

HYDRO ONE

SOCIAL RESPONSIBILITY HIGHLIGHTS

MESSAGE FROM THE PRESIDENT

As Ontario's population continues to grow, we need to ensure we have enough power to light our homes and businesses. As stewards of the Province's electricity grid, our core role is to provide safe, reliable and cost-effective electricity transmission and distribution and to connect clean and renewable sources of generation to the grid. We have been working to find a balance between meeting our energy needs for the 21st century and taking care of the environment. Working together to mitigate the environmental impacts of our operations will help us all by making the communities in which we live cleaner and healthier.

We remain committed to continually improving our environmental performance across all of our business lines. We set environmental objectives and targets, monitor our performance relative to expectations and implement programs to achieve continual improvement.



Laura Formusa
President and Chief Executive Officer
Hydro One Inc.

#1

HYDRO ONE IS RANKED NUMBER ONE ON
CORPORATE KNIGHTS' BEST 50 CORPORATE
CITIZENS IN CANADA LIST.

TOP 90

HYDRO ONE WAS NAMED ONE OF GREATER
TORONTO'S TOP 90 EMPLOYERS FOR 2010.



To learn more about what Hydro One is doing to deliver electricity, build for the future and keep the environment healthy, visit www.HydroOne.com.

hydro **One**



HYDRO ONE CUSTOMERS ARE SAVING MILLIONS

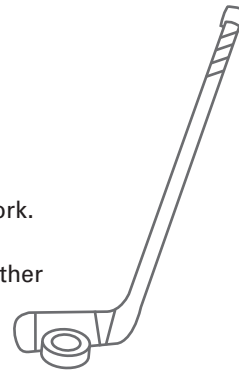
From homeowners to school boards to ski resort operators, Hydro One customers across Ontario are saving more than 450 million kilowatt hours annually through conservation and demand management programs. That's enough electricity to power approximately 38,000 homes for a year, resulting in greenhouse gas emission savings of more than 300,000 tonnes of CO₂.

WINTER WARMTH

Hydro One is helping families in need across Ontario by supporting the Winter Warmth Program. The program provides funding to help low-income households with winter heating bills. Eligible grant recipients include low-income households who are in arrears or at risk of going into arrears on their energy bills and have exhausted all other sources of financial support. Last year, the program assisted more than 1,300 households.

SUPPORTING OUR COMMUNITIES THROUGH POWERPLAY

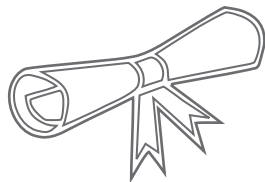
Hydro One believes it is important to invest in the communities where we live and work. Through our PowerPlay grants program we have helped fund more than 200 projects involving youth and recreation. Our support for skating rinks, baseball diamonds and other recreational infrastructure is vital to the health and well-being of our children and contributes to the success of Ontario communities.



SUPPORTING CLEAN ENERGY



Enabling the connection of clean and renewable generation to the province's electricity grid is a priority for Hydro One. Building new transmission projects will support the government's plan to build a clean economy, create green collar jobs and help reduce Ontario's dependency on non-renewable electricity sources such as coal.



FIRST NATIONS AND MÉTIS STUDENT OUTREACH

Hydro One gives potential future employees experience in the electricity industry through the Summer Student Program. Hydro One uses 10 per cent of these positions to recruit First Nations and Métis students in post-secondary school. A diverse workforce means diverse solutions.



To learn more about what Hydro One is doing to deliver electricity, build for the future and keep the environment healthy, visit www.HydroOne.com.

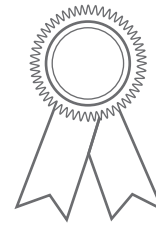


SUPPORTING OUR EMPLOYEES

Providing meaningful support to our employees is critical to their health and well-being and by extension, the health and well-being of the Company. Hydro One's employee assistance programs aid employees with personal problems that might adversely impact their work performance, health and well-being.

As an indication of our commitment, the Employee Assistance Society of North America gave us the Award of Excellence in 2009.

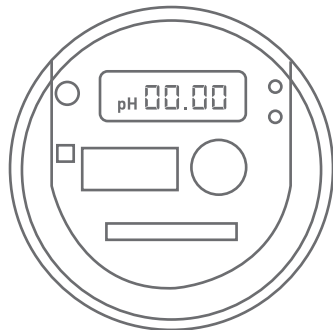
EARNING THE GOLD



Reducing greenhouse gas emissions is a vital part of our strategy. Improving the environmental and economic performance of our fleet is a great place to start. Our work on fleet improvement so far has earned us the Gold level rating under the E3 Fleet Rating System – a designation based on the reduction of 525 tonnes of CO₂. We're also visiting the pumps a lot less, to the tune of 230,000 fewer litres of gas consumed.

SAVING ENERGY, SAVE THE ENVIRONMENT

Hydro One customers are getting rid of their old, energy-guzzling refrigerators to help save the planet. Almost 70,000 fridges were rounded up during The Great Refrigerator Roundup program, which provides free pickup and environmentally friendly disposal of older, operating refrigerators, freezers and window air conditioners.



A SMART WAY TO THINK ABOUT ELECTRICITY

Saving electricity starts with thinking about electricity. Time-of-Use electricity prices, coming to Ontario customers in 2010 and 2011, mean the price you pay for electricity will vary depending on the time of day. Hydro One is helping customers manage electricity costs by giving them the tools to track their electricity usage online, hour-by-hour. By switching consumption to off-peak periods, customers can manage electricity costs, while reducing the need for additional power generation during peak periods.

TEACHING ELECTRICAL SAFETY



Hydro One powers more than 1,000 elementary schools across Ontario. We visit these schools and give presentations to students about how they can use electricity safely and stay clear of electricity equipment. Our fictional "hero," Harry Hazard, gets jolted by electricity in our safety booklets and presenters use safety simulators to identify potential hazards and teach safety.



To learn more about what Hydro One is doing to deliver electricity, build for the future and keep the environment healthy, visit www.HydroOne.com.



BY THE NUMBERS

Km of high-voltage line	29,000
Km of low-voltage line	122,000
Revenues in 2009	\$4,744 million
Average Ontario 60-minute peak demand in 2009	20,798 MW
Customers served	1.3 million
Employee satisfaction in 2009	81%
Residential & small business customer satisfaction in 2009	84%
Investment in Ontario colleges	\$3 million
Annual estimated energy retrofit savings	360 tonnes CO2
Employee Charity Campaign donations in 2008	\$840,000
First Nations communities served	100
Apprentices hired in past five years	937
First Nations summer students in 2009	12
Seedlings distributed in 2009	9,000
Average website visits per month	320,000
Hybrid and fuel-efficient vehicles in our fleet	193
Vehicle fuel reduction in 2009	230,000 L
Work sites undergoing electricity retrofits in 2010	9
Average duration of unplanned customer interruptions	19.4 min.
% of oil recovered from electrical equipment spills	95%

INVESTING IN OUR FUTURE

Investing in our skilled employees is just as important as investing in the infrastructure to keep Ontario's grid safe and reliable. Close to 30 per cent of our skilled workers will be eligible to retire in the next few years. To make sure we have access to people with the training to design, build and maintain our system, Hydro One has invested more than \$3 million to help Ontario colleges train people for engineering technician, technologist and trade positions in the electricity sector.

Hydro One's innovative partnership with Algonquin College in Ottawa, Georgian College in Barrie, Mohawk College in Hamilton and Northern College in Timmins earned us a Colleges Ontario award for significant achievements in advancing college education in Ontario.

OUR CHARITABLE PARTNERS

Our Youth at Work
 SMARTRISK
 Sunnybrook Foundation
 Ryerson University
 Frontier College
 Scientists in School
 Let's Talk Science
 Learning for a Sustainable Future
 United Way



MAKING GREENER CHOICES EVERY DAY

Hydro One employees make greener choices every day by reducing paper use, shutting down engines and turning off computers and unnecessary lights. The Greener Choices program is making us more energy efficient and reducing waste and engaging employees in green programs.

Since its launch in 2008, more than 3,000 employees have participated in programs such as Earth Hour, Earth Week, the Clean Air Commute as well as grassroots programs in communities across Ontario.



To learn more about what Hydro One is doing to deliver electricity, build for the future and keep the environment healthy, visit www.HydroOne.com.

