

# Understanding Hydro Ottawa's 2026–2030 investment plan



## About Hydro Ottawa

**Hydro Ottawa is the third largest municipally-owned electricity distributor in Ontario. We distribute electricity to approximately 364,000 customers, serving a population of more than one million people in the city of Ottawa and the village of Casselman. We are a private company wholly-owned by our shareholder, the City of Ottawa.**

It's our responsibility to transport power from the provincial transmission grid and deliver it safely and reliably to homes and businesses across our service territory. For more than 100 years, Hydro Ottawa has operated a large, complex distribution network, consisting of more than 6,000 kilometres of primary lines and cable, 49,027 poles, 38,946 transformers, and 92 substations.

## Our five-year business plan

**Hydro Ottawa is seeking approval from the Ontario Energy Board (OEB) for the distribution rate framework that will set rates for the 2026–2030 period.**

The electricity industry in Ontario is regulated by the OEB. One of the OEB's roles is to review the business and distribution plans of all electricity distributors and approve the rates they charge customers.

Hydro Ottawa's five-year 2026–2030 investment plan totals an estimated \$1.2B and is made up of four capital investment categories — growth & electrification, aging infrastructure, grid modernization, and grid resilience. Capital expenditures are assets that have lasting benefits over many years (e.g. poles, wires, transformers). Our operational budget for 2026–2030 is separate and is not included in the \$1.2B breakdown you see on the next page.

## What informs Hydro Ottawa's 2026–2030 investment plan?

Hydro Ottawa is proposing a plan that is responsive to:



**Legal and regulatory** requirements by continuing to meet our obligations.



**Internal business planning** based on expert analysis and professional judgment to develop construction and operations programs that address safety, business, environmental, technical, and operational needs.



**Customer feedback** collected throughout multiple consultations on the application and through ongoing customer engagement. Customers will also have opportunities to provide feedback through the OEB's public process.

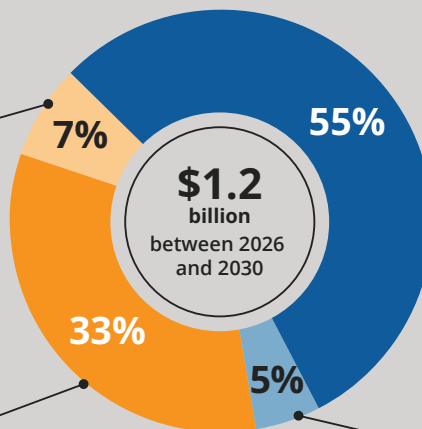
## Hydro Ottawa's five-year 2026–2030 investment plan

### Grid modernization

Focuses on investments in response to decarbonization and changing customer expectations.

### Aging infrastructure

Focuses on investments to upkeep old equipment that is in poor condition and replace outdated equipment.



### Growth & electrification

Focus on investments in the capacity to power the growing community and serve customers' changing needs for electricity, including solutions such as new technologies and programs to get the most out of existing grid infrastructure.

### Grid resilience

Focuses on investments in technology to get more use out of existing equipment. This section includes burying lines, hardening the grid, tree trimming, improving emergency planning and response.

## What is Hydro Ottawa's 2026–2030 investment plan about?

Hydro Ottawa's plan involves significant investment in our infrastructure to support the energy transition. Key elements include boosting the capacity of substations, transformers, and both overhead and underground lines; expanding and enhancing connections with provincial transmission lines to handle larger electricity deliveries; and preparing to commission a new substation annually to meet the demand of a growing service territory and customer base.

Hydro Ottawa plans to deploy new technologies such as large-scale batteries for energy storage, replace aging assets that are at higher risk for failure, and bolster grid resilience to ensure reliable service amid more frequent severe weather events.

Hydro Ottawa's 2026–2030 investment plan also considers many existing and emerging challenges related to delivering safe, reliable and clean electricity while keeping rates in mind.

Here are the key challenges that the plan addresses:

- Enabling the energy transition and reducing emissions
- Maintaining and replacing aging assets
- Responding to rising costs
- Adapting to how customers use electricity
- Powering a growing and diverse community
- Responding and adapting to an increasing number of extreme weather events
- Continue to strengthen and respond to cybersecurity attacks/threats
- Addressing workforce challenges and employee safety





## How customers helped inform our 2026–2030 plan

At Hydro Ottawa, we strive to put our customers at the centre of everything we do. We're committed to working with them to understand their needs and preferences. All while operating efficiently and cost-effectively.

In preparing our 2026–2030 investment plan, we gave all customers the opportunity to have their say in shaping Ottawa's energy future. During our preliminary rate application engagements in early 2024, we learned more about our customers' priorities and expectations for the services we provide through virtual focus groups and online surveys. Customers listed reliable service, storm hardening our grid, increasing grid capacity, and ensuring reasonable rates as priority areas for us to focus on.

With this input, we developed a plan emphasizing four key areas of capital investment:

- 1 Growth and electrification;
- 2 Replacing aging infrastructure;
- 3 Modernizing our grid; and
- 4 Improving grid resilience.

Between September 16 – October 6, 2024, 21,000 customers provided feedback on our 2026–2030 investment plan via our online survey.

The majority of customer feedback expressed support for Hydro Ottawa's proposed plan or even spending a bit more to improve service based on the priorities above. Hydro Ottawa received social permission to proceed from 85 per cent of residential customers, 83 per cent of small business customers, and 94 per cent of GS>50 customers.

## Breaking down your bill

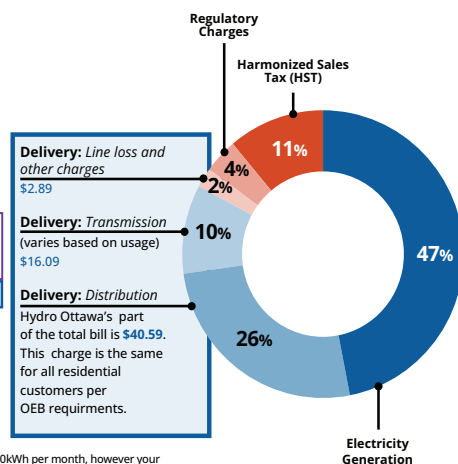
Electricity distributors like Hydro Ottawa are funded through the distribution rates paid by customers.

While Hydro Ottawa is responsible for collecting payment for the entire electricity bill, we only retain a portion of the delivery charge, representing around 26 per cent of a typical residential bill. The remaining 74 per cent of the bill goes to generation companies, transmission companies, the federal and provincial governments, and regulatory agencies.

### Typical residential bill

Sample Hydro Ottawa monthly bill (based on consumption of 750kWh as Jan.1, 2026)	
Account Number: 000000000	
Meter Number: 00000000	
Your Electricity Charges	
Electricity	
TOU* - Off-Peak @ 7.6 c/kWh	\$36.48
TOU* - Mid-Peak @ 12.2 c/kWh	\$16.47
TOU* - On-Peak @ 15.8 c/kWh	\$21.33
Delivery	\$59.56
Regulatory Charges	\$6.16
<b>Total Electricity Charges</b>	<b>\$140.00</b>
HST	\$18.20
Ontario Electricity Rebate	(\$18.34)
<b>Total Amount</b>	<b>\$139.86</b>

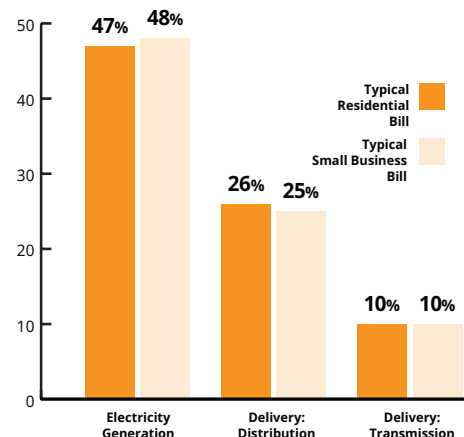
Note: The sample bill above uses an average consumption level of 750kWh per month, however your usage may vary above or below this assumed level. These types of variations would mostly impact your electricity (On, Mid and Off-Peak) charges. Diagram excludes Ontario Electricity Rebate and may not total 100% due to rounding.



### Typical small business bill

Typical Small Business Bill	
TOU* - Off-Peak @ 8.7 c/kWh	97.28
TOU* - Mid-Peak @ 12.2 c/kWh	43.92
TOU* - On-Peak @ 18.2 c/kWh	56.88
Delivery	148.12
Regulatory Charges	13.91
<b>Total Electricity Charges</b>	<b>\$360.11</b>
HST	46.81
Ontario Electricity Rebate	(47.17)
<b>Total Amount</b>	<b>\$359.75</b>

\*Time-of-use rates



## What are the bill impacts for ratepayers?

In order to proceed with our proposed investment plan, we're seeking approval from the OEB to change our distribution rates. The expected impacts on the distribution portion of customer bills over the five-year period are shown in the table below:

Proposed						
Rate class		2026	2027	2028	2029	2030
<b>Residential (750 kWh)</b>	Change in distribution charge	\$6.08	\$3.79	\$3.31	\$2.72	\$2.74
	Distribution increase (%)	17.62%	9.34%	7.46%	5.70%	5.44%
	Increase of total bill (%)	6.05%	2.73%	2.33%	1.88%	1.85%
<b>General Service &lt;50 kW (2000 kWh)</b>	Change in distribution charge	\$14.57	\$8.42	\$7.50	\$6.62	\$5.80
	Distribution increase (%)	16.96%	8.38%	6.89%	5.69%	4.71%
	Increase of total bill (%)	4.94%	2.35%	2.05%	1.77%	1.53%



### Have your say

The OEB will review Hydro Ottawa's plan and proposed rates in an open and transparent public process.

Learn more about how you can participate in the rate setting process at [oeb.ca/participate](https://oeb.ca/participate). To view our active applications, please visit [hydroottawa.com/active-applications](https://hydroottawa.com/active-applications).

