



Orangeville Hydro 2024 Annual Report

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President and CEO
Orangeville Hydro Limited

Amy Long, CPA, CGA
Chief Financial Officer
Orangeville Hydro Limited

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Board Chair
Orangeville Hydro Limited

If you require an accessible copy of this document, please
call 519-942-8000 or email info@orangevillehydro.on.ca

Organizational Structure

Unanimous Shareholders Agreement 2008



Chair, Gia DeJulio
Vice-Chair, Mary Caputi
Director, Lisa Post (Mayor, Orangeville)
Director, Steve Soloman (Mayor, Grand Valley)
Director, Andy Macintosh (Councillor, Orangeville)
Director, Bob Long
Director, Soussanna Karas

Our Mission

To provide safe, reliable, efficient delivery of electrical energy while being accountable to our shareholders...the citizens of Orangeville and Grand Valley.

Our Vision

To be acknowledged as a leader among electric utilities in the areas of safety, reliability, customer service, customer satisfaction, sustainability, and financial performance.

Our Goals

To continue as a profitable electricity distribution enterprise the following principles are core features of our Company:

- We value professionalism and safety in our service and our work;
- We value people - our customers, employees, board members, and shareholders;
- We value our community - its environment and its economic progress;
- We value integrity, honesty, respect, and communications;
- We value local control, local accountability, local employment, and local purchasing; and
- We value easy accessibility to our ratepayers.



2024 Activities

- Continued strong reliability statistics compared to historical provincial average
- Cost of Service rate application approved by the Ontario Energy Board
- Continued efforts to electrify corporate owned carbon emitting equipment
- Enhanced cyber security capabilities and remote work capabilities
- Conducted safety training throughout the entire organization

Customer Service Highlights



Worked with the Town of Orangeville on AMI water meter replacement project



\$260,993

Provided in assistance for Ontario Electricity Support Program



\$21,244

Distributed through the Low-Income Energy Assistance Program



2024 Capital Projects

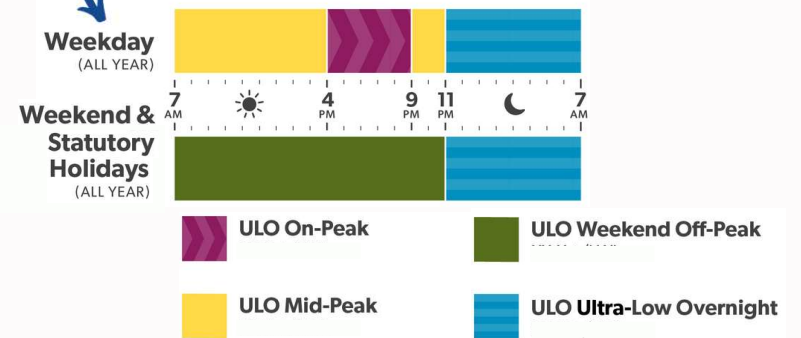
- Conversion of MS#2 South feeder: Maple, Madison, and Edelwild, Rustic, Cedar, Lawrence
- Feeder Tie – Armstrong St
- Transformer corrosion refurbishment
- Continuation of pole replacement program and replacement of failed transformers and meters
- Connections of new homes in Orangeville and Grand Valley

Regulated Price Plans

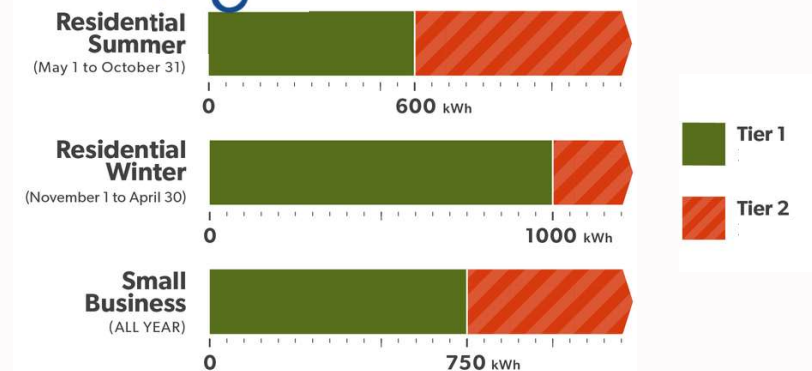
Time-of-Use (TOU)



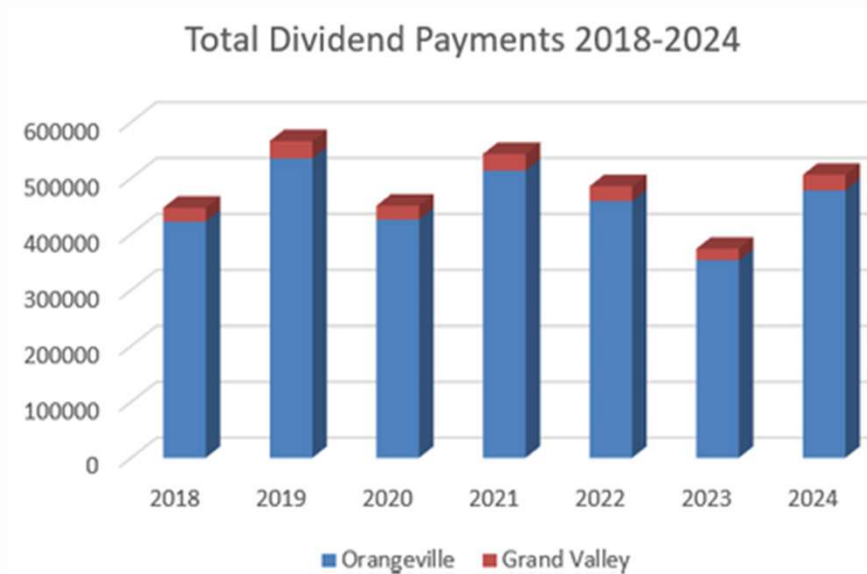
Ultra-Low Overnight (ULO)



Tiered



Dividend Payments



Orangeville Hydro has paid the Town of Orangeville \$22,035,285 since incorporation in 2000 and the Town of Grand Valley \$561,793 since amalgamation in 2007.

Orangeville Hydro's dividend policy is payment to the shareholders of 50% of prior year audited net income.

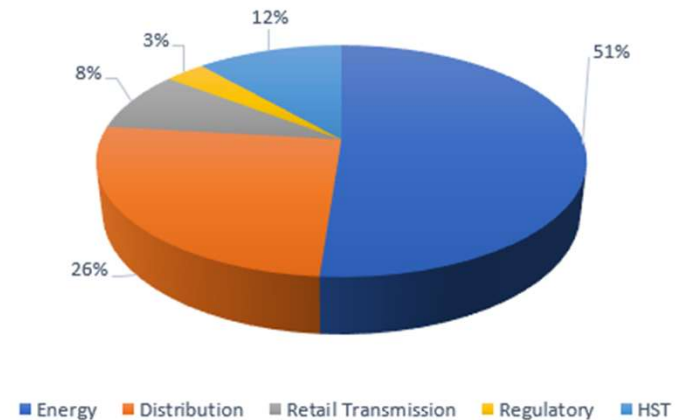
In 2024, dividends paid were \$506,016 (\$478,185 to Town of Orangeville and \$27,831 to Town of Grand Valley).

This was 50% of the 2023 Audited Net Income for the year and net movement in regulatory balances.

2024 Rate Application

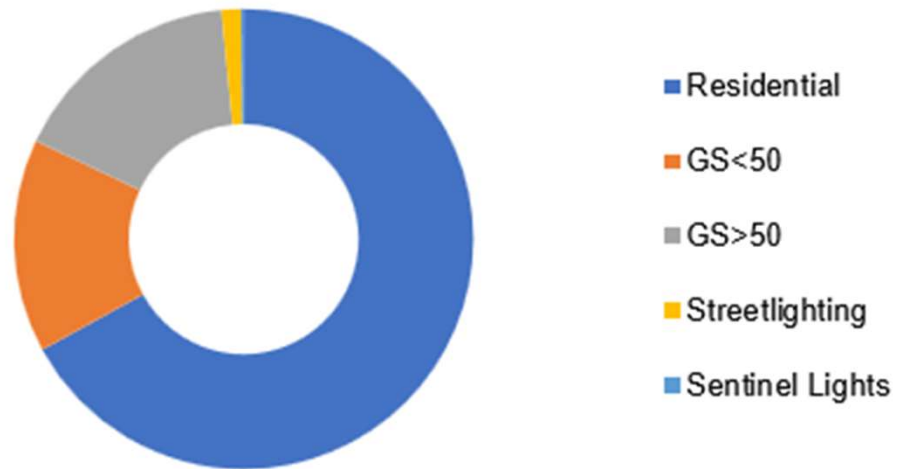
- Average residential customer: monthly increase of \$5.10 (3.62%)
- Average general service < 50kW customer: monthly increase of \$4.29 (1.2%)
- Average general service > 50kW customer: monthly increase of \$69.58 (2.25%)

Breakdown of Bill for Residential Customer consuming 750 kWh/month



Distribution Revenue by Customer Class

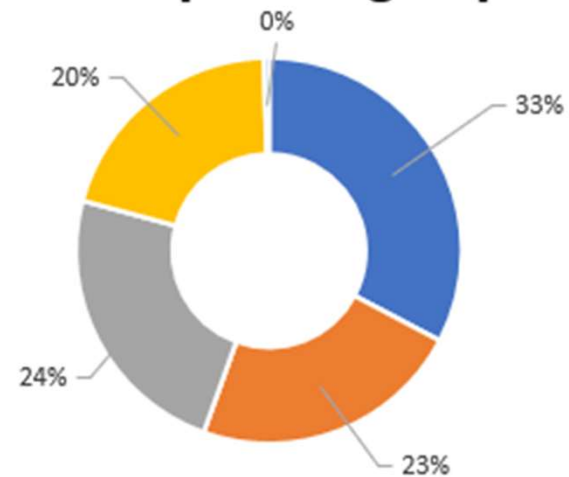
% Breakdown of Distribution Revenue



Operating Expenses

Operating expenses are the costs associated with the day-to-day operations, maintenance and administration (OM&A) of the utility, comprising of labour, material, equipment, purchased services, as well as depreciation of fixed assets.

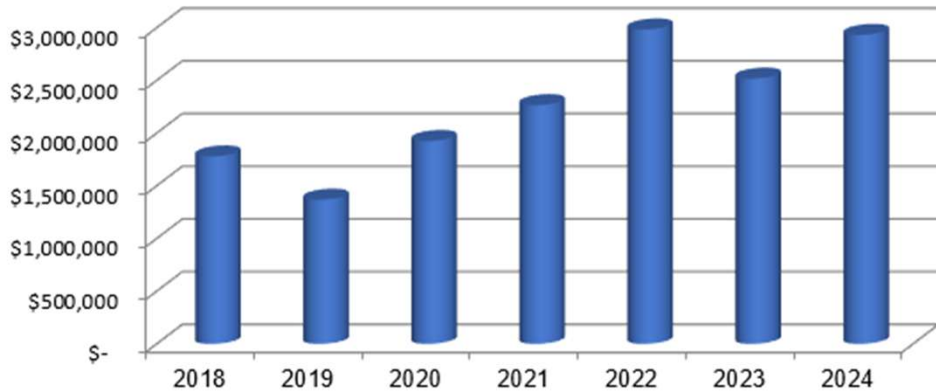
Type of Expense as a % of Total Operating expenses



- General and administrative
- Billing and collecting
- Operating and maintenance
- Depreciation and amortization
- Loss (gain) on disposal of PPE

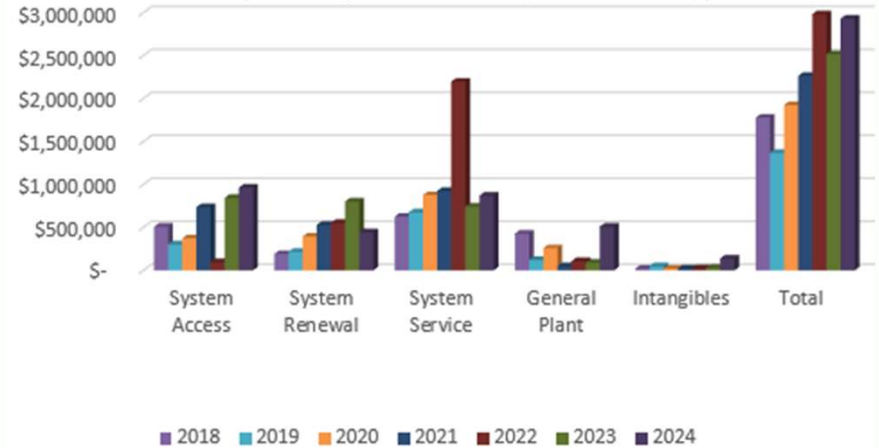
Capital Expenditures

Capital Expenditures by Year



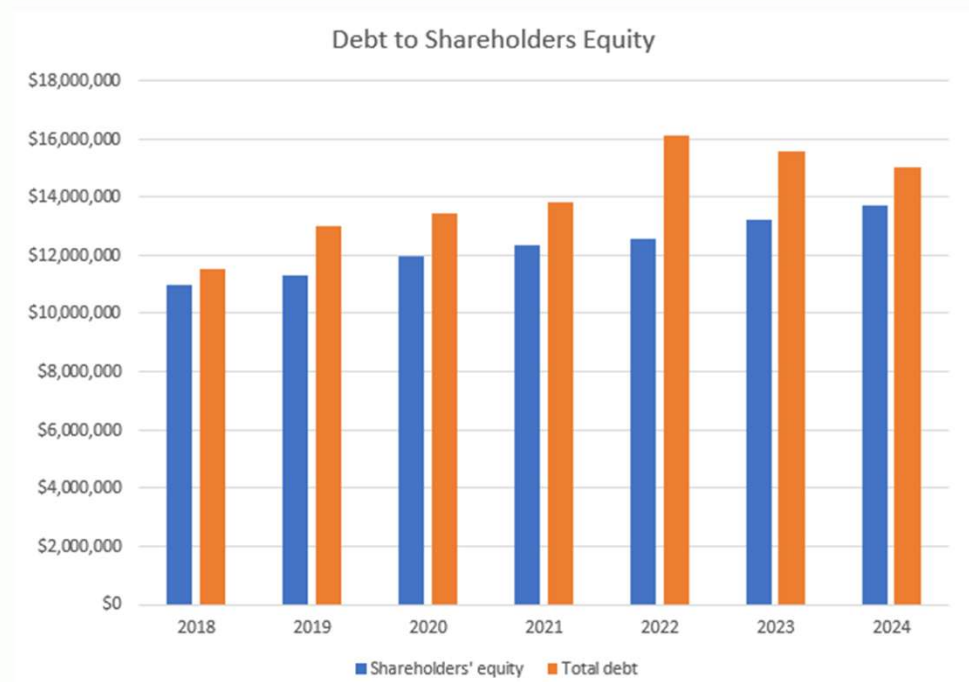
Job Type	Cost	% of total
System Access	\$ 964,291	33%
System Renewal	\$ 445,639	15%
System Service	\$ 871,505	30%
General Plant	\$ 511,198	17%
Intangibles	\$ 138,709	5%
Total	\$ 2,931,342	100%

Capital Expenditures by Year and Type



Debt to Shareholders' Equity

In 2024, total debt was at a favourable level of 52% compared to total shareholders' equity of 48%.

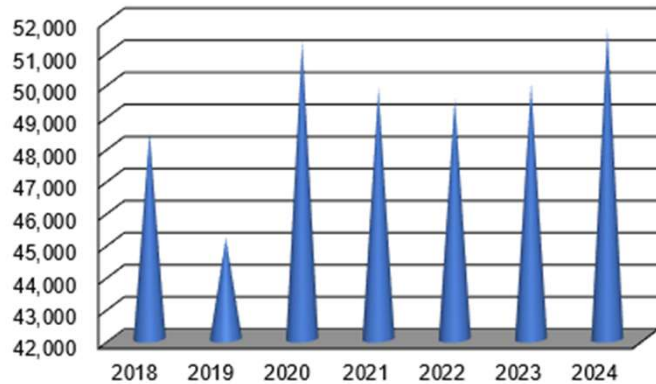


Financial Statistics

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Sale of energy	\$30,406,079	\$31,873,671	\$32,072,635	\$34,801,304
Distribution revenue	\$5,796,532	\$5,588,004	\$6,033,323	\$6,515,089
OM&A expenses	\$3,386,801	\$3,690,996	\$3,961,088	\$4,255,590
Capital expenditures	\$2,265,235	\$2,983,010	\$2,516,930	\$2,931,342
Total comprehensive income	\$908,964	\$747,579	\$1,012,026	\$964,692
Shareholders' equity	\$12,331,444	\$12,593,359	\$13,231,593	\$13,690,269
Total debt	\$13,805,822	\$16,131,608	\$15,587,649	\$15,041,775
Capital assets (PP&E)	\$22,952,526	\$24,798,240	\$26,130,264	\$27,836,344
Annual Dividends to shareholders	\$543,259	\$485,664	\$373,792	\$506,016
Cumulative Dividends Paid	\$21,231,612	\$21,717,276	\$22,091,068	\$22,597,084
Number of customers	12,885	12,956	13,077	13,128
Number of employees (FTE)	20	21	20	20

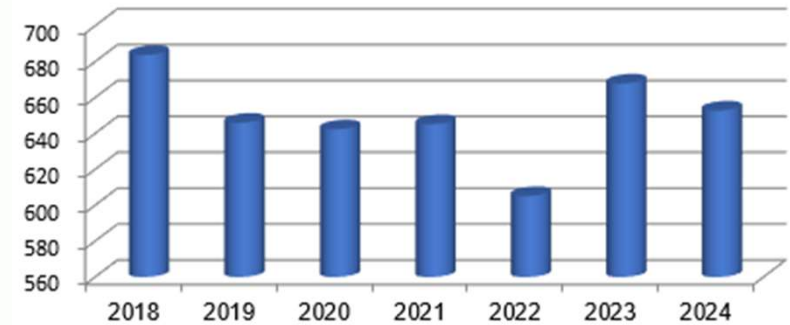
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Return on Equity (Financials)	7.37%	5.94%	7.65%	7.05%
Return on Equity (Regulated)	9.46%	5.71%	8.25%	7.24%
Debt %	53%	56%	54%	52%
Equity %	47%	44%	46%	48%
Debt to Equity	1.12	1.28	1.18	1.10
Debt to Assets %	39%	46%	44%	40%
Debt to Capital Assets %	60%	65%	60%	54%
OM&A expenses/customer	\$263	\$285	\$303	\$324
Customers/employee	645	605	668	653

Peak Demand



Factors that affect the system peak include our voltage conversion projects, hotter summers, as well as the industrial and commercial economy within our service area.

Number of Customers Served by Employee

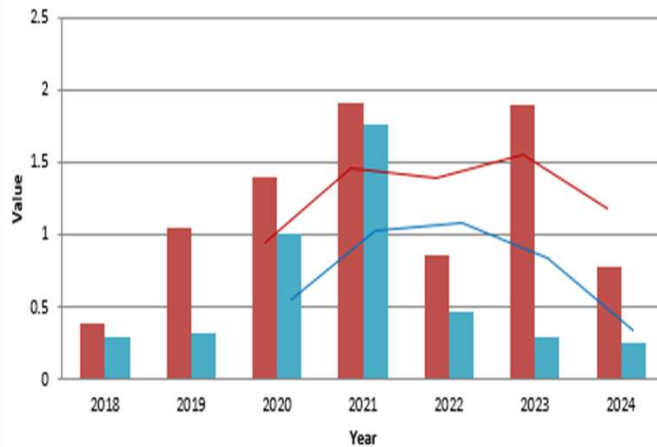


The number of customers served per employee is 653 in 2024.

**Company
Profile**

Orangeville Hydro SAIDI

System Average Interruption Duration Index
(excluding Major Event Days)



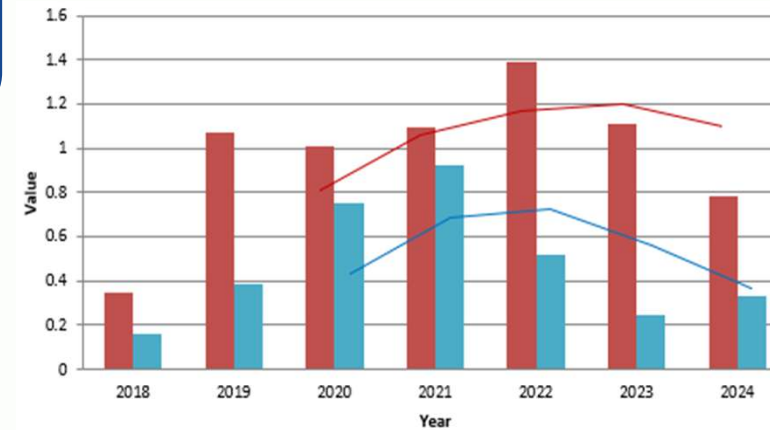
■ including Loss of Supply
■ excluding loss of supply
— 3 per. Mov. Avg. (including Loss of Supply)
— 3 per. Mov. Avg. (excluding loss of supply)

Reliability

SAIDI is the average length of time of all outages and SAIFI is the average number of outages that occur through the year.

Orangeville Hydro SAIFI

System Average Interruption Frequency Index
(excluding Major Event Days)



■ including Loss of Supply
■ excluding loss of supply
— 3 per. Mov. Avg. (including Loss of Supply)
— 3 per. Mov. Avg. (excluding loss of supply)



February 28, 2024

Reliability



December 10, 2024

Scorecard

Target										
Performance Outcomes	Performance Categories	Measures	2019	2020	2021	2022	2023	2024	Industry	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%	100.00%	99.24%	100.00%	99.24%	99.48%	90.00%	
		Scheduled Appointments Met On Time	100.00%	100.00%	99.25%	100.00%	99.24%	99.49%	90.00%	
		Telephone Calls Answered On Time	99.90%	99.11%	99.21%	99.26%	99.43%	99.08%	65.00%	
	Customer Satisfaction	First Contact Resolution	99.90%	99.90%	99.83%	99.62%	99.67%	99.76%		
		Billing Accuracy	100.00%	99.84%	99.82%	99.73%	99.79%	99.89%	98.00%	
		Customer Satisfaction Survey Results	78.2	76	76	76	76	76		
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	85.50%	85.50%	84.50%	84.50%	83.70%	83.70%		
		Level of Compliance with Ontario Regulation 22/04	C	C	C	C	C	C		C
		Serious Electrical Incident Index	Number of General Public Incidents	0	0	1	0	0	0	0
				Rate per 10, 100, 1000 km of line	0.000	0.000	0.450	0.000	0.000	0.000
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted	0.33	1.01	1.75	0.47	0.29	0.25		0.55
		Average Number of Times that Power to a Customer is Interrupted	0.39	0.75	0.91	0.52	0.24	0.33		0.65
	Asset Management	Distribution System Plan Implementation Progress	96%	102%	87%	156%	110%	93%		
	Cost Control	Efficiency Assessment	2	2	1	1	1	n/a		
		Total Cost per Customer	\$568	\$535	\$550	\$605	\$661	n/a		
		Total Cost per Km of Line	\$32,501	\$30,612	\$31,921	\$35,340	\$38,970	n/a		
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							90.00%	
Financial Performance Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	1.74	1.41	0.78	1.39	1.03	1.53		
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	1.15	1.12	1.12	1.28	1.18	1.10		
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	9.36%	9.36%	9.36%	9.36%	9.36%	9.21%	
			Achieved	10.36%	11.83%	9.46%	5.71%	8.25%	7.24%	



Thank You

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