

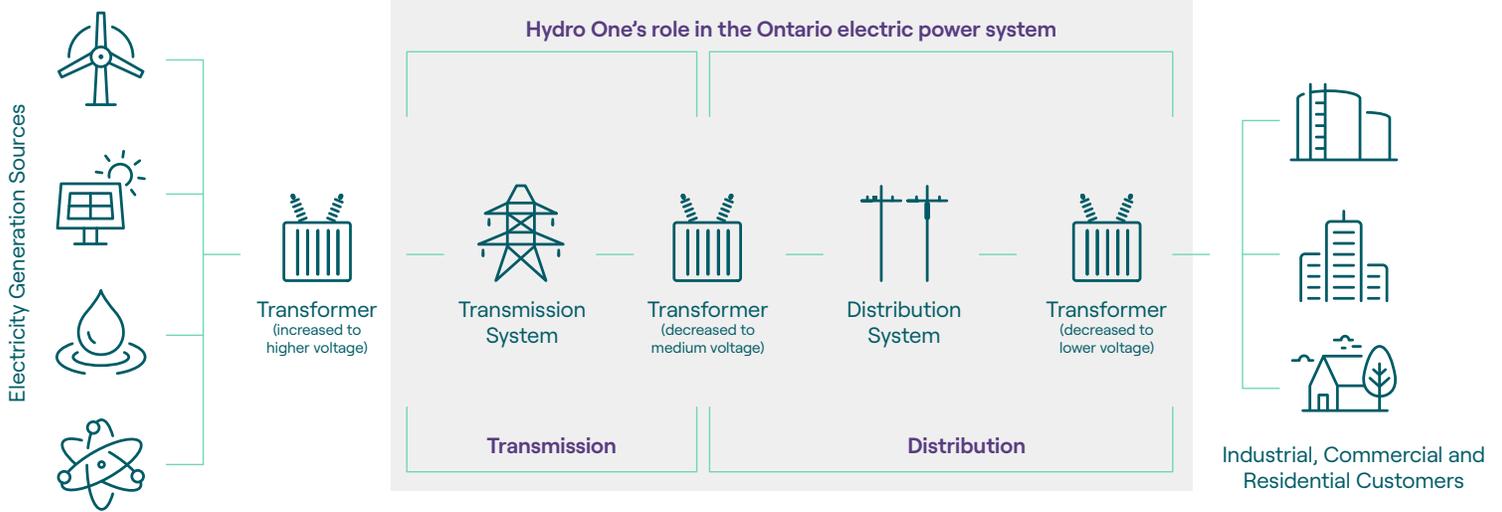


# Committed to a better & brighter Ontario



## Our role in the system

Hydro One proudly serves 1.4 million customers, delivering and transmitting electricity to every corner of Ontario. We serve businesses, large and small and energize approximately 40 per cent of Canada's economy.



### Distribution

**1.6million** poles



**1.4million** customers



That's about 1 pole per customer

Our service territory covers **75%** of Ontario



### Transmission

We energize approximately

**40%**

of Canada's economy

The province's clean energy mix means that

**96%**

of the electricity we deliver is clean

Attracting businesses to the province depends on a strong transmission system



For Hydro One's transmission and distribution service territories, please see TSP Section 2.1 and DSP Section 3.1, respectively.

# Understanding our rate application

We are filing our combined transmission and distribution rate application for the five-year period from 2023 to 2027.

Our plan is developed through:

An evaluation of our current system and future system needs.

Understanding, through customer feedback, the current and future needs of our customers.

Balancing affordability with what the system needs and our customers' feedback.

Our proposed Investment Plan will renew or replace critical infrastructure, improve resiliency and reliability, prepare for the impacts of climate change, and support economic growth and customer choice.

Hydro One will seek approval from the Ontario Energy Board (OEB) to fund its plan. The OEB and consumer groups will review our plan through a public hearing process.

For more on Hydro One's Plan, see [HydroOne.com/5YearInvestmentPlan](https://www.hydroone.com/5YearInvestmentPlan) Exhibit A-03-01 for Executive Summary and Business Plan

## What customers told us

In almost every community equipment needs to be renewed, or replaced. To plan for the next five years, we engaged with almost 50,000 Ontarians who told us they wanted a more resilient electricity system that is ready for the future.

**85%** of customers want us to replace aging infrastructure when or before it starts to deteriorate

**77%** want us to make the investments necessary to keep businesses running safely and reliably

**60%** would support proactive investments to prepare the system for more severe weather

About **half** of customers wanted us to invest in infrastructure faster than our draft plan

*Based on residential customers*

For more on customer engagement process and results, see [HydroOne.com/5YearInvestmentPlan](https://www.hydroone.com/5YearInvestmentPlan), System Plan Framework, Section 1.6

## What is needed?

The majority of our system was built in the

**1950s** and **1960s**

**1** in every **20** wooden poles is now at risk of failure

Nearly **1** in **4** steel transmission towers are more than **80** years old

Close to **4,000km** of high voltage power lines need to be replaced



# Our plan

Our five-year Investment Plan invests in a resilient electricity system to reduce the impacts of power outages for our distribution customers by approximately 25%.

We will prepare our grid for the impacts of climate change and plan to invest in nearly every community we serve.

Our plan will result in:



For more on the investment plans, see the evidence in the Distribution System Plan, Transmission System Plan, Network System Plan, and General Plant System Plan at [HydroOne.com/5YearInvestmentPlan](https://HydroOne.com/5YearInvestmentPlan)



## Renewing or replacing critical infrastructure

### Transmission

Renew equipment on the high voltage transmission system, including

**1,500km**  
of new high voltage power lines

Replace  
**129**  
transformers

Upgrade infrastructure  
at approximately  
**200**  
stations

### Distribution

Upgrade equipment on the distribution system, including renewing or replacing approximately

**65,000**  
wood poles



and  
**10%**  
of transformers



## Improving resiliency and reliability, and preparing for impacts of climate change

Use automation and innovative solutions to reduce the impact of power outages for our distribution customers by approximately

**25%**



Prevent outages by removing dead and diseased trees that could strike power lines



Install  
**1,000**  
smart devices per year to improve resiliency for customers who experience the most power outages



Invest in taller and stronger poles to withstand more severe weather



## Building a grid for the future to support economic growth and customer choice

Invest in new or upgraded infrastructure to accommodate community and industrial growth



Improve power reliability to First Nations communities through innovative battery solutions



Modernize meters and associated infrastructure to enable future flexibility, choice and cost savings



Connect close to  
**18,000**  
new distribution customers each year



# Productivity & efficiency



Every dollar we invest comes at a cost to our customers and the people of Ontario, which is why we are committed to controlling costs and improving productivity.

From 2015 to 2020, Hydro One has achieved approximately

**\$738 million**

of cumulative productivity savings.

We will target achieving

**\$750 million**

in savings between 2023–2027.

Hydro One will seek approval of a revenue requirement in 2023

**\$1.8 billion** for its transmission business  
and

**\$1.6 billion** for its distribution business

The revenue requirement, once approved for the first year, will escalate by a custom escalation factor over the next four years.

## Bill impacts for Hydro One customers

Our plan will see a typical customer's bill increase by less than inflation.

### Residential customers

A typical R1 (medium density) residential customer's **TOTAL** monthly bill will increase by an average of

**\$1.68**

each year over the five-year period.

A typical R1 (medium density) residential customer's average monthly bill for **transmission** will increase by an average of

**\$0.39**

each year over the five-year period

A typical R1 (medium density) residential customer's average monthly bill for **distribution** will increase by an average of

**\$1.29**

each year over the five-year period

### General service customers

A typical general service energy customer's (GSe<50kW) **TOTAL** monthly bill will increase by an average of

**\$3.75**

each year over the five-year period.

A typical GSe< 50 kW customer's average monthly bill for **transmission** will increase by an average of

**\$0.83**

each year over the five-year period

A typical GSe<50 kW customer's average monthly bill for **distribution** will increase by an average of

**\$2.92**

each year over the five-year period

For more on bill impacts, see [HydroOne.com/5YearInvestmentPlan](https://www.hydroone.com/5YearInvestmentPlan), Exhibits H-10-01 and L-06-01.

Learn more about our plan at [HydroOne.com/5YearInvestmentPlan](https://www.hydroone.com/5YearInvestmentPlan)

