

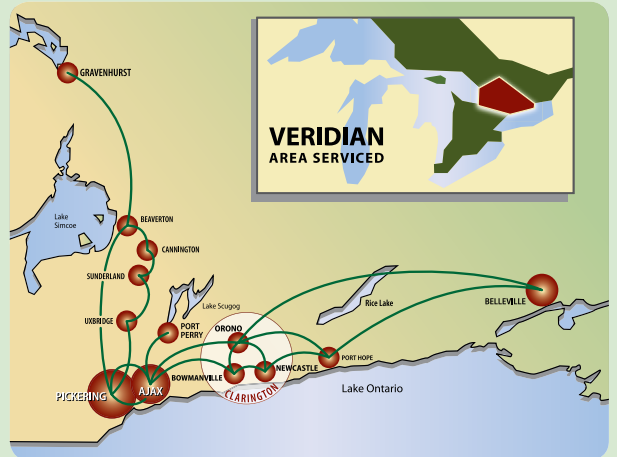
Veridian Connections Corporate Governance

CASE STUDY

ABOUT VERIDIAN CONNECTIONS

Veridian Connections (Veridian), a wholly owned subsidiary of Veridian Corporation, is the seventh largest municipally owned electricity distributor in Ontario. The company safely and reliably delivers electricity to more than 115,000 residential and business customers in the cities of Pickering and Belleville, the towns of Ajax, Port Hope and Gravenhurst, and the communities of Uxbridge, Bowmanville, Newcastle, Orono, Port Perry, Beaverton, Sunderland and Cannington. The City of Pickering, the Town of Ajax, the Municipality of Clarington and the City of Belleville jointly own Veridian Corporation.

Veridian employs over 200 people. The company's Corporate Headquarters in Ajax features high-occupancy vehicle (HOV) parking spaces, two electric vehicle charging stations, a wetland and sitting area, as well as a fitness room.



LOCATION

ADDRESS: 55 Taunton East, Ajax, Ontario

PHONE: 905.427.9870

WEBSITE: veridian.on.ca



CORPORATE GOVERNANCE – CORPORATE SUSTAINABILITY

Veridian is a leader in renewable electricity generation and smart grid development. The company has a strong commitment to championing sustainability, with a particular focus on energy conservation initiatives. Sustainability informs Veridian’s business practices, services, and building operations.

LEED-ELIGIBLE BUILDING EXPANSION

A need to accommodate ongoing employee growth and consolidate key business operations led Veridian to expand the company’s Corporate Headquarters in 2010 with a new two-storey, 26,000-square foot addition. The addition showcases energy efficiency and green building best practices, and demonstrates Veridian’s “environment-first” philosophy. Veridian is proud that the addition is eligible for Leadership in Energy and Environmental Design (LEED) certification – Silver – for its energy and water efficiency features, sensitivity to site characteristics, materials selection, and indoor environmental quality.

Features

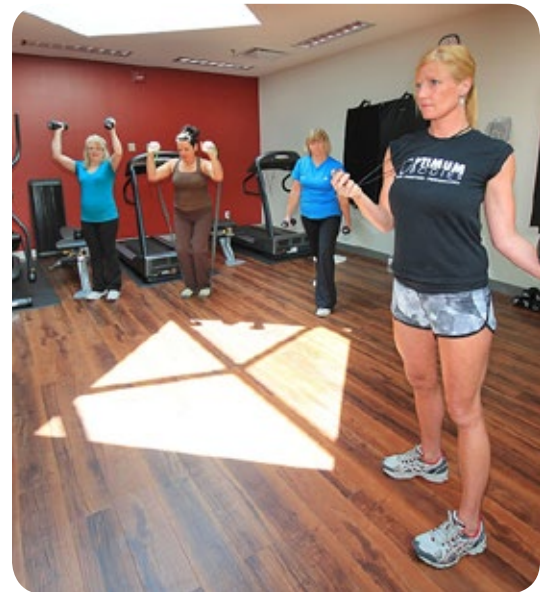
Completed in December 2010, the new addition includes several features that qualify it for LEED Silver.

Water Efficiency – Rain capture features that reduce water consumption.

Energy Efficiency – A white roof and light harvesting to reduce energy consumption.

Employee Health and Wellness – A fitness room complete with treadmills, elliptical trainer and upright bike, weight benches, free weights and other exercise related equipment. The room also hosts a variety of wellness classes, including yoga and strength training.

The building also features diverse work areas, transparent and inviting spaces, and local art. The request for more meeting space was met by creating a series of meeting ‘booths’ -- rooms with plenty of windows and functional furniture that can easily accommodate four to six people, complete with telephone and internet access for quick mini-meetings or a quiet space to read a book while on break.



Employees enjoy the convenience of Veridian’s fitness room



Employee Input

Since the addition would bring most employees under one roof, Veridian felt it was important to seek employee input on the design. Employees were invited to submit ideas and requests for the new space to a committee comprised of representatives from different departments. A key recommendation was for all or most staff to access to natural, ambient light. The building design thus incorporated an expansive, two-storey atrium that serves as a promenade with a large feature wall.

Wetland/Recreation Area

The building expansion project also involved constructing an onsite wetland that provides leisure opportunities for employees and appropriate drainage for the site's parking lot. The wetland area includes a sitting area and a walkway that ties-in with the Town of Ajax's expansive, 80 kilometer trail system.

Tree Planting

When Veridian embarked on the building expansion, several trees required removal. To mitigate any impact associated with this removal, Veridian committed to replanting three trees on site for every one removed. Some of these trees will be planted along the side of the property facing residences to provide a visual buffer between those homes and Veridian's property.

Benefits

Veridian's LEED-eligible addition has been well-received by staff, who benefit from more natural light, collaborative workspaces, and good indoor air quality. Additional benefits are listed in the accompanying text box.



Meeting booths provide quiet work or relaxation spaces



Veridian's atrium provides plenty of natural light



Employee Benefits

Veridian's new LEED-eligible building provides staff with a number of benefits, including:

- a high-performance facility that aligns with organizational and cultural goals;
- transparent and inviting spaces that inspire staff and visitors while promoting sustainability and community connection;
- a central atrium with seating areas that serves as an employee meeting place;
- bright and open workstations with lots of windows, flooded with natural light;
- casual interaction opportunities to collaborate, inspire, innovate and promote internal learning;
- diverse work areas with opportunities for individual personalization;
- quick and easy access to conference and confidential call areas; and
- a fitness room that promotes healthy living and active lifestyles.

ENERGY

Solar Energy

In September 2012, Veridian unveiled a rooftop-mounted solar array at the company's Corporate Headquarters in Ajax. The solar array, which was developed by Pickering-based Solera Sustainable Energies Companies Limited, occupies about 45,000 square feet of the building's garage roof. The solar array's 400+ photovoltaic panels will generate approximately 160,000 kWh of clean, carbon-free electricity annually – an amount equivalent to that consumed by about 20 typical households. Over a 20-year term, the solar array will generate revenue through the Ontario Power Authority's Feed-In-Tariff program, which allows owners of an electrical service connection to sell energy from renewable resources back into the electrical distribution grid.



Veridian's rooftop-mounted solar array features over 400 photovoltaic panels



Automatic Voltage Regulator

In 2011, the company installed an automatic voltage regulator known as the Harmonizer-AVR at its Corporate Headquarters. Manufactured by Legend Power, the voltage regulator acts like an energy-dimmer switch for commercial buildings. The unit is installed in Veridian's electrical room and regulates incoming voltage. If excess power is supplied to the building in the form of high voltage, the Harmonizer-AVR automatically adjusts the voltage to an efficient level to save energy.

The voltage regulator has reduced energy consumption by better managing the building's energy supply, thereby reducing harmful greenhouse gas emissions and trimming operating costs. Without making a single efficiency upgrade to its end use electrical equipment, Veridian is saving 76,000 kWh and 14 tons of greenhouse gas emissions per year. The Harmonizer-AVR's 15 year life expectancy will help the company achieve a cumulative long term savings of over 1.1 million kWh and 210 tons of greenhouse gas emissions.

Veridian was able to take advantage of the **saveONenergy** RETROFIT PROGRAM to achieve a payback of 2.8 years on the investment. The program provides substantial financial incentives to encourage the replacement of existing equipment with energy efficient equipment and new control systems that provide cash flow savings and improve the efficiency of operational procedures and processes.

Electric Vehicles

Veridian supports electric vehicle (EV) charging infrastructure development and deployment through partnerships with the University of Ontario Institute of Technology (UOIT), Durham College and the Durham Strategic Energy Alliance (DSEA). In concert with the Corporate Headquarter's building expansion, Veridian added two EV charging stations to the parking lot for visitor and employee use. The EV charging stations are part of a demonstration project supported by the Ontario Government that will see the deployment and management of an EV network that will ultimately lay the groundwork for adoption of EVs in Ontario. Project partners include PowerStream, the City of Toronto and the national charity Evergreen.

For one EV charging station, Veridian has partnered with one of the world's leading electric vehicle (EV) service providers – better place. The project involves smart charging of EVs through a network of charge spots located at Veridian's offices in Ajax and Clarington. The second station is a Siemens charging station for the DSEA's EV project, which was launched at Durham College's Whitby campus in November 2011. This smart network optimizes charging, increases electric grid efficiency by avoiding peak-demand periods, and increases grid stability by taking advantage of the storage EV batteries can provide.



TRANSPORTATION

Smart Commute

Veridian participates in Smart Commute, a program that helps local employers and commuters explore different commuting choices like carpooling, cycling and transit. Smart Commute initiatives supported by Veridian include the following:

- telecommuting and compressed work weeks to reduce the amount of travel required for workers to get to and from work;
- videoconferencing capabilities that reduce the need for travel among Veridian's satellite offices;
- preferred parking spaces for high-occupancy vehicles at its Corporate Headquarters in Ajax; and
- a Bike Lending program introduced in 2011.
- Some of these initiatives are described in more detail below.



President and CEO Michael Angemeer (left) and Board Chair Doug Dickerson (right) stand by Veridian's electric vehicle and charging station at the company's Corporate Headquarters in Ajax

Telecommuting

Veridian offers its employees the opportunity to work from home one or more days per week. While offering a more flexible work option for eligible employees, the program also increases employee productivity, reduces absenteeism and lowers costs for the company.

Transit

Veridian encourages employees to use public transit by providing subsidies. Employees who purchase a six-month public transit pass to commute to work are reimbursed 25 per cent of the original cost of their pass.

Cycling and Walking

A handful of Veridian employees choose to cycle or walk to work. Veridian supports and encourages these healthy commuting options by providing on-site showers and change room facilities, and plenty of bike racks.



Employees can borrow bikes through Veridian's Bike Lending program

Bike Sharing

Veridian has a Bike Lending program through which employees can borrow (free of charge) one of two hybrid bikes during company time. The bikes are available at the company's Corporate



Headquarters. Employees routinely use the bike sharing program for short trips to nearby restaurants and shops in lieu of driving or walking. Employees can easily book the bikes via Microsoft Outlook, the company's email system. Signed waivers (good for the entire year) and helmets are mandatory.

High Occupancy Vehicle (HOV) Parking

To reduce the number of vehicles used for commuting, Veridian designated the six most desirable parking spaces – those closest to the employee entrance – for those travelling to and from work with two or more occupants sharing the ride. The designated spaces, also known as HOV parking, are marked with green signs. Participants are issued a hang-tag to ensure the incentive is being adhered to. The HOV parking was designated in concert with the building expansion project.



HOV parking is located close to employee entrances

Green Vehicles

Plug-in Hybrid Trucks. In late 2010/early 2011, Veridian added six new plug-in hybrid bucket trucks to its expanding green fleet – the second of its kind in Ontario. The vehicle's HyPower™ Hybrid technology saves fuel, reduces emissions and helps to eliminate noise in residential areas.

The HyPower Hybrid technology is a plug-in hybrid electric vehicle system that operates the truck's aerial lift without running the engine using hybrid (battery) power. The aerial lift can operate for up to six hours in this mode. Based on 250 working days a year, the HyPower Hybrid system can reduce up to an estimated six gallons of fuel each work day, which would offset 13 metric tons of CO2 annually.

The vehicle's state-of-the-art system draws stored energy from batteries – allowing Veridian's crews to operate almost silently while on the job site. The vehicle's technology also means less local pollution for improved quality of life in the communities Veridian serves and a healthier work environment for employees.

Electric Vehicles. Company President and CEO Michael Angemeer made headlines for driving Canada's first plug-in hybrid, solar assisted vehicle in Canada – a Toyota Prius fuelled by grid-electricity and renewable electricity generated by solar panels on its roof. In February 2011, Angemeer donated the vehicle to the UOIT in support of the University's ongoing commitment to delivering a leading-edge, technology-rich learning environment that provides hands-on experience for students while also promoting the highest quality of innovative research. The vehicle is being used as part of the Automotive Engineering program's participation in Auto21 – Canada's national automotive research program – and vehicle-to-grid communications testing. Veridian has since updated its fleet of green vehicles with two Chevy Volts, one driven by Angemeer and the second one available to employees for company business.



WASTE DIVERSION

At Veridian, employees support waste diversion efforts by participating in office recycling, organic waste collection, and a household battery drop-off program. All office spaces are outfitted with blue bins for recycling and food waste is collected in the lunch room. An employee volunteer spearheads the battery collection program. Veridian further works to reduce its waste footprint by offering its customers an electronic billing option (see below).

EMPLOYEE ENGAGEMENT

Veridian proudly celebrates and supports environmental initiatives year-round through various employee programs, special projects and initiatives. The company takes great pride in being a leader in sustainable development and its earth-friendly practices. Employee programs, projects and initiatives are facilitated by the Energy, Efficiency and Environment Committee, a team of volunteers who are personally dedicated to fostering a culture of sustainability at Veridian.

Committee activities include developing employee tips and tools for being green and Earth Week activities. For Earth Week 2013 - April 22 to 26 - the Committee oversaw a number of activities, including community clean-ups, special guest speakers, battery disposals and book exchanges, displays, giveaways and prizes. Earth Week activities are supported by a Durham College co-op student.



Veridian's Corporate Headquarters in Ajax provides a bright and open work environment – an ideal atmosphere for creative problem solving.



GREEN PROGRAMS FOR CUSTOMERS

saveONenergy^{OM}

The saveONenergy conservation programs, offered by Ontario's electric utilities and funded by the Ontario Power Authority, are designed to make it easier than ever for customers to conserve energy, manage their electricity use and contribute to a culture of conservation. Here is a closer look at the **saveONenergy** programs:

- **peaksaver PLUS[®].** Veridian launched its **peaksaver PLUS** initiative in October 2012 to provide customers with information about their energy consumption. Eligible homeowners who enroll in **peaksaver PLUS** receive a free portable in-home energy display. The device displays energy usage and price data in real-time, allowing customers to conserve energy and save money by adjusting their consumption to off-peak hours. Veridian has more than 6,000 customers participating in the **peaksaver[™]** and **peaksaver PLUS** programs.
- **Energy-Efficient Product Discounts.** Veridian provides a range of discounts on energy-saving products, including LED light bulbs, light fixtures and lighting control products, whether stripping, advanced power bars, timers and more. To receive coupons for the discounts, homeowners can attend coupon events at participating retailers or download the coupons from www.veridian.saveonenergy.ca.
- **Fridge and Freezer Pick-up.** Veridian will provide eligible homeowners with free pick-up and recycling service for old, energy-guzzling fridges and freezers. In 2011, Veridian provided 803 fridge/freezer pickups.
- **Heating and Cooling Incentive.** Through Veridian's heating and cooling incentive, eligible homeowners and businesses can receive up to \$650 in incentives to replace furnace and central air conditioning units with more energy-efficient models. In 2011, Veridian provided 1,326 incentive payments for heating and cooling system upgrades.
- **Exchange Events.** Exchange events are held at local participating retail locations and customers are encouraged to bring in their old room air conditioners and dehumidifiers in exchange for coupons/discounts towards the purchase of new energy efficient equipment. The Ontario Power Authority contracts with participating retailers for collection of eligible units.
- **Business Programs.** Veridian's **saveONenergy** programs for businesses help fund energy audits, replace inefficient equipment, and provide incentives for controlling and reducing electricity demand at specific times.

With funding from the Ontario Power Authority, Veridian provides a suite of saveONenergy conservation programs designed to help customers conserve energy, manage their electricity use and contribute to a culture of conservation.

www.saveonenergy.ca



Paperless Billing

In 2012, Veridian launched a four-month campaign to encourage customers to make the switch to paperless billing. Customers who signed up for Veridian's eBill and Pre-authorized Payment Plan (PAP) had a chance to win a washer-dryer combination, a 46-inch ENERGY STAR qualified LED television or an Apple iPad. Veridian's eBill and PAP services are environment-friendly alternatives to receiving invoice statements by mail that saves trees by reducing the number of paper bills produced. The initiative netted more than 1,235 new sign-ups.

Conservation Champions

Veridian introduced the Conservation Champions award to recognize businesses that achieved outstanding conservation results. In May 2011, the first annual Conservation Champions awards paid tribute to ten customers that were leading participants in Veridian's energy efficiency and demand management programs during the previous year. Champions exhibit a strong commitment to energy conservation, while benefitting from valuable financial incentives and reduced operating costs. In addition to announcing the award through advertisements placed in local business publications, a commemorative plaque is presented to each champion.



Veridian's Conservation Ambassadors provide customers with information on conservation programs and advice on managing their electricity costs.

Conservation Ambassadors

Veridian's Conservation Ambassadors provide outreach to customers at community events and retail outlets in the company's service areas. The Ambassadors offer customers information on the **saveONenergy** conservation programs and assist customers on how to manage their electricity costs. Veridian uses the Ambassador events to distribute coupon booklets that customers can use to obtain discounts on select energy-saving products.



RECOGNITION

Veridian has a number of awards under its belt that speak to its leadership in sustainability. In April 2013, the company was named one of Canada's Greenest Employers for a fourth consecutive year. This special designation recognizes employers who are committed to earth-friendly business practices and act as leaders in creating a culture of environmental awareness in the workplace.

Veridian was also awarded Durham Region's Smart Commute Employer of the Year (2011) for its commitment to the program, leadership in the community, innovation and results. In 2013, Veridian was designated a Smart Commute Workplace – Silver. This designation is awarded to workplaces that take the Smart Commute Workplace program beyond the basics – providing enhanced commuter options for employees.

As well, Veridian was the proud recipient of the 2012 Readers' Choice Award for being voted the number one Energy Service Provider in Durham Region. The annual Readers' Choice Award competition is sponsored by Durham Business Times. Award recipients are chosen by owners, managers and key decision makers in Durham's business community through an online vote.



MOVING FORWARD

Veridian is always looking for innovative ways to advance sustainability within its operations and corporate culture and to its customers. On the horizon, the company hopes to work with the regional government to erect bus shelters on site to make commuting by bus to the Ajax headquarters more appealing. Veridian is also considering a vanpooling pilot project for employees, which has the support of almost half of Veridian's workforce according to a recent survey.



WHAT IS DURHAM PARTNERS IN PROJECT GREEN?

Durham Sustain Ability (DSA) and its partners have been developing Durham Partners in Project Green (DPPG) since mid-2011 in order to assist local companies to improve their environmental and financial performance. DPPG builds strong relationships with the business community, while providing tools and resources to assist local companies in improving their productivity and reducing their direct and indirect emissions of greenhouse gases and other pollutants.

Working with the Toronto and Region Conservation Authority (TRCA), the Region of Durham, local utilities and municipalities, DSA is managing and delivering DPPG. The program is being modeled on, and is leveraging the resources and experience of the very successful Partners in Project Green: A Pearson Eco-Business Zone initiative that has been in operation around Toronto Pearson International Airport for the past several years.

DPPG acts as the interface for green business in the region of Durham. DPPG has its own programming, as well as acts as a clearinghouse that connects businesses to other green business related programming in the region. By taking this approach, it will become easier for companies looking to reduce their costs to contact a single organization who can then connect them to the various resources available throughout the region through this “one-window” approach.

For more information about Durham Partners in Project Green, please visit:

www.partnersinprojectgreen.com/durham

info@sustain-ability.ca

905.985.3279, ext. 12

Durham Partners in Project Green delivers programming that helps businesses reduce energy and resource costs, uncover new business opportunities, and address everyday operational challenges in a green and cost-effective manner.

www.partnersinprojectgreen.com/durham

