

Toronto Hydro directly supports a broad range of community initiatives and programs, all with an eye to helping to make Toronto a more liveable city.

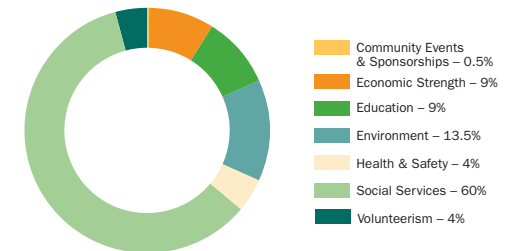
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CR INDICATORS

Community Involvement Expenditures

Charitable donations made to community-based organizations, including expenditures and donations. This indicator does not include in-kind contributions and department operational costs. It does include memberships and support activities

Community Involvement Expenditures January–December 2010



Average **Duration** of Customer Power Interruptions (SAIDI)

Average **Number** of Customer Power Interruptions (SAIFI)

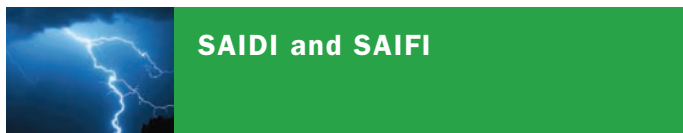
	SAIDI*	SAIFI*
2010	77.4 min.	1.77
2009	82.60 min.	1.6
2008	74.52 min.	1.8
2007	80.95 min.	2.0

*Excludes Major Event Days

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In 2010, THESL's SAIDI was 1.29 hours (77.4 minutes) compared to 1.38 hours (82.6 minutes) in 2009. The 2010 result compared favourably to the 2009 CEA average of 4.20.

THESL's SAIFI was 1.77 compared to 1.6 in 2009. This also compared favourably to the 2009 CEA average of 2.01

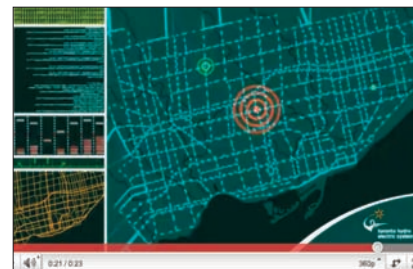
Inclement weather is a primary cause of power interruptions. Historical data on THESL's grid operations shows that since 2005, the number of storm days has increased in Toronto, closely mirroring the number of outages. However, since 2008, the physical damage to the grid has not been as extensive as in previous years.

The reason for this change may have to do with a new 'storm hardening' strategy that THESL introduced in order to deal specifically with inclement weather. In addition to pruning trees that directly touch power lines, its crews also prune those tree limbs located above the lines which may have the potential to fall on power lines and interrupt service during storms. This process of 'hardening off' in advance of storms appears to be having a positive impact, as does the use of covered power cables on lines where crews see a probability for outages caused when tree branches touch overhead wires.

“ Since 2006, THESL has invested approximately \$1.3 billion on equipment upgrades and network expansion. ”

In addition to these measures, THESL also continued to modernize the grid last year by installing thousands of new fault indicators at many locations to help find power problems (both overhead and underground) more efficiently and restore power more quickly. Some field supervisors and grid response crews were also equipped with laptop computers in their vehicles, allowing them to access maps and other information they need in order to respond promptly to problems on the grid.

Since 2006, THESL has invested approximately \$1.3 billion on equipment upgrades and network expansion including planning for a new transformer substation in downtown Toronto. This is part of a long-term strategy to reinforce the reliability of supply of electricity for downtown customers. Last year alone, these capital investments totalled approximately \$384.9 million. New equipment included approximately: 11,300 poles, 9,000 transformers, 2,400 kilometres of underground cable and 800 kilometres of overhead secondary cable.



PowerUp video

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Research and Development

Electric Vehicles

In November, THESL, in collaboration with Mercedes-Benz Canada, announced the launch of Canada's first electric vehicle program designed specifically for automotive retail customers. As one of the first production electric vehicles available in the country, the **smart fortwo** electric drives will play an integral role in this pilot project, which has been named the Toronto Hydro smart Experience.



The goal of the Toronto Hydro smart Experience is to study the driving patterns, charging habits and the impact on the electricity grid of 15 Toronto-area 'lead ambassadors' who will participate

in this unique pilot program. The program will provide THESL with grassroots consumer feedback on electric vehicle use in an urban environment.

Electric vehicles are particularly suited to 'off-peak' charging, allowing owners to take advantage of lower cost off-peak TOU rates. Charging the smart fortwo electric drive vehicle during off-peak times is estimated to be one quarter of the cost of fuelling comparable vehicles with gasoline.

Smart Community

In October, THESL began to test the reliability of a new 'smart grid community', which is a service area containing approximately 10,000 households. Integrating modern communications and information technologies into the electricity grid, the pilot is monitoring the impact of new grid equipment in order to gauge which automation techniques work best as THESL's system renewal program continues.



Grid modernization is expected to result in more reliability because the strategy includes the installation of sensors and switches to communicate system status and abnormalities as they occur and consequently, problems can often be fixed before outages occur.

THESL's 'smart community' is also testing transformer smart metering. Currently,

more than 1,500 of the meters are installed on distribution transformers in a designated area of the city, and they have helped to identify potential problems which could be remedied before outages occurred.

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Centre for Urban Energy at Ryerson University

THESL participates in the Centre for Urban Energy (“CUE”), a research and technology demonstration centre devoted to the discovery and commercialization of innovative solutions to urban energy issues. Ryerson’s CUE will bring together industries, government and top researchers from across Canada and around the world to undertake a collaborative and multi-disciplinary approach to the study of urban energy. The CUE will combine engineering, science, environment, business and infrastructure management to tackle immediate challenges such as the development of clean energy technologies; energy conservation and demand management; alternative local energy generation; energy storage; carbon footprint reduction; and smart/adaptable infrastructure. The goal of the CUE is to help develop solutions to these and other challenges for urban centres.

CUE will distribute up to \$900,000 annually for approved research projects. In addition, each year CUE will grant \$100,000 in bursaries, scholarships and awards to students, and \$400,000 to distinguished fellows from industry and academia who are engaged in CUE’s work.



Customer Issues

Protecting Public Health and Safety

Contact voltage is an intermittent condition that exists when electricity or voltage is present on street equipment such as sidewalk handwells or hydro pole plate covers. It is more likely to be present during wet, icy or salty conditions. Freezing and thawing can cause the ground around underground equipment to shift, thereby disturbing underground wiring and creating conditions where contact voltage can occur.

In 2010, THESL began a new phase of its contact voltage remediation program, which involves replacing handwells in the City with a non-conductive polymer-concrete model. This new type of handwell is designed to reduce the risk of contact voltage.



To date, THESL has replaced approximately 2,000 handwells (nearly one-third of its total assets in the downtown core area) with the new model. In addition, thousands of metres of electrical street lighting cable that run between handwells have been inspected and replaced as part of this program. The equipment replacement phase of the program is on track to be

completed in 2012, while maintenance and overnight scanning of equipment will be ongoing.

A public education campaign called ‘Be Safe’ was launched in December to remind pedestrians to be cautious around all electrical equipment and street fixtures.

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Privacy by Design Project

THESL worked with the Province of Ontario’s Information and Privacy Commissioner last summer on the launch of a publication to guide utilities on how to ensure that consumers’ personal information is protected as the electricity grid becomes ‘smarter’. The document is titled *Privacy by Design: Achieving the Gold Standard in Data Protection for the Smart Grid*.

Customer Service, Support, and Complaint and Dispute Resolution

Customer traffic to www.torontohydro.com website increased by approximately 83 per cent over 2009, to 3.7 million visits, as THESL introduced personalized TOU billing information for many residential customers, online registration for conservation programs, power outage location maps and other self-service features. A new microsite – www.poweruptoronto.ca – also allows customers who are affected by THESL’s capital program to track the status of work taking place in their neighbourhood.



With the installation of approximately 674,000 smart meters, THESL continued the job of educating customers about TOU rates. Through a combination of coupons, educational materials, community presentations, advertising and e-newsletters, it targeted low- and mid-income neighbourhoods in order to educate consumers about the new rates.

It makes efforts to reach out to diverse communities with particular focus on low income residents and customers speaking languages other than English. Last year, to help customers learn more about energy conservation and TOU rates, THESL produced brochures in each of the five most highly spoken languages in Toronto and also placed advertisements in corresponding community and ethnic weekly and daily publications. THESL also produces videos in various languages to extend program offerings to distinct communities. For example, a video promoting the Power Savings Blitz, an energy conservation program for small businesses, was produced in Korean and posted on www.torontohydro.com. Public service advertising related to contact voltage was produced for mainstream print media and translated for the community market in these languages. Lastly, www.torontohydro.com offers essential Accessibility, a software-based service that makes online environments fully accessible to individuals with physical disabilities.

“ Customer traffic to torontohydro.com website increased by approximately 83 per cent over 2009, to 3.7 million visits. ”

Customer Engagement Strategy

As part of its goal to continue enhancing customer service, THESL re-structured several line and operations roles last year, including the creation of a new department with a focus on the Customer Experience.

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Customer Engagement Strategy (continued)

Traditionally, utilities have centred their service efforts almost exclusively on the mission-critical activity of distributing a predictable and reliable supply of electricity. However, this paradigm has shifted. The relationship with THESL’s customers has progressed from passive to active, and towards a more participatory approach – one that is facilitated by information systems that provide customers with greater ability to interact with us. Importantly, THESL can more effectively target programs, services and communications, based on an in-depth knowledge of its customers.

“ Many touch points will be considered in terms of building engagement and trust with customers. ”

Over the years, THESL has been recognized with several industry awards for its achievements in the area of CDM. Consumers, customers, the media and other utilities depend on the accuracy of the information provided by its CDM experts. THESL has worked with the CLD to co-ordinate the expansion of CDM programs across its combined customer base.



J.S. Couillard

Chief Financial Officer, Toronto Hydro Corporation

“This is the second year that I have been involved in minor hockey with the North Toronto Hockey Association. On top of coaching house league, I took over as the head coach of the competitive select program for seven-year old children. Motivating, mentoring the children and encouraging participation on and off the ice are key traits that I emphasize as a coach. Also, I make sure to focus on a balance between teaching the fundamentals of the game and ensuring the players are having fun. Leading by example and gaining trust and respect from the players is imperative.”



Community Involvement

Over the years, Toronto Hydro employees have developed many creative ways to raise money for those in the community who have fallen on hard times. But where their methods may have changed over time, there has always been one constant and that is their unwavering – and growing – generosity.



Last year was no exception. Approximately 125 employee volunteers worked together on the United Way/Charity Trust campaign. At the end of the campaign, a contribution of \$367,123 was made to the

community compared to \$194,249 raised in 2007.

In addition to their involvement in the United Way/Charity Trust campaign, Toronto Hydro employees give back to their community in a myriad of other ways, and at the annual *Brighter Days Circle of Employee Volunteers* event last spring, 280 employee volunteers were honoured for their volunteer contributions.

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Toronto Hydro also directly supports a broad range of community initiatives and programs, all with an eye to helping to make Toronto a more liveable city, both environmentally and economically. To this end, it participates in city-building industry initiatives such as CivicAction (formerly Toronto City Summit Alliance) and the Toronto Board of Trade. As noted previously, it also supports environmental responsibility through programs such as the City’s Tree Advocacy Program and Ontario Forestry Association. In the social services area, its main focus is on the United Way/Charity Trust and the Winter Warmth Fund, which last year helped 3,900 low-income customers to pay their electricity bills during the winter months.



United Way video



Doug Evans

Senior Electrical Service Inspector, West District, Toronto Hydro-Electric System Limited

“My first ride in 2009 marked a successful return to life, 12 months after being diagnosed with Multiple Myeloma and receiving a stem cell transplant. During 2010 I lost two friends to the same cancer I have. Today, it is treatable for a while, remission is temporary, and it is not yet curable. To ride 200 km to raise funds for cancer research in unpredictable conditions requires a lot of training, dedication, and focus. I will do whatever it takes to complete this ride. I do it for me, and everyone else living and waiting for a better tomorrow.”

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Feedback on this Report

Toronto Hydro welcomes input from the public about this report, and to that end, maintains an electronic mailbox at sustainability@torontohydro.com. Inquiries can also be directed to:

Blair Peberdy

Vice-President

Marketing, Communications and Public Affairs

Toronto Hydro-Electric System Limited

14 Carlton Street

Toronto, ON

M5B 1K5

416-542-2515

bpeberdy@torontohydro.com

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