

									Target	
Performance Outcomes	Performance Categories	Measures	2021	2022	2023	2024	2025	Trend	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%	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	90.88%	95.13%	94.25%	92.96%	93.61%	⬆	65.00%	
	Customer Satisfaction	First Contact Resolution	100%	100%	98%	100%	99.95%			
		Billing Accuracy	98.75%	99.77%	99.67%	99.44%	99.58%	⬆	98.00%	
		Customer Satisfaction Survey Results	98.4%	98.4%	99.7%	99.7%	97.7%			
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	84.30%	84.30%	83.90%	83.90%	86.10%			
		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
			Rate per 10, 100, 1000 km of line		0.000	0.000	10.000	0.000	➡	0.000
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted ²	0.13	2.12	0.15	0.26	0.45	⬇		0.55
		Average Number of Times that Power to a Customer is Interrupted ²	0.19	1.86	0.07	0.14	0.25	⬇		0.53
	Asset Management	Distribution System Plan Implementation Progress	109.4%	178.7%	145.3%	85.4%	86.9%			
	Cost Control	Efficiency Assessment	3	2	2	2	2			
		Total Cost per Customer ³	\$669	\$737	\$822	\$831	\$877			
		Total Cost per Km of Line ³	\$30,891	\$34,059	\$37,170	\$37,484	\$39,601			
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)	3.98	3.89	4.54	4.59	3.57			
		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		1.02%	-2.31%	0.19%	-2.86%	-0.06%	

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 access to the “Scorecard – Performance Measure Descriptions” document, which explains the technical definition, plain-language description, and basis for comparison of each performance measure included in the 2025 Scorecard MD&A:

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 2025, meeting or exceeding all prescribed Ontario Energy Board (OEB) performance targets. The utility maintained strong customer service and safety performance, remained fully compliant with Ontario Regulation 22/04 (Electrical Distribution Safety), and recorded no serious electrical incidents involving the general public. Reliability also remained strong, with both the frequency and duration of distribution system interruptions performing better than FFPC’s prescribed targets.

FFPC continued to demonstrate effective cost management, maintaining its position in Group 2 of the OEB’s Efficiency Assessment, representing above-average cost efficiency. Total Cost per Customer increased by 5.5% to \$877, while Total Cost per Kilometer of Line increased by 5.6% to \$39,601. These increases reflect rising material and business costs as well as a changing investment cycle for the utility. After many years focused primarily on maintaining its existing system, FFPC is preparing for a period of significant infrastructure renewal, modernization and expansion. This transition is already requiring increased engineering, technical, regulatory and system-planning expenditures in advance of the major capital investments that are expected to follow.

Looking ahead, Ontario’s electricity sector is entering a period of significant growth driven by electrification, new generation and energy storage, industrial development and the need to renew aging infrastructure. FFPC is preparing its system for these changes through initiatives aimed at modernizing the distribution grid, increasing automation and system intelligence, accommodating significant new generation and load connections, evaluating future transmission and distribution needs, expanding system capacity, and planning for the long-term renewal and expansion of its Transmission to Distribution Transformer Station. FFPC is also continuing to pursue opportunities to improve reliability through greater transmission supply redundancy.

As these initiatives advance from planning into implementation, FFPC’s capital requirements and operating costs are expected to increase. The utility will continue to balance these emerging investment requirements with its longstanding commitment to financial sustainability, operational efficiency and providing safe, reliable electricity service at the lowest reasonable cost to its customers.

Service Quality

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

Throughout 2025, Fort Frances Power Corporation (FFPC) connected 100% of 20 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 2025, FFPC received 639 appointment requests for services such as meter reads, disconnections, and reconnections. Of these, 55 appointments required the presence of the customer or their representative. FFPC successfully met all 55 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.

Throughout 2025, FFPC received 2,333 qualifying telephone calls related to electrical service or other energy-related inquiries. Of these, 2,184 calls were answered within 30 seconds, resulting in a performance score of 93.61%—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 2025 calendar year, FFPC achieved a 99.95% 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%.

Throughout 2025, Fort Frances Power Corporation (FFPC) issued 41,309 customer bills and achieved a billing accuracy rate of 99.58%, 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 2025. 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 362 responses from approximately 3,747 customers (a response rate of 9.7%). Of these, 206 respondents indicated they were Very Satisfied and 132 indicated Satisfied, 16 respondents did not have an opinion, resulting in a combined satisfaction rate of 97.7% (338 out of 346 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 2025. 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 86.1%, 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" – 86.7%
- Understanding the impact of touching a power line – 97.6%
- Awareness of safe proximity to overhead power lines – 57.1%
- Awareness of the danger of tampering with electrical equipment – 97.8%
- Understanding safe proximity to downed power lines – 84.8%
- Knowledge of proper actions if a vehicle contacts wires – 92.6%

The following table summarizes public awareness scores by age demographic:

Age Demographic	% of Survey Respondents	Overall Score %
18 - 24	0.4	100.0
25 - 34	6.5	80.0
35 - 44	15.6	87.4
45 - 54	16.0	82.4
55 - 64	19.5	87.2
65+	42.0	87.4

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 25–34 age demographic. The 100% score from respondents in the 18 – 24 age demographic is likely skewed due to the low number of responses received from this grouping. Historically this age demographic scored the lowest and continues to be a focus area for FFPC’s education campaigns.

- **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 the general public. 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?", 98.0% of respondents indicated they were either satisfied or very satisfied.

In 2025, FFPC customers experienced 125,410 customer-hours of interruption, of which 123,731 hours — 98.66% — resulted from transmission Loss of Supply. Only about 1.34% resulted from all other causes combined. 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	271	0.22%
2.1 - Loss of Supply Transmission	123,731	98.66%
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	4	0.00%
3.3 - Fallen Tree Off Right-of-Way	-	0.00%
4 - Lightning	60	0.05%
5.1 - Equipment Failure LDC	52	0.04%
5.2 - Equipment Failure DER	-	0.00%
5.3 - Defective Equipment/Material	-	0.00%
6.1 - Adverse Weather Tree Contact	13	0.01%
6.2 - Adverse Weather Equipment Breakage	1,211	0.97%
6.3 - Adverse Weather Other	-	0.00%
7 - Adverse Environment	11	0.01%
8.1 - Human Element DER	-	0.00%
8.2 - Human Element Other	-	0.00%
9.1 - Foreign Interference Wildlife	39	0.03%
9.2 - Foreign Interference Vehicle	13	0.01%
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	6	0.00%
Total	125,410	100.000%

FFPC's reliability performance in 2025 was better than the utility's five-year average, demonstrating continued strength in system performance and operational responsiveness.

In 2025, 98.66% of all customer interruption hours resulted from transmission Loss of Supply, reinforcing the importance of establishing a second transmission supply to Fort Frances. 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 has the potential to eliminate the vast majority of Loss of Supply interruptions.

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

This performance metric evaluates FFPC's system reliability by measuring the average total duration of interruptions experienced by its customers and comparing the annual result with the applicable OEB-established target. Loss of Supply interruptions are excluded because they originate from the upstream transmission or bulk supply system and are outside FFPC's direct control.

Historically, reliability targets were based on a distributor's five-year average performance. The OEB has introduced an enhanced methodology that will apply when distributors rebase for rates effective in 2027 and beyond. Under the enhanced methodology, a distributor's five-year average provides the starting baseline; however, the target also reflects the distributor's historical performance trend and benchmarking against comparable distributors. An OEB-established annual percentage improvement factor is then applied sequentially until new targets are established through the distributor's next rebasing application. As a result, the reliability target will no longer be automatically recalculated each year as the distributor's most recent five-year average.

For 2025, FFPC's OEB-established SAIDI target remained 0.55 hours under the methodology applicable to that scorecard year. The enhanced methodology will apply beginning with next rebasing. Based on 2020–2024 reliability data, the OEB placed FFPC in the Northern Small peer group and assigned it an annual SAIDI performance improvement requirement of 0.00%. FFPC also continues to compare its performance with the customer expectation identified through its 2013 customer satisfaction survey. In that survey, customers indicated that they expected to be without electricity for an average of 4.4 hours annually.

In 2025, FFPC outperformed the OEB-prescribed reliability target, recording an average interruption duration of 0.45 hours per customer—0.10 hours below the target of 0.55 hours. This result was also well below both the customer-defined expectation of 4.4 hours and FFPC's current five-year average of 0.62 hours.

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

This performance metric measures the average number of power interruptions experienced by FFPC customers and compares the annual result with

the applicable OEB-established System Average Interruption Frequency Index (SAIFI) target. Loss of Supply interruptions are excluded because they originate from the upstream transmission or bulk supply system and are outside FFPC's direct control.

For 2025, FFPC's OEB-established SAIFI target remained 0.53 interruptions per customer under the methodology applicable to that scorecard year. Beginning with FFPC's next rebasing, its SAIFI target will transition to the OEB's enhanced methodology described in the preceding SAIDI discussion. Based on 2020–2024 reliability data, the OEB assigned FFPC an annual SAIFI performance improvement requirement of 0.00%.

FFPC also continues to compare its performance with the customer expectation identified through its 2013 customer satisfaction survey. In that survey, customers indicated that they expected an average of 2.9 unplanned power outages annually.

In 2025, FFPC recorded an average of 0.25 interruptions per customer. This was well below both the applicable OEB target of 0.53 interruptions and the customer-defined expectation of 2.9 interruptions, reflecting continued strong reliability performance.

Asset Management

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

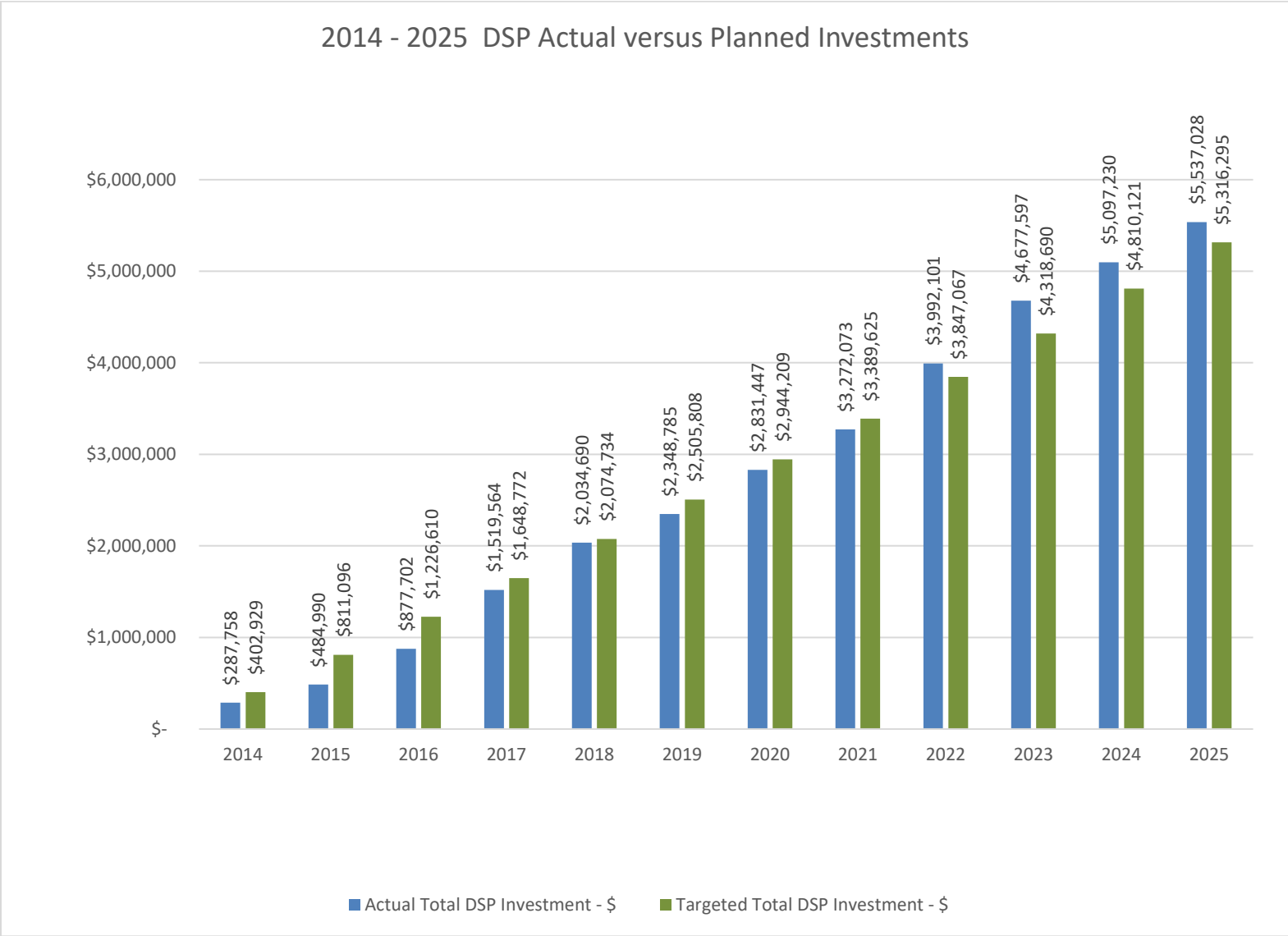
The Distribution System Plan (DSP) Implementation Progress performance measure was introduced by the Ontario Energy Board (OEB) in 2013. As with other new measures, electricity distributors were granted flexibility in defining an approach that best reflects their operations and planning frameworks.

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 2025 capital investment target was increased from the original 2014 base of \$402,929 to \$506,174, reflecting the approved 2025 IR adjustment of 3%. Although annual capital expenditures can vary due to project timing, FFPC's cumulative investment since 2014 remains slightly above its cumulative DSP target, demonstrating that planned system reinvestment has been maintained over the longer term.

For the 2025 calendar year, FFPC achieved a capital investment ratio of 86.9% (actual to planned). Since the filing of its DSP in 2014, FFPC has

invested a total of \$5,537,028 in capital projects against a cumulative target of \$5,316,295, representing an overall implementation achievement of 104.2%.



Cost Control

Fort Frances Power Corporation (FFPC) continues to demonstrate strong cost management and operational efficiency. In 2025, 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 costs.

FFPC's Total Cost per Customer increased by 5.5% to \$877, while Total Cost per Kilometer of Line increased by 5.6% to \$39,601. These increases reflect higher material and business costs, as well as FFPC's transition from a historic period focused primarily on maintaining its existing system to a period of significant infrastructure renewal, expansion and system growth.

While major capital spending has not yet fully ramped up, FFPC is already incurring increased costs to plan and prepare for anticipated future investments. This includes engineering, technical, regulatory and system planning activities, including assessing future transmission and distribution needs. FFPC is also working with prospective developers on a number of significant generation, energy storage and industrial developments that could substantially increase the amount of electricity supplied to and from the local electrical system. A portion of these planning and preparatory expenditures is recognized as current operating costs rather than capital investment and therefore contributes to current operating costs before the associated infrastructure investments are constructed.

FFPC expects its cost metrics may continue to increase as the utility progresses from planning to implementation of major infrastructure investments needed to renew aging assets, increase system capacity, accommodate growth and support Ontario's evolving electricity needs. Despite these pressures, FFPC's continued placement in the OEB's Group 2 efficiency cohort demonstrates that the utility continues to manage its overall costs efficiently while preparing its electrical system for the community's future needs.

- **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 2025, FFPC's total cost per customer was \$877, representing an increase of \$46 or 5.5% compared to the \$831 reported in 2024.

- **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 2025, FFPC's total cost per kilometer of line was \$39,601, representing an increase of \$2117 or 5.6% compared to \$37,484 in 2024.

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.

FFPC's historically conservative financial position provides a strong foundation as the utility enters a period of substantially greater infrastructure investment. As part of its historical approach, FFPC paid off all outstanding debt (much like a homeowner paying off a mortgage) to minimize interest costs ultimately borne by customers. This debt-free position has proven particularly beneficial during the period of higher borrowing costs experienced since March 2022 and provides FFPC with financial flexibility as it prepares for significant future capital investment.

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 decreased slightly from 4.59 in 2024 to 3.57 in 2025, 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 2025 Regulatory Return on Equity (ROE) was -0.06%, 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 \$148,308, indicating that revenues exceeded expenses for the year. FFPC is preparing for its next Cost-of-Service rate rebasing, which will establish an updated revenue requirement reflecting the utility's evolving operating and capital needs.

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.