

POWER TO THE MASSES

Sustainable Business Magazine speaks to Richard Pringle, Manager of Corporate Responsibility and Community Investment at Hydro One, about being a Sustainable Electricity Company™. ▶

FIRST NATIONS, MÉTIS AND INUIT EMPLOYEES ARE AN IMPORTANT PART OF HYDRO ONE'S WORKFORCE AND THE COMPANY HAS DEDICATED POLICIES AND RESOURCES FOCUSED ON EMPLOYMENT OUTREACH.



JIM BURPEE, PRESIDENT AND CEO OF THE CANADIAN ELECTRICITY ASSOCIATION PRESENTS CARMINE MARCELLO, PRESIDENT AND CEO OF HYDRO ONE, WITH THE SUSTAINABLE ELECTRICITY COMPANY CERTIFICATE.

As a company responsible for 97% of electricity transmission and whose distribution system spans approximately 75% of the province in Ontario, Canada, it is no surprise that Hydro One is recognized as a leader in the sector. Wholly owned by the Province of Ontario and directly or indirectly responsible for nearly every residential, commercial, and industrial client in the province, Hydro One has developed a caring and

forward-looking attitude. This is made clear, for example, by two recent developments that Richard Pringle, Manager of Corporate Responsibility and Community Investment, shares with Sustainable Business Magazine. "Our work on the Bruce to Milton Biodiversity Project, and a commercial partnership model with the Saugeen Ojibway Nations (SON), are both groundbreaking approaches to our type of business," says Mr. Pringle.

"They are consistent with our values and our goal of becoming the leading utility provider in Canada. They really define our way of doing business as very different to other companies."

WINNING ENDEAVORS

During January 2015, Hydro One was designated a Sustainable Electricity Company (SEC) by the Canadian Electricity Association (CEA) in recognition of excellence

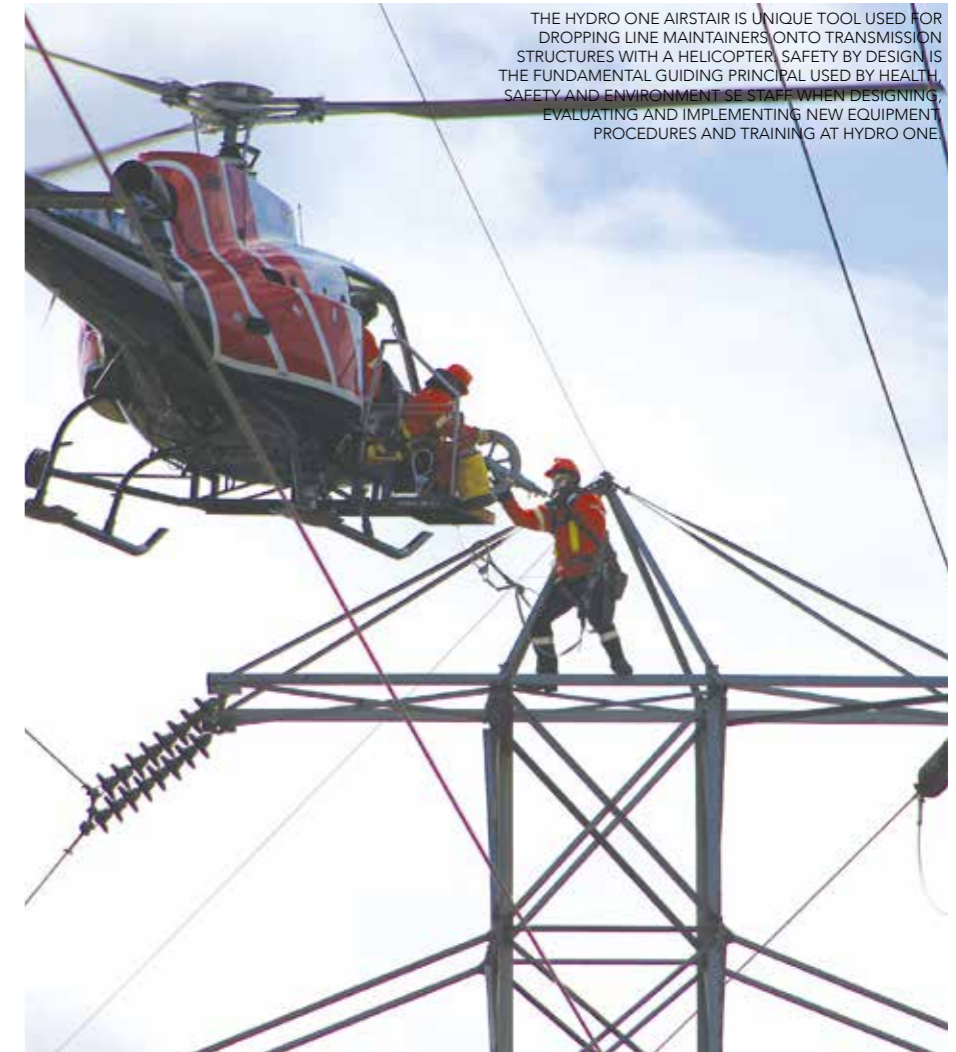


A HYDRO ONE TRANSMISSION TOWER NEAR EAST GARAFRAXA ON THE BRUCE-TO-MILTON TRANSMISSION LINE.



HYDRO ONE'S FLEET HAS WELCOMED MORE HYBRID AND SMALLER GHG FOOTPRINT VEHICLES TO THE FLEET, ENCOURAGING EMPLOYEES TO THINK ABOUT THE RIGHT TOOL FOR THE JOB.

across three core areas: Managing environmental impact, delivering social and societal benefit, and achieving strong economic performance. They are only the fourth company to have received the SEC certification since the program was established in 2009. The certification demonstrates their position as a leader and has formally recognized for the first time a culture of sustainability



THE HYDRO ONE AIRSTAIR IS UNIQUE TOOL USED FOR DROPPING LINE MAINTAINERS ONTO TRANSMISSION STRUCTURES WITH A HELICOPTER. SAFETY BY DESIGN IS THE FUNDAMENTAL GUIDING PRINCIPLE USED BY HEALTH, SAFETY AND ENVIRONMENT STAFF WHEN DESIGNING, EVALUATING AND IMPLEMENTING NEW EQUIPMENT PROCEDURES AND TRAINING AT HYDRO ONE.

that has been embedded in Hydro One for many years. This trailblazing spirit, however, is no better demonstrated than in their work on reinforcing the Bruce to Milton Transmission Line. The connection between Bruce Nuclear Generating Station and Hydro One's switching station in Milton, located 40 km west of Downtown Toronto within the Greater Toronto Area (GTA), required

upgrading due to increased input from renewable resources along its 112 mile length. Initiated in 2007 and completed in 2013, Hydro One twinned the 500 kilovolt line in order to double its capacity and ultimately make it capable of up to 3000 megawatts of transmission. As a company with focus on sustainability and community relations, Hydro One could not undertake such a major project without facing



A HYDRO ONE EMPLOYEE SPEAKS TO A LOCAL RESIDENT AT A PUBLIC CONSULTATION HELD AS PART OF THE BRUCE-TO-MILTON PROJECT.

Empowerment through responsibility

At CIBC Mellon, empowering employees through social responsibility programming helps foster creativity, engagement and best practices across our company – which means better results for clients, employees and communities. More than 100 passionate employee volunteers help organize volunteering activities, develop new sustainability programs and promote the highest ethical standards on a daily basis – all part of CIBC Mellon's commitment to doing well by doing right.

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ZERO MAINTENANCE AND IT SAVES ENERGY TOO?

A world leader in LED technology, Dialight invented LED tower lighting over 15 years ago. In addition to providing an expected 15-20 year maintenance-free life, Dialight LED tower lighting uses 95% less energy than incandescent systems. So in addition to being environmentally friendly, there are some very good business reasons for upgrading your tower lighting today. Dialight and RVA are proud suppliers of LED tower lighting to Hydro One.

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“THE BASIC PRINCIPLE IS TO AVOID NET LOSS BUT OUR AIM IS AN EXPANSION OF BIODIVERSITY.”



HYDRO ONE WORKERS NEAR BAIE FINE IN KILLARNEY PROVINCIAL PARK IN ONTARIO.



HYDRO ONE AND THE GRAND RIVER CONSERVATION AUTHORITY PARTNERED ON TWO ENVIRONMENTAL RESTORATION PROJECTS TO ENHANCE IMPORTANT WILDLIFE HABITAT AT THE LUTHER MARSH MANAGEMENT AREA AS PART OF HYDRO ONE'S BRUCE TO MILTON BIODIVERSITY INITIATIVE.

a multitude of considerations. Two of the most important were the transmission line's impact on biodiversity and its presence within SON territory.

A NEW WAY FORWARD

In order to tackle the issues surrounding biodiversity impact, Hydro One used a familiar model in a brand new way. “Rather

than soliciting feedback from stakeholders, we actively engaged them,” explains Mr. Pringle. “There are a lot of stakeholders and land owners that we needed to co-operate with including local conservation authorities, the Ontario Ministry of the Environment, and Municipal Planning Departments, and of course, we also included the First Nations, the SON and Métis peoples.

What we did first was bring them all to the table and explain that we aimed to develop a brand new methodology that will respect and value the habitats lost, through clearing of the right of way, before further determining the value on what those habitat losses might look like. Looking to build on that, we said that we wanted a methodology that would actually enhance biodiversity along the path of the line. The basic principle is to avoid net loss but our aim is an expansion of biodiversity.”

“We asked all groups involved to submit proposals that would meet our guidelines and evaluated each one against criteria that had been developed. The strongest proposals were selected and funded. Approaching the issue in this way created a very collaborative atmosphere that allowed us to work directly with the First Nations communities, organizations, and stakehold-

ers involved to create a plan that respected sustainability and biodiversity. It wasn't just an open house for people to shout ideas at us; we sat down with them and took what they had to say seriously. As a result we had one of the fastest ever environmental assessment approvals for a project of this size. Furthermore we completed it with a lower cost than previous habitat restoration programs of a similar size.”

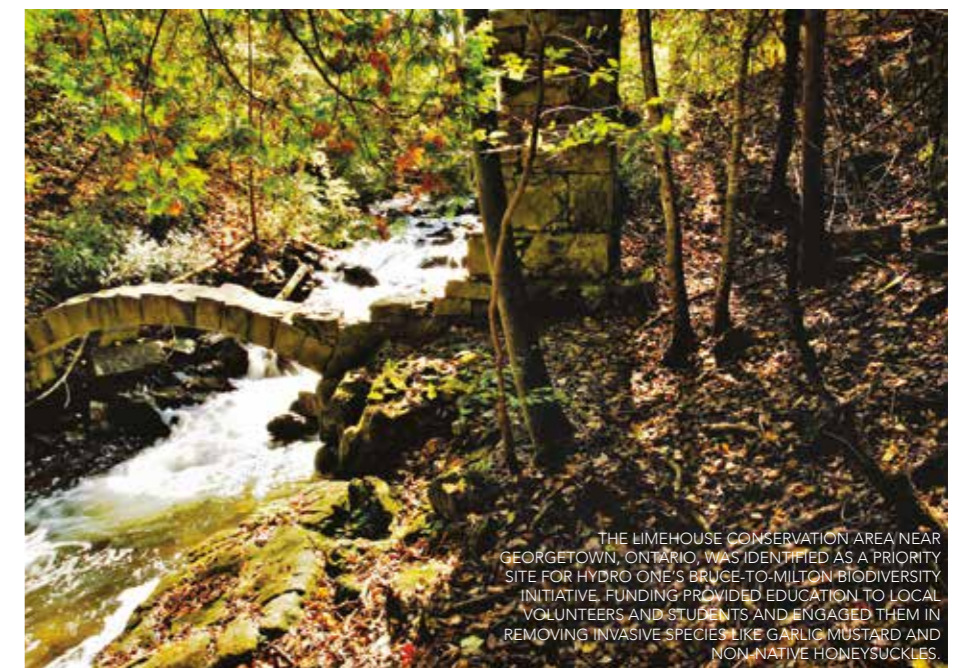
In parallel to this process came a groundbreaking agreement with SON that has, in many ways, a far broader impact than the Hydro One biodiversity project. The widespread presence of First Nations across Canada means development projects often run through First Nations territories and typically this requires companies to negotiate for rights of way. Hydro One sought to engage SON with a fresh outlook in order to create an amicable agreement ▶



THE PONDS RESTORATION PROJECT AT THE TERRA COTTA CONSERVATION AREA NEAR GEORGETOWN, ONTARIO.



TALL GRASS PRAIRIE VEGETATION COMMUNITY NEAR HANOVER, ONTARIO.



THE LIMEHOUSE CONSERVATION AREA NEAR GEORGETOWN, ONTARIO, WAS IDENTIFIED AS A PRIORITY SITE FOR HYDRO ONE'S BRUCE TO MILTON BIODIVERSITY INITIATIVE. FUNDING PROVIDED EDUCATION TO LOCAL VOLUNTEERS AND STUDENTS AND ENGAGED THEM IN REMOVING INVASIVE SPECIES LIKE GARLIC MUSTARD AND NON-NATIVE HONEYSUCKLES.

EMPLOYEES ARE ABLE TO PARTICIPATE IN ONGOING DISCUSSIONS ON HOW THE COMPANY CAN IMPROVE.



A HYDRO ONE EMPLOYEE WEARING THE APPRENTICE'S SIGNATURE GREEN HARDHAT. SKILLED TRADES MAKE UP A LARGE PORTION OF HYDRO ONE'S WORKFORCE AND THE COMPANY OFFERS A RIGOROUS APPRENTICESHIP PROGRAM THAT INCLUDES WORKING ALONGSIDE EXPERIENCED HYDRO ONE EMPLOYEES.

HYDRO ONE WORKERS ON A TRANSMISSION TOWER.



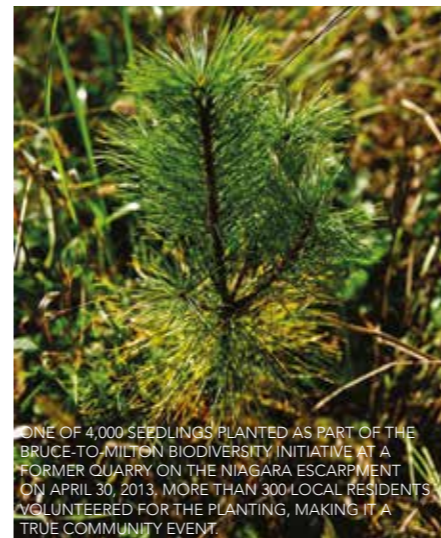
that would benefit both parties and thus went into long-term negotiations with SON to achieve this. What came out at the end was a model that had never before been attempted: A new company, B2M Limited Partnership, was created in a commercial partnership agreement. B2M Limited Partnership has two shareholders, SON with 34% and Hydro One with a 66% controlling share. With this, Hydro One proves it is interested in sharing the benefits of its success with the SON while the First Nation communities show there are new ways of engaging with utility companies.

BEHIND THE SCENES

It is no surprise that Hydro One has been awarded SEC designation. What has been accomplished on the Bruce to Milton Transmission Line project is just one case study representing the deeply-rooted sustainability and social responsibility practices which have taken hold in the transmission and distribution company. Present in the company, for example, is a biodiversity advisory committee tasked with improving operational practices. It engages employees from the various lines of business within Hydro One that can affect, or be affected by, biodiversity issues.

LEARNING FOR THE FUTURE

Having already set impressive standards, Hydro One is not about to relax. For example, it is currently in the process of completing its second LEED-approved facility. "We will also take part in GTA West, a project to expand the capacity in Toronto's fastest growing region. On all of these future developments we want to implement the best practices learned on the Bruce to Milton development and ensure we are once again doing the best we can, in terms of corporate social responsibility and sustainability, for all of Ontario." □



ONE OF 4,000 SEEDLINGS PLANTED AS PART OF THE BRUCE-TO-MILTON BIODIVERSITY INITIATIVE AT A FORMER QUARRY ON THE NIAGARA ESCARPMENT ON APRIL 30, 2013. MORE THAN 300 LOCAL RESIDENTS VOLUNTEERED FOR THE PLANTING, MAKING IT A TRUE COMMUNITY EVENT.



HYDRO ONE'S ELECTRICAL SAFETY EDUCATION PROGRAM.



FIELD WORKERS CONDUCTING A BIODIVERSITY ASSESSMENT FOR THE HYDRO ONE BRUCE-TO-MILTON PROJECT.