

LAKE LINK SUPERIOR TRANSMISSION PROJECT



It's no surprise Hydro One wants to build, own and operate the new East-West Tie line, which we're calling the Lake Superior Link. Our presence in the North is about more than just having a local office and team – we have the infrastructure, the track record and years of operating experience. Our employees in northern Ontario are part of the fabric of these communities. The Lake Superior Link is just one of several projects we have planned to strengthen and power northern Ontario.

We know the Lake Superior Link will provide the capacity needed for regional growth and development and we have the Ontario-made solution to deliver it. Our commitment to you is that we will deliver the **right project** at the **right price** and that we will always be there for you every day after that – just like we are today.

Throughout the week of March 19, Hydro One held a series of public drop-in sessions to talk to communities in the project area about our proposal. We wanted to have face-to-face conversations to explain why we are excited to put this bid forward and to begin discussions about what real, tangible benefits mean for each community. We heard a number of good inquiries during these conversations and wanted to share our answers to the most commonly asked questions.

WHY IS HYDRO ONE PROPOSING TO BUILD THE LAKE SUPERIOR LINK NOW?

The construction of the project has not yet been awarded.

The Ontario Energy Board's process is a competitive one that does not guarantee a proponent will be awarded construction of a project if they have conducted the initial development work.

The cost estimates initially provided by the other proponent were substantially lower during the development stage. When the proponent submitted its most recent cost estimate to build the line, the Ontario government raised concerns as the costs had almost doubled to \$777 million.

Knowing we could construct this project for more than \$100 million less along with an annual operating savings of \$3 million, we recognized an opportunity to deliver an innovative and cost-effective solution. Our Lake Superior Link project is introducing some competition to this process – at the end of the day that will only benefit all electricity customers across Ontario.

HOW CAN YOU BUILD IT FOR MORE THAN \$100 MILLION LESS THAN THE CURRENT PROPOSAL?

Hydro One is uniquely positioned to build this project for less.

Because of our ability to modify our existing transmission infrastructure through Pukaskwa National Park, our proposed route is approximately **50 km shorter than the other proponent**, eliminating the need to develop a new corridor through relatively undisturbed lands around the Park.

Overall our proposal will require 50 per cent less corridor area, minimizing the environmental footprint and disruption to local communities, in addition to providing significant cost savings for Ontario's electricity customers.

WHAT ABOUT OPPORTUNITIES FOR LOCAL INDIGENOUS COMMUNITIES?

The Lake Superior Link will provide real, tangible benefits for communities, including

Indigenous communities in the project area.

We are committed to continuing to meet with Indigenous leaders along the route to discuss a variety of benefits, including, but not limited to, capacity funding to participate in the engagement process, procurement and contracting opportunities, job training, employment and a more beneficial commercial partnership opportunity. We are proposing to hold community meetings in each community along the route to provide opportunities to learn more and provide feedback on the project.

Together with our construction partner, SNC-Lavalin, we are dedicated to maximizing the employment of members from local/regional Indigenous communities. This will include additional skills training for those enrolled in the Anishinabek Employment and Training Services (AETS) program, which would be beneficial to the Lake Superior Link Project as well as future projects and employment with Hydro One.

WHEN WILL THE PROJECT BE CONSTRUCTED?

Our plan will see the new line brought into service in 2021, just a few months after the 2020 timeline currently being discussed.

In addition to timing, we feel that the significant cost savings for all electricity customers and a smaller environmental impact are also crucial elements to consider and that is why we want to build, own and operate the new line.