifying the First Nation was delayed, the proponents then try to rush through and identify any issues they may have. The First Nations have to be more involved earlier on in the process. It was a concern that the First Nation was not involved when the lines went in and now they were not being consulted on the huge plans for refurbishment. They wanted to identify opportunities for their people in this work and address issues of consultation/accommodation.

Chief Joel Babin, Wahgoshig First Nation: The Chief stated that his First Nation was looking at creative solutions and making their own investments but it was difficult to work with Hydro One to get the upgrades for their systems to supply their needs for economic development. They were trying to grow their community but they ended up waiting for Hydro One. Mr. Jesus said that he wanted to learn what the issues were and suggested they talk off line.

Chief Duke Peltier, Wikwemikong Unceded First Nation: The Chief provided an overview of his community's issue with ongoing and lengthy power outages. In some situation, the weather was very cold and the community members were asking a number of questions around the reliability of their hydro. He suggested that maybe they should look at resourcing support stations for those with ongoing and lengthy outages – warming stations, food for people, supporting those with health issues, etc. The community was large regional centre and he believed that they needed their own substation. They need to talk to Hydro One about this as it very challenging to the community not only residents but business who are attempting economic development initiatives. Mr. Jesus suggested that they need to discuss this.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Tabatha Bull, Senior Manager, First Nations and Metis Relations, Independent Electricity System Operator (IESO), provide a brief overview of her powerpoint presentation entitled “Looking Ahead – Opportunities for First Nation Communities through the Implementation of the LTEP”. She explained that the government’s Long-Term Energy Plan (LTEP) was released on October 26, 2017 along with two directives to the IESO for the completion of an LTEP Implementation Plan by January 31, 2018. The IESO delivered its’ implementation plan, *Putting Ontario’s Long-Term Energy Plan Into Action*, informed by public engagement, to the Minister on January 31, 2018. The Implementation Plan outlined the objective and scope of each of the directed initiatives to enable LTEP policy objectives and provided key implementation milestones.

Key to their implementation plan was supporting Indigenous capacity and leadership, encouraging an innovative sector and delivering a flexible and efficient system. She then provided an overview of the Energy Support Programs (ESP). She explained that the next steps included: engagement plans would be developed for each initiative; the conservation report and recommendations were nearing completion and the report would be posted publicly; Energy Support Programs (Public Webinar February 22nd at 10:00 am and further engagement on revised programs) and, continued and ongoing engagement with communities.

Chief Joel Babin, Wahgoshig First Nation: The Chief asked a question around the connection costs process that IESO had with Hydro One. Ms. Bull stated that IESO had no authority to change those costs because it was a standard; they could not go outside of that. They could be directed by the Ministry but they could not do this on their own. She added that they were working with communities to identify other sources of funding and mentioned NRCan as a potential source.

OPEN FACILITATED DISCUSSIONS

Participants were given the opportunity to provide their comments:

Tania Jacko, Energy Advisor, Whitefish River First Nation stated that her community appreciated the Delivery Credit, as this brought a lot of relief to many in the community. It was a positive step to building a stronger relationship. There were a lot of good suggestions today; she suggested that the conservation programs should be extended and make them accessible to low and moderate income households. She also encouraged Hydro One to use more Indigenous contractors. Mr. Pugliese stated that they were looking at expanding their affordability funding and also looking at launching pilots for additional home assistance. It was noted that there was more information on the Affordability Fund on the website.

Chief Warren Tabobondung, Wasauksing First Nation, thanked Hydro One for what had been over the last year and also thanked the Chief Committee on Energy for moving their issues forward. He wanted to mention again the transmission lines and distribution network that cut through their traditional territories and this needed to be addressed. These lines had an impact on their traditional land use activities. He stated that he hoped the dialogue tables would

continue and he was grateful for the relief that the First Nation Delivery Credit had provided to his community. There was still a lot of work to do.

Chief Daniel Miskokomon, Bkejwanong Territory (Walpole Island) stated that he wanted to see the identification of milestones in their relationship, increased number of Indigenous employees for example, because they needed to be able to evaluate that.

Chief Elaine Johnston, Serpent River First Nation, stated that since she was part of the Chiefs Committee on Energy, she has learned a lot about their energy system and she felt that these dialogues were valuable. Hydro One should have an Indigenous Relations that not only looked at legal issues but also policy issues. They needed to look at land issues and transmission lines. She thanked them for the information that they could share with their communities. She mentioned the priorities areas of the CCOE in terms of expanding the application of the delivery credit.

Robin Koistinen, Temagami First Nation, thanked the CCOE for the work they have done already and she asked Hydro One could not just go ahead and expand delivery credit to band owned buildings, private business on reserve and also off-reserve members. She said that Mr. Pugliese had mentioned that since they changed from being a crown corporation, they had more flexibility. She asked why the province could dictate on that. Mr. Pugliese stated that they still worked in a regulated environment so they had to follow the same rate process involving the Ontario Energy Board; they could make recommendations for a change in policy. The OEB considered what was best for all rate-payers in Ontario. Amy Lickers mentioned that impact of the provincial budget on the delivery credit and stated that this was why they were lobbying around the provincial budget; this will have to be ongoing.

Chief Joel Babin, Wahgoshig First Nation, stated that Hydro One had taken the first step towards developing a meaningful relationship with First Nations. However, he felt that there was very little opportunity for participation of First Nation leadership in the agenda for this meeting; they had issues they wanted to discuss and he did not feel that they participated as equal partners in this session. He admitted that there would be some very uncomfortable conversations that need to take place. For the next meeting, he encouraged them to let First Nations state their concerns in their own voice.

Michael Harney, Nipissing First Nation, stated that they were thankful for the delivery credit but he did feel comfortable that this would last over time. There might be changes with a change in government so he wanted to see this strengthened; maybe they needed to look at generating their own electricity and work with the grid to provide that to their communities.

Chief A. Myeengun Henry, Chippewas of the Thames First Nation, asked what caused this change at Hydro One and when funds were made available to programs, where did this come from. Mr. Pugliese stated that he has only been with the company since September 2016; when the company was privatized, a new Board was brought in. There was also a new executive team brought in and the key values focused on communities and customers. There was also a conversation around Indigenous communities because they served many of them. The organizational mandate was changed and they believed it was important to engage with these communities as equal partners. Leveraging opportunities to grow economically was good for

everyone. Each board meeting, they discuss Indigenous issues and they have a committee of the Board that worked on this.

Chief R. Donald Maracle, Mohawks of the Bay of Quinte, stated that they were thankful for the delivery credit and the programs but this did not settle past grievances where lands had been taken fraudulently from First Nations. There was no extinguishment of First Nations rights. First Nations want to look at revenue streams and innovative ways to address past grievances. Mr. Pugliese stated that they are open to that and encouraged them to look at the LTEP for other opportunities as well.

Chief Rick Allen, Constance Lake First Nation, asked for clarification around when they could expect a response from Hydro One on negotiating compensation for past grievances. Mr. Pugliese stated that they have to work on those situations on a case by case basis and they were in these conversations now. They were happy to talk about these situations as they arise.

Robin Koistinen, Temagami First Nation, asked that if, in the spirit of an open and transparent relationship, Hydro One could share existing agreements that have been negotiated on compensation for transmission lines. Mr. Pugliese said that they could not share specific details of each community's terms; often the community itself wanted that privacy. He encouraged her that if her community wanted to have this conversation to come talk to them.

WRAP UP

Chief Ava Hill was provided the opportunity to provide closing comments. She said that she too was still learning about energy in order to help the community. She thanked all the presenters and mentioned that she particularly enjoyed the panel presentation of Indigenous employees of Hydro One. She felt that this panel was inspirational; their young people needed to see these examples. She said that they would be looking in more detail at compensation for transmission lines and she appreciated the opportunity to learn more about hydro transmission and distribution today. She said that her community had an agreement that could be shared with others. She said that it was important that they were able to continue these discussions and she liked the format of the session. She suggested that, for future meetings, the Chiefs Committee on Energy could assist with the development of the agenda. The CCOE would be working on pushing the FNDC to include band building in the near future and she suggested that they could meet regularly with Hydro One to continue to strengthen that relationship but also work on finding solutions to address their issues.

Mr. Pugliese said that he could see that their leadership role was a challenging one and stated the importance of not only talking about solutions but acting on those. He said that he welcomed the establishment of a joint group to work on next year's session agenda and they very much looked forward to further strengthening that relationship. They had a more powerful voice when they could work collectively. Increasing ways of tracking the success of their relationship was a good idea and he was confident that they could be the benchmark for success in North America.

A closing prayer was provided by Elder Watson.

Meeting adjourned.



Hydro One Second Annual First Nations Engagement Session

Chippewas of Rama First Nation, Casino Rama Silvernightingale Room

<u>Goal:</u>	Reinforce working relationships between First Nation communities and Hydro One through continuous engagement and constructive dialogue.
<u>Objectives:</u>	<ul style="list-style-type: none"> a) Share information on key progress made since February 2017. b) Discuss priorities moving forward in 2018.
<u>Facilitator:</u>	Phil Goulais Advisory & Contract Services
<u>Report Writer:</u>	Carolyn Hunter Hunter-Courchene Consulting Group Inc.
<u>Graphic Recorder:</u>	Disa Kauk, Thinklink Graphics

8:00 – 8:30 Networking Breakfast (30 minutes)

8:30 – 8:45 Opening Prayer from Elder Myrna Watson

Welcoming Remarks

- Chief Rodney Noganosh Chippewas of Rama First Nation (10 minutes)

8:45 – 9:05 Opening Remarks

- Mayor Steve Clarke City of Orillia (10 minutes)
- Chief Ava Hill on behalf of the Chiefs Committee on Energy (10 minutes)

9:05 – 9:20 Hydro One Address

- Ferio Pugliese Executive Vice President Customer Care and Corporate Affairs (15 minutes)

9:20 – 9:35 Round of Introduction (15 minutes)

9:35 – 10:00 Hydro One Customer Service

- Cesar Martinez, Customer Care Manager, Progress on Get Local Initiatives - First Nations Delivery Credit, Ontario Electricity Support Program, Conservation Programing, etc. (15 minutes)
- Qs & As (10 minutes)

10:00 – 10:15 Health Break and Networking (15 minutes)

10:15 – 10:45 Chiefs of Ontario Address

- Amy Lickers, Director, Economic and Sustainable Community Development: Progress on Ontario First Nations Sovereign Wealth LP (15 minutes)
- Qs & As (15 minutes)

10:45 – 11:30 Progress on Procurement/Business Partnerships Panel

Facilitator: Susan Wylie Director, Supply Chain

Panelists: Darryl Hill, A6N Utilities LP; Bryan Johnston, Aecon-Six Nations Joint Venture; Chief Reginald Niganobe, Mississauga#8 First Nations & Ron Allen, Nigigoonsiminikaaning First Nation (30 minutes)

- Qs & As (15 minutes)

11:30 – 12:00 Hydro One Diversity & Inclusion

- Vivian Yoanidis, Director Diversity & Inclusion: Progress on Diversity & Inclusion Strategy and on Indigenous Leadership Learning Program (10 minutes)
- Alicia Sayers, Kevin Hill, Brian George & Charles Doxtater-Young from the Indigenous Network Circle (10 minutes)
- Qs & As (10 minutes)

12:00 – 13:00 Networking Lunch (60 minutes)

13:00 – 14:00 Hydro One Transmission and Distribution Planning

- Bruno Jesus, Director, Strategy & Integrated Planning: First Nations Reliability Performance Overview (30 minutes)
- Qs & As (30 minutes)

14:00 – 14:45 Independent Electricity System Operator

- Tabatha Bull, Senior Manager, First Nation and Métis Relations: Progress on key Indigenous energy programs (30 minutes)
- Qs & As (15 minutes)

14:45 – 15:30 Open Facilitated Discussions

- Phil Goulais, Facilitator: *What are Hydro One & First Nations Priorities for 2018?* (45 minutes)

15:30 – 15:45 Health Break and Networking (15 minutes)

15:45 – 16:00 Closing Remarks

- Chief Ava Hill on behalf of the Chiefs Committee on Energy (5 minutes)
- Ferio Pugliese Executive Vice President Customer Care and Corporate Affairs (5 minutes)

Closing Prayer from Elder Myrna Watson

16:00 -17:00 Networking

17:00 – 18:00 Dinner

18:00 – 19:00 Mr. Don Burnstick Comedy Show Performance / Networking

First Nations – Reliability Performance Overview

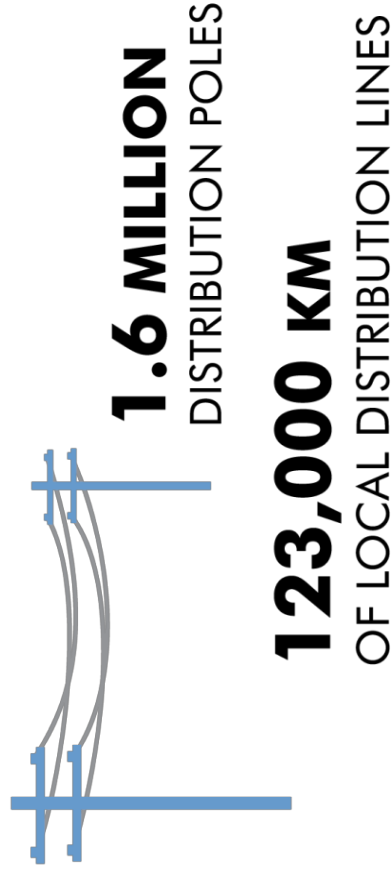
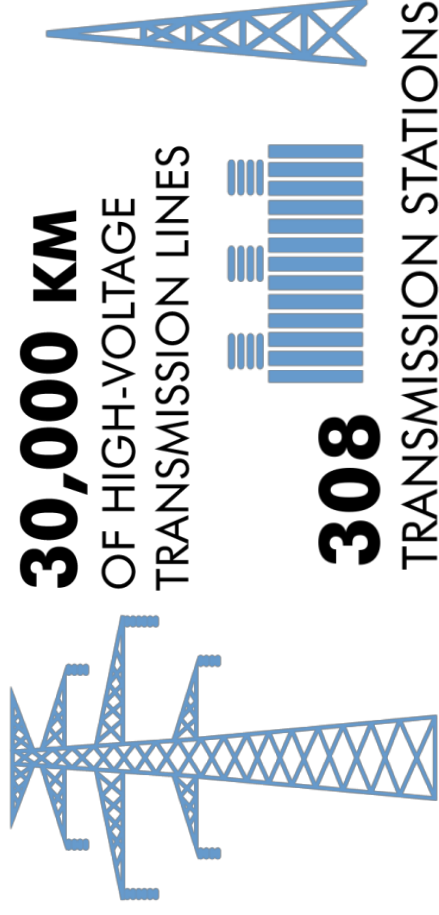
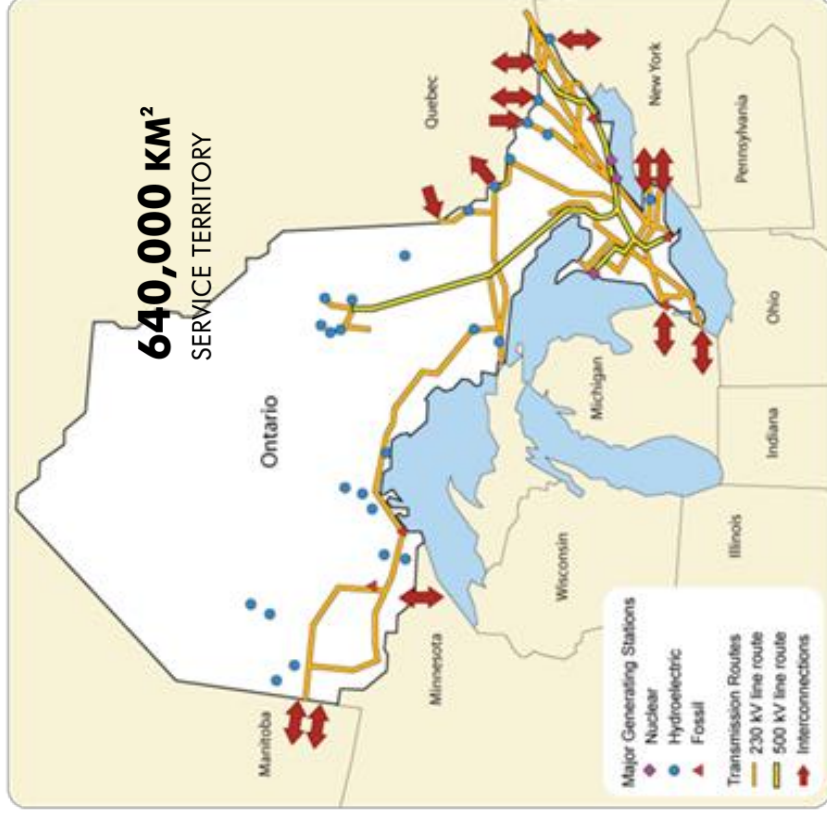
February 21, 2018

hydroOne

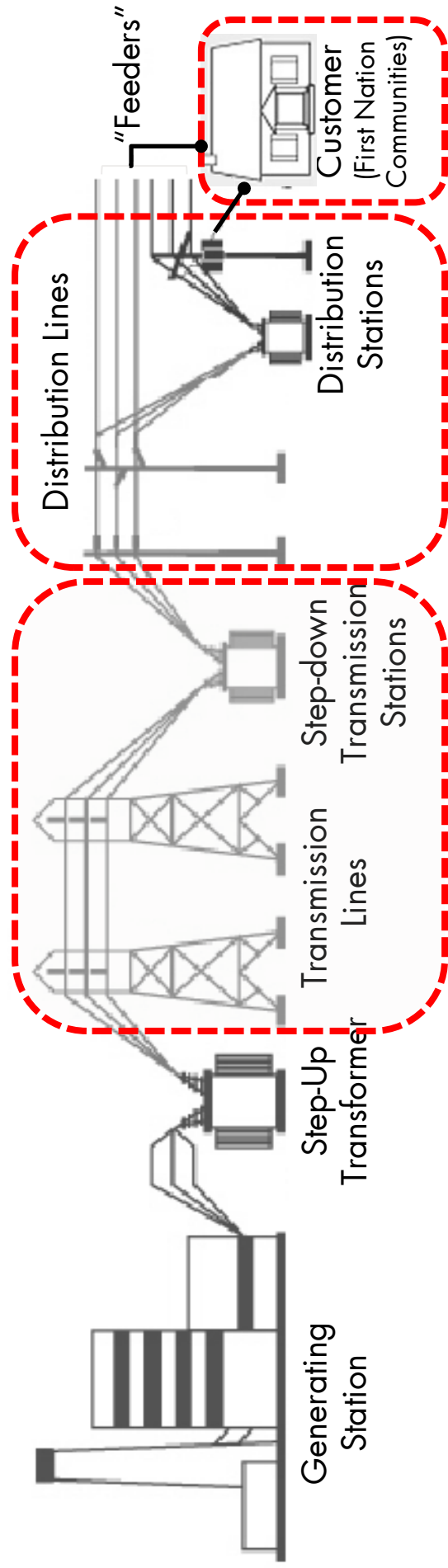
Agenda

- Hydro One Operations Review
- Historical Reliability Performance
- First Nations Communities Supply
- 2017 Transmission Reliability
- Transmission Reliability Improvements
- 2017 Distribution Reliability
- Distribution Grid Modernization
- Planned Work on Assets Serving First Nations Communities

HYDRO ONE OPERATIONS REVIEW



First Nations Communities Supply

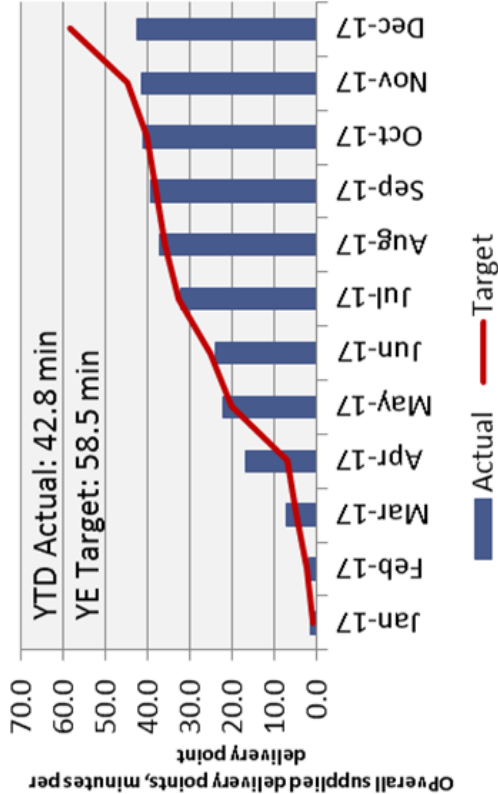


First Nations Communities: Supplied from 68
Transmission Lines, 59 Transmission Delivery Points and
109 Distribution Feeders

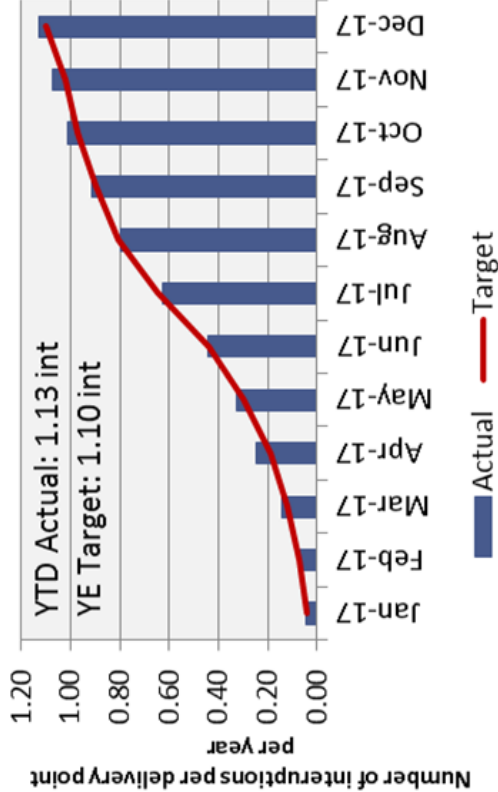
2017 Transmission System Reliability Performance

2017 Year End Overall Transmission Performance: SAIDI was 42.8 min and SAIFI was 1.1 interruptions per customer delivery point. Main causes of these interruptions are 1) Weather 2) Defective Equipment and 3) Unconfirmed

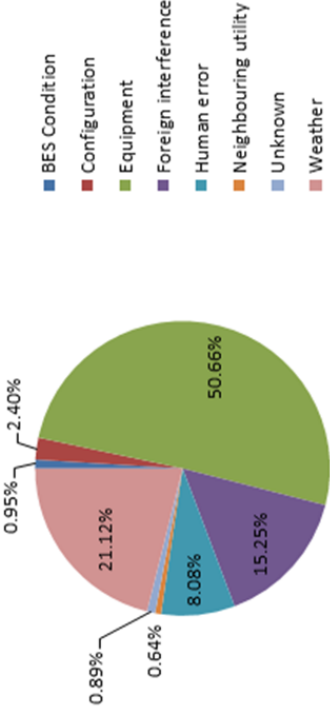
Reliability - Transmission (SAIDI)



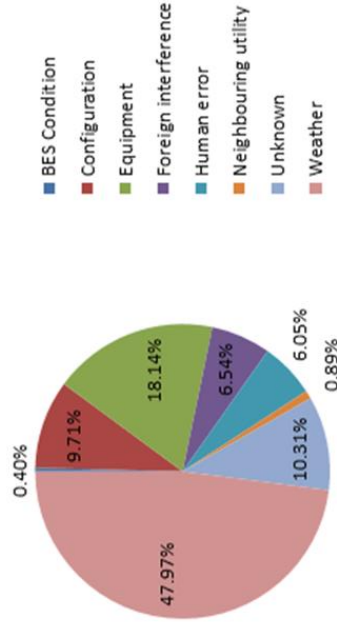
Reliability - Transmission (SAIFI)



2017 T-SAIDI Contribution by Causes

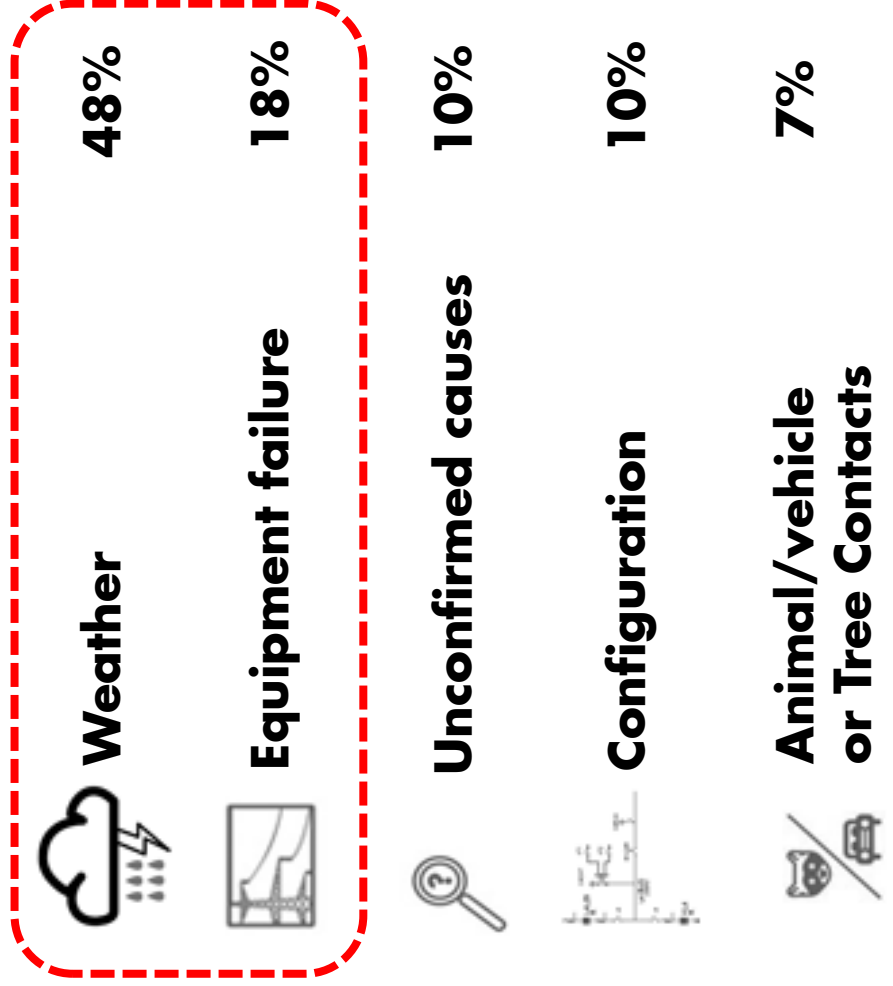


2017 T-SAIFI Contribution by Causes

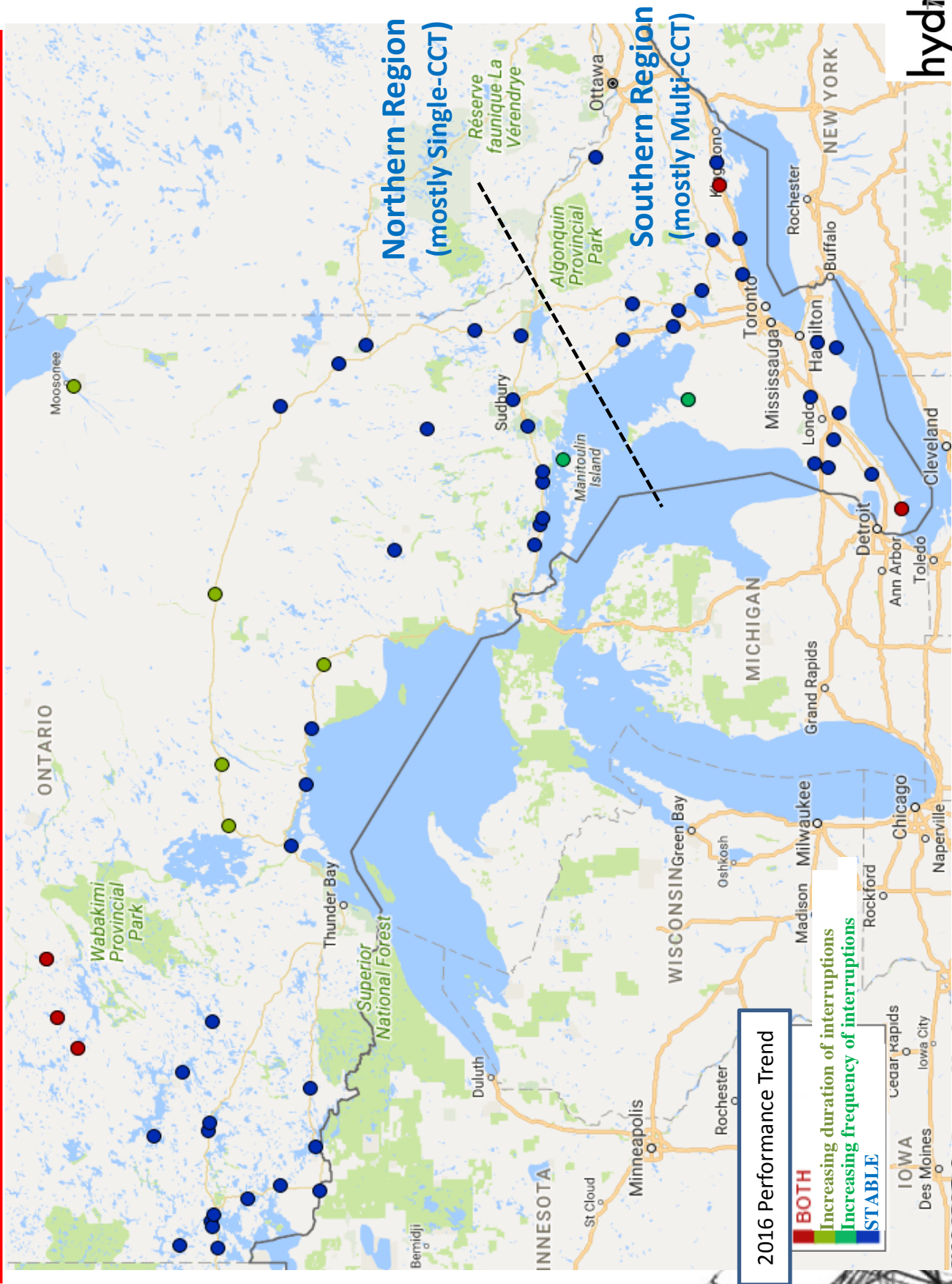


Tx System – Primary Causes of Interruptions: (~66% from Weather & Equipment Failures)

Power outage causes (2017)



First Nations: Transmission Connections



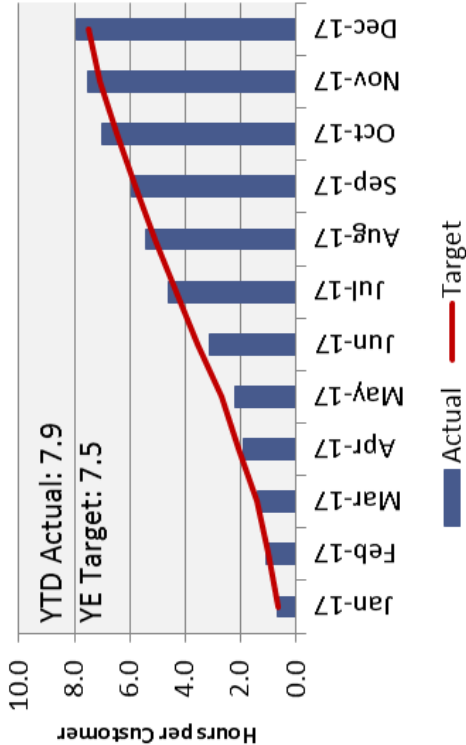
How Is Hydro One Improving Tx Reliability

- Increasing Capital Investments (Lines & Stations)
- Address Worst Performing Delivery Points and Transmission Circuits
- Leveraging Technology (Distance-to-Fault)
- Hardening Contingency Plans and Reducing Planned Outages (Bundling Work)

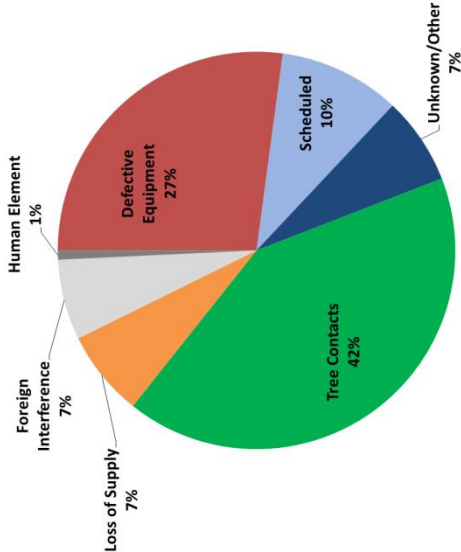
2017 Distribution System Reliability Performance

2017 Year End Overall Distribution Performance: SAIDI was 7.9 hrs and SAIFI was 2.3 interruptions per customer.
Main causes of these interruptions are 1) Defective Equipment 2) Tree Contacts 3) Loss of Supply

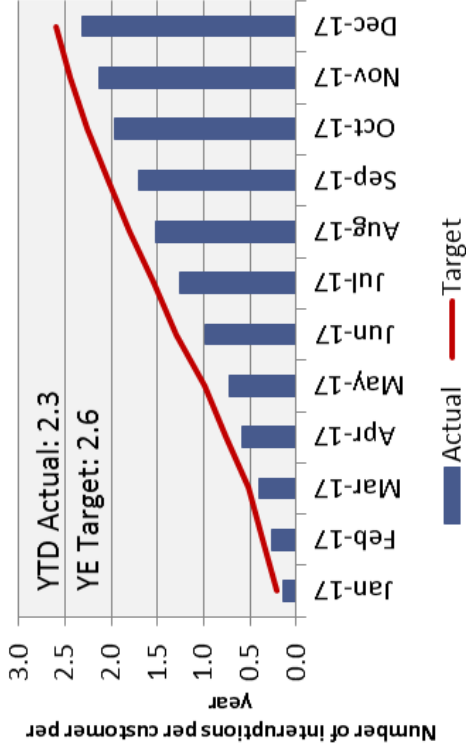
Reliability - Distribution (SAIDI)



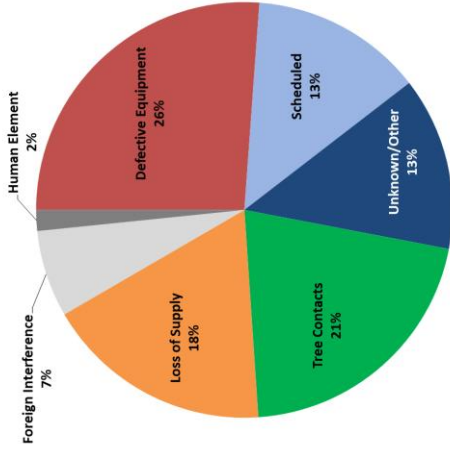
Power Interruption Cause Contributions to SAIDI (2017)



Reliability - Distribution (SAIFI)

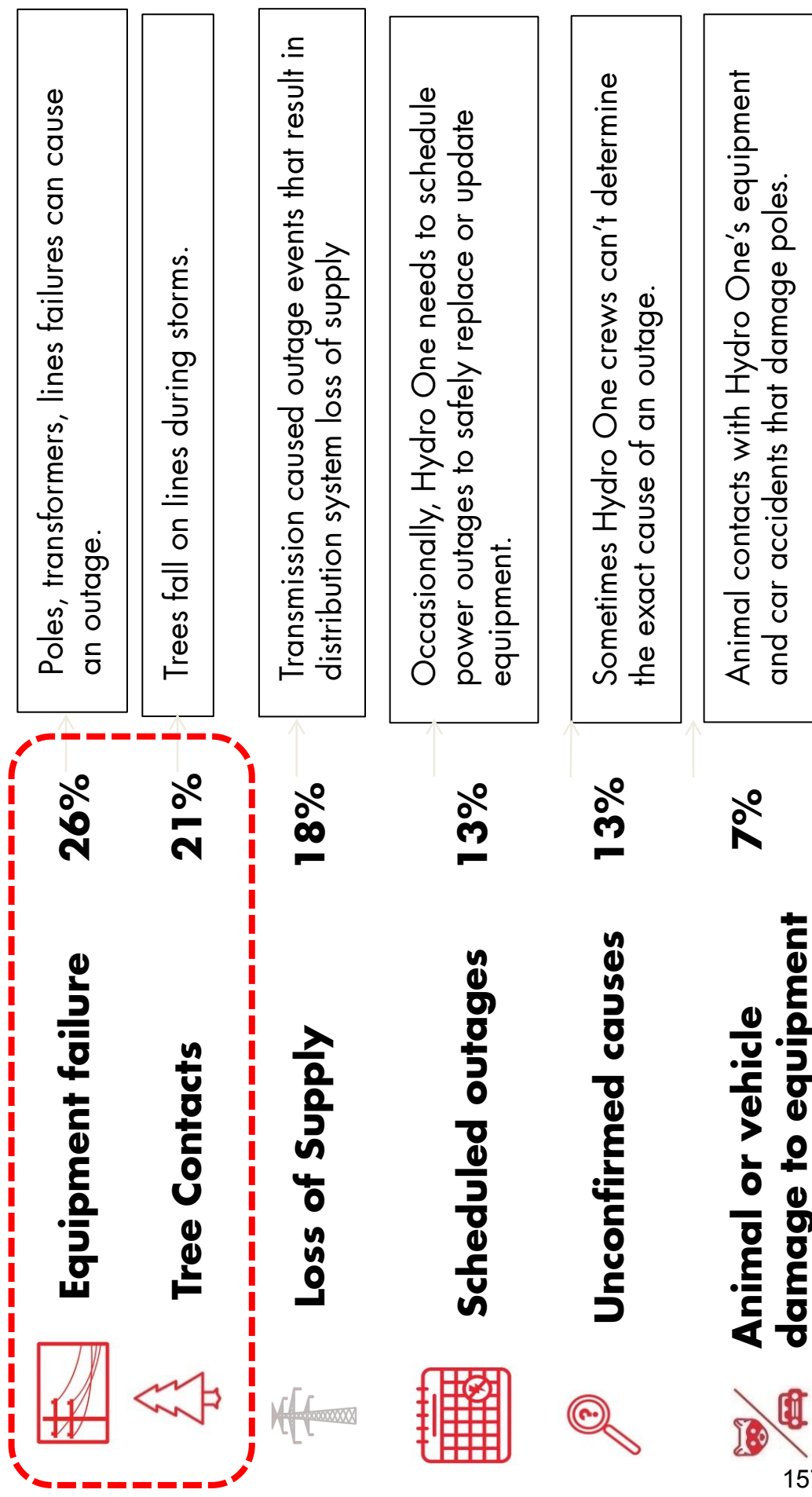


Power Interruption Cause Contributions to SAIFI (2017)

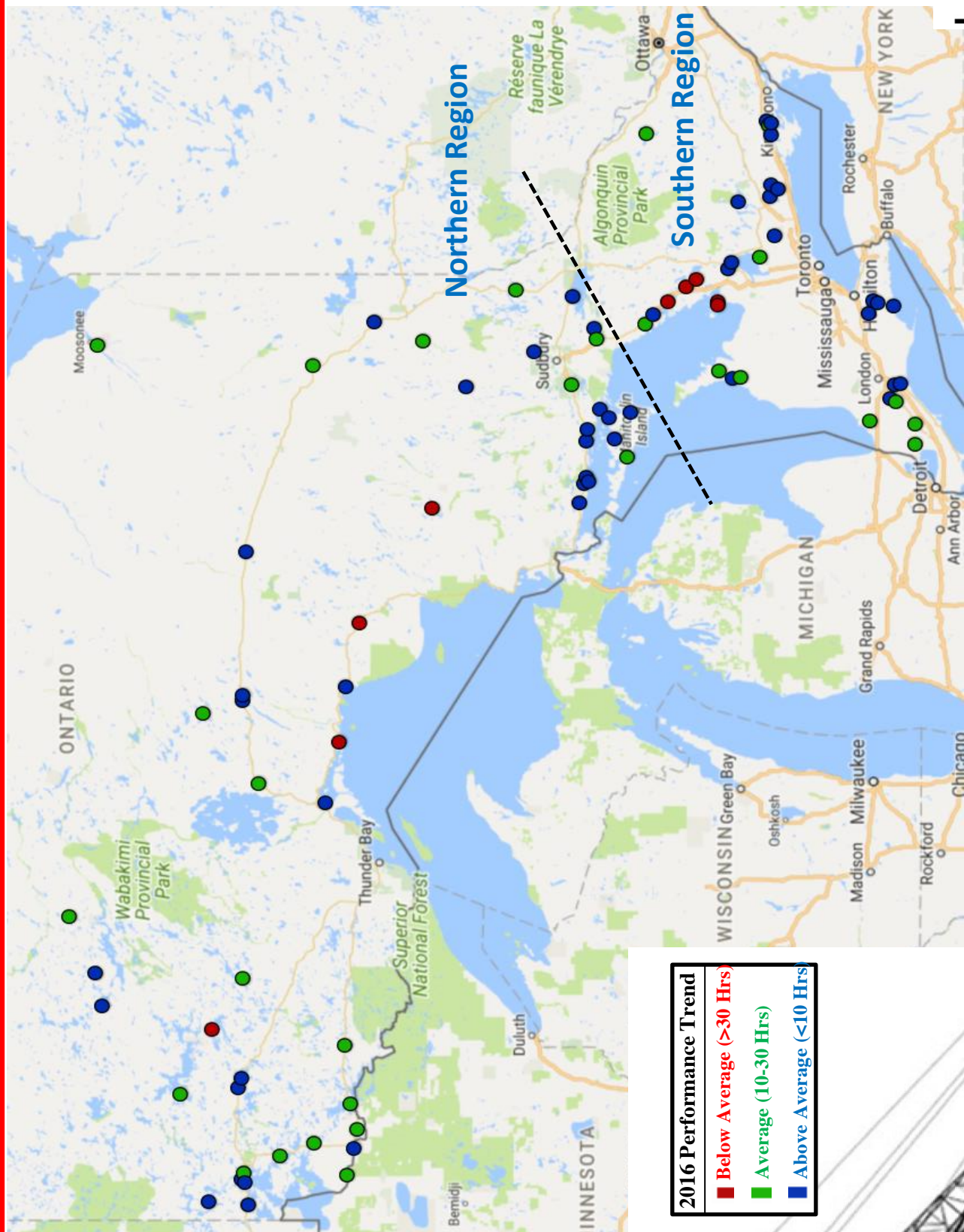


Dx System – Primary Causes of Interruptions: (~47% occurs from Tree Contacts & Equipment Failures)

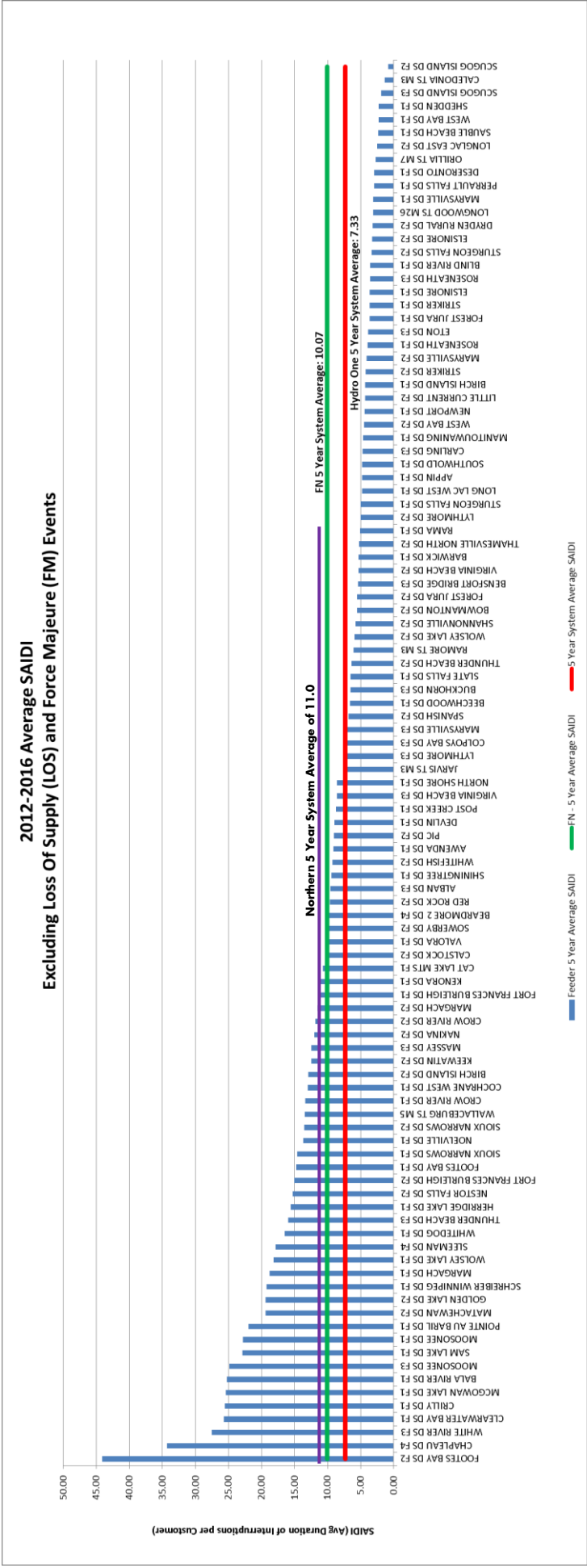
Power outage causes (2017)



First Nations: Distribution Connections

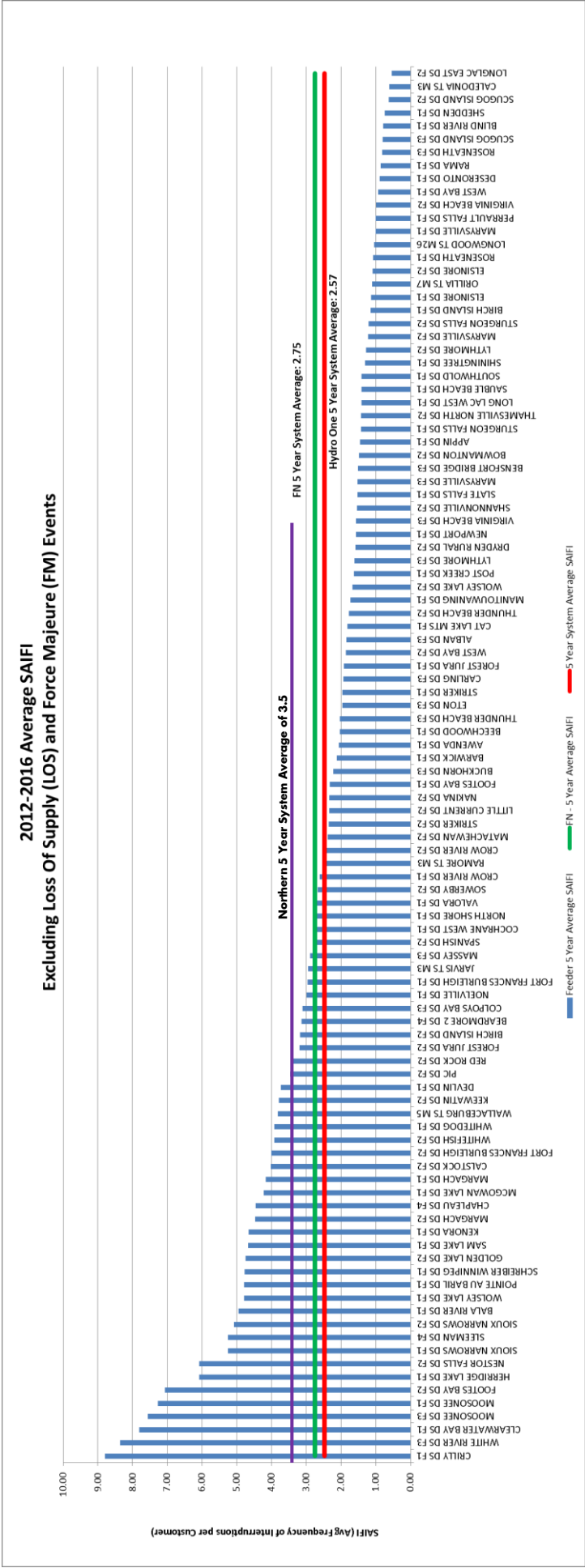


Dx Feeders Supply to First Nations Communities: 5 Year Average SAIDI Excluding Loss of Supply (LOS) and Force Majeure (FM) Events



The First Nations 5 Year average SAIDI performance is about 9% better than the Hydro One Northern system average. The primary SAIDI cause contributor is Tree Contacts. The secondary contributor is Defective Equipment.

Dx Feeders Supply to First Nations Communities: 5 Year Average SAIFI Excluding Loss of Supply (LOS) and Force Majeure (FM) Events



The First Nations 5 year average SAIFI performance is 27% better than the Hydro One Northern system average. The primary SAIFI cause contributor is Tree Contacts. The secondary contributor is Scheduled outages.

DISTRIBUTION GRID MODERNIZATION

Our plan to tackle Distribution Reliability:

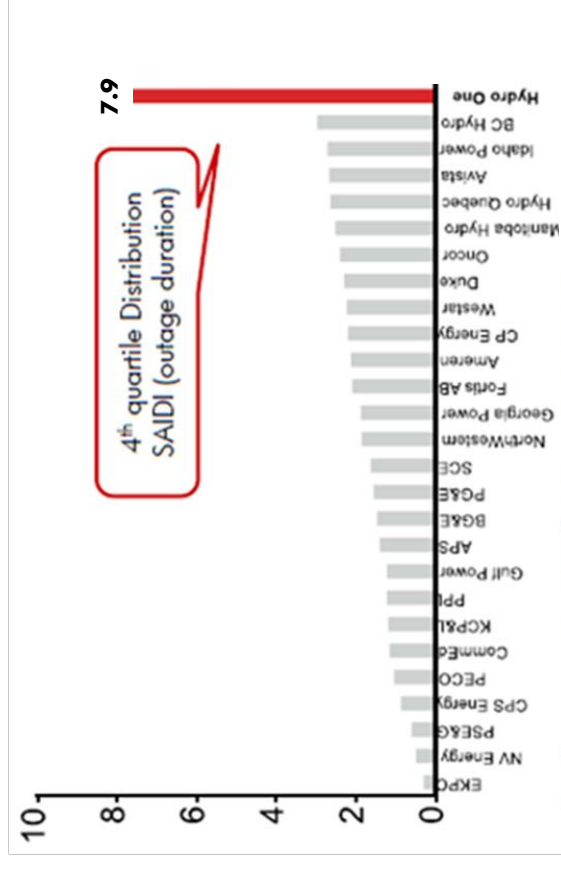
- New vegetation management strategy (20-40% improvement)
- Focusing on 30% worst performing feeders by deploying automation, self-healing, smart sectionalization, fault indicators and remote sensors (20 to 40% improvement)
- Storm prediction tools and processes to improve response and restoration (CAIDI) including leveraging smart meters (10% improvement)
- Grid Modernization and deployment of new technologies (i.e. energy storage, micro grids, electric vehicles) and non-wires solutions for addressing reliability and power quality.

AVERAGE SAIDI FROM 2013 – 2017

7.53

AVERAGE SAIFI FROM 2013 - 2017

2.51



Note: *Peer comparison shows 2016 Hydro One result with 2015 results for peers
Source: EIA 861 data; SNL; Company public disclosures; IEEE

DISTRIBUTION GRID MODERNIZATION

Our plan to tackle Distribution Reliability:

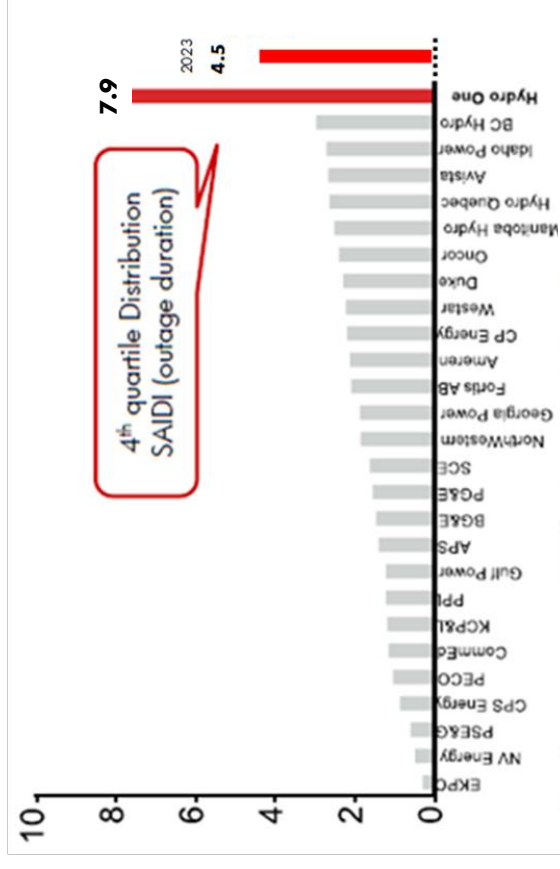
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AVERAGE SAIDI FROM 2013 – 2017

7.53

AVERAGE SAIFI FROM 2013 - 2017

2.51



Planned Work on Assets Serving First Nations Communities

(Page 1)

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Work Planned 2018-2023	Year In-Service
Alderville First Nation	3A	Peterborough	Bowmantown DS	F2	PORT HOPE TS DESN1	P4S / P3S	M15	TS Staton Refurbishment	2025
	3A		Roseneath DS	F1	PORT HOPE TS DESN1	P4S / P3S	M15	TS Staton Refurbishment	2025
	3A		Roseneath DS	F3	PORT HOPE TS DESN1	P4S / P3S	M15	TS Staton Refurbishment	2025
Algonquins of Pikwakanagan	3B	Cobden	Golden Lake DS	F2	COBDEN TS	X2Y / X6	M6	Cobden TS M6 - Install 6 smart switches under worst performing feeder + Tx Line Refurb X2Y	2018 - 19
	7	Kenora	Sioux Narrows DS	F2	Transmission Circuit	K6F	K6F		
Animakee Wa Zhing #37	7	Kenora	Thunder Bay Jellicoe DS #3	F1	Transmission Circuit	A4L		3ph expansion to connect new AZA subdivision + Tx Line Refurbishment	Pending customer signed agreement+ 2021
Animbigoo Zaagiigan Anishinaabek (AZA)	7	Thunder Bay							2023
Anishinaabeg of Naongashiing	7	Fort Frances	Sleeman DS	F4	BARWICK TS	K6F	M2	Sleeman DS Rebuild and voltage conversion to 25 kV	2019
Anishinabe of Wauzhushk Onigum (Rat Portage)	7	Kenora	Margach DS	F1	Transmission Circuit	K6F	K6F	Extend Keewatin DS F2 to pick up portion of Margach DS F1 (Rat Portage FN)	2019
Aroland First Nation	7	Thunder Bay	Nakina DS	F2	LONGLAC TS M2	A4L	A4L	Longlac TS to be relocated (customer driven project) + Tx Line Refurbishment	2021
Asubspeeschoseewagong Netum Anishinabek (Grassy Narrows)	7	Kenora	Margach DS	F2	Transmission Circuit	K6F	K6F		
Aundeck-Omni-Kaning	6	Manitoulin	Little Current DS	F2	MANITOULIN TS	S2B	M26	Worst Performing Feeder Investment	2018
Beausoleil First Nation	5	Penetang	Thunder Beach DS	F2	WAUBAUSHENE TS	E26 / E27	M7	S2B-e shield-wire, poles, switches, insulators are being replaced. Surge arresters being installed at S2B-w	2017
	5		Thunder Beach DS	F3	WAUBAUSHENE TS	E26 / E27	M7	Waubashene M7 we are installing 7 remote operable switches and automating the existing recloser.	2018 for switches
	5		Awenda DS	F1	WAUBAUSHENE TS	E26 / E27	M7	Waubashene M7 we are installing 7 remote operable switches and automating the existing recloser.	2018 for switches
Big Grassy First Nation	7	Fort Frances	Sleeman DS	F4	BARWICK TS	K6F	M2	Waubashene M7 we are installing 7 remote operable switches and automating the existing recloser. On Awenda DS-F1 we are planning to upgrade the supply to Christian Island	2019 for the upgrades
	7	Thunder Bay	Beardmore DS #2	F4	Transmission Circuit	A4L	A4L	Sleeman DS Rebuild and voltage conversion to 25 kV	2023
	6	Timmins	Chapleau DS	F4	Transmission Circuit	W2C	W2C	Tx Line Refurbishment	
Brunswick House, Chapleau Cree FN , Chapleau Ojibway FN	1A	Essex	Kingsville TS	-	Kingsville TS	K2Z / K6Z	K2Z	Leamington TS feeder development + New Leamington TS + Kingsville Refurbishment	2018-20
Caldwell First Nation	1A	Essex	Kingsville TS	-	Kingsville TS	K2Z / K6Z	K6Z	Leamington TS feeder development + New Leamington TS + Kingsville Refurbishment	2018-20
Cat Lake FN	7	Dryden	Cat Lake DS	F1	Transmission Circuit	E1C	E1C	Station Refurbishment on site (weather and ice road dependent, was deferred for two years due to warm weather) + Tx Line Refurbishment + Watay Line_to_Pickle Lake Connection	2018
Chippewas of Georgina Island First Nation	3A	Fenelon Falls	Virginia Beach DS	F2	BEAVERTON TS	M80B / M81B	M27	TS Station Work	2023
Chippewas of Kettle and Stony Point First Nation	3A		Virginia Beach DS	F3	BEAVERTON TS	M80B / M81B	M27	TS Station Work	2023
	1A	Lambton	Forest Jura DS	F1	Transmission Circuit	S2N	S2N	Tx Line Refurb S2N	2019
	1A		Forest Jura DS	F2	Transmission Circuit	S2N	S2N	Tx Line Refurb S2N	2019
Chippewas of Nawash Unceded First Nation	1B	Owen Sound	Colpoys Bay DS	F3	OWEN SOUND TS	B27S / B28S	M23	Mar DS and Feeder Development	2021
Chippewas of Rama First Nation	5	Orillia	Rama DS	F1	ORILLIA TS	M6E / M7E	M7	Sectionalizing M6E/M7E Switches + Tx Line Refurb M6E/M7E + TS station work	2017 - 21
	5		Orillia TS	M7	Transmission Circuit	M6E / M7E	M7E	Sectionalizing M6E/M7E Switches + Tx Line Refurb M6E/M7E + TS station work	2017 - 21
Chippewas of The Thames First Nation	1A	Strathroy	Longwood TS	M26	Transmission Circuit	L24L / L26L	L24L	Longwood TS Station Work	2023
	1A					L24L / L26L	L26L	Longwood TS Station Work	2023
	1A		Appin DS	F1	LONGWOOD TS	L24L / L26L	M26	Longwood TS Station Work	2023

Planned Work on Assets Serving First Nations Communities

(Page 2)

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Work Planned 2018-2023	Year In-Service
Constance Lake First Nation	6	Kapuskasing	Calstock DS	F2	Transmission Circuit	H2N	H2N		
Couchiching First Nation	7	Fort Frances	Burleigh DS	F1	Transmission Circuit	F1B	F1B		
Curve Lake First Nation	3A	Peterborough	Buckhorn DS	F3	OTONABEE TS DESN2	C28C / H24C	M27	On Otonabee M27, install 3 DMS operable switches and upgrade existing redoser to improve reliability as part of worse performing feeders + Tx Line Refurb C28C	2018 - 23
Delaware Nation	1A	Kent	Thamesville North DS	F2	KENT TS DESN2	L28C / L29C	M24	TS Station Refurb	2025
Dokis	6	Sudbury	Noelville DS	F1	MARTINDALE TS	S21N / F25P	M5	Transformer Replacement	2018 - 21
Eagle Lake	7	Dryden	Eton DS	F3	Transmission Circuit	K3D	K3D	Martindale M5 Rebuild + Martindale TS Refurbishment	
Ginoogaming First Nation	7	Thunder Bay	Longlac East DS	F2	LONGLAC TS	A4L	M1	Longlac TS to be relocated (customer driven project) + Tx Line Refurbishment	2021
Henvey Inlet	6	Sudbury	Alban DS	F3	MARTINDALE TS	S21N / F25P	M5	Wind Farm Connection	2019
Hiawatha First Nation	3A	Peterborough	Bensfort Bridge DS	F3	OTONABEE TS DESN2	C28C / H24C	M28	Martindale M5 Rebuild + Martindale TS Station Refurbishment	2018 - 21
Iskatewizaagagan #39 Independent First Nation	7	Kenora	Clearwater Bay DS	F1	Transmission Circuit	SK1	SK1	Relocation of Otonabee M28 from off-road to road allowance + Tx Line Refurb C28C	2019 - 23
Lac La Croix	7	Fort Frances	Crilly DS	F1	Transmission Circuit	M1S	M1S	Crilly DS rebuild	2020
Lac Seul First Nation	7	Dryden	Sam Lake DS	F1	Transmission Circuit	K3D	K3D		
Long Lake No. 58 First Nation	7	Thunder Bay	Longlac West DS	F1	LONGLAC TS	A4L	M1	Longlac TS to be relocated (customer driven project)	2021
Magnetawan First Nation	5	Parry Sound	Pointe Au Baril DS	F1	PARRY SOUND TS	E26 / E27	M1	TS Station Work	2022
Matatchewan	6	Kirkland Lake	Matatchewan DS	F2	KIRKLAND LAKE TS	K2 / A8K	G3K	G3K - Line Relocation + Tx Line Refurbishment A8K & K2 +	2020 - 23
Mattagami	6	Timmins	Shiningtree DS	F1	Transmission Circuit	T61S	T61S	Kirkland Lake TS Refurbishment	
M'Chigeeng First Nation	6	Manitoulin	West Bay DS	F1	MANITOULIN TS	S2B	M25	Worst Performing Feeder Investment + Install Sectionalizing Switch for Shiningtree DS + Tx Line Refurb T61S	2018 - 24
	6		West Bay DS	F2	MANITOULIN TS	S2B	M25	Station Refurbishment & Line Work	2022
								Worst Performing Feeder Investment	2018
								Worst Performing Feeder Investment	2017
								S2B-e shield-wire, poles, switches, insulators are being replaced. Surge arresters being installed at S2B-w	
Mishkeegogamang	7	Dryden	Crow River DS	F1	Transmission Circuit	E1C	E1C	Tx Line Refurbishment + Watay Line_to_Pickle Lake Connection	2022
	7		Crow River DS	F2	Transmission Circuit	E1C	E1C	Tx Line Refurbishment + Watay Line_to_Pickle Lake Connection	2022
Mississauga	6	Algoma	North Shore DS	F1	Transmission Circuit	T1B	T1B	Voltage Conversion Project	2021
	6		Blind River DS	F1	STRIKER DS	T1B	F1		
	6		Striker DS	F1	Transmission Circuit	T1B	T1B		
	6		Striker DS	F2	Transmission Circuit	T1B	T1B		
Mississaugas of Scugog Island First Nation	3A	Bowmanville	Scugog Island DS	F2	WILSON TS DESN2	B23C / E29C	M12	New line build to off load part of M12 to the new Enfield TS + Tx Line Refurbishment B23C + Wilson TS Station Work	2019 - 23
	3A		Scugog Island DS	F3	WILSON TS DESN2	B23C / E29C	M12	New line build to off load part of M12 to the new Enfield TS + Tx Line Refurbishment B23C + Wilson TS Station Work	2019 - 23
Mississaugas of The New Credit First Nation	2	Simcoe	Lythmore DS	F2	CALEDONIA TS	N1M / NSM	M3	Lythmore Relief Project	2018
	2		Lythmore DS	F3	CALEDONIA TS	N1M / NSM	M3	Lythmore Relief Project	2018
	2		Jarvis TS	M3	Transmission Circuit	N21J / N22J	N21J	New lighting arrestors	2018

Planned Work on Assets Serving First Nations Communities

(Page 3)

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Work Planned 2018-2023	Year In-Service
McCrebec Eeyoud aka Moose Cree FN	6	Kapuskasing	Moosonee DS	F1 & F2	Transmission Circuit	M9K / T7M / T8M	M9K	New circuit T8M parallel to T7M was placed I/S in 2015 which will improve performance to Moosonee DS	2015
Mohawks of the Bay of Quinte	38	Pictou	Deseronto DS	F1	NAPANEE TS	X21 / X22	M4	Tx Line Refurbishment B23C + TS Station Work	2021 - 23
	38		Shannonville DS	F2	BELLEVILLE TS	B23C / H23B	M6		
	38		Marysville DS	F1	NAPANEE TS	X21 / X22	M4		
	38		Marysville DS	F2	NAPANEE TS	X21 / X22	M4		
	38		Marysville DS	F3	NAPANEE TS	X21 / X22	M4		
Moose Cree First Nation	38		Beechwood DS	F1	NAPANEE TS	X21 / X22	M4	New circuit T8M parallel to T7M was placed I/S in 2015 which will improve performance to Moosonee DS.	2015
	6	Kapuskasing	Moosonee DS	F1	Transmission Circuit	M9K / T7M / T8M	M9K		
	6		Moosonee DS	F3	Transmission Circuit	M9K / T7M / T8M	M9K		
	5	Parry Sound	Footes Bay DS	F2	PARRY SOUND TS	E26 / E27	M2		
	1A	Strathroy	Appin DS	F1	LONGWOOD TS	L24L / L26L	M26		
Munsee-Delaware Nation	1A		Longwood TS	M26	Transmission Circuit	L24L / L26L	L26L	Longwood TS Station Work	2022
	1A						L24L	Longwood TS Station Work	2023
Naicatchewenin	7	Fort Frances	Devlin DS	F1	BARWICK TS	K6F	M1	Devlin DS HV Fuse upgrade, and inline reclosers OCR 906 and 953 upgrade on F1	2018
Naotkamegwanning	7	Kenora	Sioux Narrows DS	F1	Transmission Circuit	K6F	K6F	Burleigh DS F2 1ph to 3ph conversion	2020
	7		Sioux Narrows DS	F2	Transmission Circuit	K6F	K6F		
Nigigoonsimikaaning First Nation (aka Red Gut First Nation)	7	Fort Frances	Burleigh DS	F2	Transmission Circuit	F1B	F1B	Extend Keewatin DS F2 to pick up portion of Margach DS F1 (Rat Portage FN)	2019
	6	Nipissing	Sturgeon Falls DS	F1	CRYSTAL FALLS TS	H23S / H24S	M2		
Nipissing First Nation	6		Sturgeon Falls DS	F2	CRYSTAL FALLS TS	H23S / H24S	M2	Station Refurbishment on site	2021
	6		Sturgeon Falls DS	F2	Transmission Circuit	K6F	K6F		
Northwest Angle No. 33 / Whitefish Bay 33A	7	Kenora	Sioux Narrows DS	F2	Transmission Circuit	SK1	SK1	Station Refurbishment on site	2021
Obashkaandagaang	7	Kenora	Keewatin DS	F2	Transmission Circuit	SK1	SK1		
Ochichagwe'babigo'ining First Nation	7	Kenora	Kenora DS	F1	Transmission Circuit	T1L / T2L	T2L	Ayjmer TS new feeder + Edgeware Station Work	2018 - 21
Ojibway Nation of the Saugeen	7	Dryden	Valora DS	F1	Transmission Circuit	Z9M1	Z9M1		
Ojibways of Onigaming First Nation	7	Fort Frances	Nestor Falls DS	F2	Transmission Circuit	K6F	K6F	Ayjmer TS new feeder + Edgeware Station Work	2018 - 21
Oneida Nation of the Thames	1A	Strathroy	Southwold DS	F1	EDGEWARE TS	W44LC / W45LS	M2		
Pays Plat	1A		Shedden DS	F1	EDGEWARE TS	W44LC / W45LS	M2	-Schreiber Winnipeg DS Regulator replacement and MUS facility installation	2018
	7	Thunder Bay	Schreiber Winnipeg DS	F1	Transmission Circuit	A5A	A5A		
Pic Mobert	7	Thunder Bay	White River DS	F3	Transmission Circuit	M2W	M2W	-Schreiber town rebuild	-2020
Pic River First Nation	7	Thunder Bay	Pic DS	F2	Transmission Circuit	M2W	M2W	F1 and F2 station recloser upgrade to Viper, protection coordination update on F1	2018
Rainy River First Nation	7	Fort Frances	Barwick DS	F1	BARWICK TS	K6F	M2	S2B-e shield-wire, poles, switches, insulators are being replaced. Surge arresters being installed at S2B-w	2017
Red Rock (aka Lake Helen First Nation)	7	Thunder Bay	Red Rock DS	F2	Transmission Circuit	S6M1	S6M1		
Sagamok Anishnawbek	6	Algoma	Massey DS	F3	Transmission Circuit	S2B	S2B	Worst Performing Feeder Investment	2018
Saugeen First Nation	1B	Owen Sound	Elsinore DS	F1	OWEN SOUND TS	B27S / B28S	M25	Worst Performing Feeder Investment	2018
	1B		Elsinore DS	F2	OWEN SOUND TS	B27S / B28S	M25		
	1B		Sauble Beach DS	F1	OWEN SOUND TS	B27S / B28S	M25		

Planned Work on Assets Serving First Nations Communities

(Page 4)

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Work Planned 2018-2023	Year In-Service
Seine River First Nation	7	Fort Frances	Crilly DS	F1	Transmission Circuit	M1S	M1S	Crilly DS rebuild	2020
Serpent River	6	Algoma	Spanish DS	F2	Transmission Circuit	S2B	S2B	S2B-e shield-wire, poles, switches, insulators are being replaced. Surge arresters being installed at S2B-w	2017
Shawanaga First Nation	5	Parry Sound	Carling DS	F3	PARRY SOUND TS	E26 / E27	M1	Carling DS - Nobel Rd & Avro Arrow Rd Line Relocate Pt 1 + TS Station Work	2018 - 22
Sheguiandah	6	Manitoulin	Little Current DS	F2	MANITOULIN TS	S2B	M26	Worst Performing Feeder Investment	2018
								S2B-e shield-wire, poles, switches, insulators are being replaced. Surge arresters being installed at S2B-w	2017
Sheshegwaning	6	Manitoulin	Wolsey Lake DS	F1	MANITOULIN TS	S2B	M25	Station Refurbishment	2022
	6		Manitouwaning DS	F1	MANITOULIN TS	S2B	M26	Worst Performing Feeder Investment	2018
			West Bay DS	F2	MANITOULIN TS	S2B	M25	Transformer Replacement	2018
								Worst Performing Feeder Investment	2018
								Station Refurbishment & Line Work	2022
								Worst Performing Feeder Investment	2018
								S2B-e shield-wire, poles, switches, insulators are being replaced. Surge arresters being installed at S2B-w	2017
Shoal Lake No. 40	7	Kenora	Clearwater Bay DS	F1	Transmission Circuit	SK1	SK1		
Six Nations of the Grand River	2	Simcoe	Lythmore DS	F2	CALEDONIA TS	N1M / N5M	M3	Lythmore Relief Project	2018
	2		Lythmore DS	F3	CALEDONIA TS	N1M / N5M	M3	Lythmore Relief Project	2018
	2		Jarvis TS	M3	Transmission Circuit	N21J / N22J	N21J	New lighting arrestors	2018
	2						N22J	New lighting arrestors	2018
	2		Caledonia TS	M3	Transmission Circuit	N1M / N5M	N5M	Lythmore Relief Project	2018
	2		Newport DS	F1	BRANTFORD TS	M32W / M33W	N1M	Lythmore Relief Project	2018
Slate Falls First Nation	2		Slate Falls DS	F1	Transmission Circuit	E1C	M27	Newport DS Conversion	2018
	7	Dryden					E1C	Tx Line Refurbishment + Watay Line_to_Pickle Lake Connection	2020-23
Stanjikoming/Mitaanijigaming First Nation	7	Fort Frances	Burleigh DS	F1	Transmission Circuit	F1B	F1B		
Taykwa Tagmou Nation	6	Kapuskasing	Cochrane West DS	F1	Transmission Circuit	A4H	A4H	Station Refurbishment + Tx Line Refurbishment	2019 -21
Temagami First Nation	6	New Liskeard	Herridge Lake DS	F1	Transmission Circuit	D2L	D2L	Demand Enhancement - Line Regulator + Tx Line Refurb D2L	2018
Thessalon	6	Algoma	Sowerby DS	F2	Transmission Circuit	T1B	T1B	Station Refurbishment	2019
Wabaseemoong Independent Nations	7	Kenora	Whitedog DS	F1	WHITEDOG FALLS GS	FP3H	FP3H	Station Refurbishment on site	2020
Wabauskang First Nation	7	Dryden	Perrault Falls DS	F1	Transmission Circuit	E4D	E4D	E4D - Upgrade to operate at Higher Temperature	2018
Wabigoon Lake Ojibway Nation	7	Dryden	Dryden Rural DS	F2	DRYDEN TS	FP25A1A2	M1	Dryden TS Station Refurbishment	2018
Wahgoshig	6	Kirkland Lake	Ramore TS	M3	Transmission Circuit	A9K	A9K	Demand Enhancement - Line Regulator	2018
Wahmipitae	6	Sudbury	Post Creek DS	F1	MARTINDALE TS	S21M / F2SP	M7	Martindale TS station refurbishment	2021
Wahta Mohawks First Nation	5	Bracebridge	Bala River DS	F1	MUSKOKA TS	M6E / M7E	M1	Muskoka M1- relocating 40km of line, and installing DMS operable switches + Tx Line Refurb + TS Station Refurbishment	2018 for switches, 201
								TS Station Work	
	5	Parry Sound	Footes Bay DS	F1	PARRY SOUND TS	E26 / E27	M2	TS Station Work	2022
	5		Footes Bay DS	F2	PARRY SOUND TS	E26 / E27	M2	TS Station Work	2022
Walpole Island	1A	Kent	Wallaceburg TS	M5	Transmission Circuit	N5K	N5K	N5K - Connect Otter Creek Generation	2019
Wasauksing First Nation	5	Parry Sound	McGowan Lake DS	F1	PARRY SOUND TS	E26 / E27	M3	TS Station Work	2022
Whitefish Lake (Atikameksheng Anishnawbek)	6	Sudbury	Whitefish DS	F2	Transmission Circuit	S2B	S2B	Regulator Replacement	2018
								S2B-e shield-wire, poles, switches, insulators are being replaced. Surge arresters being installed at S2B-w	2017

Planned Work on Assets Serving First Nations Communities (Page 5)

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Work Planned 2018-2023	Year In-Service
Whitefish River	6	Manitoulin	Birch Island DS Birch Island DS	F1 F2	MANITOULIN TS MANITOULIN TS	S2B S2B	M26 M26	Worst Performing Feeder Investment Worst Performing Feeder Investment S2B-e shield-wire, poles, switches, insulators are being replaced. Surge arresters being installed at S2B-w	2018 2018 2017
Wiwewikong	6	Manitoulin	Manitouwaning DS Walsey Lake DS	F1 F2	MANITOULIN TS MANITOULIN TS	S2B S2B	M26 M25	Worst Performing Feeder Investment Worst Performing Feeder Investment S2B-e shield-wire, poles, switches, insulators are being replaced. Surge arresters being installed at S2B-w	2018 2018 2017
Zhiibaahaasing First Nation	6	Manitoulin	Walsey Lake DS	F1	MANITOULIN TS	S2B	M25	Station Refurbishment Worst Performing Feeder Investment S2B-e shield-wire, poles, switches, insulators are being replaced. Surge arresters being installed at S2B-w	2022 2018 2017

Customer Programs

Get Local
First Nations
Delivery Credit,
Ontario Electricity
Support Program



2017 By The Numbers

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Get Local

- To date, we've visited over 1,500 customers in 35 Communities across the province.

Customers In Arrears

- There has been a reduction of customers in arrears by 2,400 since January 2017, a reduction from 8,900 to 6,500.

First Nations Delivery Credit (FNDC)

- Hydro One launched a blitz in August 2017 to reach out to customers who were not receiving the First Nations Delivery Credit. Since then, we have reduced that number by 1,600 to a total of 4,891. Included in the 4,891 are 2,470 seasonal properties.

Ontario Electricity Support Program (OESP)

- We have doubled OESP enrollments for First Nations customers through our get local efforts from 1,600 to 3,400.

Top 10 Communities Who Can Benefit from the First Nations Delivery Credit

Below are the number of customers, by Community, that are not currently enrolled in the First Nations Delivery Credit, as well as the number of seasonal properties included in the total.

Community	# Customers Not Enrolled	Seasonal Properties
Saugeen 29FN	1180	1135
Kettle Point 44FN	453	246
Nipissing FN	296	30
Parry Island 16FN	245	209
Christian IS 30FN	243	224
Curve Lake 35FN	227	61
Moose Factory	210	0
West Bay 22FN	194	0
Six Nations 40FN	173	0
Georgina Is 33FN	155	122

* We need your help in identifying if the accounts classified as seasonal are inhabited by First Nations customers

FNDC – Next Steps to 100% Enrollment

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Hydro One will be attempting to have 100% enrollment in FNDC by the end of 2018 to ensure all customers are receiving the full benefit of the credit.

How we plan to achieve 100% enrollment

- We need your support! Average customer savings of 50%!
- Increase the number of Get Local Community visits to 60
- Provide detailed maps to Band Offices to help identify seasonal properties and properties not inhabited by First Nations customers
- Door to door visits to meet with customers to assist with the enrollment process
- Social Media campaigns, marketing campaigns (radio, newspaper)

Benefits of FNDC

Below is an example of a customer's bill pre Fair Hydro Plan and post Fair Hydro Plan for the same time period in 2017 and 2018:

- Feb. 2017 Bill:
 - Consumption: 4,100 kwh
 - Total charges: \$650
- Feb. 2018 Bill:
 - Consumption: 6,000 kwh
 - Total charges: \$399

- There is a \$250 difference between 2017 and 2018 and in the case of this customer, consumption increased by one third from 4,100 kwh to 6,000 kwh

Get Local 2018

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Hydro One plans to continue to grow this program by expanding Get Local from 35 Communities to 60 Communities in 2018.

Has Hydro One been to your Community?

Would you like to schedule a Get Local session in your Community?

We'd love to meet with you!

To request a Get Local session in your Community, please call us at 1-866-994-9909 x 5821 or email us at FNMCustomer@HydroOne.com

- One-on-One meetings with Hydro One and our customers
- Assist with enrollments in FNDC, OESP and other various programs
- Provide dedicated and knowledgeable staff to answer any questions or concerns our customers may have



**TURN ON THE POWER
OF POSSIBILITY**

Thank You!



ANWAATIN INTERROGATORY #1

Reference:

A-07-02

Interrogatory:

Preamble:

Following discussions with Anwaatin, Hydro One began an initiative in April 2018 to assess whether an energy storage pilot project could be developed in a remote region of the distribution system with sub-standard performance serving Anwaatin communities and tested to determine reliability improvement and whether the approach could be used as a repeatable approach in other regions of the system (the **Pilot Project**).

Anwaatin and Hydro One filed a Settlement Proposal with the Board on June 15, 2018 in EB-2017-0335 (the **Settlement Proposal**) and the Board accepted the Settlement Proposal in its Decision and Order dated August 23, 2018.

As of June 2018, Hydro One's technical assessment had focused on three distribution feeder lines that serve the Nakina and Moosonee communities (Nakina F2 and Moosonee F1 and F3). Completion of all engineering and financial viability review was targeted by September 30, 2018. Hydro One has noted that one of the key objectives of the Pilot Project is to assess scalability to meet similar reliability concerns in other communities served by Hydro One (see Exhibit I, Tab 6, Schedule Anwaatin-1, page 5 of EB-2017-0049).

As of February 2019, Hydro One reported that a Request for Proposal was completed outlining Hydro One's requirements for the Battery Energy Storage System (BESS) to supply Aroland First Nation. In response to the proposal, bids were received from several vendors and were in the process of being evaluated. In tandem with proceeding with steps toward completing the Pilot Project, Hydro One stated that it has met with the Aroland First Nations community and Anwaatin to provide updates on the status of the Pilot Project and will continue to do so as appropriate going forward (EB-2018-0130, Exhibit I, Tab 8, Schedule 1, page 2).

In its Decision and Order in EB-2017-0049 dated March 7, 2019 (the **EB-2017-0049 Decision**), the Board encouraged "both Hydro One and First Nations and Métis groups to

1 continue [a cooperative approach resulting in mutually beneficial outcomes] to achieving
2 an understanding of the concerns and the implementation of solutions” (p. 18).

3
4 a) Please provide an update on the status of the Pilot Project and indicate the steps
5 Hydro One has taken to-date to implement the Pilot Project and the steps Hydro One
6 plans to take in the future in order to complete the Pilot Project and determine
7 whether the approach can be used to address sub-standard performance for Anwaatin
8 communities and other outlier communities served by Hydro One.

9
10 b) Please describe the model Hydro One proposes to use to rate-base the Pilot Project
11 and any similar energy storage projects undertaken in the future, including any impact
12 on the process followed by Hydro One to derive its 2019 transmission rates revenue
13 requirement and allocate it among the three transmission rate pools.

14 c) Setting aside the Pilot Project, please discuss all aspects of the Settlement Proposal
15 that Hydro One is currently undertaking or intends to undertake during the term of the
16 Settlement Proposal.

17
18 d) The Settlement Proposal contemplates the use of solar generation facilities in
19 conjunction with battery energy storage systems. Please describe Hydro One’s
20 consideration of solar generation facilities in relation to the Pilot Project and the
21 Settlement Proposal broadly and provide all related reports and analysis.

22
23 e) Please discuss how Hydro One has, in the context of this application, begun
24 implementing the cooperative approach that the Board encouraged Hydro One to
25 continue in the EB-2017-0049 Decision to achieve reliability improvements in
26 northern and remote Indigenous communities.

27
28 **Response:**

29 a) Hydro One has taken several steps toward implementing the Pilot Project to install a
30 Battery Energy Storage System (BESS). Hydro One’s technical requirements for the
31 Pilot Project were determined after a detailed review of the distribution system supply
32 and load characteristics of Aroland First Nation (FN). The land for the site of the
33 BESS has been purchased. Geotechnical and archeological studies on the proposed
34 site were completed and revealed that the site is suitable for construction of the
35 BESS. A Request for Proposal (RFP) was completed outlining Hydro One’s
36 requirements for the BESS to supply Aroland FN. In response to the proposal, bids
37 were received from several vendors. Hydro One selected the successful vendor,

1 Siemens Canada, and has executed a contract to engineer procure and construct the
2 BESS. The project is schedule to be completed by Q4 of 2019. In tandem with
3 proceeding with steps toward implementing the Pilot Project, Hydro One has met
4 with the Aroland First Nations community and Anwaatin Inc. to provide updates on
5 the status of the pilot project and will continue to do so as appropriate going forward.

6
7 Hydro One has several additional steps planned in the future to facilitate the
8 completion of the Pilot Project. Upon in-service of the project, Hydro One will
9 monitor and evaluate its performance for a period of time deemed necessary to
10 determine if the expected reliability benefit was achieved. The final project cost and
11 benefits realized will be used to determine if it makes sense for Hydro One to utilize
12 this approach elsewhere on its system.

- 13
14 b) The Pilot Project was addressed as part of Hydro One's distribution rates proceeding
15 EB-2017-0049 and includes distribution assets only. Hydro One will rate base the
16 Pilot Project as directed by the OEB in its Decision and Order dated March 7, 2019 in
17 EB-2017-0049 at page 77:

18
19 Anwaatin submitted that it expected the "pilot project" agreed to between Hydro One
20 and Anwaatin, at a cost not to exceed \$5 million, "should be expressly approved by
21 the OEB in this proceeding." The OEB does not approve individual projects within
22 Hydro One's capital envelope. The settlement agreement between Hydro One and
23 Anwaatin stated that the pilot project "shall be funded from Hydro One's distribution
24 capital investment plan." Therefore, it is incumbent on Hydro One to accommodate
25 the pilot project within the OEB-approved capital envelope in this proceeding.

26
27 As the Pilot Project is comprised of distribution assets and is included in Hydro One's
28 distribution revenue requirement, it has no impact on Hydro One's transmission
29 revenue requirement for 2019 or otherwise and falls outside the scope of this
30 proceeding.

- 31
32 c) Hydro One will complete phase 2 assessments for other First Nations communities
33 supplied by the A4L circuit after full completion of Phase 1 and evaluation of the
34 costs and benefits of phase 1 is completed.
35
36 d) For this Pilot Project, while in islanding mode, the BESS microcontroller will be
37 designed to permit other distributed energy resources to inject energy in parallel with

1 the BESS. In relation to the Pilot Project Hydro One has no related reports or analysis
2 considering solar generation facilities. As noted above, the Pilot Project falls outside
3 the scope of this proceeding.
4

- 5 e) In its Decision and Order dated March 7, 2019 in EB-2017-0049, the OEB stated at p.
6 18:

7
8 *“The OEB commends Hydro One and Anwaatin for*
9 *providing an example of how a cooperative approach can*
10 *result in mutually beneficial outcomes. The OEB*
11 *encourages both Hydro One and First Nations and Métis*
12 *groups to continue this approach to achieving an*
13 *understanding of the concerns and the implementation of*
14 *solutions.*

15
16 *Given the unique reliability challenges experienced in*
17 *northern communities, the OEB directs Hydro One, in its*
18 *next application in which distribution rates are rebased*
19 *(next rebasing application) to explicitly identify initiatives*
20 *to address these challenges including other economically*
21 *justified DER solutions. The question of capital funding for*
22 *the “pilot project” is addressed under Issue 30.”*
23

24 At its next rebasing application, Hydro One will identify initiatives to address the
25 unique reliability challenges experienced in northern communities as directed by the
26 OEB. For further details on Hydro One’s approach to working with First Nations and
27 Métis groups to achieve mutually beneficial outcomes, please refer to Exhibit A, Tab
28 7, Schedule 2: “First Nations and Métis Engagement Strategy”. For information on
29 the OEB’s province wide policy consultation on DER, please see the response to
30 Anwaatin-004 subsection c).

Duration of Sustained Interruptions (T-SAIDI)

	2016	2017	2018
HONI	80.8	42.8	69.9
Northern	154.4	182	189.3
Anwaatin	1136.8	246.2	132.8

Delivery Point Unreliability Index (DPUI)

	2016	2017	2018
HONI	11.4	13.2	19.5
Northern	50	114.5	62.8
Anwaatin	722.1	92.2	88.3

Source: Exhibit JT 1.27

ANWAATIN INTERROGATORY #5

Reference:

A-07-02-03

Interrogatory:

Preamble:

One of the actions Hydro One is taking to address the needs and preferences of Indigenous customers and communities is: [a]ging assets are being replaced, as described in Attachment 3 titled “First Nations Reliability Performance”, dated February 21, 2018.

This attachment provides details on Hydro One’s historical reliability performance, the First Nations communities it supplies (transmission and distribution), certain aspects of distribution grid modernization, and planned work on assets serving First Nations communities.

- a) Please outline the methodology Hydro One employed in order to determine the structure and content of Attachment 3.
- b) Please discuss how Attachment 3 has been used for internal and external purposes.
- c) Please provide additional detail and specific examples of First Nations communities where Hydro One is improving transmission reliability, as set out in the four bullets on page 8 of Attachment 3.
- d) Pages 16 through 20 of Attachment 3 provide details of planned work on assets serving First Nations communities. Please update pages 16 through 20 to reflect the current status of planned work and re-file the complete corresponding spreadsheet.
- e) Please identify, in chart format, any and all planned work line-items updated pursuant to part (c) that incorporate, integrate, or otherwise involve the use of DERs.

1 **Response:**

2 a) Hydro One management worked through content development in a manner that is
3 typical when creating presentations. Factors such as who the audience is and key
4 messages to be conveyed are considered.

5
6 b) The presentation was used at the engagement session that is the subject of the
7 question.

8
9 c) Please refer to our response to d) below.

10
11 d) Updated table is provided below. Note that only transmission planned work are
12 identified and updated.

13
14 e) Please see Anwaatin – 005 c).

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Alderville First Nation	3A	Peterborough	Bowmantown DS	F2	PORT HOPE TS DESN1	P4S / P3S	M15	Port Hope TS: T3/T4 & Component Replacement	2024
	3A		Roseneath DS	F1	PORT HOPE TS DESN1	P4S / P3S	M15		
	3A		Roseneath DS	F3	PORT HOPE TS DESN1	P4S / P3S	M15		
Algonquins of Pikwakanagan	3B	Cobden	Golden Lake DS	F2	COBDEN TS	X2Y / X6	M6	Tx Line Refurb. X2Y Chenaux JCT-IPB Bryson JCT-Magellan Aero S JCT	2019
Animakee Wa Zhing #37	7	Kenora	Sioux Narrows DS	F2	Transmission Circuit	K6F	K6F		
Animbigoo Zaagigagan Anishinaabek (AZA)	7	Thunder Bay	Jellicoe DS #3	F1	Transmission Circuit	A4L		Tx Line Refurb. A4L Roxmark Mines CTS-Beardmore JCT/DS #2	2021
Anishinaabeg of Naongashiing	7	Fort Frances	Sleeman DS	F4	BARWICK TS	K6F	M2		
Anishinabe of Wauzhushk Onigum (Rat Portage)	7	Kenora	Margach DS	F1	Transmission Circuit	K6F	K6F		
Aroland First Nation	7	Thunder Bay	Nakina DS	F2	LONGLAC TS M2	A4L	A4L	Relocate Longlac TS	2022

Witness: Derek Chum, Bruno Jesus

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Asubspeeschose ewagong Netum Anishinabek (Grassy Narrows)	7	Kenora	Margach DS	F2	Transmission Circuit	K6F	K6F	Tx Line Refurb. A4L Roxmark Mines CTS- Beardmore JCT/DS #2	2021
	6	Manitoulin	Little Current DS	F2	MANITOULIN TS	S2B	M26		
	5	Penetang	Thunder Beach DS	F2	WAUBAUSHE NE TS	E26 / E27	M7		
Aundeck-Omni-Kaning	5		Thunder Beach DS	F3	WAUBAUSHE NE TS	E26 / E27	M7	S2B line component replacement, surge arresters installation	Completed
	5		Awenda DS	F1	WAUBAUSHE NE TS	E26 / E27	M7		
Big Grassy First Nation	7	Fort Frances	Sleeman DS	F4	BARWICK TS	K6F	M2		

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Biinjitiwaabik Zaaging Anishinaabek (BZA) (aka Rocky Bay First Nation)	7	Thunder Bay	Beardmore DS #2	F4	Transmission Circuit	A4L	A4L	Tx Line Refurb. A4L Roxmark Mines CTS-Beardmore JCT/DS #2	2021
Brunswick House, Chapleau Cree FN , Chapleau Ojibway FN	6	Timmins	Chapleau DS	F4	Transmission Circuit	W2C	W2C		
Caldwell First Nation	1A	Essex	Kingsville TS	-	Kingsville TS	K2Z / K6Z	K2Z	Leamington DESN2: Build Second 230/27.6 kV DESN	2019
	1A	Essex	Kingsville TS	-	Kingsville TS	K2Z / K6Z	K6Z	Kingsville TS: T1, T2, T3, T4 & Component Replacement Phase 2	2022
Cat Lake FN	7	Dryden	Cat Lake DS	F1	Transmission Circuit	E1C	E1C	Tx Line Refurb. E1C Ear Falls TS-Slate Falls DS + Etruscan JCT-Crow River DS	2024
								Watay Line to Pickle Lake Connection	2020
Chippewas of Georgina Island First Nation	3A	Fenelon Falls	Virginia Beach DS	F2	BEAVERTON TS	M80B / M81B	M27	Beaverton TS: Component Replacements	2026

Witness: Derek Chum, Bruno Jesus

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Chippewas of Kettle and Stony Point First Nation	3A		Virginia Beach DS	F3	BEAVERTON TS	M80B / M81B	M27		
	1A	Lambton	Forest Jura DS	F1	Transmission Circuit	S2N	S2N	Tx Line Refurb. S2N Sydenham JCT-Adelaide JCT	2019
	1A		Forest Jura DS	F2	Transmission Circuit	S2N	S2N		
	1B	Owen Sound	Colpoys Bay DS	F3	OWEN SOUND TS	B27S / B28S	M23		
Chippewas of Rama First Nation	5	Orillia	Rama DS	F1	ORILLIA TS	M6E / M7E	M7	M6E/M7E Sectionalizing Disconnect Switches	2019
	5		Orillia TS	M7	Transmission Circuit	M6E / M7E	M7E	Tx Line Refurb. M6E/M7E Cooper's Falls JCT-Orillia TS	2022
Chippewas of The Thames First Nation	1A	Strathroy	Longwood TS	M26	Transmission Circuit	L24L / L26L	L24L	Longwood TS: Component Replacement	2023
	1A					L24L / L26L	L26L	Longwood TS: Component Replacement	2023
	1A		Appin DS	F1	LONGWOOD TS	L24L / L26L	M26	Longwood TS: Component Replacement	2023
Constance Lake	6	Kapuskasing	Calstock DS	F2	Transmission	H2N	H2N		

Witness: Derek Chum, Bruno Jesus

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
First Nation									
Couchiching First Nation	7	Fort Frances	Burleigh DS	F1	Transmission Circuit	F1B	F1B		
Curve Lake First Nation	3A	Peterborough	Buckhorn DS	F3	OTONABEE TS DESN2	C28C / H24C	M27	Tx Line Refurb. C28C, Complete Line, Chats Falls SS X Cherrywood TS	2026
Delaware Nation	1A	Kent	Thamesville North DS	F2	KENT TS DESN2	L28C / L29C	M24	Kent TS: T1, T2 & Component Replacement	2025
Dokis	6	Sudbury	Noelville DS	F1	MARTINDALE TS	S21N / F2SP	M5	Martindale TS: T21/T23 & Component Replacement	2021
Eagle Lake	7	Dryden	Eton DS	F3	Transmission Circuit	K3D	K3D		
Ginoogaming First Nation	7	Thunder Bay	Longlac East DS	F2	LONGLAC TS	A4L	M1	Relocate Longlac TS	2022
								Tx Line Refurb. A4L Roxmark Mines CTS-Beardmore JCT/DS #2	2021
Henvey Inlet	6	Sudbury	Alban DS	F3	MARTINDALE TS	S21N / F2SP	M5	Martindale TS: T21/T23 & Component Replacement	2021
Hiawatha First Nation	3A	Peterborough	Bensfort Bridge DS	F3	OTONABEE TS DESN2	C28C / H24C	M28	Tx Line Refurb. C28C, Complete Line, Chats Falls SS X Cherrywood TS	2026
Iskatewizaagegan #39	7	Kenora	Clearwater Bay DS	F1	Transmission Circuit	SK1	SK1		

Witness: Derek Chum, Bruno Jesus

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Independent First Nation									
Lac La Croix	7	Fort Frances	Crilly DS	F1	Transmission Circuit	M1S	M1S		
Lac Seul First Nation	7	Dryden	Sam Lake DS	F1	Transmission Circuit	K3D	K3D		
Long Lake No. 58 First Nation	7	Thunder Bay	Longlac West DS	F1	LONGLAC TS	A4L	M1	Relocate Longlac TS	2022
Magnetawan First Nation	5	Parry Sound	Pointe Au Baril DS	F1	PARRY SOUND TS	E26 / E27	M1	Parry Sound TS: Component Replacement	2022
Matachewan	6	Kirkland Lake	Matachewan DS	F2	KIRKLAND LAKE TS	K2 / A8K	G3K	Tx Line Refurb. A8K/A9K A8K Str. 141 JCT-A8K Str. 277 JCT-Ramore JCT Tx Line Refurb. K1/K2 Kirkland Lake TS-Holloway Holt JCT	2021 2020
Mattagami	6	Timmins	Shiningtree DS	F1	Transmission Circuit	T61S	T61S	Tx Line Refurb. T2R/T61S Timmins JCT-Wawa/JCT-Shiningtree JCT	2022
M'Chigeeng First Nation	6	Manitoulin	West Bay DS	F1	MANITOULIN TS	S2B	M25	S2B line component replacement, surge arresters installation	Completed
	6		West Bay DS	F2	MANITOULIN TS	S2B	M25		

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Mishkeegogama ng	7	Dryden	Crow River DS	F1	Transmission Circuit	E1C	E1C	Tx Line Refurb. E1C Ear Falls TS-Slate Falls DS + Etruscan JCT-Crow River DS	2024
	7		Crow River DS	F2	Transmission Circuit	E1C	E1C	Watay Line to Pickle Lake Connection	2020
Mississauga	6	Algoma	North Shore DS	F1	Transmission Circuit	T1B	T1B		
	6		Blind River DS	F1	STRIKER DS	T1B	F1		
	6		Striker DS	F1	Transmission Circuit	T1B	T1B		
	6		Striker DS	F2	Transmission Circuit	T1B	T1B		
Mississaugas of Scugog Island First Nation	3A	Bowmanville	Scugog Island DS	F2	WILSON TS DESN2	B23C / E29C	M12	B23C, Pancake JCT-Oshawa Area JCT, Tx Line Refurb.	2025
	3A		Scugog Island DS	F3	WILSON TS DESN2	B23C / E29C	M12	Wilson TS: T1, T2, PCT & Component Replacements	2022
Mississaugas of The New Credit First Nation	2	Simcoe	Lythmore DS	F2	CALEDONIA TS	N1M / N5M	M3		
	2		Lythmore DS	F3	CALEDONIA TS	N1M / N5M	M3		
	2		Jarvis TS	M3	Transmission	N21J /	N21J	N21J/N22J Install new	Completed

Witness: Derek Chum, Bruno Jesus

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
MoCreebec Eeyoud aka Moose Cree FN	6	Kapuskasing	Moosonee DS	F1 & F2	Circuit	N22J		lightning arrestors	
Mohawks of the Bay of Quinte	3B	Picton	Deseronto DS	F1	NAPANEE TS	X21 / X22	M4		
	3B		Shannonville DS	F2	BELLEVILLE TS	B23C /H23B	M6	B23C, Pancake JCT-Oshawa Area JCT, Tx Line Refurb.	2025
	3B							Belleville TS- Station Refurbishment	2021
	3B		Marysville DS	F1	NAPANEE TS	X21 / X22	M4		
	3B		Marysville DS	F2	NAPANEE TS	X21 / X22	M4		
	3B		Marysville DS	F3	NAPANEE TS	X21 / X22	M4		
	3B		Beechwood DS	F1	NAPANEE TS	X21 / X22	M4		
Moose Cree First Nation	6	Kapuskasing	Moosonee DS	F1	Transmission Circuit	M9K / T7M / T8M	M9K	New T8M 115 kV Line	Completed
	6		Moosonee DS	F3	Transmission Circuit	M9K / T7M / T8M	M9K		

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Moose Deer Point First Nation	5	Parry Sound	Footes Bay DS	F2	PARRY SOUND TS	E26 / E27	M2	Parry Sound TS: Component Replacement	2022
Munsee-Delaware Nation	1A	Strathroy	Appin DS	F1	LONGWOOD TS	L24L / L26L	M26	Longwood TS: Component Replacement	2023
	1A		Longwood TS	M26	Transmission Circuit	L24L / L26L	L26L		
	1A						L24L		
Naicatchewenin	7	Fort Frances	Devlin DS	F1	BARWICK TS	K6F	M1		
Naotkamegwaning	7	Kenora	Sioux Narrows DS	F1	Transmission Circuit	K6F	K6F		
	7		Sioux Narrows DS	F2	Transmission Circuit	K6F	K6F		
Nigigoonsimini kaaning First Nation (aka Red Gut First Nation)	7	Fort Frances	Burleigh DS	F2	Transmission Circuit	F1B	F1B		
Nipissing First Nation	6	Nipissing	Sturgeon Falls DS	F1	CRYSTAL FALLS TS	H23S / H24S	M2		
	6		Sturgeon Falls DS	F2	CRYSTAL FALLS TS	H23S / H24S	M2		
Northwest Angle No. 33 /	7	Kenora	Sioux Narrows DS	F2	Transmission Circuit	K6F	K6F		

Witness: Derek Chum, Bruno Jesus

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Whitefish Bay 33A									
Obashkaandaga ang	7	Kenora	Keewatin DS	F2	Transmission Circuit	SK1	SK1		
Ochiichagwe'ba bigo'ining First Nation	7	Kenora	Kenora DS	F1	Transmission Circuit	T1L / T2L	T2L		
Ojibway Nation of the Saugeen	7	Dryden	Valora DS	F1	Transmission Circuit	29M1	29M1		
Ojibways of Onigaming First Nation	7	Fort Frances	Nestor Falls DS	F2	Transmission Circuit	K6F	K6F		
Oneida Nation of the Thames	1A	Strathroy	Southwold DS	F1	EDGEWARE TS	W44LC / W45LS	M2	Edgware TS: PCT & Component Replacement	2022
	1A		Shedden DS	F1	EDGEWARE TS	W44LC / W45LS	M2		
Pays Plat	7	Thunder Bay	Schreiber Winnipeg DS	F1	Transmission Circuit	A5A	A5A		
Pic Mobert	7	Thunder Bay	White River DS	F3	Transmission Circuit	M2W	M2W		
Pic River First Nation (Biigtigong)	7	Thunder Bay	Pic DS	F2	Transmission Circuit	M2W	M2W		

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Nishnaabeg First Nation)									
Rainy River First Nation	7	Fort Frances	Barwick DS	F1	BARWICK TS	K6F	M2		
Red Rock (aka Lake Helen First Nation)	7	Thunder Bay	Red Rock DS	F2	Transmission Circuit	56M1	56M1		
Sagamok Anishnawbek	6	Algoma	Massey DS	F3	Transmission Circuit	S2B	S2B	S2B line component replacement, surge arresters installation	Completed
Saugeen First Nation	1B	Owen Sound	Elsinore DS	F1	OWEN SOUND TS	B27S / B28S	M25		
	1B		Elsinore DS	F2	OWEN SOUND TS	B27S / B28S	M25		
	1B		Sauble Beach DS	F1	OWEN SOUND TS	B27S / B28S	M25		
Seine River First Nation	7	Fort Frances	Crilly DS	F1	Transmission Circuit	M1S	M1S		
Serpent River	6	Algoma	Spanish DS	F2	Transmission Circuit	S2B	S2B	S2B line component replacement, surge arresters installation	Completed
Shawanaga First Nation	5	Parry Sound	Carling DS	F3	PARRY SOUND TS	E26 / E27	M1	Parry Sound TS: Component Replacement	2022

Witness: Derek Chum, Bruno Jesus

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Sheguiandah	6	Manitoulin	Little Current DS	F2	MANITOULIN TS	S2B	M26	S2B line component replacement, surge arresters installation	Completed
Sheshegwaning	6	Manitoulin	Wolsey Lake DS	F1	MANITOULIN TS	S2B	M25	S2B line component replacement, surge arresters installation	Completed
	6		Manitouwaning DS	F1	MANITOULIN TS	S2B	M26		
	6		West Bay DS	F2	MANITOULIN TS	S2B	M25		
Shoal Lake No. 40	7	Kenora	Clearwater Bay DS	F1	Transmission Circuit	SK1	SK1		
Six Nations of the Grand River	2	Simcoe	Lythmore DS	F2	CALEDONIA TS	N1M / N5M	M3		
	2		Lythmore DS	F3	CALEDONIA TS	N1M / N5M	M3		
	2		Jarvis TS	M3	Transmission Circuit	N21J / N22J	N21J	N21J/N22J Install new lightning arrestors	Completed
	2						N22J		
	2		Caledonia TS	M3	Transmission Circuit	N1M / N5M	N5M		
	2						N1M		

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
	2		Newport DS	F1	BRANTFORD TS	M32W / M33W	M27		
Slate Falls First Nation	7	Dryden	Slate Falls DS	F1	Transmission Circuit	E1C	E1C	Tx Line Refurb. E1C Ear Falls TS-Slate Falls DS + Etruscan JCT-Crow River DS Watay Line to Pickle Lake Connection	2024 2020
Stanjikoming/Mitaanijigamiin g First Nation	7	Fort Frances	Burleigh DS	F1	Transmission Circuit	F1B	F1B		
Taykwa Tagmou Nation	6	Kapuskasing	Cochrane West DS	F1	Transmission Circuit	A4H	A4H	Tx Line Refurb. A4H/A5H C.P. Tunis JCT-Fournier JCT	2022
Temagami First Nation	6	New Liskeard	Herridge Lake DS	F1	Transmission Circuit	D2L	D2L	Line Refurbishment - D2L, Upper Notch JCT x Martin River JCT	2019
Thessalon	6	Algoma	Sowerby DS	F2	Transmission Circuit	T1B	T1B		
Wabaseemoong Independent Nations	7	Kenora	Whitedog DS	F1	WHITEDOG FALLS GS	FP3H	FP3H		
Wabauskang First Nation	7	Dryden	Perrault Falls DS	F1	Transmission Circuit	E4D	E4D	E4D Line Upgrade to operate at higher temperature	Completed
Wabigoon Lake Ojibway Nation	7	Dryden	Dryden Rural DS	F2	DRYDEN TS	FP25A1A2	M1	Dryden TS - ISCR	Completed

Witness: Derek Chum, Bruno Jesus

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
Wahgoshig	6	Kirkland Lake	Ramore TS	M3	Transmission Circuit	A9K	A9K		
Wahnapiitae	6	Sudbury	Post Creek DS	F1	MARTINDALE TS	S21N / F2SP	M7	Martindale TS: T21/T23 & Component Replacement	2021
Wahta Mohawks First Nation	5	Bracebridge	Bala River DS	F1	MUSKOKA TS	M6E / M7E	M1	M6E/M7E Sectionalizing Disconnect Switches	2019
								Tx Line Refurb. M6E/M7E	
								Cooper's Falls JCT-Orillia TS	2022
								Muskoka TS: Component Replacement	2025
	5	Parry Sound	Footes Bay DS	F1	PARRY SOUND TS	E26 / E27	M2	Parry Sound TS: Component Replacement	2022
	5		Footes Bay DS	F2	PARRY SOUND TS	E26 / E27	M2		
Walpole Island	1A	Kent	Wallaceburg TS	M5	Transmission Circuit	N5K	N5K	N5K: Connect Otter Creek Generation	2019
Wasauksing First Nation	5	Parry Sound	McGowan Lake DS	F1	PARRY SOUND TS	E26 / E27	M3	Parry Sound TS: Component Replacement	2022
Whitefish Lake (Atikamekshen g Anishnawbek)	6	Sudbury	Whitefish DS	F2	Transmission Circuit	S2B	S2B	S2B line component replacement, surge arresters installation	Completed
	6	Manitoulin	Birch Island DS	F1	MANITOULIN TS	S2B	M26	S2B line component replacement, surge arresters installation	Completed

Witness: Derek Chum, Bruno Jesus

Communities	Zone	Op Centre	Supply Station	Feeder	Upstream TS	TS Circuit	TS Feeder	Transmission Work Planned	Year In-Service
	6		Birch Island DS	F2	MANITOULIN TS	S2B	M26		
Wikwemikong	6	Manitoulin	Manitouwaning DS	F1	MANITOULIN TS	S2B	M26	S2B line component replacement, surge arresters installation	Completed
	6		Wolsey Lake DS	F2	MANITOULIN TS	S2B	M25		
Zhiibaahaasing First Nation	6	Manitoulin	Wolsey Lake DS	F1	MANITOULIN TS	S2B	M25	S2B line component replacement, surge arresters installation	Completed

Witness: Derek Chum, Bruno Jesus

ANWAATIN INTERROGATORY #3

Reference:

A-07-01, TSP-01-03, TSP-01-03-01

Interrogatory:

Hydro One states that its capital expenditure plan, as set out in Section 3 of the Transmission System Plan, is closely aligned with and highly responsive to the customer needs and preferences that Hydro One has identified through its customer engagement activities.

- a) Please describe all measures Hydro One has undertaken to ensure inclusion of Indigenous communities in the stakeholder session that took place on March 29, 2017.
- b) Please list which, if any, First Nation governments and First Nation organizations Hydro One invited to the stakeholder sessions listed in part (a).
- c) Please describe any and all assistance that Hydro One made available to First Nation entities to facilitate their attendance at the stakeholder session listed in part (a).

Response:

- a) Hydro One held a stakeholder session on March 29, 2017 with OEB Staff and intervenors of record from EB-2016-0160, Hydro One's application for 2017 and 2018 transmission revenue requirement. Hydro One initiated the stakeholder session to solicit feedback on its last customer engagement process for the purpose of informing its engagement process for this Application. This step was taken because a decision in EB-2016-0160, with feedback on the customer engagement process, had not yet been issued.
- b) Hydro One regularly engages with Indigenous communities and is committed to developing and maintaining relationships with Indigenous communities and adapting its business practices in response to evolving industry best practices and legal rights of Indigenous communities and individuals. For the reasons outlined above, the session held March 29, 2017 was limited to OEB Staff and intervenors who had participated in EB-2016-0160, as those were the parties who were familiar with and

Witness: Derek Chum

- 1 had commented on Hydro One's customer engagement process in that application.
- 2 This included Anwaatin, who was invited to and attended the March 29, 2017
- 3 stakeholder session.
- 4
- 5 c) Please see responses to a) and b).

ANWAATIN INTERROGATORY #4

Reference:

A-07-02, A-07-02-01, A-06-06-01, p. 9

Interrogatory:

Hydro One's transmission business may impact Indigenous communities in several ways: (1) Hydro One transmission assets are located on reserve lands of twenty three First Nation communities and within the traditional territories of Indigenous communities; (2) Hydro One has large projects that cross or may impact Indigenous communities; (3) Hydro One enters into business partnerships with Indigenous communities.

Hydro One has ongoing efforts to engage with Indigenous communities, identify the needs and preferences of those communities as they related to Hydro One's transmission system, and take steps to address those needs and preferences. Hydro One hosted its 2nd Annual Hydro One and First Nations Engagement Session on February 21, 2018.

The Independent Electricity System Operator (**IESO**) defines distributed energy resources (**DERs**) as "electricity-producing resources or controllable loads that are directly connected to a local distribution system or connected to a host facility within the local distribution system."¹ DERs may include electric vehicles, energy storage, net-metering, solar panels, smart grid technologies, combined heat and power plants, natural gas-fuelled generators, and controllable loads (HVAC systems and electric water heaters). These resources are typically smaller in scale than the traditional generation facilities that serve most of Ontario demand.

- a) Please provide the presentation, all notes, memos, reports and related documents from Hydro One's First Nations engagement session held on February 21, 2018, including any and all reports to the Hydro One board of directors.
- b) Please provide any and all communications between Hydro One Transmission and Hydro One Distribution relating to:
 - i. the needs of Indigenous communities;

¹ Independent Electricity System Operator, *Ontario's Power System*, "Distributed Energy Resources", available online at: <http://www.ieso.ca/en/Learn/Ontario-Power-System/A-Smarter-Grid/Distributed-Energy-Resources>.

- 1 ii. reliability in Indigenous communities; and
- 2 iii. any other matter relating to Indigenous communities.
- 3
- 4 c) Please describe how Hydro One consulted First Nations on increasing Hydro One
- 5 capital investments in DERs to improve system reliability for First Nation customers
- 6 in communities impacted by Hydro One's transmission business and what resulted
- 7 from these consultation efforts.
- 8
- 9 d) Please describe how Hydro One's transmission business is inclusive of DERs and
- 10 responsive to the application of DERs in Indigenous communities.
- 11
- 12 e) Given Hydro One's findings that some First Nation communities indicate that the
- 13 electricity supply is not sufficiently reliable and are concerned about degrading Hydro
- 14 One asset conditions (see, in particular, Attachment 1, page 12), please describe and
- 15 provide any and all of Hydro One's plans, timing, and costs to:
- 16 i. effectively address reliability in all Indigenous communities;
- 17 ii. facilitate businesses in Indigenous communities; and
- 18 iii. integrate DERs into areas of northern Ontario that experience higher frequency
- 19 and duration of power outages to improve system reliability.
- 20
- 21 f) Please describe how Hydro One's transmission system planning and investment
- 22 planning processes consider appropriate planning criteria for the increasing scale of
- 23 demand for DERs, especially for rural and First Nation customers seeking relief from
- 24 reliability issues and increasing costs.
- 25
- 26 g) Please describe how Hydro One's transmission business is accommodating the
- 27 demand for DERs connected to the distribution system in terms of making its
- 28 distribution network and customer services "DER-friendly", especially in areas where
- 29 system reliability is a significant issue, such as northern Ontario.
- 30
- 31 h) Please list any and all First Nation communities that are concerned about historical,
- 32 present and future compensation (or the lack thereof), for Hydro One transmission
- 33 assets on reserve lands and/or within traditional territories and treaty lands.
- 34 i) Please list and describe in detail any and all measures that Hydro One has taken with
- 35 respect to DERs and business partnerships with DERs as a means of accommodating
- 36 First Nation communities that are concerned about historical, present and future

Witness: Derek Chum, Bruno Jesus, Robert Berardi

1 compensation (or the lack thereof), for Hydro One transmission assets on reserve
2 lands and/or within traditional territories and treaty lands.

- 3
4 j) Would Hydro One be amenable to a business arrangement whereby Hydro One leases
5 Indigenous-owned DER assets, without initial capital expenditure, for the benefit of
6 Hydro One's distribution or transmission business?

7
8 **Response:**

- 9 a) Please refer to Exhibit A Tab 7 Schedule 2 Page 3 of 8 footnote 1.

- 10
11 b) Communications between Hydro One Transmission and Hydro One Distribution are
12 not relevant as they do not provide information that the OEB may require to
13 determine whether Hydro One's First Nation and Metis Engagement Strategy
14 sufficiently addresses the unique rights and concerns of Indigenous customers with
15 respect to Hydro One's transmission services or the adequacy of Hydro One's
16 customer consultations generally. Hydro One has delineated its Hydro One's First
17 Nation and Metis Engagement Strategy in Exhibit A, Tab 7, Schedule 2 and the
18 associated attachments.

19
20 With respect to reliability specifically, Hydro One Transmission and Hydro One
21 Distribution regularly communicate with each other about reliability issues including
22 for Indigenous communities. Given the scope of the question, Hydro One is not able
23 to provide each communication in this regard. However, by way of example, Hydro
24 One Transmission and Hydro One Distribution coordinated with each other in respect
25 of the settlement proposal entered into between Anwaatin Inc. and Hydro One
26 Networks Inc. dated June 15, 2018 as included in EB-2017-0335.

- 27
28 c) –g)The implementation of DER is being addressed as a province-wide policy issue by
29 the OEB in its consultation proceeding EB-2018-0288 on Utility Remuneration and
30 Responding to Distributed Energy Resources. Indeed, in its Decision and Order dated
31 March 7, 2019 in EB-2017-0049 at p. 142, the OEB stated:

32
33 *“The OEB has determined that the appropriate manner to*
34 *address energy storage matters is on a generic basis*
35 *through an industry-wide forum. There is insufficient*
36 *information on the record of this proceeding to consider*
37 *creating a customer class specifically for energy storage*

1 *customers. The OEB notes that it does have a policy review*
2 *identified in its 2018 to 2021 business plan to identify and*
3 *develop regulatory reform to facilitate investment in*
4 *distributed energy resources (DERs) that can benefit*
5 *customers. The OEB has also issued a report from the*
6 *OEB's Advisory Committee on Innovation which includes*
7 *specific recommendations related to DER. Further*
8 *consultation will occur, as appropriate, as initiatives*
9 *proceed."*

10
11 Hydro One is participating in this OEB-led consultation along with other regulated
12 entities and interested stakeholders. Hydro One also notes that DERs are distribution
13 assets not transmission assets. Questions about DERs may be best addressed as part
14 of the OEB's ongoing consultation or at Hydro One's next distribution rate
15 proceeding, but are not relevant to the current proceeding.

16
17 h) To the extent First Nations communities have concerns or wish to discuss
18 compensation for Hydro One transmission assets on reserve, these are addressed in
19 the normal course of negotiations, the details of which are commercially sensitive.

20
21 i) Please see c)

22
23 j) Please see c)

ANWAATIN INTERROGATORY #2

Reference:

A-07-02, A-07-02-03

Interrogatory:

Preamble:

One of the actions Hydro One is taking to address the needs and preferences of Indigenous customers and communities is: aging assets are being replaced, as described in Attachment 3 titled “First Nations Reliability Performance”, dated February 21, 2018.

In Exhibit I, Tab 10, Schedule 3 of EB-2016-0160, Hydro One’s last transmission rates application, Hydro One provided transmission system performance data for (1) the “Northern” part of the system and (2) the transmission system supplying certain First Nation communities (Beardmore DS #2, Long Lac TS, Moosonee DS, Nipigon DC, Red Rock DS). An update to CDDP outlier data was provided in Exhibit TCJ2.5.

a) Please provide an update in respect of Hydro One’s transmission system performance data for (1) the “Northern” part of the system and (2) the transmission system supplying certain First Nation communities (Beardmore DS #2, Long Lac TS, Moosonee DS, Nipigon DC, Red Rock DS) by completing the following tables:

i. Frequency of Momentary Interruptions

Year	2016	2017	2018
# of momentary interruptions			
# of DPs in Northern Region			
T-SAIFI-m*			

*T-SAIFI-m = Total number of momentary interruptions / total number of DP monitored

ii. Frequency of Sustained Interruptions

Year	2016	2017	2018
# of sustained interruptions			
# of DPs in Northern Region			
T-SAIFI-s*			

*T-SAIFI-s = Total number of sustained interruptions / total number of DP monitored

iii. Overall Frequency of Interruptions

Year	2016	2017	2018
# of overall interruptions			
# of DPs in Northern Region			
T-SAIFI-all*			

*T-SAIFI-all = Total number of momentary and sustained interruptions / total number of DP monitored

iv. Duration of Sustained Interruptions

Year	2016	2017	2018
Duration of sustained interruptions (minutes)			
# of DPs in Northern Region			
T-SAIDI			

*T-SAIDI = Total duration of sustained interruptions / total number of DP monitored

v. Delivery Point Unreliability Index

Year	2016	2017	2018
Total Unsupplied Energy (MW x minutes)			
System Peak Load (MW)			
DPUI			

*DPUI = Total unsupplied energy / system peak load

vi. CDPP Outliers

Year	2016	2017	2018
Total # of DPs in Northern Region			
# of Outliers in Northern Region			

b) Please present the data provided pursuant to part (a) in graphical form, together with the data from 2006 through 2015, in a manner similar to the graphical presentation of data in Exhibit TCJ2.5 of EB-2016-0160.

Response:

a)

1. The “Northern” part of the system

i. Frequency of Momentary Interruptions

Year	2016	2017	2018
# of momentary interruptions	198	217	218
# of DPs in Northern Region	148.0	149.0	148.1
T-SAIFI-m*	1.34	1.46	1.47

ii. Frequency of Sustained Interruptions

Year	2016	2017	2018
# of sustained interruptions	170	347	257
# of DPs in Northern Region	148.0	149.0	148.1
T-SAIFI-s*	1.15	2.33	1.73

iii. Overall Frequency of Interruptions

Year	2016	2017	2018
# of overall interruptions	368	564	475
# of DPs in Northern Region	148.0	149.0	148.1
T-SAIFI-all*	2.486	3.786	3.207

iv. Duration of Sustained Interruptions

Year	2016	2017	2018
Duration of sustained interruptions (minutes)	22862	27112	28044
# of DPs in Northern Region	148.0	149.0	148.1
T-SAIDI	154.4	182.0	189.3

v. Delivery Point Unreliability Index

Year	2016	2017	2018
Total Unsupplied Energy (MW x minutes)	93751	197805	121659
System Peak Load (MW)	1874.9*	1728.1*	1936.6*
DPUI	50.00	114.46	62.82

* System Peak Load for Northern Region was not available at this time. Values shown are estimated.

vi. CDPP Outliers

Year	2016	2017	2018
Total # of DPs in Northern Region	148	149	148
# of Outliers in Northern Region	49	56	46

2. The transmission system supplying certain First Nation communities (Beardmore DS #2, Long Lac TS, Moosonee DS, Nipigon DC, Red Rock DS)

i. Frequency of Momentary Interruptions

Year	2016	2017	2018
# of momentary interruptions	13	7	8
# of DPs supplying First Nation Communities	5	5	5
T-SAIFI-m*	2.6	1.4	1.6

ii. Frequency of Sustained Interruptions

Year	2016	2017	2018
# of sustained interruptions	18	6	5
# of DPs supplying First Nation Communities	5	5	5
T-SAIFI-s*	3.6	1.2	1

iii. Overall Frequency of Interruptions

Year	2016	2017	2018
# of overall interruptions	31	13	13
# of DPs supplying First Nation Communities	5	5	5
T-SAIFI-all*	6.2	2.6	2.6

iv. Duration of Sustained Interruptions

Year	2016	2017	2018
Duration of sustained interruptions (minutes)	5684	1231	664
# of DPs supplying First Nation Communities	5	5	5
T-SAIDI	1136.8	246.2	132.8

v. Delivery Point Unreliability Index

Year	2016	2017	2018
Total Unsupplied Energy (MW x minutes)	21299	2765	2745
System Peak Load (MW)	29.5	30.0	31.1
DPUI	722.1	92.2	88.3

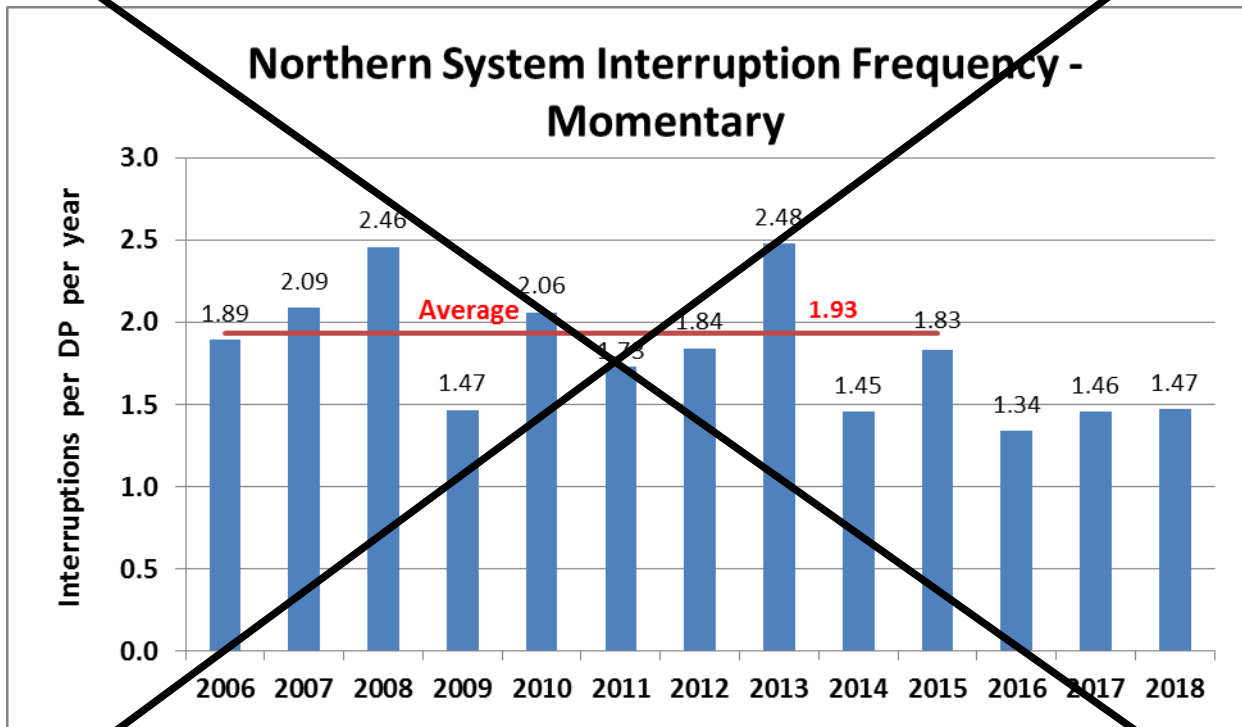
vi. CDPP Outliers

Year	Hydro One Delivery Points
2016	LONGLAC TS, MOOSONEE DS, BEARDMORE #2 DS
2017	LONGLAC TS, MOOSONEE DS,

	BEARDMORE #2 DS
2018	LOGLAC TS, BEARDMORE #2 DS

b)

1. The "Northern" part of the system



UNDERTAKING - JT 1.27

Reference:

I-09-Anwaatin-002, part b)

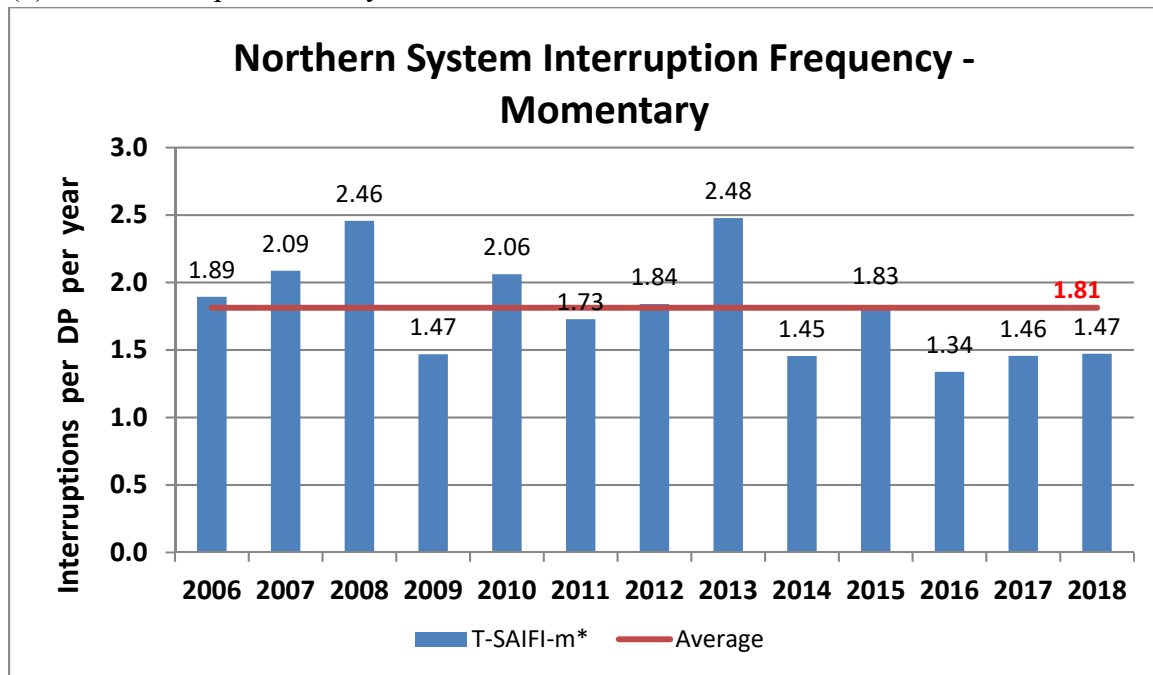
Undertaking:

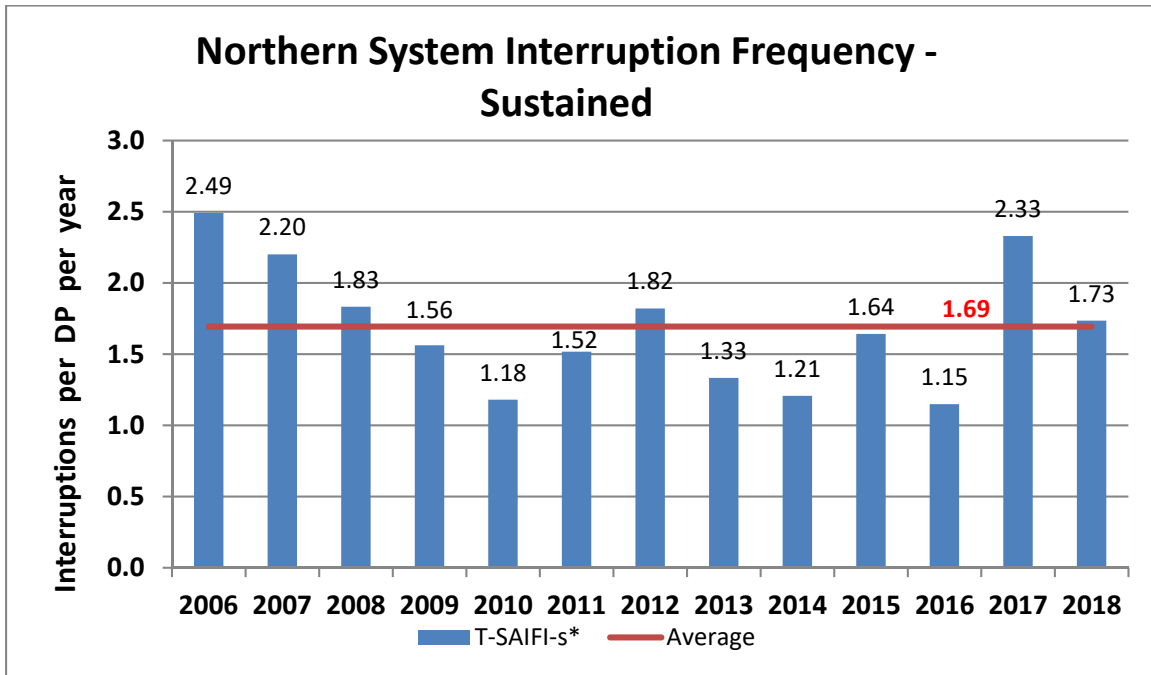
To compare the figures in the bar charts in Anwaatin IR 2, page 6 to 11, to EB-2016-0160, TCJ 2.5, and confirm that the averages are calculated based on the 2006 to 2015 period; to provide updated data to include 2016 to 2018.

Response:

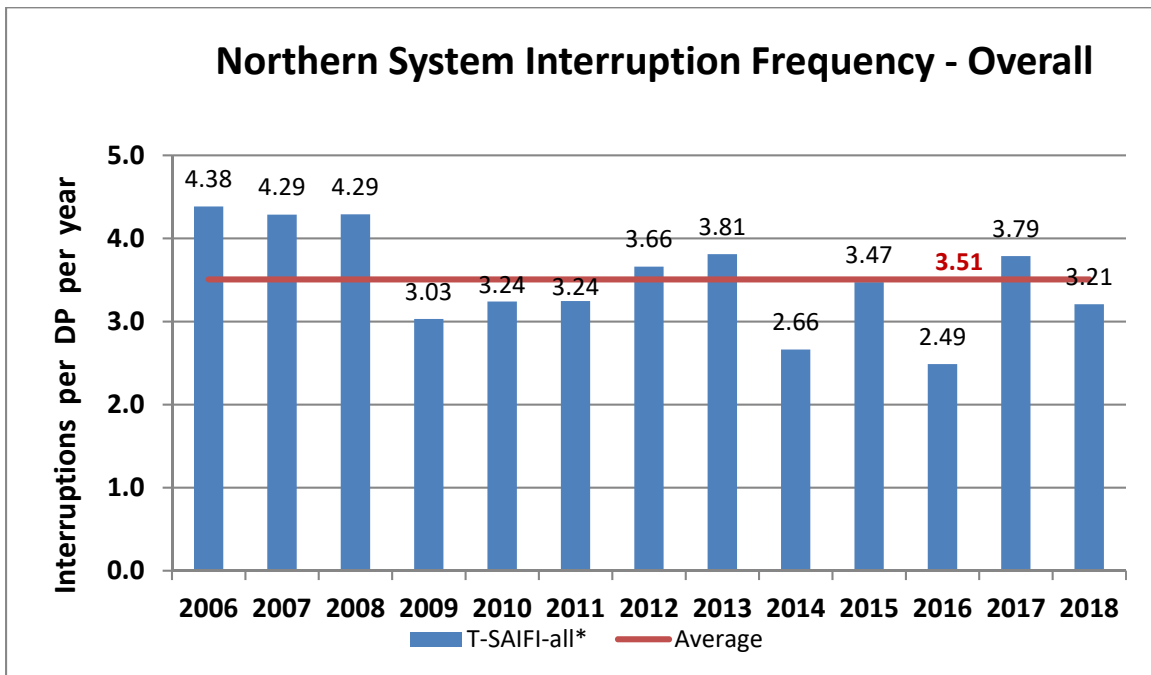
Hydro One has updated the bar charts in Anwaatin-002 to include the average from 2006 to 2018.

(1) “Northern” part of the system

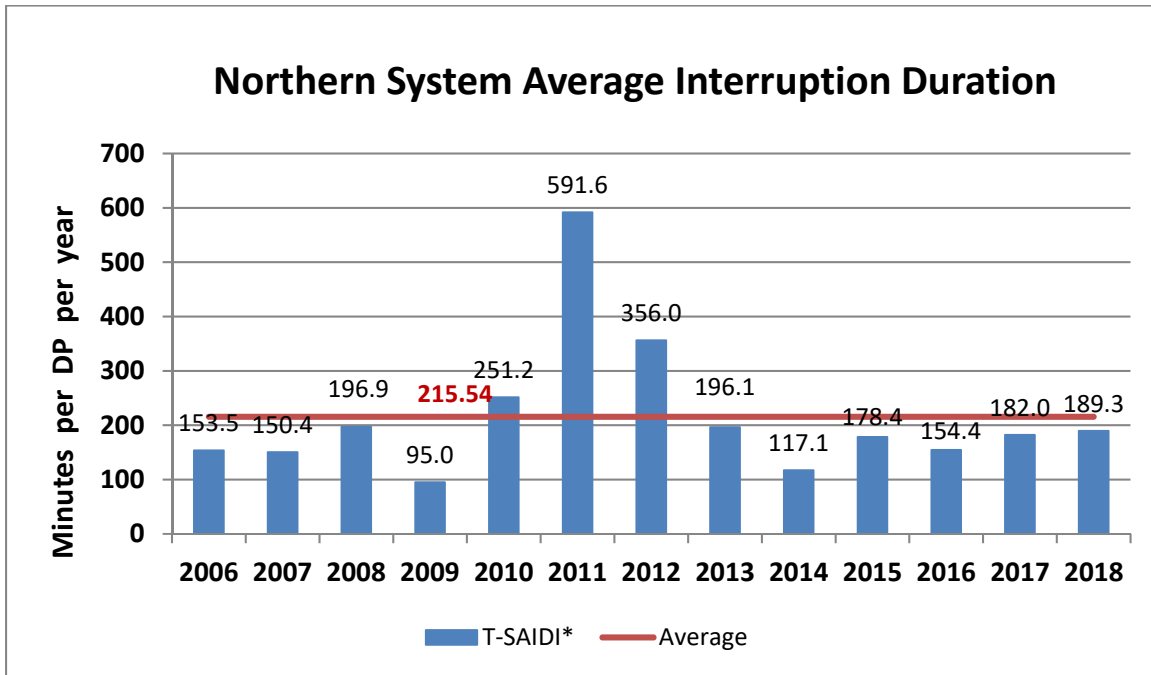




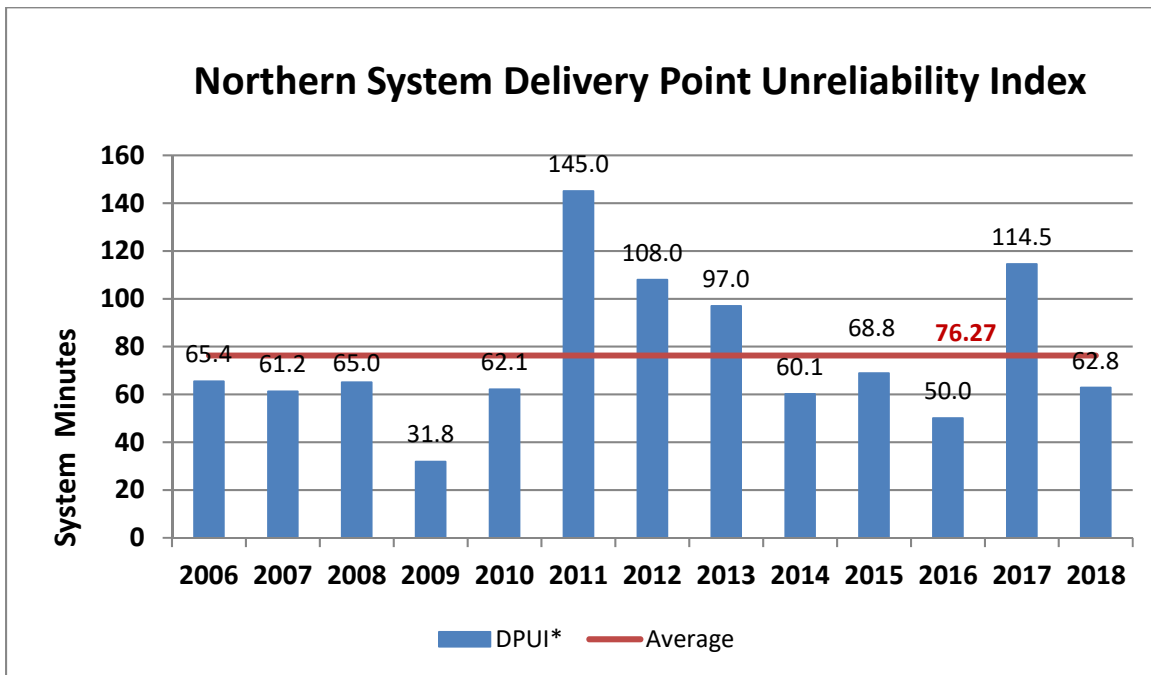
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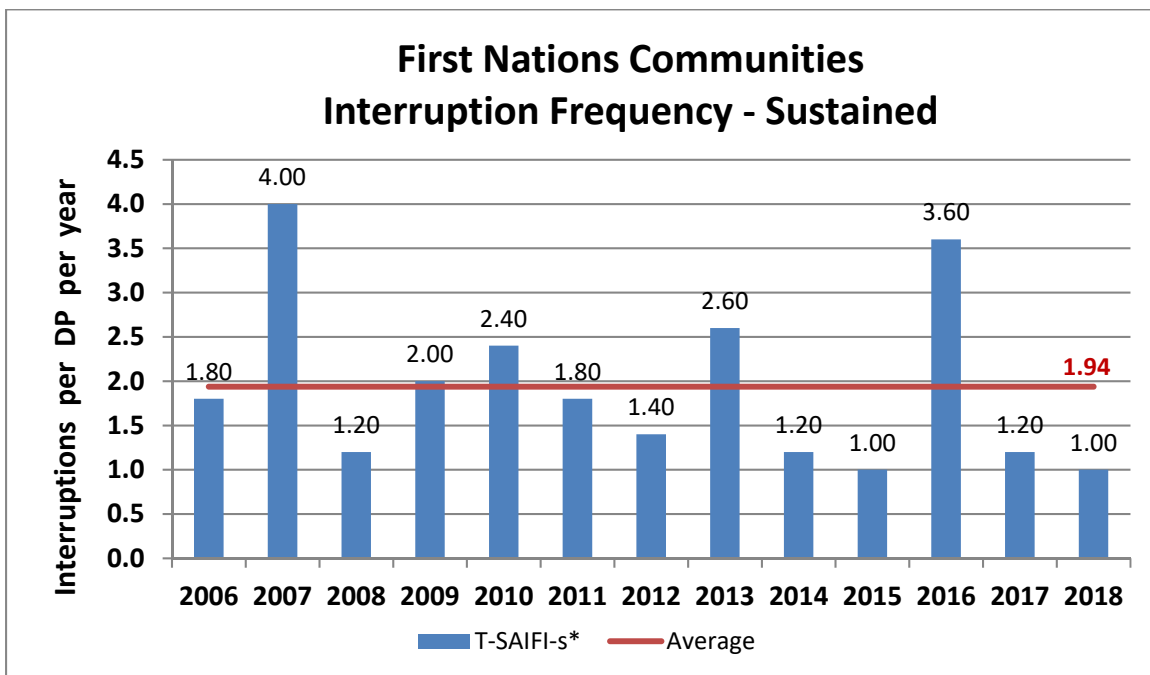
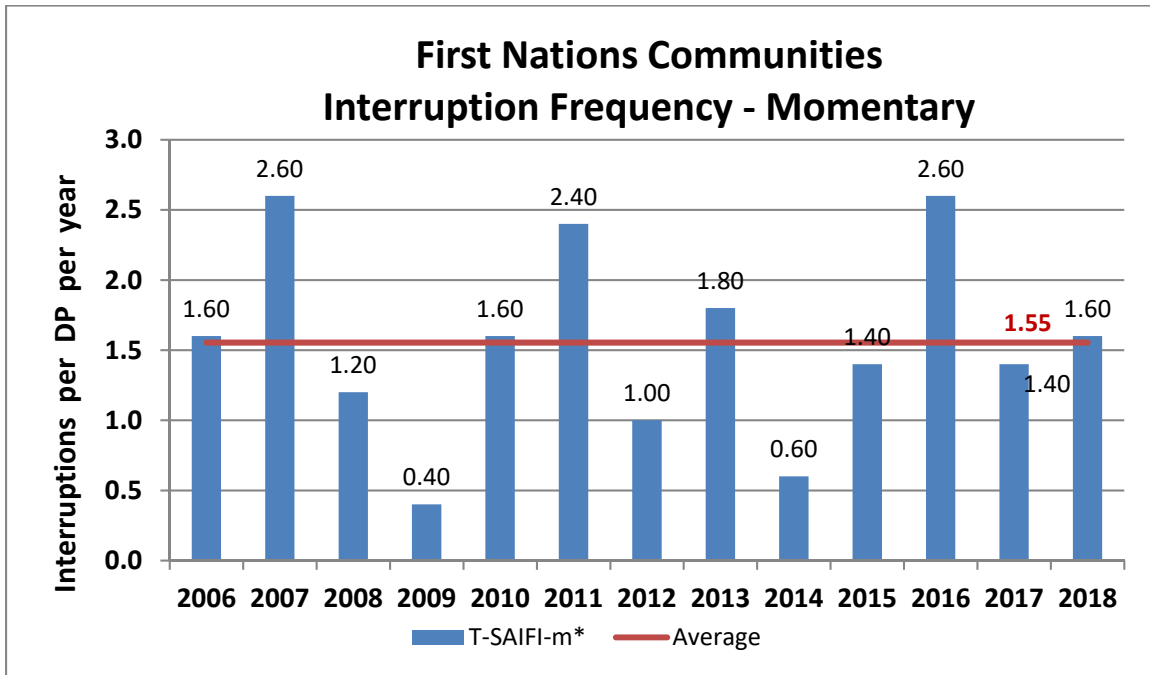


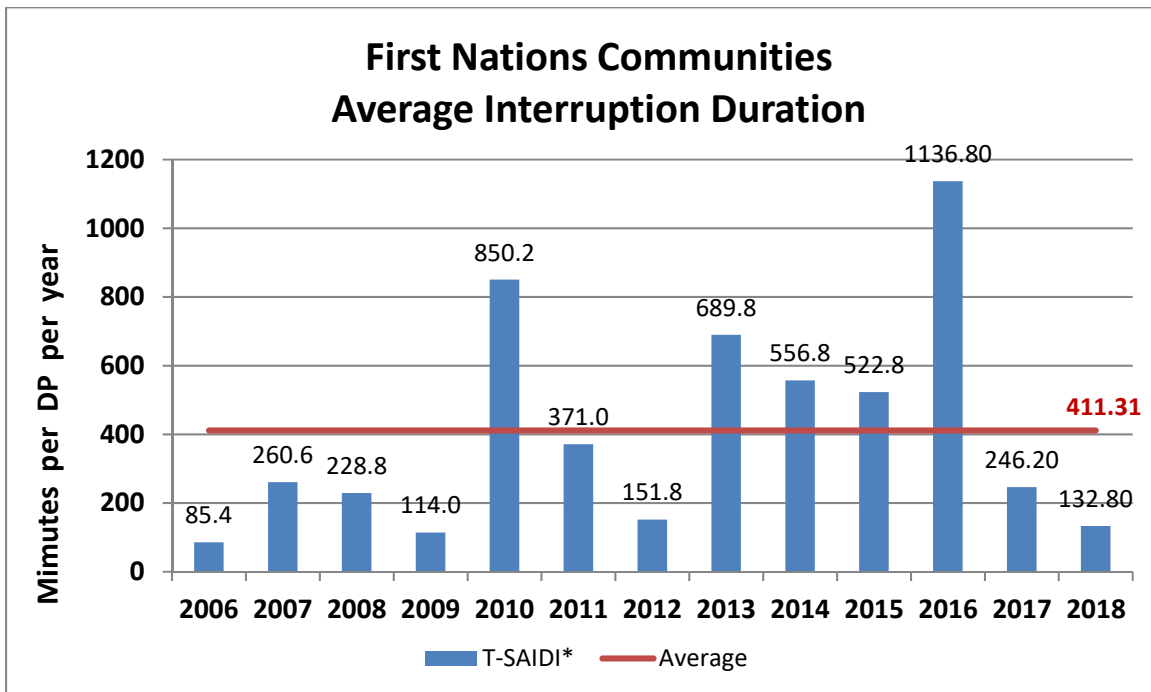
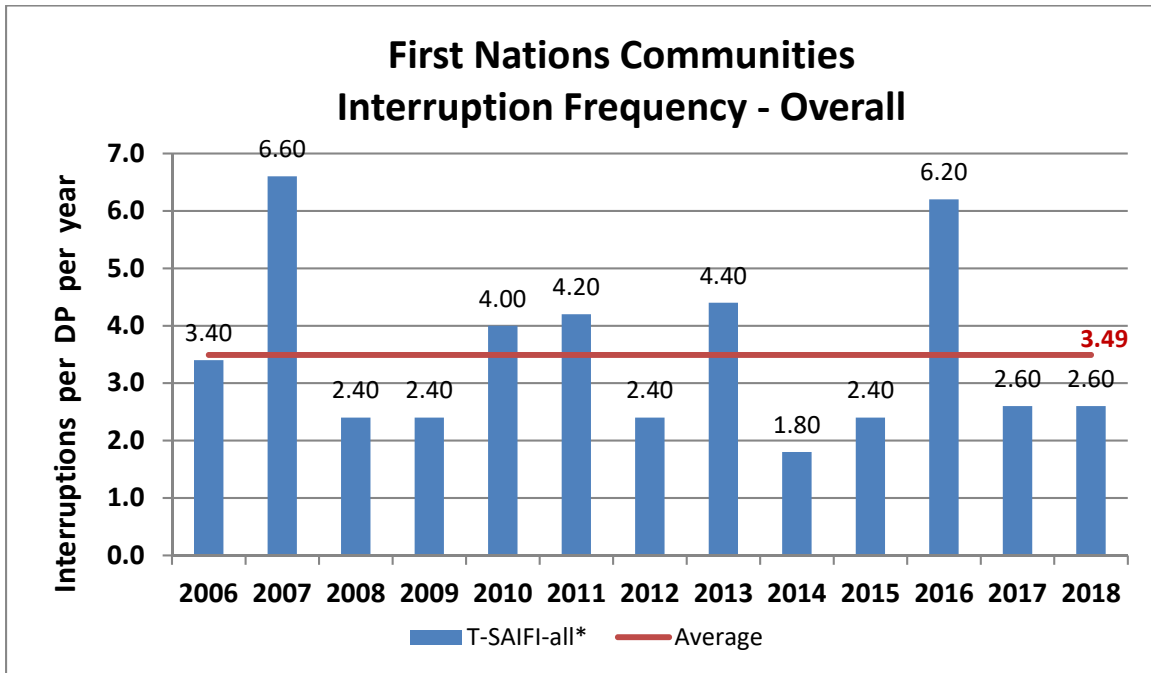
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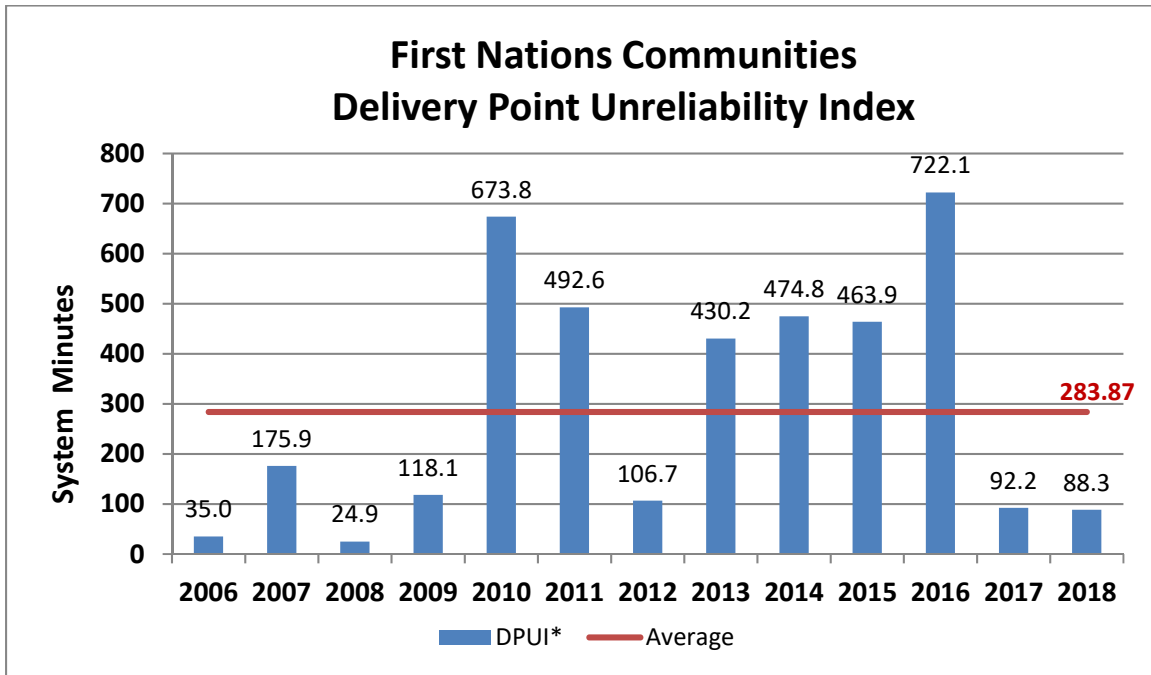


3

- 1 (2) The transmission system supplying certain First Nation communities (Beardmore DS
2 #2, Long Lac TS, Moosonee DS, Nipigon DC, Red Rock DS)
3







1

UNDERTAKING - JT 1.28

Reference:

I-09-Anwaatin-002

Undertaking:

With reference to Anwaatin IR 2, pages 9 to 11, to explain the disparity between First Nations communities' reliability data versus the general northern region reliability data; to explain the cause for the 2016, 2017, and 2018 numbers to be higher than in previous years; to explain the poor reliability in 2016.

Response:

The increased duration of interruptions in 2016 reflected in the graph on page 10 (First Nation Communities Average Interruption Duration) serving the five delivery points, Beardmore DS #2, Long Lac TS, Moosonee DS, Nipigon DC, Red Rock DS, was primarily driven by issues on circuit A4L impacting Longlac TS and Beardmore DS #2. The duration in 2016 was primarily impacted by two different insulator failure events on circuit A4L and a tree contact on circuit A4L during a snow storm. These two events contributed to 1074.8 minutes (94.5 %) of the total 1136.8 minutes in 2016.

The increased frequency in 2016 was driven primarily by multiple trips of the M3K on August 20 impacting Moosonee DS which was attributed to a faulty CPU card in the protections. This event, plus the aforementioned events on A4L, contributed to 1.8 interruptions (~30 %) of the total 6.2 interruptions in 2016. The other 4.4 interruptions (70%) are attributable to weather and momentary outages.