Scorecard - Algoma Power Inc.

9/3/2026

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		100.00%	98.64%	100.00%	100.00%	100.00%		90.00%	
		Scheduled Appointments Met On Time		100.00%	100.00%	100.00%	100.00%	100.00%		90.00%	
		Telephone Calls Answered On Time		88.36%	85.46%	78.32%	77.96%	91.64%		65.00%	
	Customer Satisfaction	First Contact Resolution		99.95%	99.99%	99.91%	99.87%	99.85%			
		Billing Accuracy		99.82%	99.92%	99.95%	99.94%	99.94%		98.00%	
		Customer Satisfaction Survey Results		93%	97%	90%	91%	92%			
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		83.00%	82.00%	82.00%	84.00%	83.00%			
		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]		3.61	4.43	5.28	8.52	5.59			5.72
		Average Number of Times that Power to a Customer is Interrupted [2]		1.77	2.08	2.28	3.23	2.80			2.46
	Asset Management	Distribution System Plan Implementation Progress		Completed	Completed	Completed	Completed	Completed			
	Cost Control	Efficiency Assessment		5	5	5	5	5			
		Total Cost per Customer [3]		$2,338	$2,479	$2,804	$2,944	$3,282			
		Total Cost per Km of Line [3]		$13,025	$14,501	$16,501	$16,966	$19,733			
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%	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)		0.43	0.26	0.20	2.02	0.99			
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio		1.32	1.44	1.39	1.63	1.55			
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	8.52%	8.52%	8.52%	8.52%	9.00%			
			Achieved	9.38%	10.53%	10.54%	7.95%	10.24%			

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 Management Discussion and Analysis (“2025 Scorecard MD&A”)

The link below provides a document titled “Scorecard - Performance Measure Descriptions” that has the technical definition, plain language description and how the measure may be compared for each of the Scorecard’s measures in the 2025 Scorecard MD&A:
[Scorecard - Performance Measure Descriptions]

Scorecard MD&A - General Overview

- In 2025, Algoma Power Inc. (“API”) met or exceeded most of its performance targets, consistent with the strong performance in prior years.
- In 2026, API expects to continue to maintain and improve its overall scorecard performance results. Sustaining and improving performance are expected as a result of enhanced system reliability due to API’s investment in its distribution system and continued responsiveness to customer feedback.

Service Quality

- **New Residential/Small Business Services Connected on Time**

In 2025, API connected 100% of the 244 new eligible low-voltage residential and small business customers within the Ontario Energy Board’s prescribed five-day timeline. Since 2011, API has consistently exceeded the Ontario Energy Board’s target of 90%.

- **Scheduled Appointments Met On Time**

In 2025, API met 100% of its 188 appointments within the prescribed timelines set out by the Ontario Energy Board. Since 2013, API has consistently attended 100% of its schedule appointments on time.

- **Telephone Calls Answered On Time**

In 2025, customer service representatives answered 91.6% of API’s 8,887 calls within 30 seconds. This exceeds the Ontario Energy Board’s mandated 65% target. API continues to offer and promote various communication channels including: the customer self-serve portal; webchat function within the website; and social media postings.

Customer Satisfaction

- **First Contact Resolution**

API measures First Contact Resolution by tracking the number of escalated calls as a percentage of total calls taken by the customer service center. In 2025, only 0.15% of calls were escalated, resulting in a first contact resolution of 99.85%.

- **Billing Accuracy**

In 2025, API issued 151,997 invoices and 99.94% were accurate. This is above the industry target of 98%.

- **Customer Satisfaction Survey Results**

API conducts its customer satisfaction surveys through a third-party survey provider, UtilityPULSE, consistent with many other LDCs in the province. Phone numbers were randomly selected so that 85% per cent of the interviews were conducted with residential customers and 15% with general service customers. API's 2025 satisfaction score was 92%. The Ontario benchmark assessed by UtilityPULSE is 89%.

The survey provides useful information to better meet the needs of API's customers and is incorporated into API's distribution system plan, capital planning and overall company objectives.
API's communications strategy is guided by customer feedback from its customer satisfaction surveys and data analytics, ensuring customers receive timely, relevant, and accessible information. With affordability at the forefront, API is focused on proactive initiatives to improve access to support programs and resources that help customers better manage their electricity costs.
As part of this strategy, API launched its outage map in 2023 to provide customers with near-real-time outage information. API continues to make investments in its system aimed at maintaining and improving reliability, which are further outlined in the "System Reliability" section below.

Safety

- **Public Safety**

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

The Electrical Safety Authority has developed a survey on public awareness of electrical safety. The Electrical Safety Authority is responsible for developing the survey methodology and questions. The design and scoring are standardized across the province and set by the Electrical Safety Authority. In 2026, API engaged UtilityPulse to complete the survey in relation to “Public Awareness of Electrical Safety”. On completion of this survey, UtilityPulse generated a “Public Safety Awareness Index Score” for API. API’s score of 83% suggests that members of the public are generally well- informed about the safety hazards associated with electrical distribution systems, but also that further education and engagement would be beneficial. This survey on “Public Awareness of Electrical Safety” is completed on a two-year cycle and will be completed again by API in 2028.

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

This component includes the results of an Annual Audit, Declaration of Compliance, Due Diligence Inspections, Public Safety Concerns and Compliance Investigations. All the elements are evaluated as a whole and determine the status of compliance (Non-Compliant, Needs Improvement, or Compliant).

API’s status as evaluated by the ESA is Compliant.

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

“Serious electrical incidents”, as defined by Regulation 22/04, make up Component C. The metric details the number of and rate of “serious electrical incidents” occurring on a distributor’s assets and is normalized per 10, 100 or 1,000 km of line (10km for total lines under 100km, 1000km for total lines over 1000km, and 100km for all the others).

API had zero incidents in 2025. API’s website (Safety Section), along with regular social media posts outline public safety requirements for homeowners and others when completing home improvements and other work around their property.

System Reliability

- **Average Number of Hours that Power to a Customer is Interrupted**

The average API customer experienced 5.6 hours of outage duration in 2025, excluding loss of supply and major events. API's customers experienced an improvement in the average hours of electrical service disruptions in 2025 compared to 2024. The 2025 result is 2.3% below API's performance target, indicating better-than-targeted performance.

The average number of hours that power to a customer is interrupted, which are adjusted for Loss of Supply and Major Event Days, show an increasing trend in recent years, with the main outage causes in API's service area are Scheduled Outages, Tree Contacts and Defective Equipment.

API continues to invest in grid modernization to gain visibility on the state of the distribution system and improve overall response, restoration times and communication to its customers. Grid modernization initiatives include the deployment of automated devices, implementation of a SCADA system and further development of API's outage management system. Outages in Northern Ontario can have a significant impact on our customers, which is why API has continued to invest in asset contingency planning, ensuring redundancy in critical supplies and equipment. Furthermore, API continues to prioritize the management of its rights-of-way through its integrated vegetation management program.

- **Average Number of Times that Power to a Customer is Interrupted**

The average API customer experienced between 2-3 outages in 2025, excluding loss of supply and major events. API's customers experienced a slight decrease in the average number of electrical service disruptions in 2025 as compared to 2024, the result is just 13.8 % above API's performance target of 2.46. Despite improving results in 2025, it still shows an increasing (worsening) trend during the most recent five-year period. The main drivers of the number of outages are Defective Equipment and Tree Contacts.

API reviews outage statistics monthly to identify areas of poor distribution system performance. This process indicates any trends in performance and identifies opportunities to improve reliability. API also completes asset condition assessments to identify assets that present a risk of impacting system reliability. API uses reliability indicators and asset condition assessment data as key drivers in the system planning process.

API's outage reduction strategy is based on a cyclical asset preventative maintenance program through inspections and testing and continues to prioritize management of rights-of-way through its integrated vegetation management program. API has implemented a renewal-based sustainment plan, whereby older, end-of-life assets are replaced.

Asset Management

- **Distribution System Plan Implementation Progress**

In 2025, API continued to see elevated levels of non-discretionary projects as a result of customer and third-party requests. API continues to invest in this area as needed in order to provide customers with access to electricity services and to ensure ongoing collaboration with third-party entities completing work in our service territory. In particular, API responded to a significant level of permit requests associated with the Ontario Government's accelerated broadband initiative.

API's system renewal and system service investments continue to be focused on sustaining asset replacements system reliability improvements. In 2025, API achieved the majority of its planned DSP projects, but elected to defer its Smart Meter Replacement and Distribution Automation projects to 2026 and beyond as a result of other priority non-discretionary work.

Cost Control

- **Efficiency Assessment**

The total costs for Ontario local electricity distribution companies are evaluated by the Pacific Economics Group LLC on behalf of the Ontario Energy Board to produce a single efficiency ranking. The electricity distributors are divided into five groups based on the magnitude of the difference between their respective individual actual and predicted costs. In reviewing the Pacific Economics Group benchmarking and report, API management does not believe that the model accurately predicts API's costs. API's unique attributes as a rural and remote distributor, particularly its low customer density, result in API being an extreme outlier in the data set used to develop the model.

Some of API's largest cost drivers, including customer density and the degree of forestation along its distribution line rights of way, are not appropriately reflected in the benchmarking model. As a result of the extremely rural and low-density nature of API's system in relation to other Ontario distributors, API management believes that the total cost per km of line section below provides a more appropriate measure of API's efficiency and cost control.

- **Total Cost per Customer**

The statistical model developed by Pacific Economics Group (PEG) produces total capital and operating costs for each distributor that can be used for the purpose of comparing distributors. This amount is then divided by the total number of customers that API serves to determine Total Cost per Customer. The cost performance result for 2025 is $3,282 per customer which is a 11% increase over 2024.

Total cost in 2025, as assessed by PEG, increased 12% over 2024, while API's customer growth in this period was .73%. The key driver of API's increase in total costs is the capital cost component, driven by API's ongoing investments into its distribution system in recent years, in order to support the reliability of the distribution system, the replacement of aging distribution system assets, and support the distribution system's ability to provide the necessary system capacity, as well as general plant investments to support these goals.

API's operating expense component of total cost grew by 6%, primarily as a result of increased maintenance expense.

- **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 API operates to serve its customers. API's 2025 result is $19,733 per km of line, a 16% increase over the result for 2024. The change in 2025 is driven by the increase in total cost, of 12%, as outlined in the section above.

Many of API's significant cost drivers are directly related to its total kilometers of line. These cost drivers include most lines and vegetation management related activities, as well as support functions such as engineering and design.

Connection of Renewable Generation

- **New Micro-embedded Generation Facilities Connected On Time**

API had 3 new micro-embedded generation facilities that were connected to the distribution system within 5 business days. API met 100% of this target.

Financial Ratios

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

The 2025 liquidity current ratio for API per the scorecard is 0.99 (2024 – 2.02). The 2025 liquidity current ratio based on API's audited financial statements, adjusted to exclude due from related parties, is 0.76 (2024 - 1.15). Going forward, the liquidity ratio is expected to be maintained at a level greater than 1.00, indicating that API has the ability to pay its short-term debts and financial obligations.

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

The Ontario Energy Board 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. The combined 2025 debt to equity ratio for API has decreased to 1.55 (2024 - 1.63), which is right in line with the deemed rate of 1.5. The leverage ratio is expected to be maintained at a level near the 1.5 deemed capital mix noted above.

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

API's 2025 distribution rates were approved by the Ontario Energy Board as part of its Cost of Service application. API's Cost of Service application was for rates effective January 1, 2025 and this included an expected (deemed) regulatory return on equity of 9.00%. The Ontario Energy Board allows a distributor to earn within +/- 3% of the expected return on equity. Outside of this range, the OEB may require a review of the distributor's over-/under- earning.

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

API's return achieved in 2025 is 10.24% (2024 – 7.95%), which is within the +/- 3% range allowed by the Ontario Energy Board. API's achieved returns increased from 2024 due to a $2.2 million (48.80%) increase in adjusted regulated net income and a $22.0 million (15.59%) increase in rate base. The primary driver of the increase in adjusted regulated net income was due to the outcome of API's Cost of Service application where revenue requirement was updated and approved. The increase in rate base resulted from moving two Advanced Capital Module projects into rate base that were approved within the Cost of Service proceeding, system access and system service capital work, on-going line rebuild projects, land right agreements, and fleet vehicle purchases, which was offset by amortization expenses.

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.