

# Niagara-on-the-Lake Energy Inc. 2019 Annual General Meeting

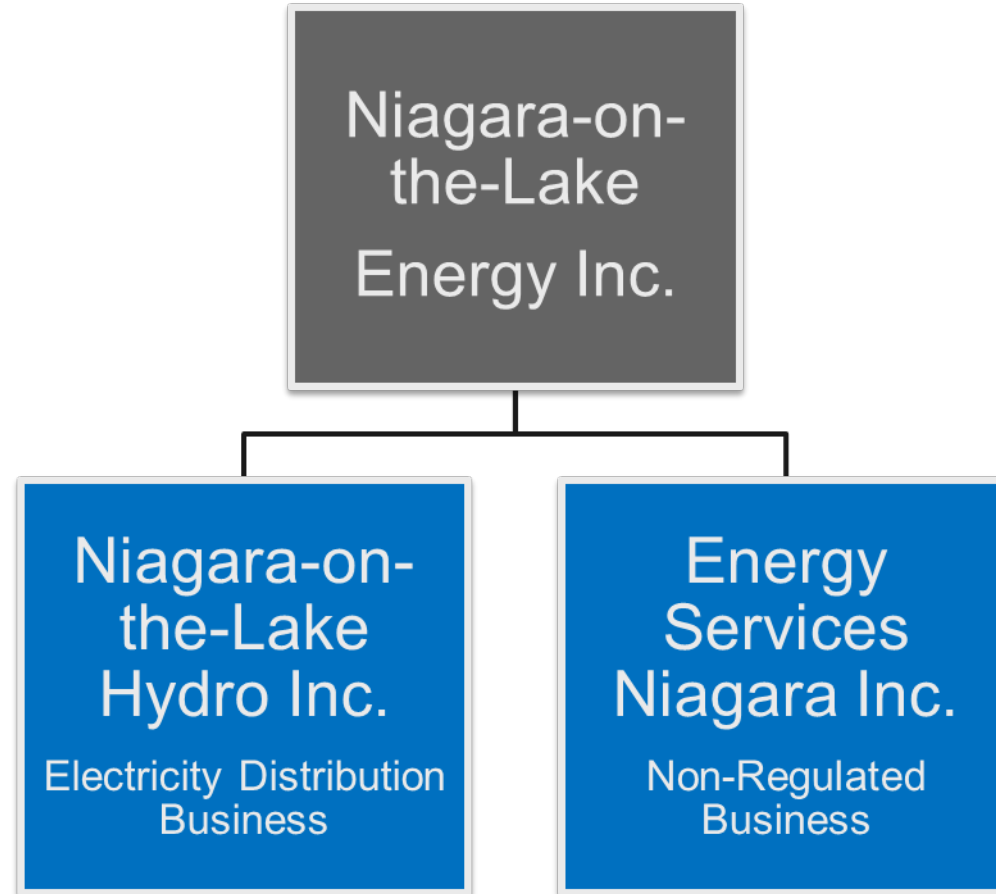


May 13, 2019 | Presented by Niagara-on-the-Lake Energy

# Corporate Structure

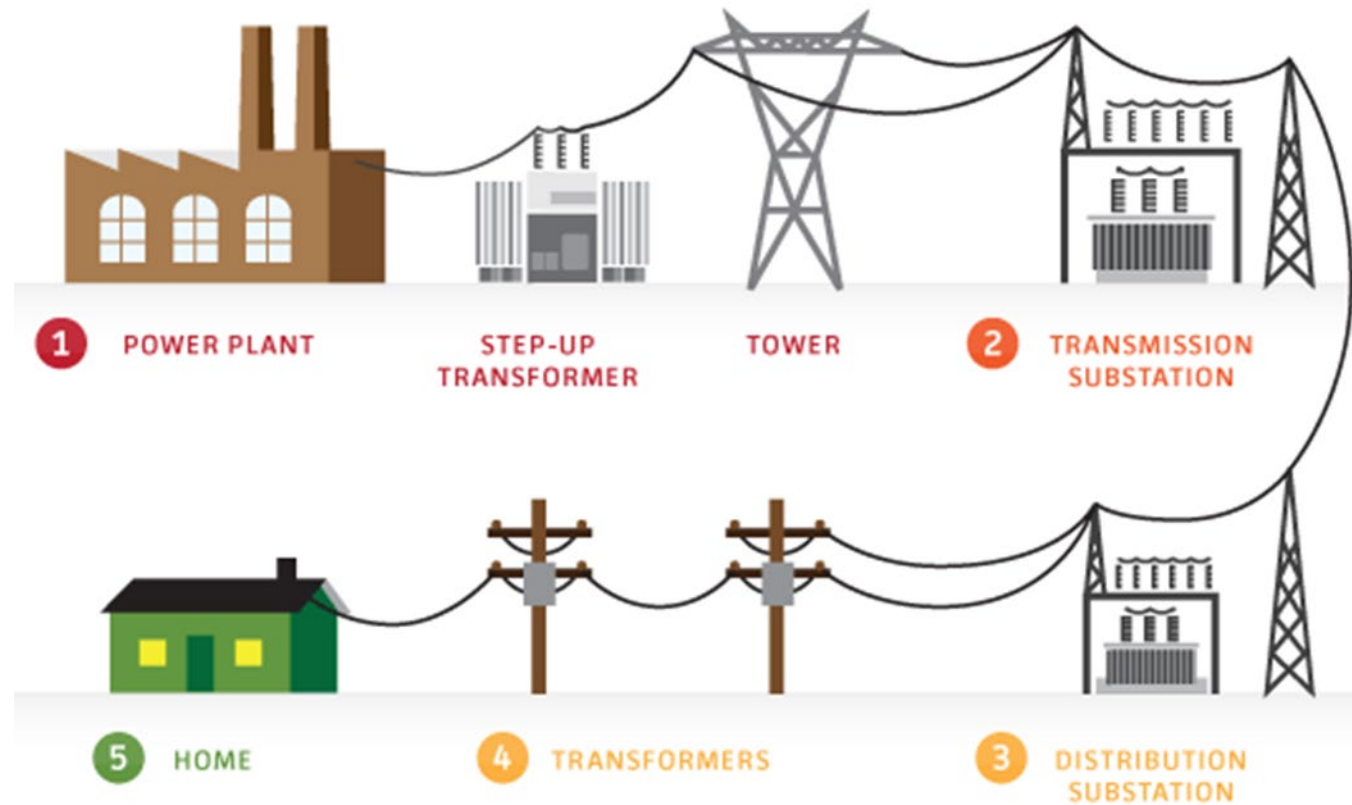
## Board of Directors

1. Lord Mayor Betty Disero
2. Councillor John Wiens
3. Town CAO Holly Dowd
4. Jim Ryan (Chair)
5. Bob Cheriton (Vice-Chair)
6. Jim Huntingdon
7. Nick Miller
8. Philip Wormwell



# Industry Structure

- NOTL Hydro provides steps 2 to 5



# Regulatory Structure

- **Ontario Energy Board, OEB**
  - NOTL Hydro is licensed by the OEB and is restricted to business lines
  - All rates and charges set by the OEB based on approved revenue and expenditure targets
  - Bill presentment and certain bill inserts mandated by the OEB
  - Reporting requirements and accounting policies
- **Independent Electricity System Operator, IESO**
  - Manages when generators operate and use of transmission system
  - Manage hourly electricity market
  - Contracts with all generation
  - Bills NOTL Hydro for generation, transmission and regulatory charges
- **Government of Ontario – Ministry of Energy**
  - Laws and regulations

# Our Values

Our values reflect how we try to operate and our desire to maintain the trust that the community has placed in us:

- Safety
- Integrity
- Customer Focus
- Shareholder Value

# 2018 Activities

- No lost time incidents
- More of Johnston St. converted to underground
- Part of Line 3 converted to 27.6 kV from 4 kV
- Lakeshore Rd. rebuild
- Continued Grid Modernization – 2 switches and 2 reclosures
- 2 successful open houses held in April 2018
- Solar installed on NOTL Hydro roof
- 5 year cost of service application
- Connect Tweed operation with dedicated line

# 2019 Plans

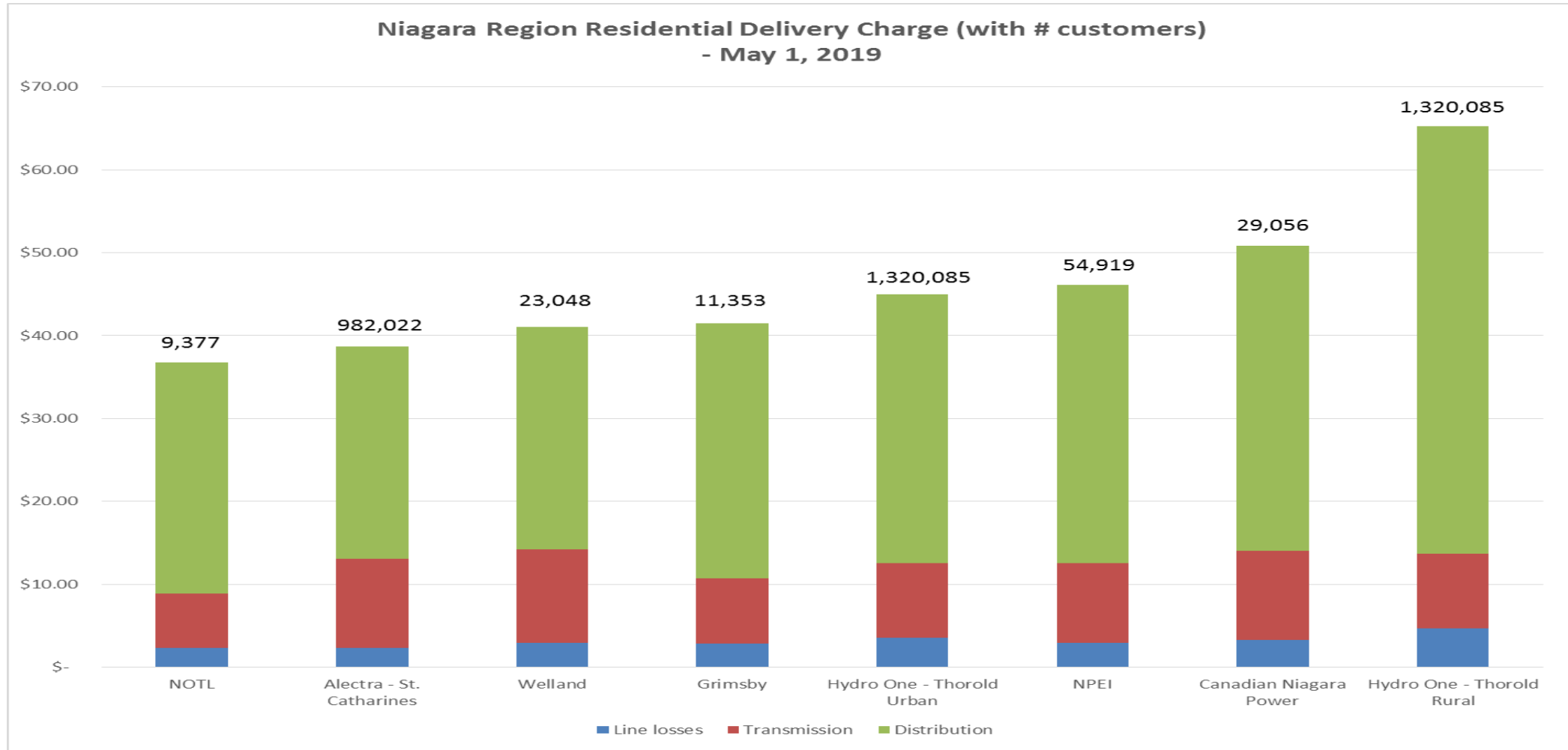
- Continued focus on safety
- Installation of new 83 MVA transformer
- More of Johnston St. converted to underground
- Voltage conversion work on Line 1 and Line 3
- Install 250 kV lithium-ion battery at York Station
- Continued Grid Modernization – 2 switches and 2 tripsavers
- Look at bringing locates in-house with Town
- Resolve regulatory issue
- Continued strong financial performance

# Other Ongoing Activities

- Local Generation
- Shared Services
- Advocacy
- Water billing
- NRBN
- Wireless Towers



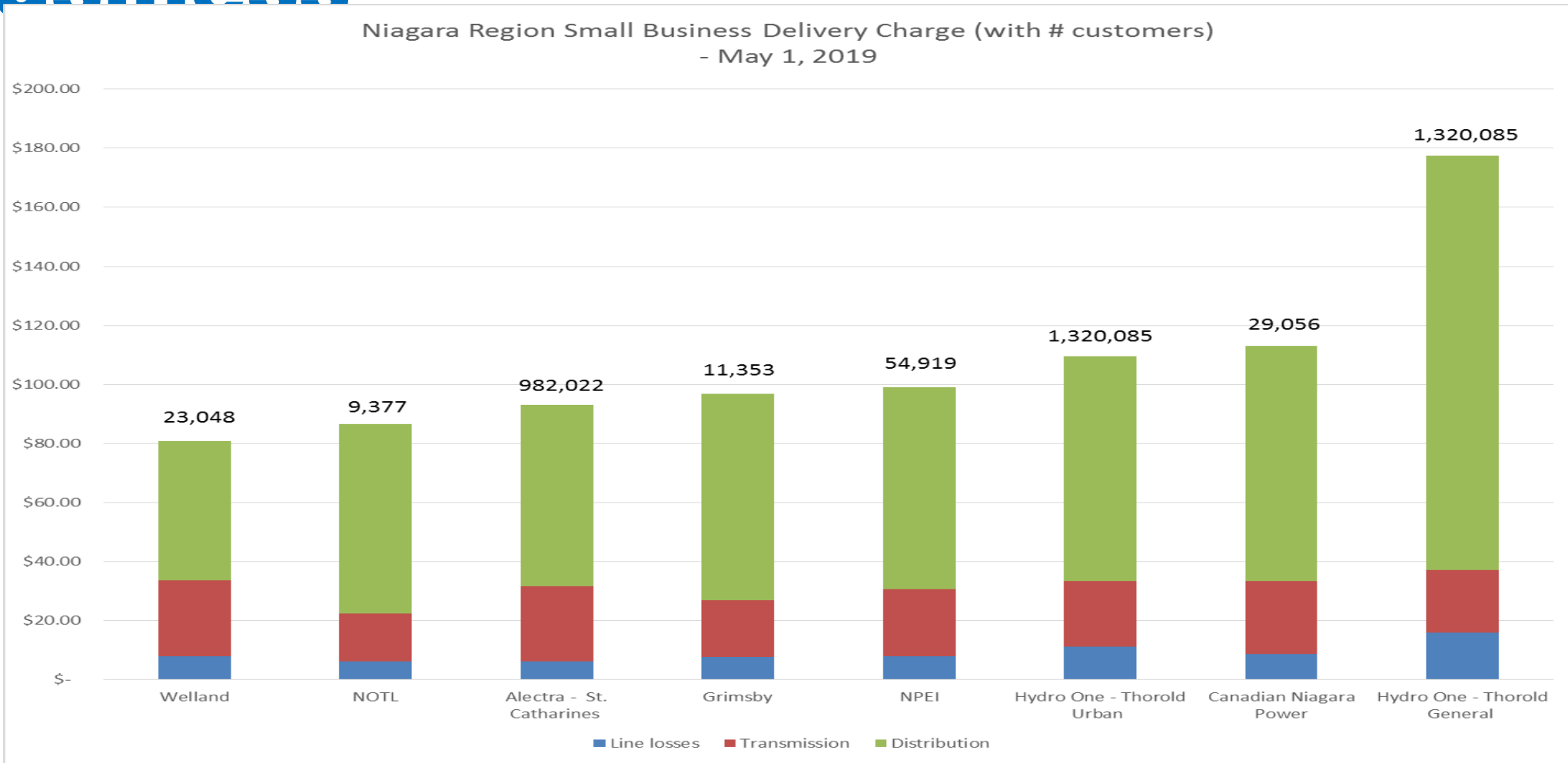
# Niagara Region Hydro's Delivery Charges - Residential



# Niagara Region Hydro's Delivery Charges – Small Business

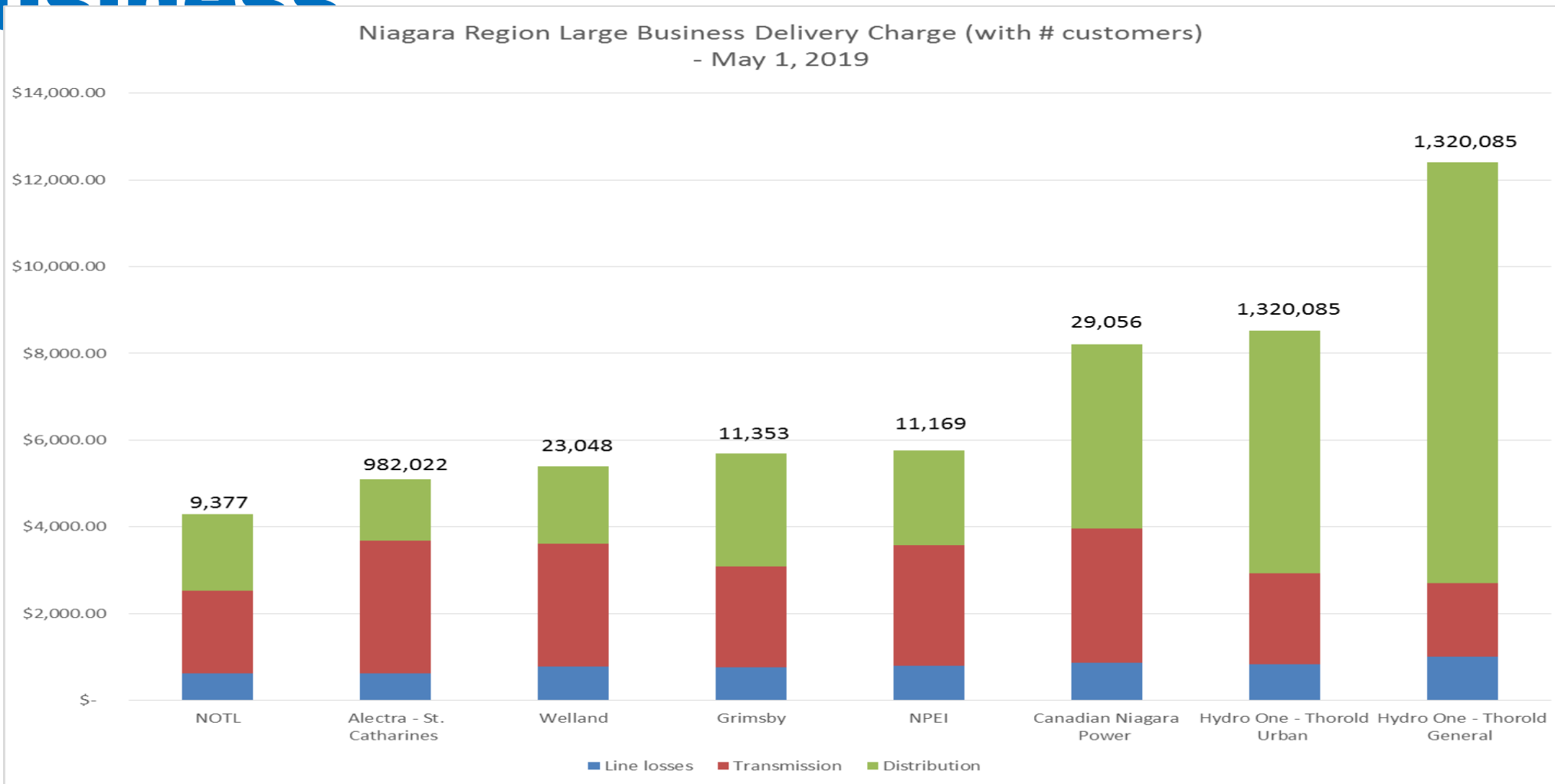


Niagara Region Small Business Delivery Charge (with # customers)  
- May 1, 2019



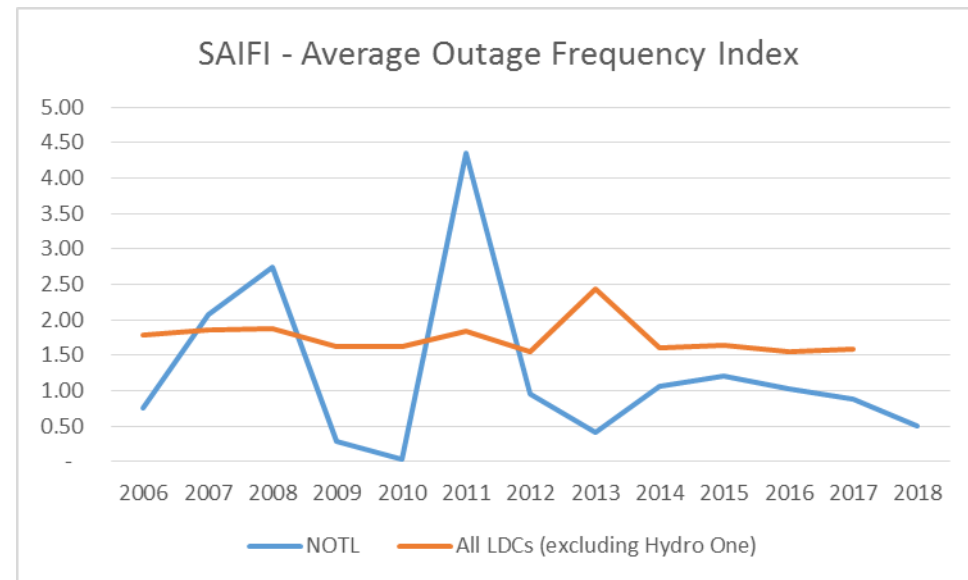
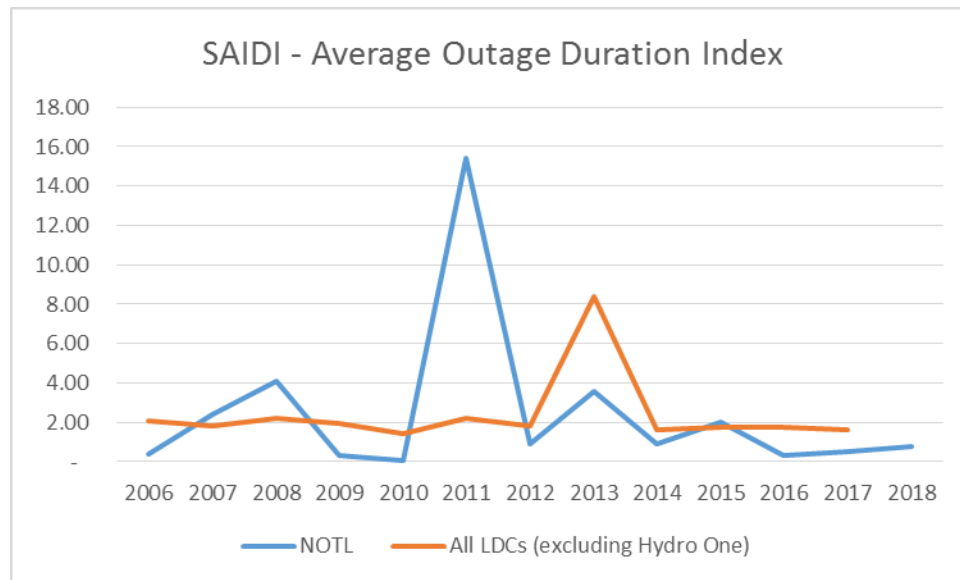
# Niagara Region Hydro's Delivery Charges – Large Business

Presented by  
**Niagara  
On-The-Lake  
HYDRO**



# Reliability

We measure reliability based on how many outages you have and how long they are.



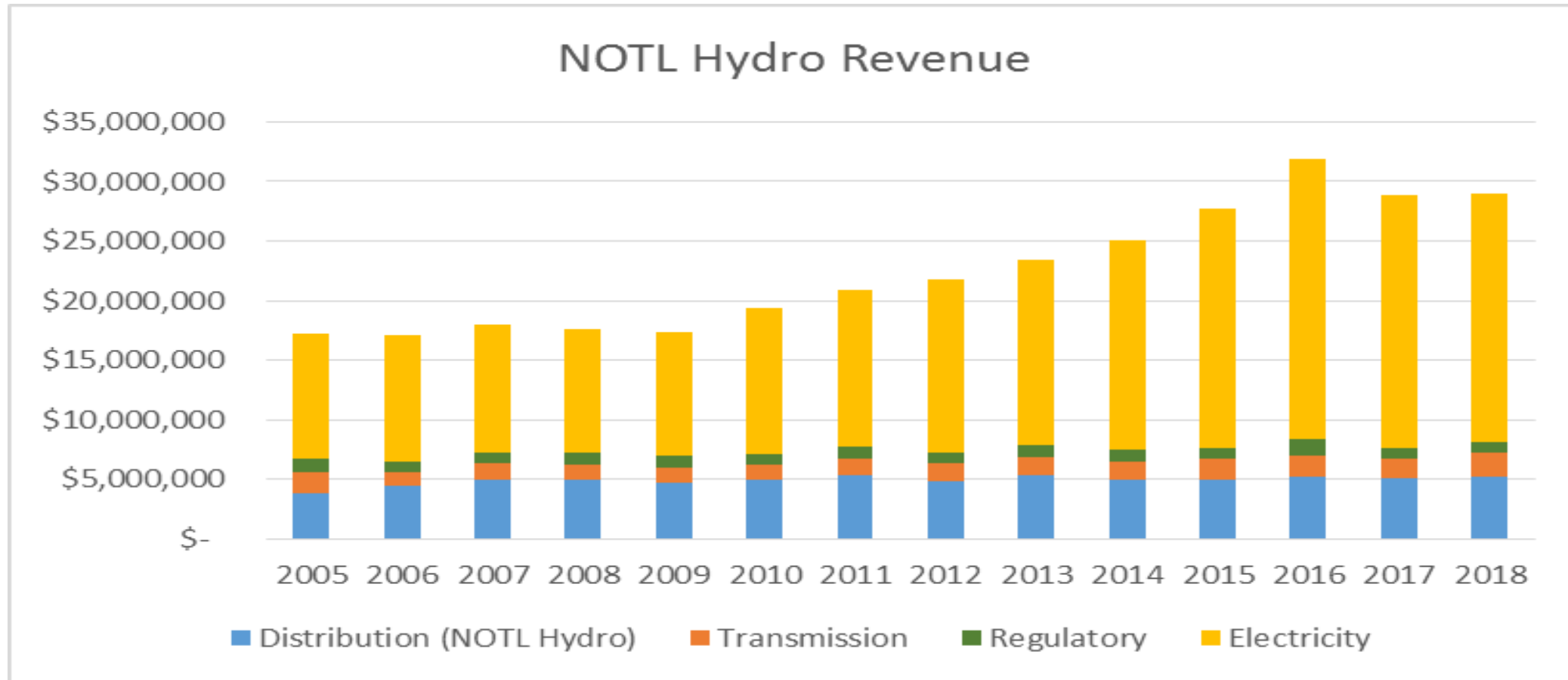
# Transformation Capacity

## Transformer Station Capacity (MVA)

	<i><b>NOTL T1</b></i>	<i><b>NOTL T2</b></i>	<i><b>York</b></i>	<i><b>Total</b></i>
2014	25	25	42	92
2016	50	25	42	117
2020	50	42	83	175

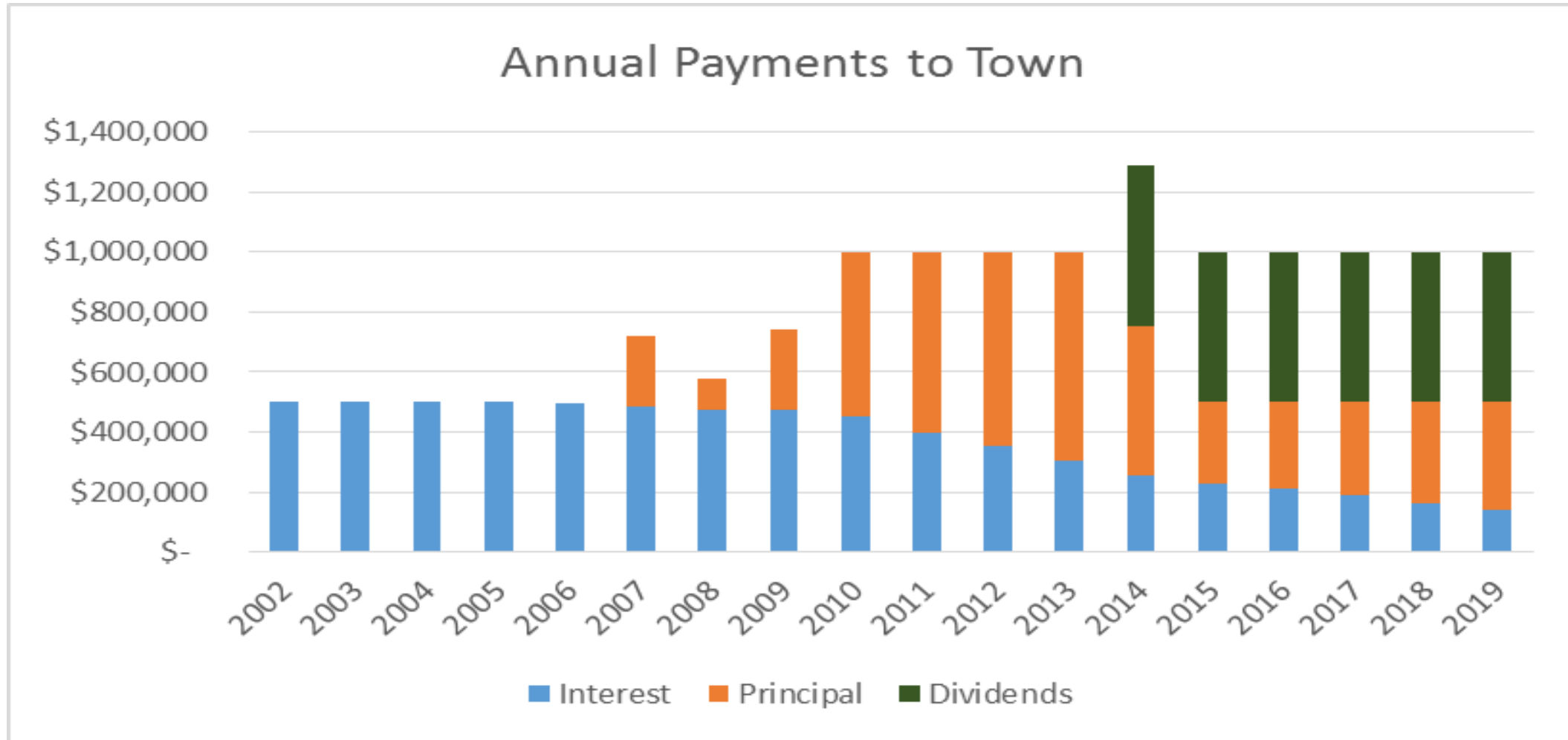
# NOTL Hydro Revenue

- 18% of hydro bill kept by NOTL Hydro
- 82% for generation, transmission and regulation

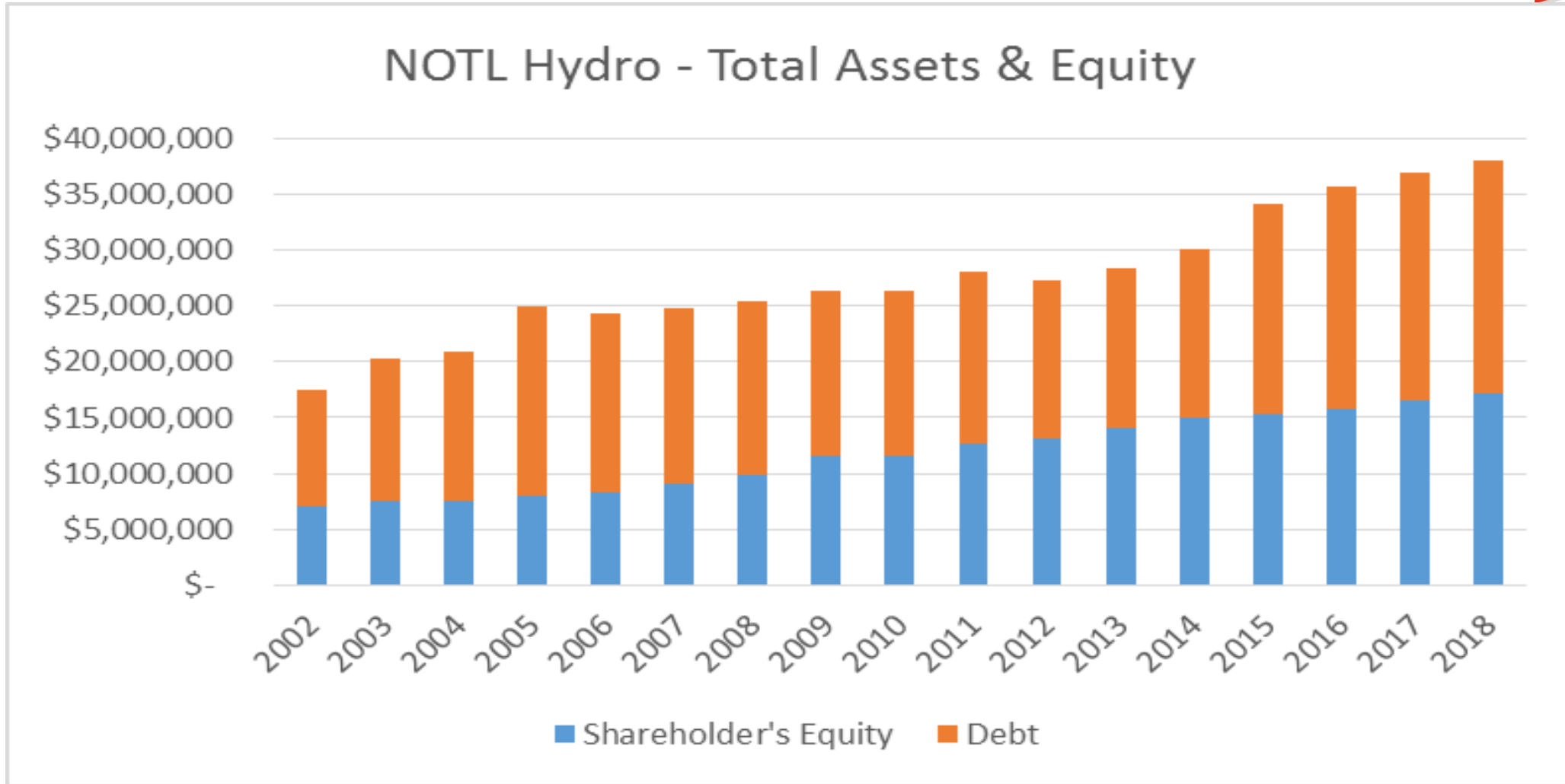


# Annual Payment to Town

Annual Payments to Town of \$1 million helps lower property tax rates



# Book Value of NOTL Hydro





# Corporate Resolutions

1. Approval of minutes from 2018 AGM
2. Approval of 2018 Audited Financial Statements
3. Appointment of KPMG as Auditors for 2019
4. Appointment of Directors
5. Confirmation of all acts