

									Target	
Performance Outcomes	Performance Categories	Measures	2020	2021	2022	2023	2024	Trend	Industry	Distributor
<b>Customer Focus</b>  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%	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	96.67%	90.88%	95.13%	94.25%	92.96%	⬇	65.00%	
	Customer Satisfaction	First Contact Resolution	99.9%	100%	100%	98%	100%			
		Billing Accuracy	99.82%	98.75%	99.77%	99.67%	99.44%	⬆	98.00%	
		Customer Satisfaction Survey Results	91.7%	98.4%	98.4%	99.7%	99.7%			
<b>Operational Effectiveness</b>  Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.	Safety	Level of Public Awareness	79.91%	84.30%	84.30%	83.90%	83.90%			
		Level of Compliance with Ontario Regulation 22/04 <sup>1</sup>	C	C	C	C	C	➡		C
		Serious Electrical Incident Index	0	0	0	0	0	➡		0
			0.000	0.000	0.000	10.000	0.000	⬆		0.000
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted <sup>2</sup>	0.09	0.13	2.12	0.15	0.26	⬆		0.30
		Average Number of Times that Power to a Customer is Interrupted <sup>2</sup>	0.37	0.19	1.86	0.07	0.14	⬇		0.55
	Asset Management	Distribution System Plan Implementation Progress	119.8%	109.4%	178.7%	145.3%	85.4%			
	Cost Control	Efficiency Assessment	3	3	2	2	2			
		Total Cost per Customer <sup>3</sup>	\$655	\$669	\$737	\$822	\$831			
		Total Cost per Km of Line <sup>3</sup>	\$30,435	\$30,891	\$34,059	\$37,170	\$37,484			
<b>Public Policy Responsiveness</b>  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%	
<b>Financial Performance</b>  Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	3.75	3.98	3.89	4.54	4.59			
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.00	0.00	0.00	0.00	0.00			
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	0.00%	0.00%	0.00%	0.00%	0.00%		
			Achieved	1.17%	1.02%	-2.31%	0.19%	-2.86%		

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

## 2024 Scorecard Management Discussion and Analysis (“2024 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 2024 Scorecard MD&A:

[https://www.oeb.ca/oeb/Documents/scorecard/Scorecard\\_Performance\\_Measure\\_Descriptions.pdf](https://www.oeb.ca/oeb/Documents/scorecard/Scorecard_Performance_Measure_Descriptions.pdf)

### Scorecard MD&A - General Overview

Fort Frances Power Corporation (FFPC) continued to deliver safe, reliable, and cost-effective electricity distribution service in 2024, while maintaining a strong focus on operational efficiency, customer satisfaction, and long-term system reliability & resiliency. Despite inflationary pressures and sector-wide challenges, FFPC sustained its position in Group 2 of the Ontario Energy Board’s (OEB) Efficiency Assessment, reflecting above-average cost efficiency. Modest increases in the Total Cost per Customer (up 1.1% to \$831) and Total Cost per Kilometer of Line (up 0.8% to \$37,484) remained well below the OEB’s 4.8% inflationary benchmark, reinforcing FFPC’s prudent approach to cost control.

FFPC also achieved strong reliability results, with the Average Number of Hours of Interruption per Customer (0.26 hours) and Average Number of Interruptions per Customer (0.14 times) both below five-year averages and significantly better than customer expectations. While the vast majority of interruption hours continue to result from upstream transmission-related Loss of Supply, FFPC has taken proactive steps to address this through engagement with Hydro One and the Independent Electricity System Operation (IESO) on a second transmission supply line—an initiative that would significantly improve system reliability.

The utility also demonstrated ongoing excellence in customer service, achieving a 99.7% customer satisfaction rate, and maintaining 100% performance across service connection, appointment scheduling, and 99.4% for billing accuracy. FFPC also recorded zero serious electrical incidents and remained fully compliant with Ontario Regulation 22/04, “Electrical Distribution Safety”.

Looking forward, FFPC remains mindful of the growing system demands associated with the electrification of transportation and the decarbonization of energy use, as well as the need to modernize aging infrastructure. While currently debt-free, FFPC anticipates that future strategic investments—such as increased distribution capacity, transformer station upgrades, and a second transmission supply—may require new capital financing. These investments will be planned prudently to preserve financial sustainability while supporting the evolving needs of the community.

Through disciplined financial management and a strong customer and community focus, FFPC continues to uphold its commitment to delivering value to its customers and the Town of Fort Frances.

## Service Quality

- **New Residential/Small Business Services Connected on Time – Industry Target Exceeded**

In 2024, Fort Frances Power Corporation (FFPC) connected 100% of 19 eligible low-voltage residential and small business customers (i.e., those requiring connections under 750 volts) to its distribution system within the five-day timeline prescribed by the Ontario Energy Board (OEB). FFPC has consistently achieved 100% performance on this metric for the past five consecutive years, exceeding the OEB's mandated minimum threshold of 90% each year.

- **Scheduled Appointments Met On Time – Industry Target Exceeded**

In 2024, FFPC received 537 appointment requests for services such as meter reads, disconnections, and reconnections. Of these, 68 appointments required the presence of the customer or their representative. FFPC successfully met all 68 of these appointments on time, achieving a 100% performance score for the "Scheduled Appointments Met on Time" metric.

The majority of appointment requests are made on an "as soon as possible" basis and are typically fulfilled within one to two business days of receipt. FFPC has exceeded the Ontario Energy Board's industry target of 90% for this metric each year over the past five years. The utility's compact service territory allows staff to reach any customer location within 15 minutes, supporting FFPC's continued high level of responsiveness and service reliability.

- **Telephone Calls Answered On Time – Industry Target Exceeded**

During regular business hours, FFPC answers all incoming customer telephone calls directly through a live customer service representative, rather than using an automated call routing system (e.g., "Press 1 for service in English"). An automated call system is available for after-hours calls or as a backup when incoming call volume exceeds FFPC's simultaneous call handling capacity.

In 2024, FFPC received 2,485 qualifying telephone calls related to electrical service or other energy-related inquiries. Of these, 2,310 calls were answered within 30 seconds, resulting in a performance score of 92.96%—well above the Ontario Energy Board's industry target of 65%.

## Customer Satisfaction

- **First Contact Resolution – Industry Target Not Yet Established**

The Ontario Energy Board (OEB) has not yet established a standardized industry target or methodology for measuring First Contact Resolution. In 2014, the OEB directed all electricity distributors to begin developing internal measures and tracking results, with the intention of reviewing this data and introducing a common framework in the future. Until such guidance is provided, each distributor may apply different methodologies.

First Contact Resolution can be defined in various ways. FFPC considers a customer inquiry to be resolved at first contact if it is addressed by front-line staff without the need for escalation to management. The performance measure is calculated by subtracting the number of escalated inquiries from the total number of inquiries, then dividing the result by the total number of inquiries.

For the 2024 calendar year, FFPC achieved a 100% First Contact Resolution rate using this methodology.

- **Billing Accuracy – Industry Target Exceeded**

Prior to July 2014, there was no standardized industry measurement for billing accuracy. Following consultation with electricity distributors, the Ontario Energy Board (OEB) implemented a common billing accuracy metric effective October 1, 2014. The prescribed industry standard is a minimum accuracy rate of 98%.

In 2024, Fort Frances Power Corporation (FFPC) issued 44,842 customer bills and achieved a billing accuracy rate of 99.44%, exceeding the OEB standard.

To support billing accuracy, FFPC has developed and implemented a standalone bill calculator that is used to spot-check bills generated by its billing system. If discrepancies are identified, the utility withholds bill issuance until the issue is resolved. This tool has proven invaluable in ensuring customers receive accurate bills.

- **Customer Satisfaction Survey Results – Industry Target Not Yet Established**

The Ontario Energy Board (OEB) introduced the Customer Satisfaction Survey Results performance measure in 2013. While electricity distributors are required to conduct and report on customer satisfaction surveys at least once every two years, the OEB currently allows distributors discretion in how the measure is implemented.

FFPC's most recent customer satisfaction results are based on its biennial survey conducted in 2023. The survey asked: "Overall, how satisfied are you with the services provided by Fort Frances Power Corporation (FFPC)?" Respondents could select from: Very Satisfied, Satisfied, Neutral/Don't Know, Unsatisfied, or Very Unsatisfied.

FFPC invited 100% of its customer base to participate, receiving 304 responses from approximately 3,750 customers (a response rate of 8.1%). Of these, 193 respondents indicated they were Very Satisfied and 110 indicated Satisfied, resulting in a combined satisfaction rate of 99.7% (303 out of 304 responses). FFPC has adopted this metric as its internal measure of overall customer satisfaction.

## Safety

- **Public Safety**

- **Component A – Public Awareness of Electrical Safety – Industry Target Not Yet Established**

FFPC conducted its fourth biennial Public Awareness of Electrical Safety survey in the fall of 2023. The survey followed a standardized question set used by all Ontario utilities, allowing for consistent, industry-wide comparisons. FFPC achieved a public awareness score of 83.9%, which represents the utility's performance on this scorecard measure.

The survey focused on six key areas of public electrical safety, with the following results:

- Likelihood to "call before you dig" – 84.0%
- Understanding the impact of touching a power line – 98.3%
- Awareness of safe proximity to overhead power lines – 60.8%
- Awareness of the danger of tampering with electrical equipment – 96.7%
- Understanding safe proximity to downed power lines – 75.9%
- Knowledge of proper actions if a vehicle contacts wires – 87.8%

The following table summarizes public awareness scores by age demographic:

Age Demographic	% of Survey Respondents	Overall Score %
18 - 24	2.1	82.6
25 - 34	24.5	83.1
35 - 44	28.7	83.2
45 - 54	16.1	83.7
55 - 64	14.7	85.9
65+	14.0	85.0

Based on the results, the greatest opportunities for improving public awareness lie in the areas of safe proximity to overhead and downed power lines and in increasing awareness among the 18–24 age demographic.

○ **Component B – Compliance with Ontario Regulation 22/04 – Distributor Target Met**

Over the past five years, FFPC has been found to be in full compliance with Ontario Regulation 22/04 (Electrical Distribution Safety). This regulation establishes safety requirements and performance objectives for the design, construction, and maintenance of electrical distribution systems owned by licensed electricity distributors. Specifically, it mandates the approval of equipment, plans, and specifications, as well as the inspection of construction work before it is placed into service.

○ **Component C – Serious Electrical Incident Index – Distributor Target Met**

FFPC is pleased to report a long-standing record of operating without serious electrical incidents involving either the general public or its employees. FFPC maintains that all work-related injuries are preventable and remains fully committed to the safety of both the public and its workforce.

Over the past five years, FFPC has recorded **zero** incidents involving the general public, as defined under the Serious Electrical Incident Index. This exemplary safety record reflects the utility's strong safety culture and proactive risk management practices.

## System Reliability

FFPC's biennial Customer Satisfaction Survey confirmed that customers remain highly satisfied with the reliability of their electricity service. When asked, "How satisfied are you with the reliability of the electricity being supplied to you?", 99.7% of respondents indicated they were either satisfied or very satisfied.

In 2024, customers experienced power interruptions primarily due to utility-scheduled outages, transmission-related supply loss, equipment failures, tree contact, and foreign interference such as squirrels contacting power lines. The table below summarizes outage impacts by cause, based on standard Ontario Energy Board (OEB) outage codes:

OEB Outage Cause Code	Customer Hours of Outage by Cause	% Customer Hours of Power Interruption
0 - Unknown/Other	-	0.00%
1.1 - Scheduled Outage Non-LDC	-	0.00%
1.2 - Scheduled Outages LDC	375	1.14%
2.1 - Loss of Supply Transmission	31,801	97.03%
2.2 - Loss of Supply Distribution	-	0.00%
3.1 - Fallen Tree on Right-of-Way	-	0.00%
3.2 - Broken Branch/Tree Growth/Untrimmed Tree	-	0.00%
3.3 - Fallen Tree Off Right-of-Way	22	0.07%
4 - Lightning	-	0.00%
5.1 - Equipment Failure LDC	545	1.66%
5.2 - Equipment Failure DER	-	0.00%
5.3 - Defective Equipment/Material	-	0.00%
6.1 - Adverse Weather Tree Contact	-	0.00%
6.2 - Adverse Weather Equipment Breakage	-	0.00%
6.3 - Adverse Weather Other	-	0.00%
7 - Adverse Environment	-	0.00%
8.1 - Human Element DER	-	0.00%
8.2 - Human Element Other	-	0.00%
9.1 - Foreign Interference Wildlife	24	0.07%
9.2 - Foreign Interference Vehicle	5	0.02%
9.3 - Foreign Interference Dig-In	-	0.00%
9.4 - Foreign Interference Customer Equipment	-	0.00%
9.5 - Foreign Interference DER	-	0.00%
9.6 - Foreign Interference Other - Non-LDC Staff	-	0.00%
<b>Total</b>	<b>32,773</b>	<b>100.00%</b>

FFPC's reliability performance in 2024 was better than the utility's five-year average, demonstrating continued strength in system performance and operational responsiveness.

Historically, over 90% of all customer outage hours have been attributed to "Loss of Supply" from the transmission system. This is due to the community being served by a single transmission line, which means any interruption results in a community-wide outage. In response, FFPC has engaged Hydro One Networks Inc. and the Independent Electricity System Operator (IESO) to explore the development of a second transmission supply line to Fort Frances. This initiative is expected to eliminate more than 90% of all customer interruption hours, significantly improving long-term system reliability and resilience.

- **Average Number of Hours that Power to a Customer is Interrupted – Distributor Target Met**

This performance metric evaluates FFPC's system reliability by comparing its current performance against its own five-year historical average. It is important to note that this metric excludes "Loss of Supply" outages, as these are attributed to the upstream transmission (bulk supply) system and are not within FFPC's direct control.

For 2024, FFPC's internal performance target was 0.30 hours. This target aligns with FFPC's five-year average and is used as a benchmark for year-over-year comparison. Additionally, in 2013, as part of a customer satisfaction survey, FFPC asked customers: "How many hours in a year do you expect to be without electricity?" The average response was 4.4 hours, which FFPC adopted as a long-term customer expectation benchmark.

In 2024, FFPC's average number of hours of interruption per customer was 0.26 hours, which is below both its five-year average and significantly lower than the customer-defined expectation of 4.4 hours.

- **Average Number of Times that Power to a Customer is Interrupted – Distributor Target Met**

This performance metric measures how often customers experience power interruptions and is compared against FFPC's own five-year historical average. It is not intended to benchmark FFPC against other distributors or industry-wide standards. Importantly, this metric excludes "Loss of Supply" outages, as these are related to the upstream transmission system and are outside the utility's direct control.

For 2024, FFPC's internal performance target was 0.55 interruptions per customer, based on its five-year average. In 2013, as part of a customer satisfaction survey, FFPC asked customers: "How many unplanned power outages do you expect to happen at your home in a typical year?" The average response was 2.9 outages, which FFPC adopted as a long-term benchmark for meeting customer expectations.

In 2024, FFPC recorded an average of 0.14 interruptions per customer, well below both its five-year average and the customer-defined expectation, reflecting continued strong reliability performance..

- **Distribution System Plan Implementation Progress – Industry Target Not Yet Established**

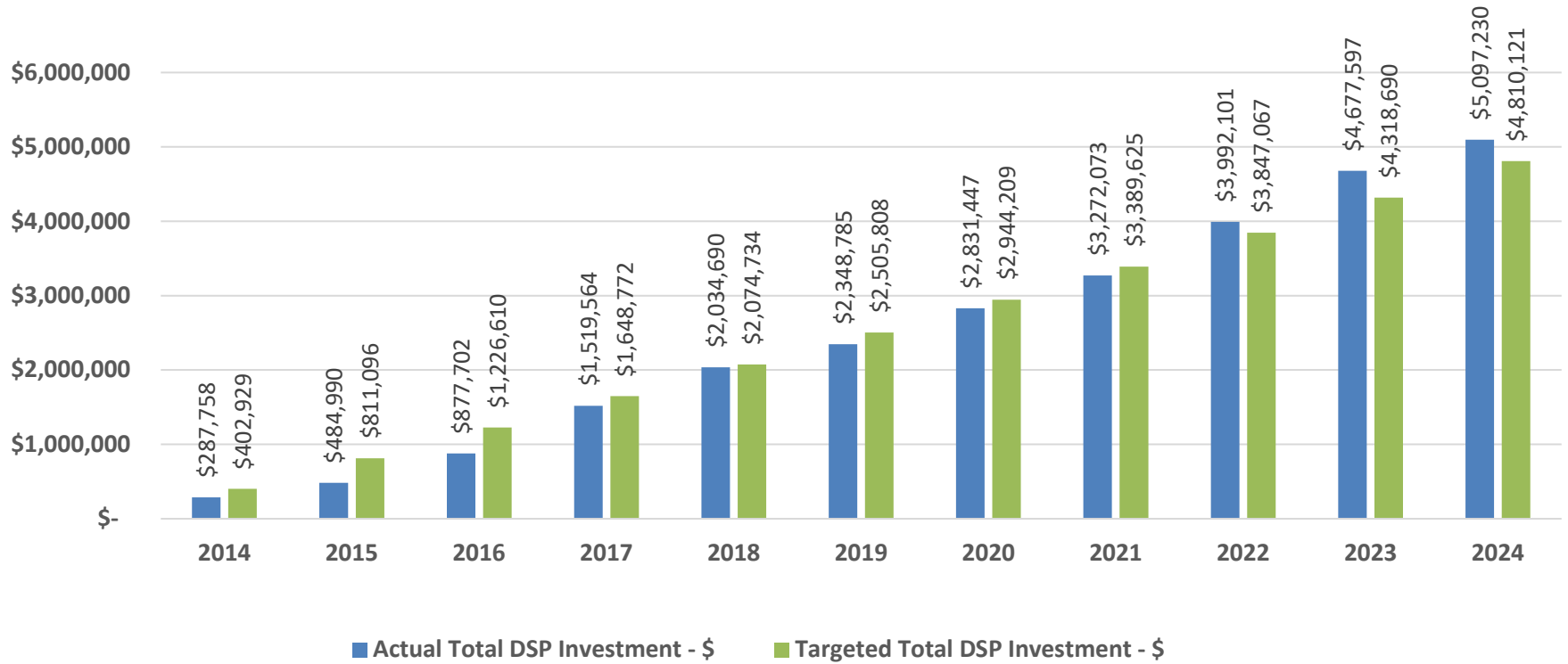
The Distribution System Plan (DSP) Implementation Progress performance measure was introduced by the Ontario Energy Board (OEB) in 2013. As with other new measures, electricity distributors were granted flexibility in defining an approach that best reflects their operations and planning frameworks.

FFPC's DSP outlines the utility's five-year capital expenditure forecast, focused on maintaining the reliability of the electrical distribution system and meeting the needs of current and future customers. The Implementation Progress metric is designed to assess the utility's effectiveness in planning and executing its capital investments. FFPC calculates this metric as the ratio of actual capital expenditures made in a calendar year to the planned capital expenditures for that same year, as set out in the DSP.

Beginning with the 2023 reporting year, FFPC refined its approach by adjusting the annual capital investment target each year using the OEB-approved Annual Incremental Rate (IR) adjustment, which accounts for inflation. Under this methodology, FFPC's 2024 capital investment target was increased from the original 2014 base of \$402,929 to \$491,431, reflecting the approved 2024 IR adjustment of 4.2%.

For the 2024 calendar year, FFPC achieved a capital investment ratio of 85.4% (actual to planned). Since the filing of its DSP in 2014, FFPC has invested a total of \$5,097,230 in capital projects against a cumulative target of \$4,810,121, representing an overall implementation achievement of 106.0%.

2014 - 2024 DSP Actual versus Planned Investments



## Cost Control

Fort Frances Power Corporation (FFPC) continues to demonstrate strong cost management and operational efficiency. In 2024, FFPC maintained its position in Group 2 of the Ontario Energy Board's (OEB) Efficiency Assessment, indicating above-average efficiency, with actual costs between 10% and 25% lower than predicted.

FFPC's Total Cost per Customer was \$831, an increase of just 1.1% over 2023—well below the OEB's 4.8% inflation factor for the year. Similarly, the Total Cost per Kilometer of Line rose by only 0.8%, to \$37,484. These modest increases reflect the utility's disciplined approach to spending, even as capital reinvestments in the distribution system intensified.

Collectively, these indicators affirm FFPC's ongoing commitment to delivering safe, reliable service at the lowest reasonable cost to its customers..

- **Efficiency Assessment**

The total costs for Ontario local electrical distribution companies are evaluated by the Pacific Economics Group LLC on behalf of the OEB to produce a single efficiency ranking. Electrical distributors are divided into five groups based on the magnitude of the difference between their respective individual actual and predicted costs. FFPC continues to be placed in the Group 2 cohort, which is the second highest efficiency ranking category. A Group 2 distributor is noted as having “above average efficiency”, with actual costs between 10% to 25% lower than predicted costs.

- **Total Cost per Customer**

Total Cost per Customer is calculated by summing Fort Frances Power Corporation's (FFPC) annual capital and operating costs and dividing that total by the number of customers served. In 2024, FFPC's total cost per customer was \$831, representing a modest increase of \$9 or 1.1% compared to the \$822 reported in 2023. This increase was well below the 4.8% distribution inflation factor established by the Ontario Energy Board (OEB) for 2024, highlighting FFPC's continued focus on cost control despite inflationary pressures.

- **Total Cost per Km of Line**

This metric uses the same total cost figure applied in the Total Cost per Customer calculation, dividing it by the number of kilometers of primary distribution line that FFPC operates to serve its customers. In 2024, FFPC's total cost per kilometer of line was \$37,484, representing an increase of \$314 or 0.8% compared to \$37,170 in 2023. This increase was significantly lower than the 4.8% distribution inflation factor established by the Ontario Energy Board (OEB) for distributors in 2024, demonstrating FFPC's continued commitment to cost control and operational efficiency..

## Financial Ratios

Fort Frances Power Corporation (FFPC) operates under a “Power at Cost” model, reflecting the original philosophy that guided the electrification of Ontario in the early 1900s. Unlike most Ontario local distribution companies (LDCs), FFPC does not seek to earn a profit on the portion of the electricity bill it controls. This rate-minimization strategy ensures that any surplus revenues are ultimately returned to customers through reduced rates.

As part of this approach, FFPC has paid off all outstanding debt—much like a homeowner paying off a mortgage—to avoid passing interest costs on to ratepayers. This debt-free position has proven beneficial, particularly in light of the sharp rise in borrowing costs since March 2022.

Under the current provincial rate-setting framework, utilities are permitted to earn a return on equity (ROE) of up to 9.00%, with profits often used to pay dividends to shareholders. FFPC has voluntarily set its ROE at 0%, as it does not aim to generate a profit nor distribute dividends to its municipal shareholder. Looking ahead, FFPC may consider adopting a modest ROE solely to help fund major capital reinvestments in its distribution system and transformer station. This disciplined financial strategy supports the corporation’s ongoing commitment to delivering electricity at the lowest reasonable cost for the benefit of its customers.

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

The current ratio is a key indicator of a company’s short-term financial health. A ratio above 1.0 suggests that the company has sufficient current assets to meet its short-term liabilities and is considered “liquid.” A higher ratio indicates a stronger liquidity position and a greater margin of safety to meet financial obligations.

FFPC’s current ratio increased slightly from 4.54 in 2023 to 4.59 in 2024, reflecting a strong liquidity position. FFPC’s long-term objective is to maintain this ratio well above 1.0 to ensure continued financial resilience..

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

The Ontario Energy Board (OEB) applies a deemed capital structure of 60% debt and 40% equity when setting rates for electricity distributors. This equates to a debt-to-equity ratio of 1.5. A ratio above 1.5 suggests a distributor is more highly leveraged than the deemed structure and may face challenges in generating sufficient cash flows to service its debt. Conversely, a ratio below 1.5 indicates lower leverage relative to the regulatory benchmark.

Fort Frances Power Corporation (FFPC) currently operates with no outstanding debt, resulting in a debt-to-equity ratio of 0.0. This strong financial position has sheltered FFPC customers from rising interest rates and borrowing costs. However, to meet evolving system needs, FFPC may need to incur debt in the coming years to fund strategic investments. These include expanding distribution capacity to support electrification (e.g., electric

vehicles and the transition away from natural gas), improving system reliability through a second transmission supply, and refurbishing or replacing its aging transformer station.

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

FFPC's distribution rates were approved by the OEB when the utility rebased its rates under the Renewed Regulatory Framework for Electricity in 2014 and include an expected (deemed) regulatory return on equity of 0%. The elected 0% rate of return supports FFPC's operating model of "Power at Cost". 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 an OEB led regulatory review of the distributor's revenue and cost structures.

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

FFPC's 2024 Regulatory Return on Equity (ROE) was -2.86%, which falls within the Ontario Energy Board's (OEB) deadband of  $\pm 3\%$  around the deemed ROE. Despite the negative ROE, FFPC recorded a comprehensive income of \$66,725, indicating that revenues exceeded expenses for the year. The utility continues to operate under rates established in its 2014 Cost of Service application and anticipates undertaking a Cost-of-Service rate rebasing within the next three years.

## Note to Readers of 2024 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.