

Scorecard - Niagara Peninsula Energy Inc.												9/17/2026		
												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			91.39%	82.24%	90.98%	95.42%	94.72%	⬆️	90.00%			
		Scheduled Appointments Met On Time			100.00%	100.00%	100.00%	100.00%	100.00%	➡️	90.00%			
		Telephone Calls Answered On Time			86.64%	84.71%	88.11%	81.54%	76.59%	⬇️	65.00%			
	Customer Satisfaction	First Contact Resolution			99.35%	98.67%	98.48%	98.21%	98.98%					
		Billing Accuracy			98.82%	99.87%	99.97%	99.93%	99.96%	⬆️	98.00%			
		Customer Satisfaction Survey Results			95%	95%	91%	91%	93%					
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%	83.00%	83.00%	85.00%	85.00%					
		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	3	0	⬆️		1		
			Rate per 10, 100, 1000 km of line		0.000	0.000	0.000	0.652	0.000	➡️		0.135		
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted ²			1.99	1.89	1.45	1.65	2.16	⬆️		1.81		
		Average Number of Times that Power to a Customer is Interrupted ²			1.80	1.33	1.17	1.05	1.69	⬇️		1.64		
	Asset Management	Distribution System Plan Implementation Progress			105.06%	85.52%	108.22%	101.18%	99.89%					
	Cost Control	Efficiency Assessment			3	3	2	2	2					
		Total Cost per Customer ³			\$750	\$812	\$909	\$954	\$980					
		Total Cost per Km of Line ³			\$9,522	\$10,327	\$11,664	\$12,143	\$12,517					
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%	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)			2.39	2.06	1.23	2.56	1.04				
			Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio			1.01	0.96	0.90	0.95	0.92				
			Profitability: Regulatory Return on Equity		Deemed (included in rates)		8.34%	8.34%	8.34%	8.34%	8.34%			
					Achieved		7.49%	8.83%	9.81%	9.45%	7.92%			
								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:

[https://www.oeb.ca/sites/default/files/uploads/Scorecard Performance Measure Data Specifications.pdf](https://www.oeb.ca/sites/default/files/uploads/Scorecard%20Performance%20Measure%20Data%20Specifications.pdf)

Scorecard MD&A - General Overview

Niagara Peninsula Energy Inc. (“NPEI”) provides local electricity distribution services to approximately 60,000 residential and commercial customers throughout the City of Niagara Falls, Town of Lincoln, Township of West Lincoln, and the Town of Pelham.

Through our mission of delivering safe, efficient, and reliable electricity with excellent customer service and community value, provided by engaged employees, and combined with our commitment to integrity, fairness, responsibility, respect, and transparency, NPEI has met or exceeded the majority of the OEB’s 2025 scorecard performance targets.

Service Quality

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

In 2025, NPEI connected 94.72% of 284 eligible low-voltage residential and small business customers (those utilizing connections under 750 volts) to its system within the five-day timeline prescribed by the OEB. NPEI met the OEB’s target of 90% and is comparable to the prior year performance (2024 = 95.42%).

- **Scheduled Appointments Met On Time**

- For appointments during a utility’s regular business hours, the utility must offer a window of time that is not more than four hours long, and must arrive within that window, 90% of the time.
- NPEI scheduled 971 appointments with its customers in 2025 for reconnections, meter reads, or as otherwise necessary to perform scheduled work. NPEI met 100% of these appointments on time in 2025, which is comparable to 2024 (100%) and exceeds the industry target of 90%.

- **Telephone Calls Answered On Time**

In 2025, NPEI's Customer Service Representatives received over 47,900 calls from its customers, which equals an average of 191 calls per working day. A Customer Service representative answered a call in 30 seconds or less in 76.59% of these calls (2024 = 81.54%), which exceeds the OEB-mandated 65% target for timely call response. The decrease in the Telephone Calls Answered on Time measure from 2024 to 2025 is largely due to an increase in customer call complexity, attributed to service order requests, collections, arrears management activities, and power outages. Calls of this sort are comparatively more complex and require a higher average handle time by NPEI representatives; increasing subsequent customer waiting times. Additionally, the increase in the higher handle time reflects NPEI's efforts to identify and mitigate internal processes, and workflows, with the goal of increasing the overall customer experience with NPEI.

Customer Satisfaction

- **First Contact Resolution**

- Specific First Contact Resolution measurements have not been previously defined across the industry. The Ontario Energy Board instructed all electricity distributors to review and develop measurements in these areas and begin tracking by July 1, 2014. The OEB planned to review information provided by electricity distributors over the next few years and implement a commonly defined measure for these areas in the future. As a result, each electricity distributor may have different measurements of performance until such time as the OEB provides specific direction regarding a commonly defined measure.
- For NPEI, First Contact Resolution was measured based on NPEI representatives reviewing the previous call received from the customer. At the time of acknowledging the basis for the call, the representative gathers the information to determine if the current call is linked to an existing/previously recorded issue; if so, the calls are linked, and the call is treated as a non-first call resolution. This statistic is calculated from the number of requests completed by a representative which are not linked to a previous or current issue and dividing by the total incoming and outgoing requests being handled by a representative.
- NPEI had a First Contact Resolution of 98.98% in 2025, which is comparable to 2024 (98.21%). NPEI will continue to implement and track First Contact Resolution.

- **Billing Accuracy**

- Until July 2014, a specific measurement of billing accuracy had not been previously defined across the industry. After consultation with some

electricity distributors, the Ontario Energy Board has prescribed a measurement of billing accuracy which was implemented by all electricity distributors effective October 1, 2014. The measurement is defined as accurate bills issued expressed as a percentage of total bills issued.

- A bill is considered inaccurate if: it is an estimated bill, or if the bill has been issued to the customer and subsequently cancelled due to a billing error, or if there has been a billing adjustment in a subsequent billing as a result of a previous billing error.
- During 2025, NPEI issued more than 715,000 bills and achieved a billing accuracy of 99.96%, which is comparable to 2024 (99.93%) and compares favourably to the prescribed OEB target of 98%.
- NPEI continues to monitor its billing accuracy results and processes to identify opportunities for improvement.

• **Customer Satisfaction Survey Results**

- The Ontario Energy Board (OEB) introduced the Customer Satisfaction Survey Results measure beginning in 2013. At a minimum, electricity distributors are required to measure and report a customer satisfaction result at least every other year.
- Beginning in 2014, NPEI has engaged a third party (UtilityPULSE) to conduct its customer satisfaction surveys. The purpose of the survey is to profile the connection between NPEI and its customers. The customer satisfaction survey provides information that supports discussions surrounding improving customer service at all levels and departments within NPEI. The survey asks customers questions on a wide range of topics, including: overall satisfaction with NPEI, reliability, customer service, outages, billing and corporate image. In addition, NPEI provides input to this third party to enable them to develop questions that will aid in gathering data about customer expectations and needs. This data is then incorporated into NPEI's planning process and forms the basis of plans to improve customer satisfaction and meet the needs of customers.
- In 2025, NPEI again engaged UtilityPULSE to conduct its customer satisfaction survey. NPEI received an overall score of 93% (2023 result = 91%) of customers who are "very or fairly" satisfied with NPEI, which is above the National average (85%) and above the Ontario average (86%) of customers who are "very or fairly" satisfied with their Local Utility.
- NPEI's next customer satisfaction survey is scheduled to be completed in 2027.

- **Public Safety**

The Ontario Energy Board (OEB) introduced the 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**

- Starting in 2015, each electricity distributor must carry out a survey every two years that measures the effort made to raise public's awareness about electrical safety. The survey was developed by the Electrical Safety Authority. NPEI has engaged a third party (UtilityPULSE) to conduct its bi-annual electrical safety surveys.
- In 2024, NPEI again engaged UtilityPULSE to conduct its next electrical safety survey for the 2024 and 2025 scorecards. NPEI received a Public Safety Awareness Index Score of 85%, which is above the previous survey result (2022 survey = 83%).
- NPEI's next electrical safety survey will be completed during 2026.

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

In each of the past five years, NPEI was found to be compliant with Ontario Regulation 22/04 (Electrical Distribution Safety). This was achieved by our strong commitment to safety, and adherence to company procedures & policies. Ontario Regulation 22/04 - *Electrical Distribution Safety* establishes objective based electrical safety requirements for the design, construction, and maintenance of electrical distribution systems owned by licensed distributors. Specifically, the regulation requires the approval of equipment, plans, specifications and inspection of construction before they are put into service.

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

During the period covered by the 2025 Electrical Safety Authority ("ESA") safety audit (January 1, 2024 to December 31, 2024), NPEI experienced no Serious Electrical Incidents.

NPEI continues to ensure that both public and employee safety remains a top priority through annual awareness campaigns, programs, and activities.

System Reliability

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

- SAIDI – System Average Interruption Duration Index is an important feature of a reliable distribution system is recovering from power outages as quickly as possible. The utility must track the average length of time, in hours, that its customers have experienced a power outage over the past year.
- $SAIDI = \text{Sum of all interruptions durations} / \text{Average number of customers served}$.
- NPEI's 2025 average number of hours that power to a customer was interrupted is 2.16 (2024 = 1.65). NPEI's target for 2025 is an average duration index of less than 1.81, which is NPEI's 5-year average SAIDI for 2016 – 2020, excluding the impact of Loss of Supply and Major Events. NPEI's 2025 SAIDI exceeds its target of 1.81 by 0.35. This increase can be attributed to several significant instances of tree contacts in November and December 2025, due to high wind events causing trees outside the right-of-way to fall onto NPEI's distribution lines, primarily located within the rural areas of NPEI's service territory.
- To mitigate the negative effect of tree contacts on the system, NPEI has improved the management and oversight of the tree trimming program, as well as increased the amount of annual tree trimming to help reduce the number of potential tree contact incidents. In addition, NPEI has completed a number of capital projects in recent years that provide a second source of supply to areas impacted by frequent outages to allow for faster restoration times.
- NPEI continues to view reliability of electricity service as a high priority for its customers. NPEI's senior management team's commitment to reviewing power outage causes on a regular basis for the opportunity to improve reliability will ensure customers continue to receive high value from their electricity service.

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

- SAIFI - System Average Interruption Frequency Index is another important feature of a reliable distribution system whereby the utility strives to reduce the frequency of power outages. The utility must track the number of times its customers have experienced a power outage over the past year.
- $SAIFI = \text{Number of customer interruptions} / \text{Average number of customers served}$.

- NPEI's target for 2025 is an average frequency index of less than 1.64, which is NPEI's 5-year average SAIFI for 2016 – 2020, excluding the impact of Loss of Supply and Major Events. NPEI's SAIFI result for 2025 is 1.69 (2024 = 1.05). NPEI's 2025 SAIFI exceeds its target of 1.64 by 0.05. This increase can be attributed to several significant instances of tree contacts in November and December of 2025, due to high wind events causing trees outside the right-of-way to fall onto NPEI's distribution lines primarily located within the rural areas of NPEI's service territory.
- NPEI is taking action to maintain its system reliability. For its 2021 Cost of Service Rate Application, NPEI conducted a detailed review of its distribution assets and prepared a comprehensive Distribution System Plan ("DSP"), which provides for the renewal of its distribution system over the period 2021 - 2025. NPEI has adopted a proactive, balanced approach to distribution system planning, infrastructure investment and replacement programs to address immediate risks associated with end-of-life assets; manage distribution system risks; ensure the safe and reliable delivery of electricity; and balance ratepayer and utility affordability.

- **Major Event**

- The OEB defines a "Major Event" as an event that is beyond the control of the distributor and is:
 - a) unforeseeable;
 - b) unpredictable;
 - c) unpreventable; or
 - d) unavoidable.

Such events disrupt normal business operations and occur so infrequently that it would be uneconomical to take them into account when designing and operating the distribution system. Distributors should only report events that cause exceptional and/or extensive damage to assets, take significantly longer than usual to repair and affect a substantial number of customers.

- NPEI experienced no Major Events in 2025.

Asset Management

• Distribution System Plan Implementation Progress

- Distribution system plan implementation progress is a performance measure implemented by the OEB starting in 2013. Consistent with other new measures, utilities were given an opportunity to define it in the manner that best fits their organization. The Distribution System Plan (“DSP”) outlines NPEI’s forecasted capital expenditures, over the 5-year period 2021-2025, required to maintain and expand the distributor’s electricity system to serve its current and future customers. The “Distribution System Plan Implementation Progress” measure is intended to assess NPEI’s effectiveness at planning and implementing the DSP. NPEI measures the progress of its DSP implementation as a ratio of actual total capital expenditures made in a calendar year, net of capital contributions, over the total amount of planned capital expenditures for that calendar year, net of capital contributions. For 2025, NPEI achieved 99.89% (2024 = 101.18%) completion at December 31, 2025 of its 2025 capital budget.

Cost Control

• Efficiency Assessment

The total costs for Ontario local electricity distribution companies are evaluated by the Pacific Economics Group LLC (“PEG”) on behalf of the OEB 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. Prior to 2023, NPEI was placed in Group 3, which is defined as having average actual costs within +/- 10% of average predicted costs. Beginning in 2023, NPEI was placed in Group 2, where a Group 2 distributor is defined as having actual costs from 10 to 25 percent below predicted costs. For 2025, NPEI remains in Group 2. Group 2 is considered “more efficient” – in other words, NPEI’s costs are below the average cost range for distributors in the Province of Ontario. Based on 2025 results, 22.6% (12 distributors) of the Ontario distributors were ranked as “average efficiency” (Group 3); 66.0% (35 distributors) were ranked as “more efficient” (Groups 1 and 2); 11.3% (6 distributors) were ranked as “less efficient” (Groups 4 and 5).

NPEI’s average cost efficiency for the 3-year period from 2022 – 2024 was -11.9% (i.e. NPEI’s actual costs were on average 11.9% below predicted costs). For the year 2025, NPEI’s actual total cost was 15.3% below predicted total cost. The resulting updated 3-year average cost efficiency for the period 2023 – 2025 was -13.6%, therefore NPEI remained in Group 2 in the 2025 PEG Report.

• Total Cost per Customer

- Total cost per customer is calculated as the sum of NPEI’s capital and operating costs, as calculated in the PEG Report, and dividing this cost

figure by the total number of customers that NPEI serves. The cost performance result for 2025 is \$980 /customer which is a 2.73% increase over 2024 (2024 = \$954 /customer).

NPEI's total cost for 2025 from the PEG Report, which is used in the calculation of Total Cost per Customer, represents an increase of 3.53% over NPEI's 2024 total cost. This compares favourably with the Ontario average increase in total cost of 4.07% from 2024 to 2025.

A contributing factor was the increase in the GDPPI-FDD (Gross Domestic Product Price Index published by Statistics Canada) from 124.575 in 2024 to 128.275 in 2025, an increase of 2.97%. This factor is used to calculate the capital cost, which is used in the calculation of total cost per customer.

- Similar to most distributors in the province, NPEI has experienced increases in its total costs required to deliver quality and reliable services to customers. Increased regulatory requirements, succession planning due to an aging workforce, as well as investments in new information systems technology, cyber security and the renewal and growth of the distribution system, have all contributed to increased operating and capital costs. NPEI will continue to replace distribution assets proactively along a carefully managed timeframe in a manner that balances system risks and customer rate impacts. NPEI will continue to implement productivity and improvement initiatives to help offset some of the costs associated with future system improvement and enhancements

• **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 NPEI operates to serve its customers.
- Prior to 2019, NPEI included the circuit km of primary line only in its annual Reporting and Record Keeping Requirements ("RRR") filing with the OEB, which is utilized in the calculation of Total Cost per km of Line scorecard measure. Beginning in 2019, the OEB introduced the reporting of circuit km of secondary line in the RRR filing on an optional basis. NPEI commenced reporting secondary bus circuit km of line in 2019. For 2021, NPEI expanded its reporting of secondary line to also include all secondary line owned by NPEI that is located on customer property. Beginning in 2021, all of NPEI's conductor circuit km are included in the RRR reporting data.
- NPEI's total cost per km of line for 2025 is \$12,517, which represents a 3.08% increase over 2024 (2024 = \$12,143).
- NPEI continues to seek innovative solutions to help ensure cost/km of line remains competitive and within acceptable limits to our customers.

Connection of Renewable Generation

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

In 2025, NPEI connected 16 new micro-embedded generation facilities (net metered projects of less than 10 kW), all within the prescribed time frame of five business days. The minimum acceptable performance level for this measure is 90% of the time. NPEI's workflow to connect these projects is very streamlined and transparent with our customers. NPEI works closely with its customers and their contractors to address any connection issues to ensure the project is connected on time.

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 safety to cover the company's short-term debts and financial obligations.
- NPEI's current ratio for 2025 is 1.04 (2024 = 2.56).

- **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. NPEI's debt-to-equity ratio for 2025 is 0.93 (2024 = 0.95). NPEI continues to monitor its debt-to-equity ratio on an annual basis.

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

On February 4, 2021, the OEB issued its Decision and Order for NPEI's 2021 Cost-of-Service ("COS") Rate Application, which includes a deemed regulatory return on equity effective January 1, 2021 of 8.34%. 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**

- NPEI's regulated rate of return achieved in 2025 is 7.92% (2024 = 9.45%). The rate of return achieved in 2025 is within the +/- 300 basis points of the deemed regulatory return on equity of 8.34%.

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 judgment on the reporting date of the performance scorecard and could be markedly different in the future.