



Hydro Ottawa Named 2012 Large Energy Company of the Year

Hydro Ottawa is thrilled to be recognized by its peers as the 2012 Large Company of the Year at the Ontario Energy Association Excellence Awards.

The award recognizes Hydro Ottawa's achievements in the energy sector in key business areas such as financial operations and management, customer service, distribution and environmental leadership.

Hydro Ottawa has consistently exceeded its net income and dividend projections, while growing shareholder value by more than \$135 million over the last four years.

During this time, Hydro Ottawa's electricity distribution rates have been stable and among the most affordable in the province. At the same time, Hydro Ottawa has been one of the top performers in the industry in delivering supply reliability.



Award winners Ron Dizey, President and CEO ENBALA Power Networks (Small Company of the Year); Laura Formusa, President and CEO Hydro One (Leader of the Year) and Bryce Conrad, President and CEO Hydro Ottawa.

These results have contributed to solid customer satisfaction scores that exceed the provincial average.

"Consistently improving the customer relationship is a very strong focus for us. In addition to affordability and reliability, it is imperative that we also provide customers with ever-increasing value," added Mr. Conrad.

During his acceptance speech, Mr. Conrad acknowledged Hydro Ottawa's employees as a major reason for the company's continuing success.

"They are highly skilled, dedicated, experienced, and engaged in achieving our goals. They are also community focused, generous with their charitable donations and quick to volunteer when

we participate in community events," he said.

In thanking the Ontario Energy Association for sponsoring the award, Mr. Conrad promised that "Hydro Ottawa will do our best to be back on this podium in the future."

How to reach us ...

Customer Service

613-738-6400 or hydroottawa.com

Power Outage Reporting and Information

613-738-0188 or hydroottawa.com/outages

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Crews help U.S. utilities after Hurricane Sandy

A group of 13 Hydro Ottawa power line maintainers are in Connecticut to assist Northeast Utilities in restoring power to approximately 354,000 residents after Hurricane Sandy caused significant damage to the area.

“Hydro Ottawa offered assistance without hesitation. Restoring power is a specialized skill and the electricity industry supports each other in these times of need,” said Bryce Conrad, Hydro Ottawa’s President and Chief Executive Officer.

Ottawa escaped the storm relatively unscathed. At its peak the storm knocked out power to approximately 3,000 Hydro Ottawa customers in the Casselman, Blackburn Hamlet, Crystal Beach and Merivale areas. Crews worked to successfully restore power across the city and our now able to support other communities in need of help.

“When power outages occur, Hydro Ottawa employees go above and beyond to ensure public safety and to get the power back on as soon as possible,” added Conrad. “I am proud that these crews will be using these talents to help our U.S. neighbours.”

This is the first time Hydro Ottawa has dispatched crews to the United States. During past widespread power outages, crews have assisted utilities in Ontario and Quebec.

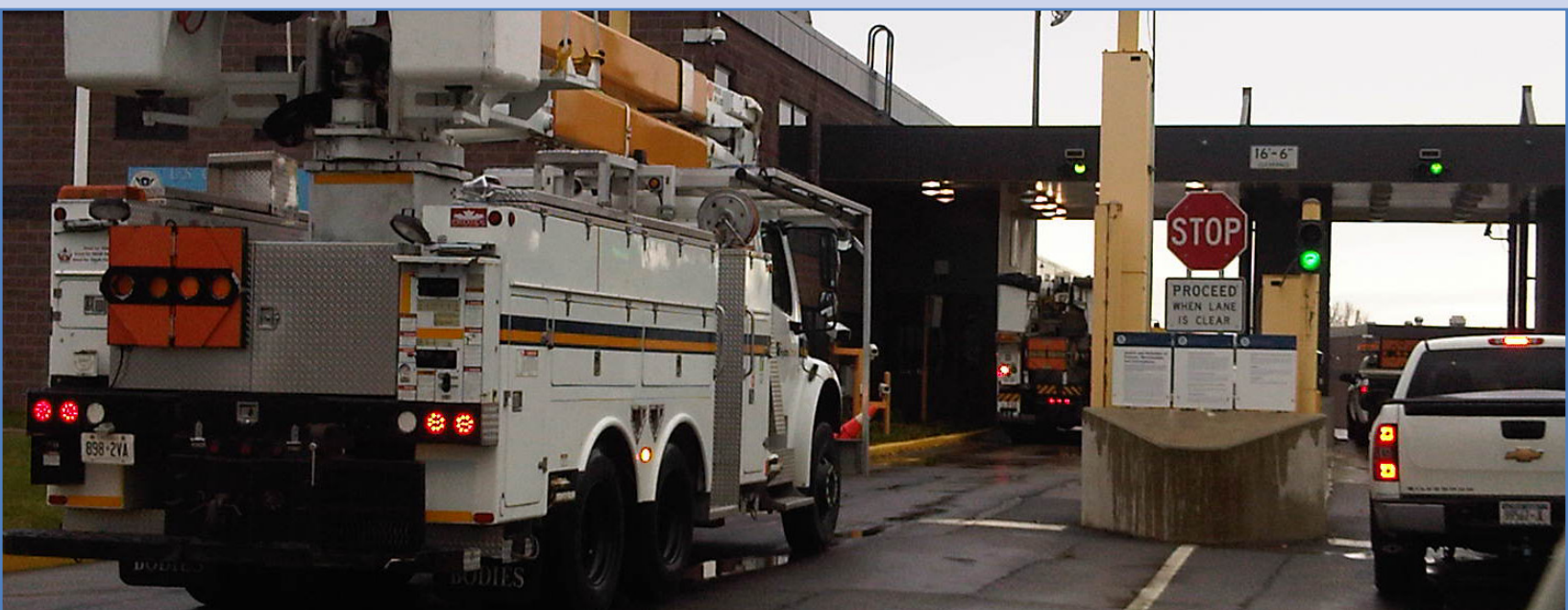
Northeast Utilities will reimburse Hydro Ottawa for all costs incurred including labour, transportation, materials and accommodations.

The 13 power line maintainers join 12 Hydro Ottawa contract forestry workers who are clearing trees in Connecticut to restore the power.



Above: Hydro Ottawa crews prepare to depart for Connecticut on October 31.

Below: The group, travelling in four bucket trucks, a boom truck and three pick-up trucks, crosses the United States border.



Electricity Sector News

Electricity Rates to Change Province-wide on November 1

In October, the Ontario Energy Board (OEB) announced that on November 1, 2012, electricity rates will change for Ontario's residential and small business customers on the Regulated Price Plan, to pay for electricity generation over the November to April period. The OEB changes the Regulated Price Plan rates collected for electricity generation twice a year – on November 1 and May 1.

The OEB regulates the province's energy sector and sets electricity rates. The charge for electricity generation is collected by Hydro Ottawa and passed through without mark-up.

Most residential and small business customers purchase their electricity through the Regulated Price Plan, with the majority of customers paying time-of-use rates and a small number (fewer than 2 percent of Hydro Ottawa customers) still paying tiered rates. Only those customers who have signed a contract with an electricity retailer do not pay Regulated Price Plan prices.

Time-of-Use Rates

Beginning November 1, 2012, customers paying Time-of-Use rates will see the following changes:

- On-peak (from 7 a.m. to 11 a.m. and 5 p.m. to 7 p.m. weekdays) = 11.8 ¢/kWh (up 0.1 cent)
- Mid-peak (from 11 a.m. to 5 p.m. weekdays) = 9.9 ¢/kWh (down 0.1 cent)
- Off-peak (from 7 p.m. to 7 a.m. weekdays and all day on weekends and holidays) = 6.3 ¢/kWh (down 0.2 cents)

For a typical residential customer consuming 800 kWh of electricity per month, this represents a decrease of approximately \$1.02 or 0.8 percent per month. According to the OEB, residential customers typically consume about 64 percent of their electricity during off-peak hours, and 18 percent in each of mid-peak and on-peak hours.

Tiered Rates

Beginning November 1, 2012, customers paying tiered rates will see the following changes:

- 7.4 cents per kWh for the first 1,000 kWh used each month (down 0.1 cent)
- 8.7 cents per kWh for electricity used per month over this amount (down 0.1 cent).

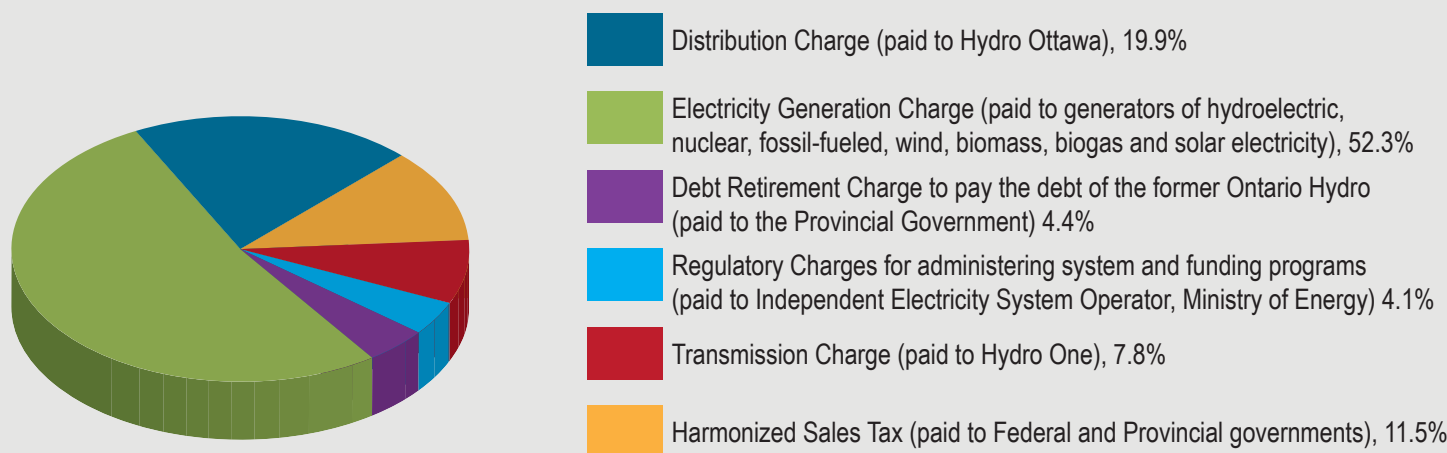
The price threshold (the amount of electricity that is charged at the lower price) – changes twice a year for residential customers on the tiered rate regime.

- 1,000 kWh per month during a winter season (November 1 to April 30)
- 600 kWh per month during a summer season (May 1 to October 31)

For non-residential customers who are eligible for the price plan, the threshold remains at 750 kWh for the entire year.

Components of the Electricity Bill

Hydro Ottawa's delivery charge represents only a small portion of the bill. We pass on the remaining charges, without mark-up, to their respective parties on behalf of our customers.



*For the average residential customer using 800 kWh per month.

Canadians Interested in Smart Grids and Smart Homes

A national online survey conducted by SmartGrid Canada in partnership with Ontario's Independent Electricity System Operator (IESO) shows that Canadian consumers clearly want to be engaged with smart grids – but they want to know more about what value these technologies can deliver.

Hydro Ottawa is investing in a smart distribution grid, which uses communications technology to link all parts of the system, resulting in a higher degree of automation and operational flexibility. Smart meters on the homes of Hydro Ottawa customers are a key part of the smart grid.

The survey, sponsored by SmartGrid Canada and the IESO, and conducted by Angus Reid Public Opinion, found that:

- 72 percent of Ontario respondents indicated that they have changed their energy use in response to time-of-use rates, with almost the same percentage (69 per cent) believing that these efforts are having an impact on their bills.
- 45 percent of Canadian respondents said that they have already purchased, or would consider purchasing, a smart appliance (with the ability to reduce energy use during higher-price periods) within the next three to five years.
- Almost a third of Canadian respondents said they already have or would consider participating in a load control program which would allow their utility or another third party to reduce their air conditioning or water heater use during peak demand.
- A similar percentage was interested in downloading a mobile app that would show how much energy they were using.
- Just under a quarter of Canadian respondents were likely to buy, lease or rent an electric car.
- Just over a third of respondents indicated that they would be willing to pay one to two dollars more each month to reduce carbon emissions. This was higher than the proportion willing to pay more to reduce the number of power outages (29 percent).

In releasing the survey, co-sponsor Paul Murphy, President and CEO of the Independent Electricity System Operator, said: "As utilities and others improve our electricity system with smart grid technologies, we have to provide consumers with the information they need to understand the opportunities these changes create and decide for themselves whether they want to get on board. Smart grids offer so many options for consumers – detailed consumption information, more efficient appliances, in-home generation and electric cars, for example. All these opportunities can provide many benefits to the consumer - and the system as a whole."

GE Opens New Grid IQ Centre in Markham

General Electric Canada has announced the opening of its new Grid IQ™ Global Innovation Centre in Markham, Ontario.

The 200,000 square foot facility is designed to foster innovation and global collaboration to improve the efficiency, reliability and security of the world's electrical grids. The \$40 million project was supported by a grant of \$7.9 million from the Government of Ontario.

The new facility includes 100,000 square feet of production space to help GE meet both current and future product demands as utilities around the world continue to look for ways to improve their energy infrastructures. The facility also incorporates research, test and simulation laboratories. As well, the new centre includes a technical training centre providing both onsite and distance learning offerings for GE employees, partners and customers.

Areas that GE will research and develop at the new facility include substation and distribution automation, as well as electrical grid protection and control.

As a global centre of excellence for grid automation, GE says it will use the new Grid IQ Centre to collaborate on innovative solutions with customers, partners and academics around the world.



Inside the GE Grid IQ Global Innovation Centre in Markham.
Source: GEDigitalEnergy.com



Councillor Steve Desroches; Bryce Conrad, Hydro Ottawa President and CEO; and Mayor Jim Watson congratulate bursary recipients Faduma Hassam and Ahmad Hussein.

Hydro Ottawa Provides Two “Youth Futures” Bursaries

Hydro Ottawa was honoured to present bursaries of \$500 each to two deserving youth at the 10th Anniversary Breakfast of the Ottawa Community Housing Corporation. The Youth Futures bursaries will help youth living in low-income communities to attend post-secondary education and pay for books and tuition.

To qualify for the bursary, the youth must have demonstrated community volunteerism and leadership, and be a first-generation post-secondary student.

“As a dedicated community citizen with roots that stretch back more than 100 years, Hydro Ottawa strongly believes in investing in our city and the development of its people,” said Bryce Conrad President and CEO of Hydro Ottawa. “We are very pleased to make this contribution to the futures of two young people with lots of promise.”

“We would like to thank Hydro Ottawa for their generous community spirit,” said Jo-Anne Poirier, Chief Executive Officer of the Ottawa Community Housing Corporation. “These bursaries will make a difference in the lives of the two recipients.”

Ottawa Community Housing Corporation serves 32,000 tenants in 15,000 homes across Ottawa.

City of Ottawa Cuts Lighting Costs by \$58,000 Per Year

The City of Ottawa is working with Hydro Ottawa to save electricity and reduce the operating costs at more than 100 city-owned facilities.

Since 2008, city facilities have reduced their annual electricity usage by almost 672,000 kilowatt hours while reducing their costs by almost \$58,000 a year through the Hydro Ottawa’s Small Business Lighting program. The program offers up to \$1,000 of energy-efficient lighting and equipment upgrades to small businesses or facilities with an electricity demand of less than 50 kilowatts.

“This is a very effective program that is reducing costs for taxpayers while also reducing overall electricity usage. I am pleased that we now have more than 100 facilities participating, and I hope to see even more participation in the future,” said Mayor Jim Watson.

A qualified representative will provide a free on-site energy assessment to recommend retrofit options. A licensed electrical contractor will complete the retrofit at the participant’s convenience – including clean up and recycling. Installations are quick and can be made while the business is open.

For more details on how to participate, please visit www.hydroottawa.com/lighting.



saveONenergySM

SMALL BUSINESS LIGHTING

Energy Issues Discussed at OEA Conference

This year's Ontario Energy Association (OEA) conference held mid-October gathered provincial politicians, Ontario energy executives, and industry representatives to discuss a wide range of issues and challenges faced by the sector.

Leader of the Opposition Tim Hudak began the conference with a presentation drawn largely from the PC party's "Paths to Prosperity" white paper. He advocated in favour of ending what he stated were uneconomic subsidies in Ontario's energy sector, as well as ensuring greater long-term planning for supply and seeking revised trade agreements for the export of Ontario power.

Leader of the New Democratic Party Andrea Horwath also spoke at the conference, with one of her major themes being the affordability of energy prices.

Several energy industry leaders participated in panel discussions addressing topics such as electricity supply and demand economics, public versus private ownership, and what they perceived as the "politics" affecting decision making in the sector. One panel focused on infrastructure planning and the need for better community consultation. Another industry representative raised concerns about the costs of regulatory compliance.

Other concerns raised included the number of oversight bodies in Ontario's energy sector, and the need to deal with the problem of surplus electricity generation in the face of successful conservation and demand management programs.

In the area of regulation, Ontario Energy Board Chair and CEO Rosemarie Leclair discussed the recent release of the OEB's report on the Renewed Regulatory Framework for Electricity, noting that the framework will ensure that regulation will be based on outcomes, that there will be reliable supply at a reasonable cost, and that the OEB processes will be accessible and transparent. She also indicated that the Board will establish new initiatives for engaging and communicating with customers.

Hydro Ottawa Recognized for Customer Service Leadership

Hydro Ottawa has been awarded a Certificate of Excellence for its Customer Experience Self-Serve Program by Chartwell Inc. With its 305,000 customers, Hydro Ottawa was the smallest of the five finalists in the Customer Service category, with the other finalists being four large U.S. electric utilities: Southern California Edison, San Diego Gas and Electric, PPL Electric, and NIPSCO.

The Certificate of Excellence recognizes Hydro Ottawa's leadership in implementing various customer self-service programs, including:

- MyHydroLink, the customer service web portal which provides customers with information on their electricity consumption by time of use; current account balances and payment history; the ability to register for pre-authorized payments and e-billing, and to make credit card payments; access to tools such as alerts for electricity consumption thresholds, cost thresholds and on-peak consumption, and "predict my bill" functionality.
- The Hydro Ottawa mobile site, which includes a number of the important features offered on the website, enabling the customer to track their MyHydroLink accounts anywhere at any time.
- An Online Power Outage Map which displays the location of current confirmed power outages, the estimated number of customers affected, the cause of the outage, crew status, and the estimated time of restoration, if known.
- The updating of the Interactive Voice Response program with the addition of a credit card payment menu option.

The Certificate of Excellence follows other recent Hydro Ottawa customer service recognition, including the 2012 Customer Service Excellence Award presented by Ontario's Electricity Distributors Association; and the 2010 Best Practices Award in Outage Communications presented by Chartwell Inc.