

NUCLEAR INDUSTRY INVESTMENT STRATEGY



NUCLEAR ECONOMIC DEVELOPMENT
AND INNOVATION INITIATIVE



Bruce Power
Innovation at work

A NUCLEAR INDUSTRY INVESTMENT STRATEGY IS A FIRST STEP TOWARDS ESTABLISHING A CLUSTER OF REGIONAL BUSINESS INVESTMENTS AND ATTRACTING SKILLED WORKERS AS IT RELATES TO BRUCE POWER'S LONG TERM INVESTMENT PROGRAM.



INTRODUCTION

In June 2016, Bruce Power and the County of Bruce teamed up to establish a regional Nuclear Economic Development and Innovation Initiative.

The initiative is designed to leverage economic opportunities for all communities across the region, given Bruce Power’s multi-year, multi-billion dollar investment program. As part of this initiative, a Nuclear Industry Investment Strategy has been developed to establish a framework for moving forward and sets criteria to monitor progress and measure results.

The Strategy focuses on three main goals to support Bruce Power’s long term investment needs:

- 1** Expand the regional supplier network to support Bruce Power’s long term needs;
- 2** Enhance regional training and employment opportunities, including opportunities for Indigenous communities, that align with the nuclear sectors long term needs, and
- 3** Support and promote community investment readiness to better align with an expanded regional supplier network and increased employment opportunities.

Feedback into the development of the Strategy was received during the September 14, 2016 Economic Development and Innovation Summit’s Roundtable discussions. The Summit brought together over 60 municipal, regional, and provincial economic development professionals and local leaders to learn more about Bruce Power’s investment program; introduce the joint economic development initiative, and discuss opportunities for working together to achieve success.

Roundtable discussions included gathering feedback on a vision, goals, action items and measuring results. Feedback received that is outside the scope of the initiative may be used to support the delivery of broader municipal and county economic development strategies.

Following the Roundtable discussions, a draft of the Strategy’s key components was reviewed by the Nuclear Industry Regional Advisory Committee, established to support moving this initiative forward.

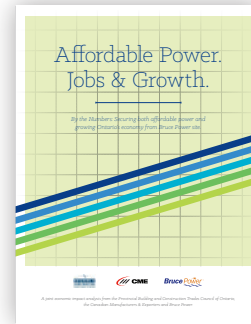


BENEFITS

REALIZING THE BENEFITS OF BRUCE POWER'S LONG TERM INVESTMENT PROGRAM

The foundation for establishing the Nuclear Economic Development and Innovation Initiative occurred in December 2015, when Bruce Power signed a \$13 billion, multi-year investment agreement with the Independent Electricity Systems Operator (IESO). The agreement establishes a commercial framework for Bruce Power to advance a long term investment program to refurbish its nuclear fleet and help secure the site's operations until 2064. The long-term power supply contract with the IESO provides stability for the company while guaranteeing Ontario ratepayers a competitively priced source of carbon-free electricity for decades.

The agreement will result in significant investment by Bruce Power and a profound economic impact across Ontario. In October 2014, a coalition of respected business, economic development, trades and union leaders released an Economic Impact Study on the positive role the Bruce Power site plays in the province. The study titled "Affordable Power. Jobs & Growth." highlights the positive impact Bruce Power's eight nuclear units have on keeping power prices stable and low in Ontario, while providing a major boost to the province's economy.



To read Affordable Power. Jobs & Growth. visit www.brucepower.com/affordable-power-jobs-growth

THE NUCLEAR ECONOMIC DEVELOPMENT AND INNOVATION INITIATIVE IS IN RESPONSE TO BRUCE POWER'S LONG TERM AGREEMENT WITH THE IESO AND THE SIGNIFICANT ECONOMIC IMPACT THIS INVESTMENT WILL HAVE IN ONTARIO. THE INITIATIVE FOCUSES ON BRINGING MORE OF THESE ECONOMIC BENEFITS TO THE REGIONAL ECONOMY.



Based on this report and the economics of the amended agreement with the IESO, the economic benefits include:

22,000 JOBS

directly and indirectly across Ontario.

\$4 BILLION ANNUAL ECONOMIC BENEFIT

in Ontario through direct and indirect spending on operational equipment, supplies, materials and labour income.

5,000 JOBS ANNUALLY

directly and indirectly.

\$980 MILLION TO \$1.2 BILLION

direct and indirect labour income annually, during the investment program (2020-36).

\$751 MILLION TO \$1.07 BILLION

direct and indirect annual economic benefit will be realized through the purchasing of equipment, supplies and materials.

90 PER CENT OF SPENDING IN ONTARIO

Bruce Power's supply chain supports hundreds of businesses throughout the province.

LONG-TERM EMPLOYMENT INVESTMENT

for Ontario's Building and Construction Trades.

NUCLEAR INDUSTRY

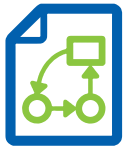
INVESTMENT STRATEGY

VISION

BRUCE, GREY AND HURON COUNTIES ARE A NUCLEAR ENERGY ECONOMIC HUB, ABLE TO SUPPORT AND ADVANCE BRUCE POWER AS A WORLD LEADER IN THE NUCLEAR SECTOR.

GOAL 1

EXPAND THE REGIONAL SUPPLIER NETWORK TO SUPPORT BRUCE POWER'S LONG TERM NEEDS.



Develop supplier targeted promotional material and outreach plan.



Establish and maintain an inventory of available grants and funding sources as part of business expansion incentives.



Establish and maintain an inventory of underutilized assets (*buildings, serviced land*) available to accommodate supplier expansion needs.



Establish local economic development connections with suppliers to provide ongoing support after a local presence has been established.

GOAL 2

ENHANCE REGIONAL TRAINING AND EMPLOYMENT OPPORTUNITIES, INCLUDING OPPORTUNITIES FOR INDIGENOUS COMMUNITIES, THAT ALIGN WITH THE NUCLEAR SECTORS LONG TERM NEEDS.



Assess the feasibility for local training opportunities and resources.



Identify and move forward on apprenticeship opportunities, linking the education system to support increased labour force and enhanced local training.



Develop opportunities for alignment of the local education curriculum with the nuclear sector.



GOAL 3

SUPPORT AND PROMOTE COMMUNITY INVESTMENT READINESS TO BETTER ALIGN WITH AN EXPANDED REGIONAL SUPPLIER NETWORK AND INCREASED EMPLOYMENT OPPORTUNITIES.



Develop an understanding of long term labour market needs of Bruce Power and suppliers.



Identify and address local opportunities to support an expanded workforce and labour market demand.



Promote investments in infrastructure to support growth in the region: including buildings, serviced land, and residential developments.



Raise awareness of the region, and its strengths, to new (and prospective) employees in the nuclear energy regional cluster.

ENGAGEMENT

SUPPORTING ALL THREE GOALS



Utilize opportunities to demonstrate regional support for Bruce Power to the Provincial and Federal Governments.



Regular engagement of community partners, local leaders and Indigenous communities.



Utilize existing services, programs, and platforms for: advocacy, marketing, awareness, education, and promotion of region.



Establish a one window, coordinated approach with suppliers expanding to the area.



Enhance awareness of the region and its communities to new workers - utilizing existing community resources and services



MEASURING SUCCESS

THE SUCCESS OF THIS INITIATIVE WILL
REQUIRE SUPPORT AND ENGAGEMENT FROM
COMMUNITIES ACROSS THE TRI-COUNTY
AREA AND CONTINUOUS PROMOTION OF THE
REGION TO BUSINESSES AND INDIVIDUALS.

The following Outputs identify specific measurable results as they relate to Strategy Action Items. An annual assessment will take place to provide a detailed overview of what has been achieved each year.



OUTPUTS

PROMOTION AND OUTREACH:

- Supplier specific promotional material developed and used in various forums.
- Outreach made to existing suppliers in the area (*who have already expanded into the area from outside the region*).
- Ongoing promotion to suppliers at relevant events and conferences.
- An established website presence of the initiative - targeted to suppliers.
- Welcome website developed and promoted - targeting prospective/ existing employees in the region.
- Regular communication of initiative, utilizing existing services, programs, and platforms for: advocacy, marketing, awareness, education, and promotion of region.
- Targeted outreach to key suppliers made.

- Coordinated assistance and facilitation of expansion opportunities for each interested supplier.
- Indigenous communities are actively engaged.

CAPACITY BUILDING:

- Inventory of available grants/ funding resources developed and maintained.
- Inventory of building, lands, infrastructure developed and maintained.
- The feasibility for local training facilities and resources has been assessed and a recommendation made on moving forward.
- Ongoing, regular engagement with relevant community leaders and economic development organizations.
- Established a one window, coordinated approach with suppliers.



OUTCOMES

THE OUTCOMES FOCUS ON WHETHER THERE IS A POSITIVE ECONOMIC IMPACT ON THE REGION SINCE THE INITIATIVE BEGAN.

OUTCOMES THAT MAY BE DIRECTLY ATTRIBUTED TO THE INITIATIVE:

 = increase  = decrease



Vacant warehouse, industrial buildings, office space



Commercial and industrial new builds



Industrial land serviced; occupied



Number of suppliers with an expanded local presence



Number of full time employees in the region employed by local suppliers

BROADER OUTCOMES LINKED TO VARIOUS ECONOMIC DEVELOPMENT ACTIVITIES:



Population



Median age



Employment rate



Unemployment rate



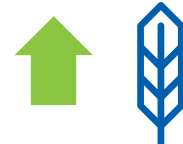
Education level



Number of jobs in utilities and construction



Labour market participation rate



Employment opportunities for Indigenous communities

CONCLUSION

Bruce Power’s Life-Extension Program is already underway. Supporting these investments through an enhanced regional supply network; community investment readiness, and sustainable growth opportunities are critical to help ensure the long term success and sustainability of the regional economy.

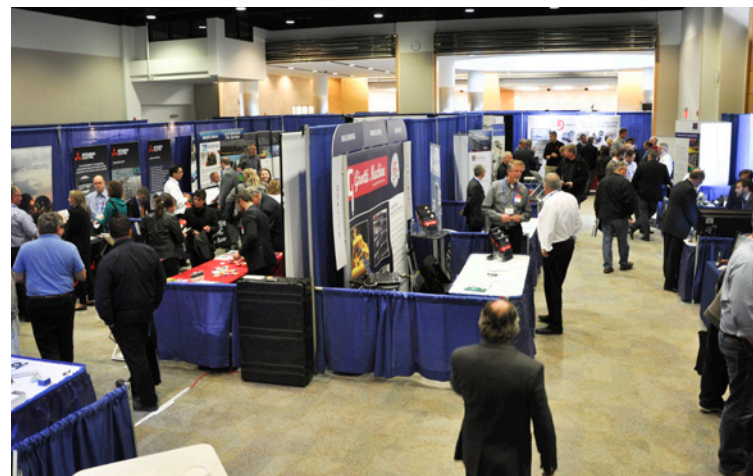
In addition to realizing the regional economic benefits of Bruce Power’s Life-Extension Program, the Nuclear Industry Investment Strategy is an opportunity to support and complement various economic development initiatives and strategies across the region.

This includes the County of Bruce’s Economic Development Strategic Plan “Find Yourself in Bruce County” launched in November 2016. The County’s broader Plan provides strategic sector and business development services in order to help ensure that the County’s attraction value remains high and that sustainable opportunities exist for visitors, residents and businesses.

sBruce Power and the County of Bruce’s Nuclear Economic Development and Innovation Initiative is linked to the County’s Economic Development goals and supports the strategic priorities around Sector Development, while advancing the long term goal of Diversifying the Economic Base.

This is but one example of how the Nuclear Industry Investment Strategy can support economic development initiatives and strategies across the region.

WORKING TOGETHER WE CAN ACHIEVE SUSTAINABLE LONG TERM GROWTH AND A NUCLEAR ENERGY ECONOMIC HUB ACROSS THE REGION.



ABOUT BRUCE POWER

Formed in 2001, Bruce Power is an electricity company based in Bruce County, Ontario. We are powered by our people. Our 4,200 employees are the foundation of our accomplishments and are proud of the role they play in safely delivering clean, reliable, low-cost nuclear power to families and businesses across the province. Bruce Power has worked hard to build strong roots in Ontario and is committed to protecting the environment and supporting the communities in which we live.

THE COMPANY INJECTS BILLIONS OF DOLLARS INTO ONTARIO'S ECONOMY ANNUALLY, WHILE PRODUCING SAFE ENERGY THAT PRODUCES ZERO CARBON EMISSIONS.

Bruce Power currently provides over 30 per cent of Ontario's electricity at 30 per cent below the average residential cost of power. In fact, Bruce Power is the source of about half of Ontario's nuclear generation and is the lowest cost source of nuclear energy in the province.

Bruce Power has transformed its site by returning four units to service through billions in private investment in our publicly-owned assets. Bruce Power has transformed its workforce through new hiring and training, extending the life of operating units through innovative, planned maintenance programs.

In 2015, Bruce Power secured a long-term agreement with the province of Ontario for a life-extension program that began January 1, 2016 and will continue over the next two decades, extending the life of our site to 2064. This \$13 billion private investment program will guarantee one in three homes, hospitals, schools and businesses receive carbon-free nuclear electricity for generations.

By building on the experience we have gained over the past 15 years, while continuously innovating in order to become more efficient at these important infrastructure programs, we are in a strong position to fulfill our commitment to Ontario's Long-Term Energy Plan.

In addition to keeping the lights on, Bruce Power positively impacts millions of people through the world's health care systems.

Bruce Power also has a long-term agreement with Nordion, another Canadian-based company, to supply Cobalt-60 that is used to sterilize more than 40 per cent of the world's single-use medical equipment. In addition to this, in 2016, Bruce Power and Nordion strengthen their partnership and entered into a new agreement to supply medical-grade Cobalt-60 that will benefit cancer patients in Canada and around the world.

Bruce Power is a Canadian-owned partnership among TransCanada Corp., Borealis Infrastructure (a trust established by the Ontario Municipal Employees Retirement System), The Power Workers' Union and The Society of Energy Professionals. Over 90 per cent of employees also own a part of the company.

ABOUT THE INITIATIVE

ABOUT THE NUCLEAR ECONOMIC DEVELOPMENT AND INNOVATION INITIATIVE

Bruce Power and the County of Bruce have teamed up to establish and support a new regional economic development and innovation initiative. The goal of the initiative is to leverage economic opportunities for local communities given the multi-year, multi-billion investment program announced by Bruce Power last December.

“Given the large-scale investment, training and job creation opportunities of Bruce Power’s multi-year investment program, we all recognized the importance of establishing a consolidated, co-ordinated approach to economic development as it relates to the company’s investment activities and other opportunities for innovation,” said Kelley Coulter, Bruce County’s Chief Administrative Officer. “Bruce Power has always had a positive and engaging working relationship with its neighbours. This approach is not only practical but will be viewed as a model across the province as something very unique and innovative.”

A jointly funded Business Investment Specialist position has been established to create a single interface to facilitate a range of economic development and innovation ideas as part of the multi-year investment program at Bruce Power, in addition to the company’s core economic impact through operations.

“We have a long term view of economic development in a rural area of Ontario. Bringing jobs back and supporting community economic development is an important part of our social responsibility.” Said Mike Recheck, President and CEO, Bruce Power.

An Advisory Committee with representatives from Bruce, Grey and Huron Counties will also be established in the Fall, with the goal of bringing together key leaders and organizations from across the region to support the development of a strategic plan and interim actions to advance a number of immediate opportunities. The goal of this Advisory Committee will be to provide input and advice on the development and implementation of a strategy, while also serving as a resource to facilitate opportunities.

“To be successful with our multi-year investment program it’s essential we work together as we are all in this together,” said James Scongack, Bruce Power’s Vice President, Corporate Affairs. “We have a shared responsibility to ensure we are looking at the many opportunities available to us to both enhance economic development in the region and also position the site for long-term success.

“THIS INITIATIVE WILL BRING TOGETHER OUR REGION IN A WAY THAT WILL ALLOW US TO LEVERAGE THE IMPORTANT OPPORTUNITIES THIS MULTI-YEAR INVESTMENT PROGRAM COULD PROVIDE COMMUNITIES FOR MANY YEARS.”



**NUCLEAR ECONOMIC DEVELOPMENT
AND INNOVATION INITIATIVE**



BRUCE
county

Bruce Power[™]

Innovation at work