

**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 to an 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'ining 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