



THE POWER OF **WE**

2019 ANNUAL GENERAL MEETING

June 13, 2019

OSHAWA **POWER**





Message from the Chair

Denise Carpenter

***WE* are the Oshawa Power Board of Directors**



Donna Kingelin



Jeff Coles



Marc Rosen



Robert Watson



Lou Meehan



Grant Buchanan



Terry Caputo



The Board Declared a Dividend to the City of Oshawa

\$2.5M

Up from \$2.3M in 2017

OSHAWA POWER AND UTILITIES CORPORATION

**Oshawa PUC
Networks Inc.**

**Oshawa PUC
Energy
Services Inc.**

**Oshawa PUC
Services Inc.**

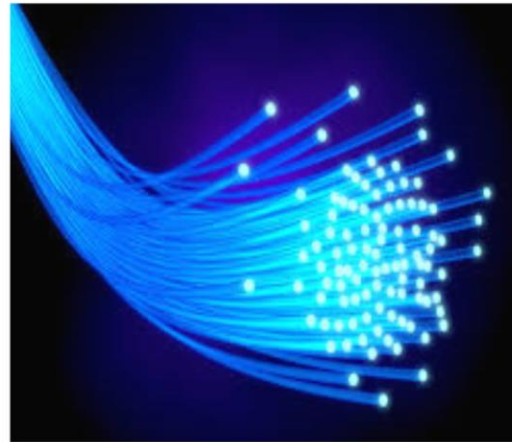
**2252112
Ontario Inc.
(Oshawa Solar)**



A regulated utility
distributing electricity
In the city of Oshawa



Developing, constructing,
and operating clean energy
generation assets in the
province of Ontario

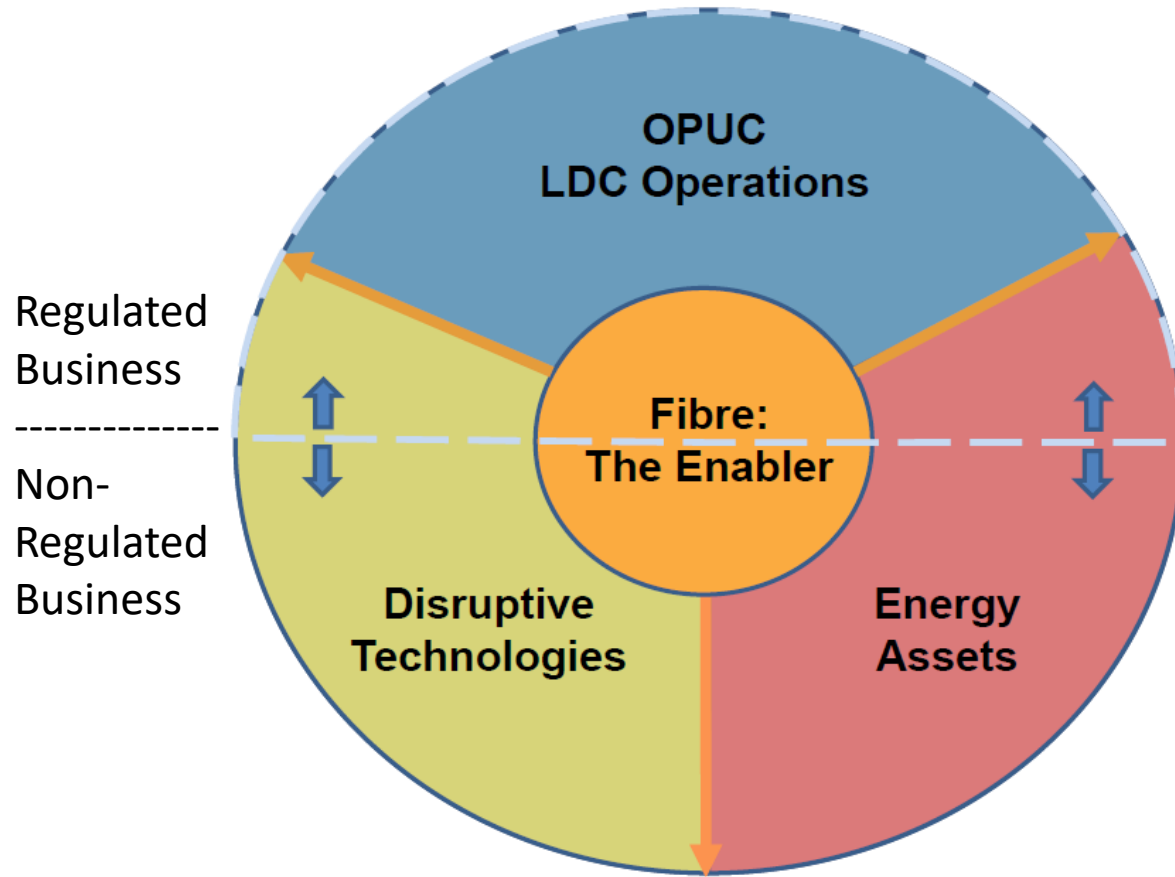


Provides reliable dark
fibre optic communications
in Oshawa and the
Durham Region



Developing, constructing,
and operating renewable
energy generation assets
in Ontario

Our strategy for growing the business



- **Continue to invest in LDC to support growth in Oshawa.**
- **Enhance fibre to enable additional services and support converging technologies in other strategic initiatives.**
- **Exploit core competency in owning, operating and managing energy generation.**
- **Identify opportunities in disruptive technologies.**

***WE* are growing our business**

Combined Heat & Power Plants (CHP) – District Energy Systems (DES) in 2 Toronto community housing sites

- **Site # 1:**
 - **CHP supplying power to 3 high rise buildings**
 - **Multi-year operating and maintenance agreement**
- **Site # 2:**
 - **Expansion of existing DES to 20+ buildings**

Developed CHP solutions for City-owned facilities that would yield the following benefits:

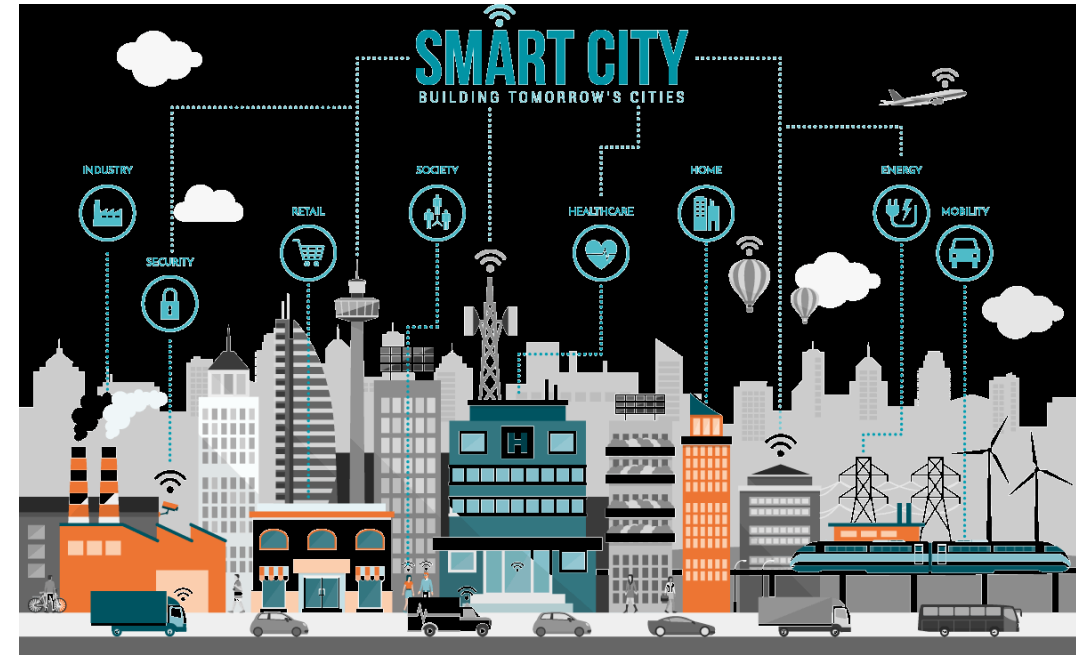
- **Community support during power outages**
- **Reduction in Green House Gases (GHG)**
- **Increased City dividends**
- **Low budgetary impacts**



WE are growing our business

Growing our Fibre Assets to Support the Community

- **Oshawa Power owns a large network of Dark Fibre**
- **Investigating business models to provide lit services**
- **Exploring opportunities to provide WiFi service to priority neighbourhoods**



WE drive innovation

Solar Energy Management Systems – Pilot Project

- International partnership brought \$1.5M in funding to Oshawa



AWARD WINNING PROJECT

QUEST 2017

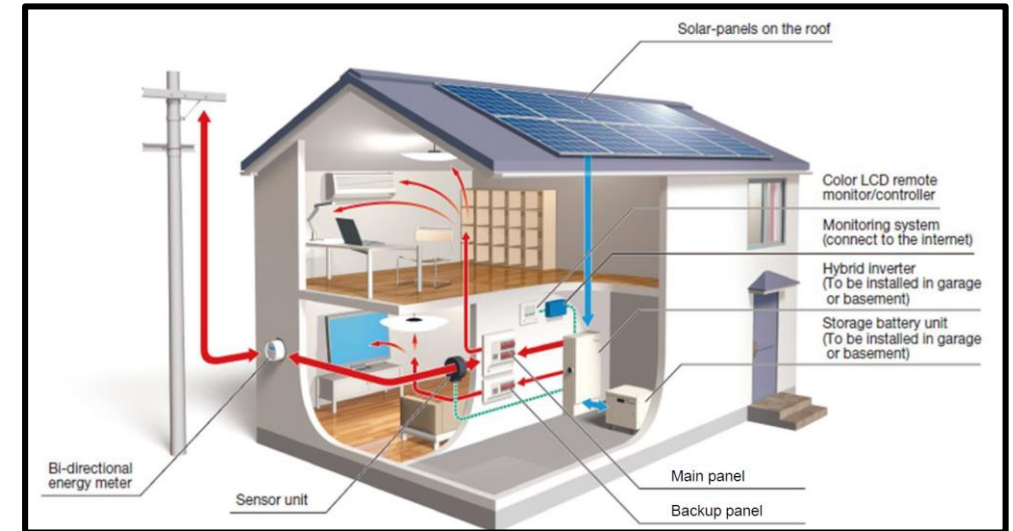
- Runner-up – Smart Energy Communities Award

EDA 2017

- **Winner** – Environmental Excellence Award

ISGAN 2019

- Nominated – International Smart Grid Association Award of Excellence



***WE* drive innovation**

Disruptive Technologies

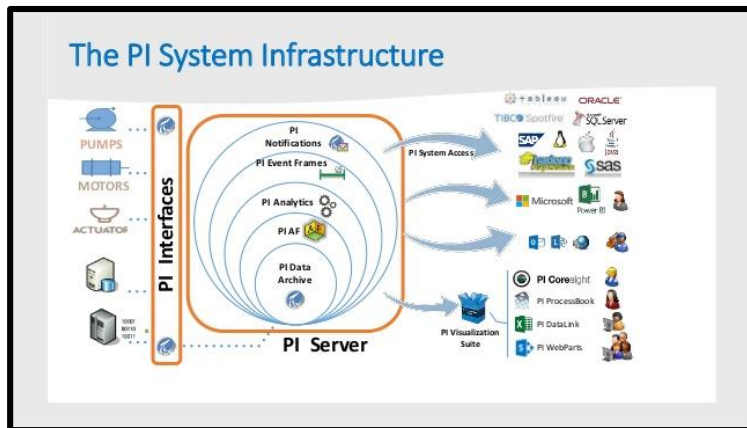
- **Working with the City to deploy electric vehicle chargers at City owned properties**
- **Public Transit Electrification**
 - **Oshawa Power is investigating a business model to own, operate and maintain electric bus charging infrastructure**
 - **Energy storage and solar panels could be used to augment these systems**



WE drive innovation



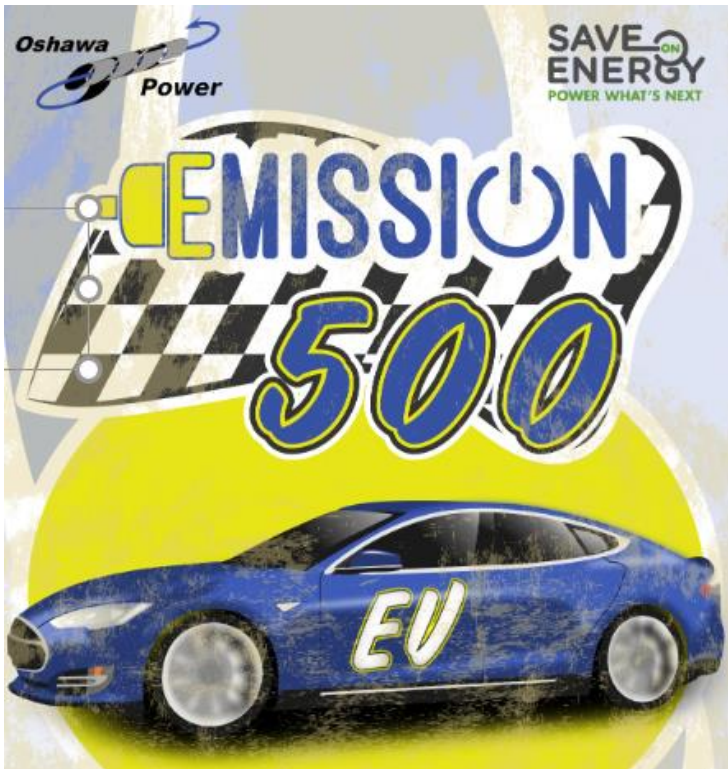
- **OEB provided funding for a Peak Pilot program**
- **Customer participants were provided with a tool to enable them to manage their energy usage and lower their monthly bills**



- **Operational data is being aggregated in a new centralized software system called Pi**
- **This enables advanced analytics and trending to improve system planning and the identification of problems**

WE drive innovation

EMISSION



Oshawa Power launched a program to determine how to promote EV adoption in the City

2018 saw the first phase of information gathering at Autofest:

- **EV owners surveyed**
- **It was determined there are approximately 80 EV owners in Oshawa**
- **40% of EVs are Chevy Volts or Bolts**
- **Website continues to provide information to interested customers**

***WE* are growing for our Shareholder**

2018 Financial Highlights (Thousands)

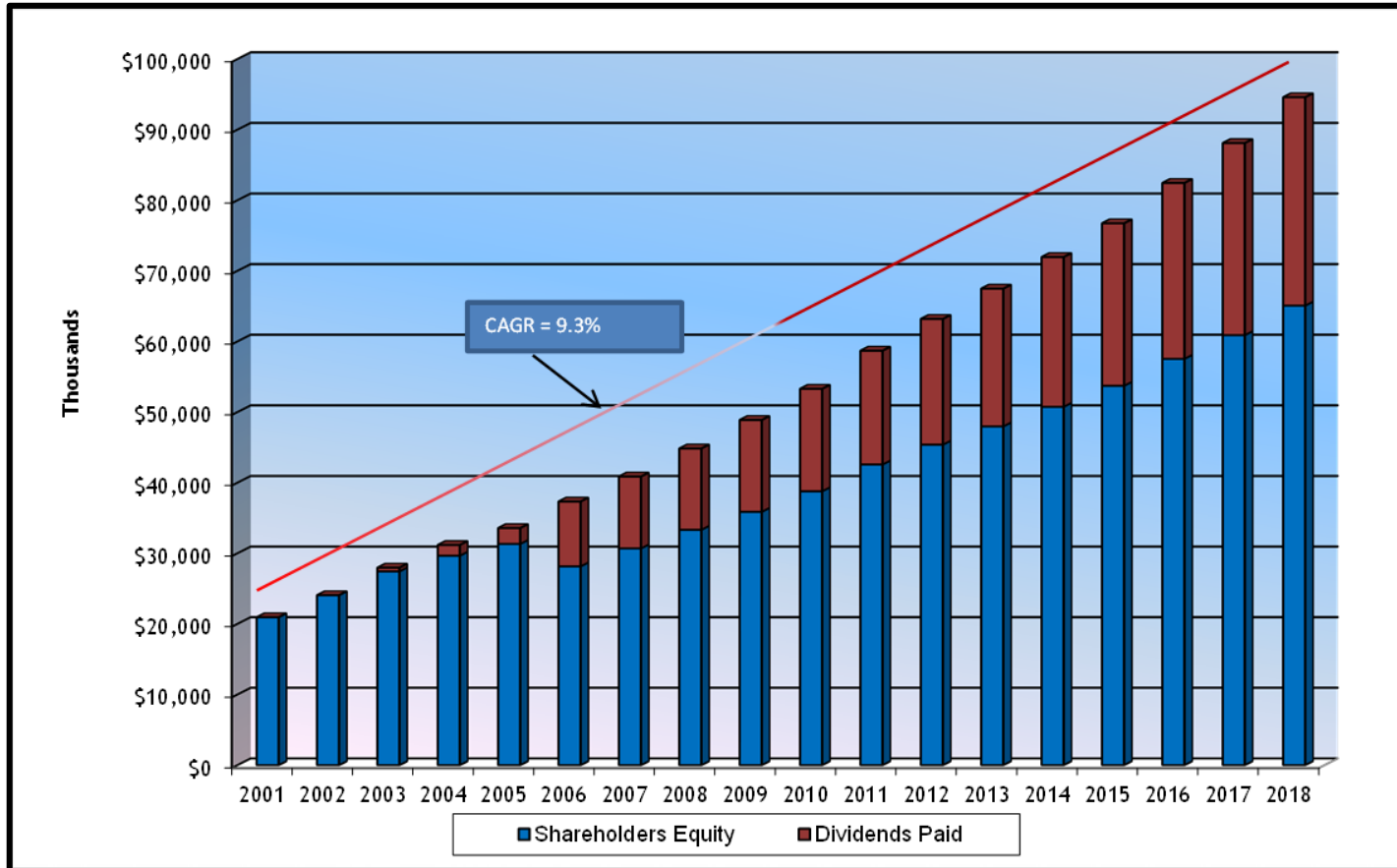
Metric	2018	2017	Improvement
Revenue*	\$36,645	\$31,968	15%
Margin on revenue**	\$32,165	\$29,096	11%
Net income***	\$6,486	\$5,651	15%
Dividend	\$2,500	\$2,300	9%

* Excludes Sale of electrical energy which is passed through to IESO.
** Revenue net of direct Energy management services expense.
***Net income before Other comprehensive income.

- Revenue up \$4,677; approximately 50/50 regulated to unregulated activity.
- Distribution revenue increased \$1,573 (7%); approximately 50/50 growth in customer connections to rate increases.
- 20% of dividend generated from the unregulated business based upon net income

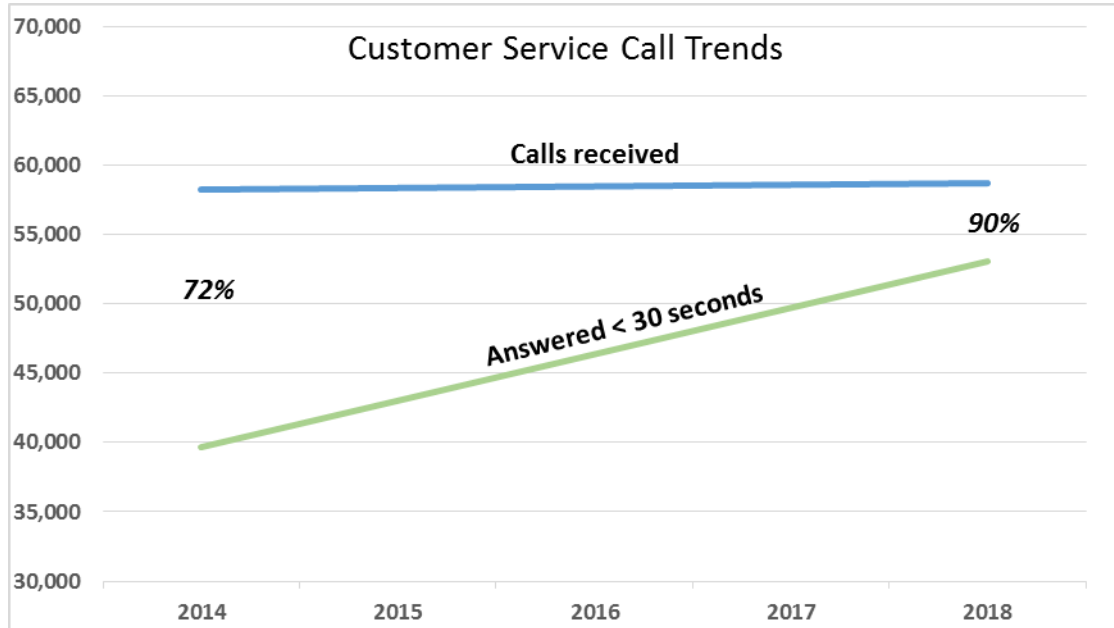


WE are growing for our Shareholder



- **Cumulative Average Growth Rate >9%; [Equity + Dividend]**
- **TSX growth ~3%**
- **TSX Energy Index growth ~4%**

WE are connecting with our customers



59% increase in website visits



83% increase in facebook followers



45% increase in Twitter followers

- **90% of calls answered in 30 seconds or less; OEB Index - 65%.**
- **More than 6,000 customers served on IVR self-service options.**
- **24,000 emails handled.**
- **1,250 customers accessed new online forms.**
- **19,000 registered with eBill – 32% adoption rate; estimated savings of \$233,000 from paperless bills.**
- **Third party industry wide survey - 95% customer satisfaction rating – The best ever!**
- **Internal customer service Snap Survey - 94% customer satisfaction rating.**

***WE* are growing our people**

***WE* are future-ready!**

Revitalizing the workforce

- **34 New hires in 2018**
- **Job Harmonization program**
- **2,433 Training hours provided by Oshawa Power**
- **Interns and new graduates from local post secondary institutions**



WE are focused on Safety

250,000 hours
without a lost time
injury achieved

Received IHSA
President's Award
June 2018

COR™ External
Auditor awards
Oshawa Power score
of 94%

First Annual
Contractor Safety
Day

Celebrating
500,000 hours
without a lost time
injury in June 2019

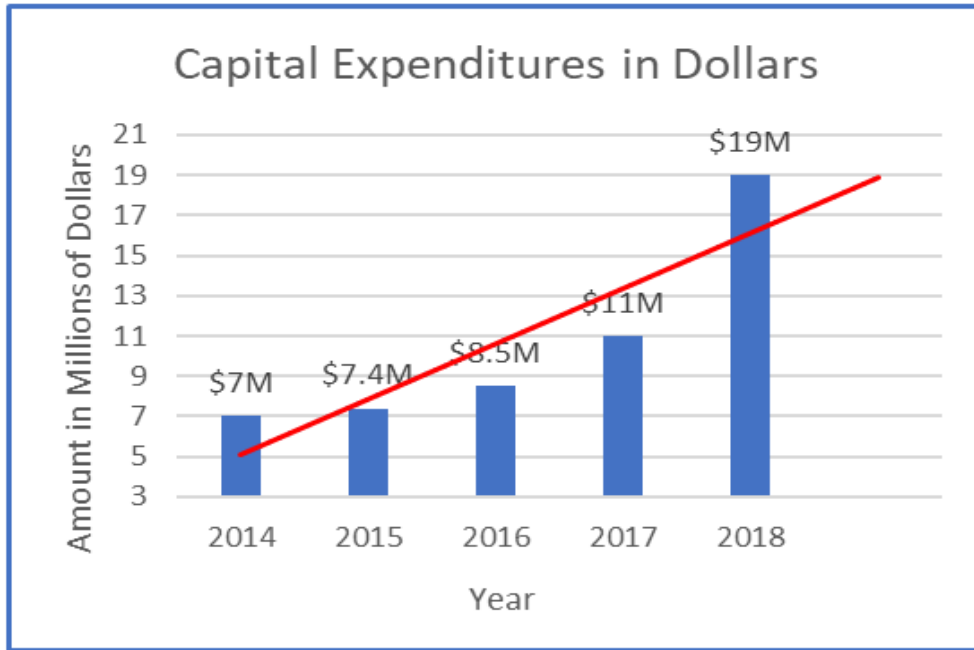


***WE* support our community**

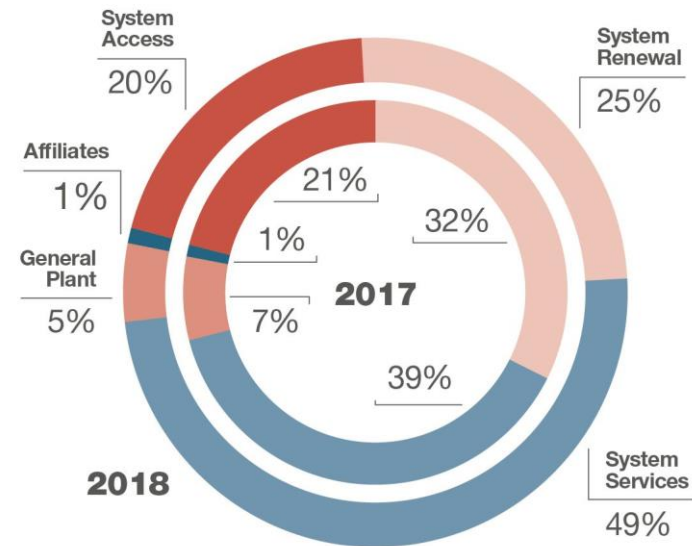
- **Big Brothers and Big Sisters**
- **Boys and Girls Club of Durham**
- **Child Safety Net**
- **Kinark Child and Family Services**
- **CURE Foundation**
- **Simcoe Settlement Hall**
- **St. Vincent's Kitchen**
- **Parkwood Estates**
- **Carea Health Network**
- **Downtown Business Improvement Association (DBIA)**
- **Oshawa Chamber of Commerce**



***WE* are investing in our Infrastructure**



Capital Spending by Category



19 Major Capital Distribution System Projects were completed in 2018 to expand, renew or improve Overhead and Underground infrastructure

***WE* are investing in our Infrastructure**

Rebuilds and expansions were completed throughout all wards in the last five years.

Legend

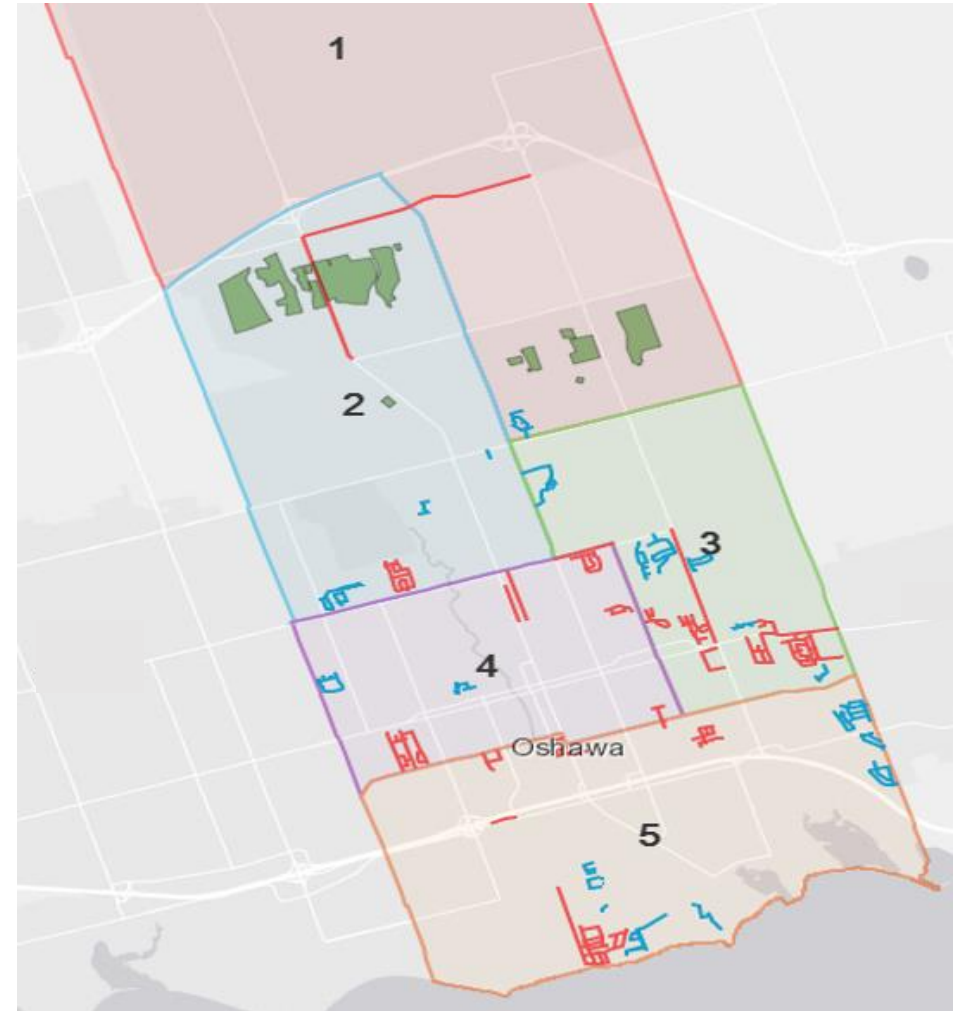
Expansions



2015-2019 Capital Rebuilds

— OH

— UG



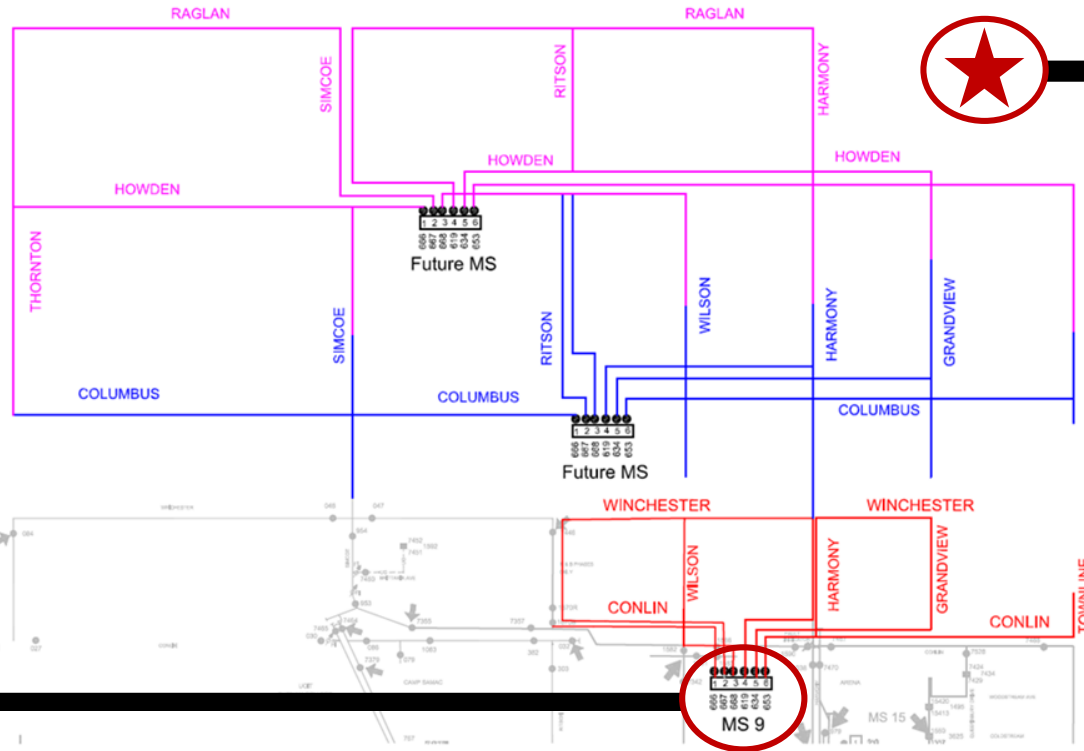
WE are growing with our Community

In 2018 there were 1233 new Customer Connections, representing 2% growth!



Oshawa Power MS9

- Energized in 2018
- To be loaded in 2019
- Improves capacity and reliability for growth in north Oshawa
- Steps 44kV down to 13.8kV
- Equipped with a backup control room



Hydro One Enfield TS

- Newly Constructed
- 3rd Supply point to distribution system
- Provides capacity for growth in north Oshawa
- Feeds MS9 at 44kV

Questions?

