



Burlington **enterprises**  
corporation

Burlington Enterprises Corporation 2021 Community Report:  
Because of you, we Shine





“We continue to operate our business in a responsible and safe manner, and have kept the safety of our employees and customers as a top priority throughout the pandemic. We also understand that the reliable delivery of power to support our hospital, emergency services and institutions on the front lines continues to be more important than ever.”

Gerry Smallegange, President and CEO

Spring 2021

## About Burlington Enterprises Corporation

Burlington Enterprises Corporation (BEC) is an energy services company that is wholly owned by the City of Burlington. BEC oversees two affiliate subsidiaries: a regulated “wires” company, Burlington Hydro Inc. (Burlington Hydro), and an unregulated company, Burlington Electricity Services Inc. (BESI).

With a total licensed service area of 188 square kilometers, Burlington Hydro serves approximately 69,000 residential and commercial customers in the City of Burlington, delivering electricity into the community through a network of 1,600 kms of medium voltage distribution lines and 32 substations.

## Committed

Our corporate responsibility philosophy is straightforward – we’re a progressive company committed to continuous improvement and performance excellence in the areas of safety, stewardship, community involvement and technological innovation. To support this, the company maintains a strong asset base through responsible financial management, system renewal and innovation that assures the availability of electricity supply to meet the needs of its customers and growing community.

## Responsible

We take our responsibility of informing, educating, and responding to customer needs very seriously. We are committed to helping keep our city a great place to live, work and do business. By enhancing customer engagement and communications, Burlington Hydro is helping customers make better choices and create healthy, sustainable results for the community it serves.



## Resiliency and PERSEVERANCE: A Message from the Chair and CEO

2021 was a year where resiliency, perseverance, and hard work provided the momentum to achieve positive outcomes for Burlington Hydro. By working together, we realized several significant milestones in a short period of time. It was a true team effort, accomplished in the shadow of COVID-19 restrictions and disruptions. We adapted and learned to work successfully in new ways.

Our employees demonstrated perseverance and professionalism that allowed us to adapt successfully to the challenges presented by the pandemic. Their efforts helped to ensure service continuity across all levels of the company and supported our ability to deliver safe and reliable power to the community.

Burlington Hydro was proactive in reaching out to customers, providing assurances that we understood the ongoing financial Ongoing health restrictions and lockdowns, and then the emergence of the Omicron variant late in the year, presented challenges of course, but our ability to pivot and maintain an even keel served us well. hardship that many businesses, individuals, and families in our city were experiencing. Our customer service team worked with those customers who were struggling to provide flexible payment options and information about provincial COVID-19 assistance programs. Our 'Meeting Burlington's Needs Through COVID-19' program provided valuable information to customers on social media, on our website and through traditional media channels.

And although COVID-19 remained an ever-present backdrop to 2021, there were many other critical activities in play, including the completion of several substantive capital projects: Municipal Station (MS) feeder egress cable replacement, primary switchgear upgrades, meter re-verification, expansion of the self healing grid in the downtown core, and overhead work to accommodate widening of Waterdown Road and Dundas Street, among others. Although there were delays on some of the larger development projects in the downtown, work continued at a brisk pace to keep up with numerous residential service requests.

We also reached two key milestones in 2021. The launch of a new Customer Information System (CIS) in late spring after many months of integration planning and testing. And a successful Cost of Service rate application that determines the company's distribution revenue for the next five years – 2021-2025. This provided long-term visibility into future distribution rates as well as resetting the company's regulated rate of return.

We are a community-based utility that takes a keen interest in how our actions impact our local community. Climate change was a dominant theme in the global news cycle in 2021 and was an important backdrop for two related City initiatives – Burlington's 'Climate Action Plan' and the drafting of the 'Climate Resilient Burlington' report. Burlington Hydro representatives provided their expertise and participated as key stakeholders on both of these high-profile initiatives.

Electric vehicle (EV) charging station infrastructure, energy conservation, and our ability to respond to severe weather events, remained relevant themes in these discussions.

We have also seen the needs of so many in the city exasperated by COVID. Local not-for-profit organizations and charities have found it difficult to keep up with the demand for their services. With that in mind, we focused our attention in 2021 on giving to local charities, shelters, and food drives, where demand was felt most keenly.

In looking back on 2021, there are two things that come immediately to mind. First, that we received a resounding 96% satisfaction score on our annual Customer Satisfaction Survey – that’s the highest score we have ever achieved. And secondly, Canada’s Top Employer’s recognition of Burlington Hydro as a Top Regional Employer for the third year in a row. Our success would not have been possible without committed employees, a leadership team who led by example, and an experienced Board of Directors providing counsel and guidance.

Community and customer expectations are continuing to evolve. How we incorporate innovative technologies, financial oversight, communications, corporate and environmental responsibility, all play into our future. It’s a culture of continual adjustment and improvement to ensure we are delivering value and contributing to our community. We believe this represents a positive and sustainable trend forward for our company.



*Gerry Smallegange, President and CEO*



*Susan Kilburn, Board Chair*

*Burlington Enterprises Corporation*



## A reliable and stable distribution network

Operational activity was particularly brisk in 2021. Burlington Hydro made headway on its capital projects, maintenance activities and an uptick in service requests. While there were some construction delays for large developments due to the pandemic, demand for small residential and commercial service upgrades was very strong. The increased activity reflected customers taking on more home renovations, pool installations and office upgrades. 1,136 service inquiries were received in 2021, representing a substantial 45% increase over 2020.

## Expanding the Self-Healing Grid

Burlington Hydro undertook several important reliability enhancements in 2021, including the installation of 15 new devices to the self-healing grid in the downtown core. Combined with the latest intelligent control software, these switches almost double the protection afforded the core's self-healing grid - building on our ability to localize sections of the grid when interruptions occur, so power can be quickly restored.

There are now 27 intelligent self-healing switches connected to the system in the city's downtown. This further improves the self-healing performance and protection against power outages for critical loads such as Joseph Brant Hospital, the water treatment / wastewater treatment plants, the coastguard, and city hall.

## Construction Projects

Burlington Hydro completed the replacement of several end-of-life and at-risk assets in 2021, including approximately 80 poles, underground primary cables in subdivisions, underground egress primary cable replacements at several Municipal Stations (MS) and the power transformer at Mount Forest MS.

## Metrolinx Electrification Project

Metrolinx electrification of the GO Train to the east of the Burlington GO station progressed through several of its phases in 2021. Seven of twelve phases are now complete. The work focused on the reconstruction of distribution lines along both Fairview Street and Harvester Road as well as the relocation of feeders crossing the tracks. In addition, service was provided to the new Metrolinx Interlocking Station which operates signals in the area. The remaining work on the project will continue throughout most of 2022.



## Community Road Widening Projects

The relocation of poles and assets in a number of roadway construction projects was completed in 2021. This included significant work to relocate approximately 80 poles along Waterdown Road to accommodate its road widening. Dundas Street also saw the relocation of distribution assets for a regional road widening from Tremaine to Appleby, while distribution assets were relocated at Britannia and Appleby Line for a new roundabout installation.

Another significant road widening project is planned for later in 2022 - along Dundas Street from Appleby to Guelph Line - which will involve relocating up to 100 poles.

## New Service Connections

BH provided new service to a 414-unit multi-unit residential building on Valera Road, a large commercial building at 3215 Harvester, two schools - Halton Waldorf and Makwendam Public School - and an industrial site on International Blvd.

Development activity continues in 2022 with several multi-unit residential buildings in the downtown core, burial of lines along Fairview Street and provision of a temporary service for the start of a multi-tower project on Fairview at Drury Lane.





## It Takes a Diverse Team

**Engineering:** Behind-the-scenes work performed by Burlington Hydro's professional engineers is central to the planning and building of Burlington's power distribution system. They play an instrumental role in overhead and underground infrastructure, cable routes and location parameters, while providing engineering support to operations and maintenance.

**Lines:** Lines crews respond to emergency calls, motor vehicle accidents, broken poles, downed wires, trees on wires, equipment faults, faulted underground cables, customer services upgrades, and tree trimming, among other duties. They are also responsible for installing new poles, transformers, wires, and customer connections.

**Stations:** Responsible for maintaining 32 Municipal Stations in the BH Service territory. The Stations department also performs tests on suspect cables, locates faults on primary cables, and installs smart switches. Among other capital projects, MS feeder egress cables were replaced at various substations throughout the city.

**Metering:** The Metering team maintains the meter population in BH's service territory (approx. 69,000 meters) and investigates power quality issues. Approximately 1,000 smart meters are replaced each year, while approximately 1,500 meters are replaced under the meter reverification program. In 2021, BH started the process of upgrading its Advanced Metering Infrastructure (AMI) software, with enhanced tools that will, among other features, allow for the installation of next generation meters.



**Control:** The Control Room is the over-arching 'controlling authority' for Burlington Hydro's Electrical Distribution Network. All work that occurs on the Electrical Distribution Network must be authorized and documented by the Control Room.

## Burlington Hydro's Nerve Centre

The Control Room prepared approximately 900 switching packages for planned and unplanned work on the Distribution Network and issued approximately 380 work permits.

There were 1569 trouble calls in 2021 and 61 emergency calls from Fire and Police Departments. The majority of calls were responded to in less than one hour.

There were 647 outages in 2021. There were 374 forced outages, 123 Burlington Hydro planned outages and 150 Customer Requested Outages.



## Meeting Burlington's needs through COVID-19

### *Service Continuity, Safe Reliable Power, Helpful Programs*

Whether it was system maintenance, outage emergency response, customer assistance, or day-to-day business operations, Burlington Hydro continued to perform to the highest standards with responsible pandemic safety protocols in place. The enforcement of strict measures protected our work family, while ensuring the safety of the public.

Supporting customers – both residential and business – was a primary focus throughout the year. Customer service representatives worked with customers to discuss flexible payment options and provide information about existing COVID-19 support programs. This included Burlington Hydro's delivery of Ontario's COVID-19 Energy Assistance Programs (CEAP) for eligible residential and business customers. On-bill credits helped many struggling customers who had fallen behind on their electricity bill. Other low-income programs were also promoted: the Low-Income Energy Assistance Program (LEAP) and the Ontario Electricity Support Program (OESP) for those who were qualified to receive financial assistance.

Working through lockdowns and ongoing provincial health restrictions characterized the year. In January, the Ontario Government announced electricity rate relief for residents, small businesses and farms. The rate relief supported those spending more time at home in response to the provincial Stay-at-Home order. Electricity prices were held to the off-peak rate of 8.5 cents kwh for 40 days, or until February 7<sup>th</sup>. Similar rate relief was put in place again in early 2022.

“We've been hard at work throughout the pandemic. You can count on us to deliver continuity of service and provide Burlington with safe, reliable electricity. We understand the ongoing hardship that many businesses, individuals and families in our community are experiencing. Burlington Hydro is working with customers to offer flexible payment options and provide information about existing COVID-19 programs to help ease the financial strain.”

## An evolving and resilient workforce

*“Burlington Hydro’s culture focuses on the promotion of employee wellbeing, diversity and growth.”*

*Jennifer Smith, Exec VP Corporate and Chief People Officer*

## Committed to Diversity and Inclusion

Burlington Hydro values the perspective that each employee brings to the table, believing that diversity and inclusion are key drivers of creativity, innovation and sustainability. This includes a workplace that provides an environment where employees feel valued and supported.

## Leadership Accord on Gender Diversity in the Electricity Industry

Burlington Hydro has pledged its support as a signatory of the Electricity Human Resources Canada (EHRC) “Leadership Accord on Gender Diversity in the Electricity Industry.” It is a commitment to promote the values of diversity, equality and inclusion in the workplace and improve opportunities for women in the electricity industry.

That commitment has been further expanded to include ‘Equal by 30’, Natural Resource Canada’s (NRCan) campaign to have public and private sector organizations commit to work towards equal pay, equal leadership and equal opportunities for women in the clean energy sector by 2030. It expands our profile as a champion of diversity on the international, as well as the domestic stage.

Importantly, under the auspices of the EHRC, the initiative “Diversity to Inclusion,” has also created awareness among employers and employees of the requirements of the ‘Accessibility for Ontarians with Disabilities Act’ (AODA).

## Mental Health in the Era of COVID

The focus on mental health and well-being as seen through the lens of the coronavirus pandemic has taken its toll in a time of social distancing and isolation. Balancing home, family and work has challenged employees across numerous industries, including ours.

We are reminded how important it is to keep the conversation going with families, friends, and colleagues at work. Throughout 2021, BH continued to remind employees that support was available if they needed a helping hand. Mental health resources can be accessed through confidential Burlington Hydro employee support networks and employee/family assistance programs 24/7.

## Support of STEM and Related Disciplines

In addition to an industry shortage in skilled trades, the utility sector is also experiencing a shortage of qualified engineers and related disciplines. As such, Burlington Hydro promotes its Science, Technology, Engineering and Math (STEM) program aimed at attracting and recruiting students and graduates in these academic disciplines from area universities and colleges.

In 2021, four Co-op students from three Ontario colleges/universities had placements at Burlington Hydro. Three placements covered the academic disciplines of engineering and information technology, while one student was placed in our Stations Department. A Business Program student also came on as an Intern to support the utility's regulatory department.

For the second year, Burlington Hydro was a sponsor of the Bay Area Science and Engineering Fair (BASEF). This letter was sent to us by the Silver Merit award winner:

"I'm in Grade 8 at Hillfield Strathallan College. I participated in the 2021 Bay Area Science and Engineering Fair (BASEF) in March 2021. I was a recipient of the Silver Merit Award. I would like to thank you for your support of this year's Fair.

While doing [my] project, I enjoyed many aspects like learning how to conduct proper experiments by using experimental procedures. The online format for this fair was intriguing and was a good experience and one I will never forget. I am really interested in science and technology and plan to participate in the Bay Area Science and Engineering Fair next year as well."

Burlington Hydro is a silver sponsor of the Fair again in 2022.

## Award Winning Performance

It is with great pride that for the third consecutive year, Burlington Hydro was named as a 2021 Hamilton-Niagara regional Top Employer by the editors of Canada's Top 100 Employers. The regional designation recognizes the company as a leading employer and Burlington Hydro as an exceptional place to work. Judging criteria includes work atmosphere; health, financial and family benefits; employee communications; and training and skills development, among others. Employers are compared to other regional organizations/companies to determine which offers the most progressive and forward-thinking programs.



A preventative approach to safety

*Safety is woven into the fabric of what we do everyday*

Led by dedicated safety professionals, Burlington Hydro's safety policies and procedures pursue the highest level of training and certification available in the industry. That focus begins with the design of its power distribution system, factoring in all levels of grid design and the stringent safety standards that entails.

BH works to achieve highly disciplined and safety focused responses to incidents involving hydro equipment, such as damage caused by severe storms and traffic accidents. Our restoration efforts are conducted according to exacting, documented and highly regulated standards. This could include working side-by-side with city crews, the fire department, first responders, or police as might be required.

In the workplace BH executes programs that support a preventive approach to safety where employees are empowered, accountability is clear, and outcomes are tied to measurable performance objectives and goals.

### WSIB Excellence Program

The Workers Safety & Insurance Board's (WSIB) Health & Safety Excellence program is aimed at changing the way we perceive Occupational Health & Safety, in addition to providing Burlington Hydro with a clear roadmap to improve its Health, Safety & Environmental Management System (HSEMS). The program's framework allows for strategies to prevent, minimize, and mitigate current and potential areas of risk through continuous improvement.

The program has three levels – foundations, intermediate and advanced – and includes 36 topics spread over the three levels. BH's initial foundation topics were completed and submitted as evidence in May 2021: Leadership & Commitment, Health & Safety Participation, Control of Hazards, Recognition of Hazards, and Risk Assessment. All topics were reviewed and have been validated by a panel of WSIB health and safety experts.

In 2022, BH will pursue the next set of topics: Health & Safety Responsibilities, Health & Safety Communication, Incident Reporting, Incident Investigation and Analysis, and First Aid.

Burlington Hydro previously completed Platinum Level (Sustainability) under the Infrastructure Health & Safety Association's (IHSA) Zero Quest program.



## Electrical Safety for Young Students

The Burlington Hydro 'Power to be Safe' Roadshow is an interactive, content-packed presentation, designed especially for elementary students starting with the J-K level. The presentations focus on electrical safety at school and at home, as well as safety around powerlines, utility poles, and substations.

BH reaches over 6,000 elementary school aged children each year with the 'Power to be Safe' Roadshow. During the pandemic the roadshow has been adapted to provide virtual safety presentations to the schools.

16 schools and 6,050 elementary students received BH's virtual electricity safety presentation in 2021.



## Lessons for Life

Developing a strong safety presence in the community begins with informative communications that reinforce critical powerline safety messaging. In 2021, Burlington Hydro conducted a public safety campaign aimed at informing the public of 6 key safety messages:

- Always assume that downed powerlines are energized – stay back 10 metres.
- What to do if a powerline falls on your call – stay put and call 911
- Stay back 3 metres when doing working near powerlines (pruning trees, etc.)
- Always Call Before You Dig
- Do not tamper with pad-mounted transformer boxes
- Assume flooded basements and all submersed areas could be electrified.

The campaign included a 3-month social media component (Twitter) and a bill insert dedicated to electrical safety messaging that was included in all Burlington Hydro electricity bills. In addition, a safety poster, complete with information brochures, was prominently displayed at a pandemic sanitization station at Joseph Brant Hospital.

## By the numbers

### Customer Service

- Total number of Calls: 54,332
- Total number of Service requests: 9,960 service orders

### Why are customers calling?

- Start Stop Service: 25%
- Balance Inquiries: 6%
- Billing Inquiries: 9%
- Water Related: 6%
- Other: 20%

### MyAccount subscribers

Total MyAccount subscribers: 39,069\*

Paperless E-Billing Accounts: 30,343

\*MyAccount is a free service. All subscribers have access to Smart Meter Consumption data, Time-of-Use Comparison Chart, Daily Usage Chart and Time-of-Use Breakdown Chart.

Table 1: Web Site Visits

| Web Site                   | Total Visits | On a PC | On a Smart Phone | On a Tablet |
|----------------------------|--------------|---------|------------------|-------------|
| <b>Burlingtonhydro.com</b> | 603,831      | 58%     | 40%              | 2%          |
| <b>Outage Maps</b>         | 556,923      | 19%     | 79%              | 2%          |

## GOOGLE My Business Statistics

- 281,367 Total Views, Number of times BH has been viewed on Google Search or Maps
- 206,131 Total Searches, Number of times customers found BH by searching Google Search or Maps
- 48,223 Total Actions, Number of times customers have taken action on BH listing on Google Search or Maps
- 12,760 Phone call actions, Number of times customers have called the business from this listing
- 26,419 Website actions, Number of times customers have visited the Burlington Hydro (BH) website from the BH listing

## Social Media

### Connected with Twitter

- Tweets: 239
- Impressions: 727,800
- Profile Visits: 151,937

### Connected with LinkedIn

- Impressions: 23,092
- Profile Visits: 5,211

## Customer Satisfaction Survey 2021

### What are our customers saying?

- 92% Agree that we provide consistent, reliable power
- 89% Agree that we quickly handle outages and restore power
- 87% Agree that we deal professionally with customers' problems
- 88% Agree that we are a trusted and trustworthy company

*96% Overall Customer Satisfaction Score*



## Environmental Alignment

By aligning business priorities with the City of Burlington's long term strategic goals – particularly as it relates to environmental leadership – Burlington Enterprises (BEC) aims to contribute in a positive way to the City's vision. The City of Burlington has set a goal in its Strategic Plan to work towards being a net carbon neutral community.

## Burlington's Climate Action Plan (CAP)

The City of Burlington declared a climate emergency in 2019 and joined other Canadian and global municipalities committed to addressing the impacts of climate change. Then in 2020, the City approved a Climate Action Plan (CAP) to act as the pathway to achieving a net carbon neutral state, with a focus on mitigating greenhouse gases (GHGs) and reducing energy consumption. Electric Vehicle (EV) proliferation, conservation, district energy, microgeneration and storage technologies are some of the issues explored in CAP.

Burlington Hydro is a proud supporter and partner on the Climate Action Plan Stakeholder Committee, providing expertise and industry insight as part of CAP implementation.

## Climate Resilient Burlington (CRB)

In alignment with CAP, a further stakeholder consultation took place in 2021 to provide input on a 10-year City action plan to prepare for warmer, wetter, and wilder weather brought about by climate change. Named Climate Resilient Burlington (CRB), the mitigation plan will be updated after five years with the possibility of merging with CAP.

Burlington Hydro participated and provided input, along with other community stakeholders and City representatives, through a series of intensive stakeholder workshops that took place in the fall of 2021. BH will share 'Major Outage Event' reports and Tree Trimming schedules - among other materials and expertise - that lend support to the implementation of CRB. The draft action plan will be available for public feedback in the spring and then to City Council in July 2022.



## Charging Up for Electric Vehicles

Electric Vehicles (EVs) are a low-cost and energy-efficient transportation choice that can reduce car owner's greenhouse gas emissions by 70%

Community interest in Burlington Electricity Services' (BESI) Managed Electric Vehicle Charging Program was very high in 2021 with EV Charger installations continuing at Bridgewater, Paradigm and Bunton's Wharf condominiums, along with individual EV Charger installations in residential homes throughout Burlington.

BESI EV charging station solutions come with the benefit of the latest in charging station technology. The charging stations are a leading-edge, made-in-Canada option that's connected to Burlington's premier future focused EV Network. In 2021, the current suite of EV Charger programs was updated to include a standardized fee structure and new product offerings.



Program information was shared via successful Virtual Lunch 'n Learns targeted to both Apartment and Condominium building representatives in the city. Marketing material and the BESI website was revised and updated to include the latest suite of product offerings.

Moving into 2022, activity remains brisk as BESI prepares several EV Charger agreements with various multi-residential buildings in the city.

## Suite Metering in Multi-Residential Buildings

Good progress continues with BESI's suite meter business with the completion of meter installations at Maranatha Gardens and Bridgewater Condominiums. Commercial Water Meter installations were also completed at Jazz and Bridgewater Condominiums.

In 2021, a suite meter program was introduced specifically designed for apartment building owners, where a 5-year phase in period now allows building owners to convert tenants to individually metered customers on unit turn-over. This program has been well received with contracts in the final stage at five apartment building conversions.



*\$2.7 Billion in assets, serving close to 740,000 customers across more than 40 communities*

Burlington Hydro is the founding member of GridSmartCity (GS) and is proud of its ongoing 16-year partnership with one of Ontario's leading smart grid consortiums.

The GridSmartCity Cooperative – an extension of GSC - draws its strength from individual local distribution company (LDC) members and the communities in which they operate. 15-member LDC partners manage approximately \$2.7 Billion in assets and serve close to 740,000 customers across more than 40 communities. Every GridSmartCity utility maintains independent ownership directly in the towns and cities in which they operate.

The Cooperative bridges the need for innovation and infrastructure renewal, with the benefits of collaboration and cost efficiency. Operating within a formalized structure, and as a legal cooperative entity, LDC members share resources, insights and systems that help run smarter companies, while advancing innovation, reliability and efficiency across Ontario's electricity grid.

The Cooperative's committees place emphasis on the areas where the highest net savings and efficiency gains are anticipated. Whether it is creating a formalized approach and framework to explore shared procurement opportunities or standardizing common equipment specifications to leverage economies of scale, the Cooperative is reaping benefits for Burlington Hydro and its member partners.

The experience of working towards common goals has provided an invaluable baseline to form a collective COVID-19 response leveraged by all 15 LDC partners. The GSC Cooperative's joint approach to pandemic policy and program design has helped keep LDC partner field and front-line teams healthy and on-the-job providing service continuity for thousands of Ontario businesses and citizens.

Cooperative partners, including Burlington Hydro, currently have GridSmartCity agreements in place for transformers and poles, and are now working on joint GSC RFPs for hardware, transformers and poles to secure best possible pricing/product for the group.

## A Cascade of Lights for the Holidays

The Burlington Festival of Lights is a 26-year holiday tradition in Spencer Smith Park on the city's waterfront. Coordinated by Burlington Electricity Services, the festival attracts tour buses, thousands of families, local residents, and tourists to the park each year for the 40-day event that runs through December and part of January. Because of COVID-19, approximately 50 lighting displays were centralized in the park in 2021 to enhance drive-by viewing. The placement of physical distancing reminder signs was also a pandemic feature.

The festival is made possible with the generous sponsorship support of community businesses and organizations, and a dedicated team of volunteers. In the lead-up to and during the event, it is featured on a number of social media sites – Facebook, Instagram and Twitter. Find out more at: [www.burlingtonfestivaloflights.com](http://www.burlingtonfestivaloflights.com).



## Supporting Our Community

Burlington Hydro is a progressive and caring company with strong community ties. We are proud to support local not-for-profit organizations and charities. And those needs have been more keenly felt during the pandemic.

In 2021, we helped to support:

- Halton Women's Place
- Appleby Street Festival Food Drive
- Orchard Park Festival Food Drive
- Burlington Chamber of Commerce
- Art Gallery of Burlington (Open Studio)
- Bay Area Science and Engineering Fair
- Bay Area Climate Forum
- Burlington Green
- Terry Fox Run
- Salvation Army Hamper Program for Families
- SOCKS For the Homeless

With fundraising events, payroll deductions (Burlington Hydro matches those contributions), we raised \$24,000 in 2021 for our local United Way branch. The United Way supports numerous charities and not-for-profits in our community including: Big Brothers Big Sisters; In-Home Respite Care; Alternatives for Youth; and Meals on Wheels, among many others.

## Greater Customer Choice

The Province of Ontario made two major announcements in late 2020 and 2021 respectively, related to providing electricity consumers with greater choice. First, providing residential and small business customers options for how they are billed for their electricity usage, and second, through a program called Green Button, designed to grant households and businesses access to their utility data and/or authorize the automatic, secure transfer of their data from their utility to applications or third parties.

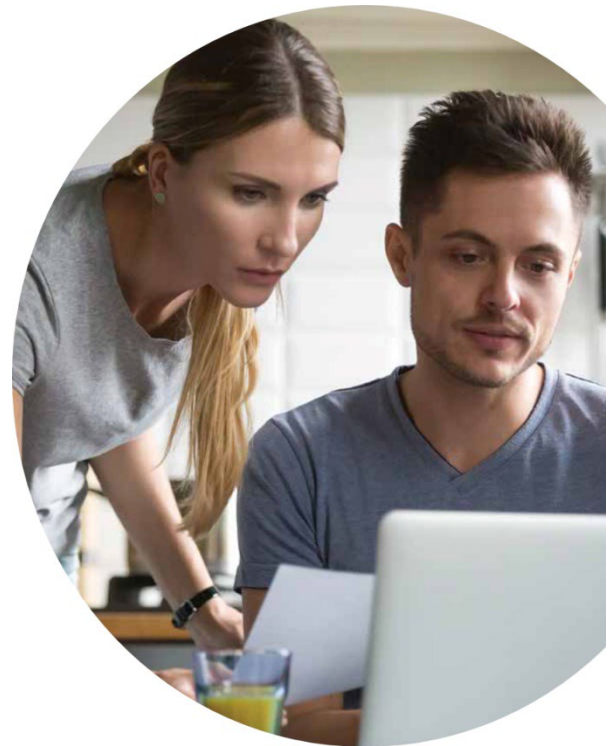
## Choosing Time-of-Use or Tiered Pricing

Residential and small business customers now have the option of choosing between Time-of-Use (TOU) or Tiered prices. If customers prefer to stay on their current price plan (TOU or Tiered) no action is required.

Both TOU and Tiered prices are under the Regulated Price Plan (RPP) set by the Ontario Energy Board (OEB) and are designed to provide stable pricing for consumers. Depending on how much electricity a customer uses, and when it's used, one price plan could suit customers better than the other.

With TOU prices, the price depends on when the electricity is used. The three TOU price periods – off-peak, mid-peak, and on-peak – encourage consumers to shift usage to lower price periods where possible, such as doing laundry or running the dishwasher, to help manage costs. Some customers might favour Tiered pricing because it provides the flexibility to use electricity at any time of day at the same price, up to a certain threshold. Once the lower price threshold is exceeded (600 kWh a month in the summer or 1,000 kWh a month in the winter) prices also increase.

A new portal has been set up on the Burlington Hydro website that provides information on how to access a price comparison calculator and the form that needs to be completed should customers decide to switch their price plan. Just over 4,000 Burlington Hydro residential and small business have switched to Tiered pricing.



## Green Button Standard – Coming Soon

In November 2021, the Ontario government announced a mandate to adopt the Green Button standard for most of Ontario's electricity and natural gas distributors, including Burlington Hydro. This standard provides customers with access to their energy usage data in a consumer- and computer-friendly format (i.e. XML) and is intended to allow customers to better manage their energy use and simplify the process of authorizing third-party access to the data.

Green Button has two components:

1. "Download My Data" (DMD), whereby customers will be able to directly access their consumption data, and,
2. "Connect My Data" (CMD), whereby customers can authorize the secure transfer of their data to third parties.

Distributors must ensure that their implementation has been certified by the Green Button Alliance by November 1, 2023.

## Shareholder Report: 2021 Burlington Enterprises Corporation Consolidated Financial Snapshot

Our 2021 financial performance exceeded budget during a year when both revenues and costs continued to be impacted by the COVID-19 pandemic. Despite the ongoing challenges presented by the global pandemic, we were able to adapt the way we do business.

While meeting the operational challenges posed by the pandemic, Burlington Hydro made progress on critical strategic initiatives in 2021 such as deployment of our new CIS software. The Board oversees risk management on an enterprise-wide basis and carefully assesses whether management's plans appropriately balance strategic opportunities with risk discipline. In 2021, this included oversight of a capital budget in excess of \$11M which will better position the company for densification of the city core in the years to come.

For the year, BEC reported net income of \$4.7 million. The primary driver of the year-over-year change in earnings is the 2020 COS rate application which covers the five-year period, 2021 through 2025. These new rates took effect May 1, 2021, and enable the company to recover prudently incurred costs and earn the regulated rate of return.

### Financial Highlights for the year ended December 31 (Canadian dollars)

*Table 2: Financial Results*

| <b>Year</b> | <b>Gross Revenue</b> | <b>Operating Expenses</b> | <b>Net Income</b> |
|-------------|----------------------|---------------------------|-------------------|
| <b>2021</b> | \$228 million        | \$23 million              | \$4.7 million     |
| <b>2020</b> | \$254 million        | \$22.3 million            | \$4 million       |

*Table 3: Balance Sheet Information*

| <b>Year</b> | <b>Total Assets</b> | <b>LT Debt less current maturities</b> | <b>Total Shareholder's Equity</b> |
|-------------|---------------------|--|-----------------------------------|
| <b>2021</b> | \$237 million       | \$66.8 million                         | \$92.3 million                    |
| <b>2020</b> | \$222.6 million     | \$63.4 million                         | \$89.8 million                    |

*Table 4: Financial Measures*

| <b>Year</b> | <b>Return on Equity</b> | <b>Operating Expenses as a % of Gross Revenue</b> |
|-------------|-------------------------|---|
| <b>2021</b> | 5.1%                    | 10.1%   |
| <b>2020</b> | 4.5%                    | 8.8%  |

Table 5: Value Measures

| Year | Dividend Yield | 5-year avg dividend payout ratio |
|------|----------------|----------------------------------|
| 2021 | 4.8%           | 54%                              |
| 2020 | 5.7%           | 59%                              |

#### Net Income \$4.7 million

In 2021, we reached our Net Income target while continuing to invest in strategic assets that enhance reliability, safety and the customer experience. These investments included a new distribution transformer at the Mount Forest MS, further substation automation at Tyandaga MS and over \$1M in pole replacements which will add to future reliability.

We continue to look to innovate by integrating new technologies for the benefit of our customers such as the \$1.5M spend on CIS and GIS enhancements while maintaining focus on the fundamentals to ensure cost competitiveness.

#### Return on Equity 5.1%

Burlington Hydro's proven business model has delivered consistent earnings over the years while ensuring that a strong balance sheet is sustained. Maintaining a strong balance sheet is foundational to our long term success with a goal of continuing strong liquidity and leverage positions in order to maximize future flexibility.

In 2020, Burlington Hydro filed its most recent COS rate application with new rates taking effect May 1, 2021. The COS addressed the five-year period 2021 through 2025 and provided long-term visibility into future distribution rates as well as resetting the company's regulated rate of return.

#### Dividends and interest \$3.9 million

We are proud of our long-term track record of creating shareholder value and remain focused on delivering on our commitment of providing a consistent dividend.

2021 marks 21 consecutive years that BEC has made a dividend payment to the City of Burlington with total interest and dividends since 2001 of \$124 million.

In 2021, the City of Burlington received \$2.2 million in dividends from BEC and interest revenue from Burlington Hydro Inc. of \$1.7 million for a total cash return of \$3.9 million.



## A growing and diverse customer base

With more than 61000 residential, 5500 small commercial and over 1000 large accounts, Burlington Hydro benefits from a well diversified customer base.

*Table 6: Distribution Revenue by Customer Class*

| <b>Customer Type</b>                   | <b>Percent of Revenue</b> |
|--|---------------------------|
| <b>Large Commercial and Industrial</b> | 23%                       |
| <b>Small Commercial</b>                | 14%                       |
| <b>Residential</b>                     | 63%                       |

## Building momentum for the long-term

In 2021, we continued to adapt and learn new ways of working that was transformative for our utility and will provide benefits far into the future. As a Utility, we have focused relentlessly on our customers and the reliability and safety of our electricity distribution grid.

We look forward to carrying on our long term track record by continuing to provide electricity distribution at a reasonable cost and at a high level of reliability. To maintain and enhance the distribution grid, we plan on spending in excess of \$12M in capital over the next year.

As we look to 2022, we remain excited about the opportunity ahead of us and are well positioned to pursue our objectives of customer safety, reliability, and grid modernization.

## Board of Directors

*Committed to strong corporate governance and accountability*

- Susan Kilburn, Chair
- Mayor Marianne Meed Ward
- Tim Commisso, Director
- David Kerr, Director
- Shery Smith, Director
- Chris Fralick, Director
- Patricia Volke, Director
- John Maheu, Director

## Executive Team

*Committed to providing leadership, with a focus on corporate responsibility and sustainability.*

- Gerry Smallegange, President and CEO
- Michael Kysley, Executive VP and Chief Financial Officer
- Jennifer Smith, Exec VP, Corporate and CPO
- Paul Heeg, VP Engineering and Operations
- Sally Blackwell, VP, Regulatory Compliance and Asset Management
- Marianne Blasman, VP, Information Technology and Chief Information Officer
- Joe Saunders, President, Burlington Electricity Services Inc.



Burlington **enterprises**  
corporation

Because of you we shine

At Burlington Hydro we strive to exemplify excellence in every aspect of our business. From the exacting work of our engineers, and the professionalism of our customer service representatives, to our resilient operations crews and all those in-between, we work together to deliver value at every level of the organization.

It's a value proposition that lies at the very core of our company – caring for people and community, and caring about stewardship and sustainability – all with a commitment to continuous improvement in everything we do.

The Burlington Hydro logo is created from graphic elements that represent four value attributes – trusted, innovative, caring, and friendly. Each of these attributes combine graphically as a symbolic “energy burst.” It embodies what we aspire to be in our community.

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Visit <https://burlingtonhydro.com>

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because of  
you  we  
shine