Scorecard - Tillsonburg Hydro Inc.

8/25/2026

Performance Outcomes	Performance Categories	Measures		2021	2022	2023	2024	2025	Trend	Target: Industry	Target: Distributor
Customer Focus Services are provided in a manner that responds to identified customer preferences.	Service Quality	New Residential/Small Business Services Connected on Time		99.51%	95.34%	100.00%	99.62%	100.00%	↑	90.00%	
		Scheduled Appointments Met On Time		98.21%	99.33%	98.60%	99.79%	98.69%	↑	90.00%	
		Telephone Calls Answered On Time		0.00%	98.68%	99.29%	99.11%	99.20%	↑	65.00%	
	Customer Satisfaction	First Contact Resolution		97.7%	94.7%	96.9%	98.9%	99.3%			
		Billing Accuracy		97.60%	99.70%	99.85%	99.85%	99.96%	↑	98.00%	
		Customer Satisfaction Survey Results		Satisfied	Satisfied	Satisfied	Satisfied	Satisfied			
Operational Effectiveness Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.	Safety	Level of Public Awareness		83.70%	86.00%	86.00%	86.00%	85.30%			
		Level of Compliance with Ontario Regulation 22/04 [1]		C	C	C	C	C	→		C
		Serious Electrical Incident Index	Number of General Public Incidents	0	0	0	0	0	→		0
			Rate per 10, 100, 1000 km of line	0.000	0.000	0.000	0.000	0.000	→		0.000
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted [2]		0.53	0.95	0.21	0.32	1.53	↑		0.87
		Average Number of Times that Power to a Customer is Interrupted [2]		0.37	0.99	0.26	0.46	1.44	↑		0.64
	Asset Management	Distribution System Plan Implementation Progress		In-progress	In-progress	In-progress	111%	86%			
	Cost Control	Efficiency Assessment		3	2	2	2	2			
		Total Cost per Customer [3]		$686	$703	$762	$815	$833			
		Total Cost per Km of Line [3]		$39,137	$39,997	$43,880	$47,099	$47,924			
Public Policy Responsiveness Distributors deliver on obligations mandated by government (e.g., in legislation and in regulatory requirements imposed further to Ministerial directives to the Board).	Connection of Renewable Generation	New Micro-embedded Generation Facilities Connected On Time		100.00%	100.00%				→	90.00%	
Financial Performance Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)		1.49	1.12	1.66	1.38	2.48			
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio		0.41	0.40	0.63	0.67	0.84			
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	8.98%	8.98%	8.98%	9.21%	9.21%			
			Achieved	1.43%	-0.32%	3.52%	-0.10%	12.21%			

1. Compliance with Ontario Regulation 22/04 assessed: Compliant (C); Needs Improvement (NI); or Non-Compliant (NC).
2. An upward arrow indicates decreasing reliability while downward indicates improving reliability.
3. A benchmarking analysis determines the total cost figures from the distributor 's reported information.

Legend:

5-year trend: up, down, flat

Current year: target met, target not met

2025 Scorecard MD&A - General Overview Tillsonburg Hydro Inc.

Tillsonburg Hydro Inc. provides electricity distribution, billing, and maintenance services to residents of the Town of Tillsonburg. We are committed to delivering safe, reliable service, innovative solutions, and long-term value for its shareholders, customers, and community. With a local office open to the public, as well as locally based staff and equipment, we are well positioned to respond promptly to community needs. In 2025, Tillsonburg Hydro Inc. exceeded most industry and distributor targets reported on the Scorecard.

Service Quality

Tillsonburg Hydro Inc. (THI) strives to provide customer service that exceeds the Ontario Energy Board (OEB) Industry Targets. During 2025, THI continued to exceed the industry targets for all Service Quality measures on the scorecard.

- **New Residential/Small Business Services Connected on Time**
  THI connected 119 of 119 new services (100%) within the 5-business day standard during fiscal 2025; this exceeds the OEB target of 90%.

- **Scheduled Appointments Met on Time**
  During fiscal 2025, THI attended 291 of 296 scheduled appointments (98.7%) as scheduled. THI consistently exceeds the OEB target of 90%.

- **Telephone Calls Answered on Time**
  THI has maintained its level of service from the prior year, answering 99.2% of calls with the 30-second time period. In 2025, THI's customer service staff received 5,873 calls with no abandoned calls after 30 seconds.

Customer Satisfaction

The satisfaction of customers is of high importance to THI. The Customer Satisfaction metrics on the Scorecard exceeded OEB industry targets and have been consistent during 2021 through 2025.

- **First Contact Resolution**
  THI resolved customer issues 99.3% during the first contact with THI staff during 2025. THI continues to value customer's time by empowering its staff to resolve customer issues during the first contact.

- **Billing Accuracy**
  During 2025, THI produced 104,474 bills and achieved 99.9% accuracy metric. This metric exceeds the 98% industry target set by the OEB.

- **Customer Satisfaction Survey Results**
  During 2025, THI conducted an independent Customer Satisfaction Survey to assist in obtaining information relating to Customer Satisfaction. THI's results were consistent with previous Satisfaction Surveys (last performed in 2023) where Customers were "Satisfied" with THI's business results. This survey is available on its website.

Safety

- **Public Safety**

  The Ontario Energy Board (OEB) introduced their Safety Measure in 2015. This measure looks at safety from a customers' point of view as safety of the distribution system is a high priority. The Safety Measure is generated by the Electrical Safety Authority (ESA) and includes three components: Public Awareness of Electrical Safety, Compliance with Ontario Regulation 22/04, and the Serious Electrical Incident Index.

  - **Component A – Public Awareness of Electrical Safety**

    THI engaged a 3rd party, during 2024 to survey residents within the THI service territory on the level of public awareness on electrical safety. THI achieved a result of 85.3%. While there is currently not an industry target published by the OEB, we compared its results to a peer group of other Local Distribution Companies (LDCs). Using the same vendor, it shows we are in the medium of the other 12 LDCs in the group.

  - **Component B – Compliance with Ontario Regulation 22/04**

    The ESA report was issued on July 22, 2026, for the audit period May 1, 2025 to April 30, 2026, in which THI has achieved a "C" rating (Compliant).

  - **Component C – Serious Electrical Incident Index**

    For the years 2021 through 2025 THI has not had any "Serious Electrical Incidents". As a result, the numbers submitted for THI's scorecard by the Electrical Safety Authority are zero. THI continues to work with ESA to ensure the distributor has done everything necessary to maintain this level of compliance.

System Reliability

- **Average Number of Hitss that Power to a Customer is Interrupted**
  During 2025, THI reported an increase in the Average number of Hitss that Power to a customer is interrupted (SAIDI) compared to 2024. The 2025 results presented a metric of 1.53, which exceeds the distributor target of 0.87.

- **Average Number of Times that Power to a Customer is Interrupted**
  During 2025, THI reported an increase in the Average Number of Times that Power to a customer is interrupted (SAIFI i.e. Frequency) compared to 2024 results. The 2025 results presented a metric of 1.44, which exceeds the distributor target of 0.64.

Weather events, including freezing rain, in December significantly impacted system reliability statistics for 2025.

Asset Management

- **Distribution System Plan Implementation Progress**
  Tillsonburg Hydro Inc. has completed its Distribution System Plan and has included it as part of its 2024 Cost of Service Rate Application. This plan provides an estimate of future capital spending. In 2025 THI spent 14% less than indicated in the Distribution System Plan.

Cost Control

- **Efficiency Assessment**
  The OEB contracts the Pacific Economics Group LLC (PEG) to rank LDC’s in Ontario on an annual basis. The electricity distributors are divided into five groups based on the magnitude of the difference between their respective individual actual and predicted costs. Electricity distributors are ranked into 1 of 5 efficiency categories with category 1 being the most efficient and 5 being the least efficient.

  In 2025, THI maintained its ranking, remaining in Group 2. Group 2 is defined as having actual costs 10% to 25% below predicted costs. Group 3 is considered the electrical distributor ranking for “average efficiency”.

- **Total Cost per Customer**
  Total cost per customer is calculated as the sum of THI capital and operating costs and dividing this cost figure by the total number of customers that THI serves. THI’s total cost per customer in 2025 was $833, which is an increase compared to $815 in 2024. This 2.2% increase reflects the inflationary impact on labour and materials.

- **Total Cost per Km of Line**
  This measure uses the same total cost that is used in the Cost per Customer calculation above. The total cost is divided by the kilometers of line that THI operates to serve its customers. THI’s total cost per Km of Line in 2025 is $47,924 based on 150 km of line. This is a 1.8% increase when compared to $47,099 in 2024 reflecting the inflationary impact on labour and materials.

- Inflationary factors impacting material costs include decreased supplier competition, increased fuels costs, replacement of depleted Covid driven inventory stock levels at current costs.

Connection of Renewable Generation

- **Renewable Generation Connection Impact Assessments Completed on Time**
  THI had no requests CIA's during 2025.

- **New Micro-embedded Generation Facilities Connected on Time**
  THI had no new micro-embedded generation facilities completed during 2025.

Financial Ratios

- **Liquidity: Current Ratio (Current Assets/Current Liabilities)**

  As an indicator of financial health, a current ratio that is greater than 1 is considered good as it indicates that the company can pay its short-term debts and financial obligations. Companies with a ratio of greater than 1 are often referred to as being "liquid". The higher the number, the more "liquid" and the larger the margin of risk to cover the company's short-term debts and financial obligations.

  Tillsonburg Hydro Inc.'s current ratio increased from 1.38 in 2024 to 2.48 during 2025.

- **Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio**

  The OEB uses a deemed capital structure of 60% debt, 40% equity for electricity distributors when establishing rates. This deemed capital mix is equal to a debt-to-equity ratio of 1.5 (60/40).

  A debt-to-equity ratio of more than 1.5 indicates that a distributor is more highly levered than the deemed capital structure. A high debt to equity ratio may indicate that an electricity distributor may have difficulty generating sufficient cash flows to make its debt payments.

  A debt-to-equity ratio of less than 1.5 indicates that the distributor is less levered than the deemed capital structure. A low debt-to-equity ratio may indicate that an electricity distributor is not taking advantage of the increased profits that financial leverage may bring. THI has a debt-to-equity structure that is less levered – this is demonstrated by the 2025 debt to equity ratio of 0.84.

  Capital investments during 2025 and future years using debt financing will see this ratio continue to climb towards industry norms.

- **Profitability: Regulatory Return on Equity – Deemed (included in rates)**

  THI's current distribution rates have been approved by the OEB and include an expected (deemed) regulatory return on equity of 9.21%. The OEB allows a distributor to earn within +/- 3% of the expected return on equity. When a distributor performs outside of this range, the actual performance may trigger a regulatory review of the distributor's revenues and costs structure by the OEB.

- **Profitability: Regulatory Return on Equity – Achieved**

  The expected improvement in ROE was achieved in 2025 from the rebasing of rates that commenced on November 1, 2024. The 2025 ROE achieved was 12.21% which is within the allowed range set by the OEB.

Note to Readers of 2025 Scorecard MD&A

The information provided by distributors on their future performance (or what can be construed as forward-looking information) may be subject to a number of risks, uncertainties and other factors that may cause actual events, conditions or results to differ materially from historical results or those contemplated by the distributor regarding their future performance. Some of the factors that could cause such differences include legislative or regulatory developments, financial market conditions, general economic conditions and the weather. For these reasons, the information on future performance is intended to be management's best judgement on the reporting date of the performance scorecard and could be markedly different in the future.