

									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	91.96%	94.14%	100.00%	100.00%	100.00%	⬆	65.00%	
	Customer Satisfaction	First Contact Resolution	A-	A	A	A+	A			
		Billing Accuracy	99.69%	99.78%	99.99%	99.99%	99.97%	⬆	98.00%	
		Customer Satisfaction Survey Results	83.51%	79.22%	79.22%	83.48%	83.48			
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	79.00%	79.00%	84.00%	84.00%	84.00%			
		Level of Compliance with Ontario Regulation 22/04 ¹	C	C	C	C	C	➡		C
		Serious Electrical Incident Index	Number of General Public Incidents		0	0	0	0	➡	0
			Rate per 10, 100, 1000 km of line		0.000	0.000	0.000	0.000	➡	0.000
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted ²	0.78	1.61	0.35	1.18	0.58	⬇		1.20
		Average Number of Times that Power to a Customer is Interrupted ²	0.39	0.45	0.16	0.67	0.30	⬆		0.64
	Asset Management	Distribution System Plan Implementation Progress	114%	117%	128%	109%	100			
	Cost Control	Efficiency Assessment	1	1	1	1	1			
		Total Cost per Customer ³	\$818	\$836	\$920	\$941	\$959			
		Total Cost per Km of Line ³	\$3,335	\$3,411	\$3,797	\$3,917	\$4,025			
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%	➡	90.00%
Financial Performance Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	0.68	0.66	0.63	0.66	1.22			
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.57	0.55	0.51	0.57	0.37			
		Profitability: Regulatory Return on Equity	Deemed (included in rates)		9.00%	9.00%	9.00%	9.00%		
			Achieved		9.26%	11.05%	11.45%	10.19%		15.38%

1. Compliance with Ontario Regulation 22/04 assessed: Compliant (C); Needs Improvement (NI); or Non-Compliant (NC).

2. An upward arrow indicates decreasing reliability while downward indicates improving reliability.

3. A benchmarking analysis determines the total cost figures from the distributor 's reported information.

Legend:

5-year trend

⬆ up ⬇ down ➡ flat

Current year

🟢 target met 🟡 target not met

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

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

[http://www.ontarioenergyboard.ca/OEB/ Documents/scorecard/Scorecard Performance Measure Descriptions.pdf](http://www.ontarioenergyboard.ca/OEB/Documents/scorecard/Scorecard%20Performance%20Measure%20Descriptions.pdf)

Scorecard MD&A - General Overview

- Sioux Lookout Hydro Inc. (SLHI) continued to provide safe and reliable electricity distribution service in 2025 while maintaining strong service quality and customer service performance. SLHI met or exceeded the applicable OEB targets for new service connections, scheduled appointments, telephone response, billing accuracy and micro-embedded generation connections. System reliability improved in 2025, with both the average duration and frequency of customer interruptions decreasing compared with 2024. SLHI also maintained a compliant public safety record, with no general public electrical incidents reported during the year. Financial performance improved in several areas, including stronger liquidity and lower leverage. Commentary on each Scorecard measure is provided below.

Service Quality

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

SLHI achieved 100.00% for new residential and small business services connected on time in 2025, exceeding the OEB target of 90%. Performance has remained at 100.00% for each year from 2021 through 2025. SLHI continues to coordinate closely with customers, contractors and staff to complete eligible new service connections within the required timelines.

- Scheduled Appointments Met On Time**

SLHI achieved 100.00% for scheduled appointments met on time in 2025, exceeding the OEB target of 90%. SLHI has maintained 100.00% performance in this measure throughout the 2021-2025 period.

- Telephone Calls Answered On Time**

SLHI achieved 100.00% for telephone calls answered on time in 2025, exceeding the OEB target of 65%. This represents an improvement from 94.14% in 2022 and 91.96% in 2021, with performance at 100.00% in each of the last three years. Due to the small size of the utility, Sioux Lookout Hydro does not have a sophisticated Call Centre therefore all calls are answered in person by our office staff.

Customer Satisfaction

- First Contact Resolution**

SLHI's 2025 Scorecard reports an 'A' result for First Contact Resolution. This measure is used to assess the effectiveness of resolving customer inquiries at the first point of contact. SLHI remains focused on providing timely and effective responses to customer inquiries. In 2021 Sioux Lookout Hydro changed the way it evaluates First Contact Resolution. Due to the small size of the Utility, Sioux Lookout Hydro rarely has any customer matters escalated in order to resolve them. The change from a number metric to a letter grade reflects a range on which to classify the level of service during the year. The chart below provides an explanation of the grade assigned that will be assigned each year.

Score	# customer matters escalated during the year
A+	0
A	1
A-	2 to 5
C+	6 to 10
C	11 to 15
C-	16 to 20
F	more than 20

In 2025 Sioux Lookout Hydro had one verifiable customer complaint that was submitted to the Ontario Energy Board therefore a score of A was assigned.

- Billing Accuracy**

SLHI achieved billing accuracy of 99.97% in 2025, exceeding the OEB target of 98%. Billing accuracy has remained consistently above the target over the five-year period, ranging from 99.69% to 99.99%.

We will continue to have effective processes and procedures in place to verify information before bills are issued to maintain a high level of billing

accuracy.

- **Customer Satisfaction Survey Results**

SLHI's customer satisfaction survey result was 83.48% in 2025, consistent with the 83.48% result reported in 2024 and higher than the 79.22% results reported in both 2022 and 2023. SLHI remains focused on maintaining responsive customer service and effective communication with its customers.

Safety

- **Public Safety**

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

- Sioux Lookout Hydro hired UtilityPULSE, an independent survey company to perform the survey online using social media, direct email invites and the Sioux Lookout Hydro website to connect with 162 members of the general population of the Municipality of Sioux Lookout.
- The latest survey was conducted early 2025 and completed in Q1 2025. The results indicate that the Level of Public Awareness has remained the same since the last survey from 84% public awareness.
- The survey was developed by the Electrical Safety Authority and will be used going forward to measure the level of awareness of key electrical safety precautions among the public within Sioux Lookout Hydro's service territory.

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

SLHI received a 'Compliant' rating for its 2025 Ontario Regulation 22/04 assessment. The company is audited yearly by an independent auditor as required by the Electrical Safety Authority. The purpose of the audit is “To conduct a comprehensive review of the processes, guidelines, and standards used by Sioux Lookout Hydro Inc. in their designs, construction, installations, use, maintenance and repairs, extensions, connections and disconnections of electrical equipment forming the distribution system as to avoid or reduce the possibility of electrical hazards.” Sioux Lookout Hydro will continue to modify its processes in order to improve efficiency and to maintain a safe distribution system free from hazards. SLHI remains committed to maintaining its distribution system in accordance with applicable electrical safety requirements.

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

Sioux Lookout Hydro has not had any serious electrical incidents. Sioux Lookout Hydro will continue to promote safe work practices and safety to the public in order to prevent such incidents.

System Reliability

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

The average duration of interruptions experienced by SLHI customers was 0.58 hours in 2025, an improvement from 1.18 hours in 2024 and below the distributor target of 1.20 hours shown on the 2025 Scorecard. Reliability results can vary from year to year depending on the number, duration and nature of outage events. SLHI continues to focus on preventative maintenance, vegetation management and distribution system renewal to support reliable service.

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

The average number of interruptions experienced by an SLHI customer was 0.30 in 2025, improving from 0.67 in 2024 and below the distributor target of 0.64 shown on the 2025 Scorecard. The 2025 result was also below the 2021 result of 0.39 and the 2022 result of 0.45. SLHI continues to monitor outage causes and system performance to identify opportunities to maintain and improve reliability.

Asset Management

- **Distribution System Plan Implementation Progress**

- The Distribution System Plan implementation progress was a performance measure instituted by the OEB starting in 2013. Sioux Lookout Hydro submitted their Distribution System Plan to the OEB as part of their 2018 Cost of Service Rate Application. The plan outlines Sioux Lookout Hydro's forecasted capital expenditures over the next five years from 2018 to 2022 that are required to maintain and expand the electrical distribution system within Sioux Lookout to service its current and future customers.
- 2018 was the first year of the five-year plan, which was approved by the OEB in the 2018 Cost of Service Application. The 108.4% is the percentage of the actual capital expenditures over the approved budgeted amount.
- In 2019 Sioux Lookout Hydro's actual capital expenditures were 89.86% of the approved budgeted amount. This is mainly due to less money being spent on pole replacements than budgeted for. The amount of actual expenditures varies depending on many different factors such as the location of the pole (i.e. rock, heavily wooded) and equipment attached to the pole.
- In 2020 Sioux Lookout Hydro's actual capital expenditures were 122.3% over the approved budgeted amount. The main driver for the increase is the costs for a large new customer connection. These costs were offset by capital contributions.
- In 2021 Sioux Lookout Hydro's actual capital expenditures were 114% over the approved budgeted amount. The main driver for this was again the cost to connect new customers as well as some unexpected capital replacements due to a severe storm experienced on June 23, 2021.

- In 2022 Sioux Lookout Hydro's actual capital expenditures were 117% over the approved budgeted amount. There were two drivers to the increase. The first was an increase in costs for pole replacements and the second was increases in the cost of purchasing transformers.
- In 2023 Sioux Lookout Hydro's actual capital expenditures were 128% over the approved budgeted amount. The drivers were increased costs for pole replacements and costs related to new connections.
- In 2024 Sioux Lookout Hydro's actual capital expenditures were 109% over the approved budget amount. The driver for this was again new customer connections which were offset by capital contributions.
- In 2025 Sioux Lookout Hydro's actual capital expenditures were 100% compared with 109% in 2024. This measure compares actual capital expenditures with the planned capital expenditures established through the Distribution System Plan. SLHI will continue prioritizing investments based on system condition, operational requirements, customer needs and available resources.

Cost Control

• Efficiency Assessment

- The total cost and efficiency estimates use complex calculations that were developed by an independent third-party consultant of the OEB, Pacific Energy Group (PEG) 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. For seven years in a row, from 2012 to 2018, Sioux Lookout Hydro was placed in Group 3, where a Group 3 distributor is defined as having actual costs within +/- 10 percent of predicted costs. Group 3 is considered "average efficiency" – in other words, Sioux Lookout Hydro costs were within the average cost range for distributors in the Province of Ontario.
- For 2019 and 2020 Sioux Lookout Hydro was placed in Group 2. The achieved actual costs for 2020 were 25.8% less than predicted costs. This is an improvement over 2019 where the actual costs were 19% less than predicted costs. A Group 2 Distributor is defined as having actual costs from 10% to 25% less than predicted costs. The average three-year ranking is used to determine which group the Distributor will be placed in. For 2017-2019 predicted costs averaged (14.6)% and for 2018-2020 the average was (20.6)%.
- For 2021 Sioux Lookout Hydro's actual costs were 35.1% less than predicted costs, and the average for 2019- 2021 was 26.6% less than predicted costs. This improved cost efficiency resulted in assigning Sioux Lookout Hydro from Group 2 to Group 1 cost performance. A Group 1 Distributor is defined as having actual costs more than 25% less than predicted costs.
- For 2022 Sioux Lookout Hydro maintained their status in Group 1. In 2022 actual costs were 41.9% less than predicted costs and the average for 2020-2022 was 34.3% less than predicted costs.
- For 2023 Sioux Lookout Hydro again maintained their Group 1 status. In 2023 actual costs were 44.1% less than predicted costs and the average for 2021-2023 was 40.3% less than predicted costs.
- For 2024 Sioux Lookout Hydro again maintained their Group 1 status. In 2024 actual costs were 48.0% less than predicted costs and the average

for 2022-2024 was 44.7% less than predicted costs.

- For 2025 Sioux Lookout Hydro maintained its Group 1 efficiency ranking. Actual costs were 51.0% below predicted costs, improving from 48.0% below predicted costs in 2024. The average cost performance for 2023–2025 was 47.7% below predicted costs, compared with 44.7% for 2022–2024. A Group 1 distributor is defined as having actual costs at least 25% below predicted costs.

- **Total Cost per Customer**

- The total cost per customer is calculated by adding Sioux Lookout Hydro’s capital and operating costs and dividing the total by the number of customers served. Sioux Lookout Hydro’s total cost per customer has remained relatively stable over the five-year period.
- In 2025, the total cost per customer increased by \$18, from \$941 in 2024 to \$959 in 2025. The increase was mainly due to higher material and operating costs resulting from inflation during the year.
- Sioux Lookout Hydro will continue to seek opportunities to improve operational efficiency and manage costs. Sharing services with other Northwest local distribution companies has allowed Sioux Lookout Hydro to achieve savings, and the utility will continue exploring opportunities to collaborate and reduce costs.

- **Total Cost per Km of Line**

- This measure uses the same total cost included in the Total Cost per Customer calculation above. The total cost is divided by the kilometres of distribution line that Sioux Lookout Hydro operates to serve its customers.
- In 2025, the total cost per kilometre of line increased by \$108, from \$3,917 in 2024 to \$4,025 in 2025. As with the increase in total cost per customer, this increase was mainly due to higher material and operating costs resulting from inflation during the year.
- Sioux Lookout Hydro will continue seeking opportunities to improve operational efficiency and manage costs. Sharing services with other Northwest local distribution companies has allowed Sioux Lookout Hydro to achieve savings, and the utility will continue exploring opportunities to collaborate and reduce costs.

Connection of Renewable Generation

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

SLHI achieved 100.00% for new micro-embedded generation facilities connected on time in 2025, exceeding the OEB target of 90%. SLHI will continue to process eligible micro-embedded generation connections in accordance with applicable requirements and timelines.

Financial Ratios

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

- As an indicator of financial health, a current ratio greater than 1 is generally considered favourable because it indicates that a company has sufficient current assets to meet its short-term debts and financial obligations. The higher the ratio, the greater the company's margin of safety for meeting these obligations.
- Sioux Lookout Hydro's current ratio increased from 0.66 in 2024 to 1.22 in 2025. The 2025 ratio is above 1 and indicates an improvement in the company's short-term liquidity position and its ability to meet its current financial obligations.
- Sioux Lookout Hydro will continue monitoring its current assets and liabilities to ensure that all short-term obligations are met.

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

- The OEB uses a deemed capital structure of 60% debt and 40% equity for electricity distributors when establishing rates. This deemed capital structure is equivalent to a debt-to-equity ratio of 1.5 (60/40).
- In 2025, Sioux Lookout Hydro's debt-to-equity ratio decreased from 0.57 in 2024 to 0.37. The 2025 ratio is below 1.5, indicating that Sioux Lookout Hydro is less leveraged than the OEB's deemed capital structure.

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

The deemed rate of return remained at 9.00% in 2025. This rate was established during Sioux Lookout Hydro's last cost of service rate application for 2018 rates under Decision EB-2017-0073. The deemed rate of return is adjusted by the Ontario Energy Board when the utility submits a cost of service rate application. The OEB allows a distributor to earn within three percentage points above or below its deemed return

on equity. When a distributor performs outside this range, its actual financial performance may trigger a regulatory review of the utility's revenues and cost structure.

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

In 2025, Sioux Lookout Hydro achieved a regulatory return on equity of 15.38%, which was 6.38 percentage points above the deemed return of 9.00% and outside the OEB's +/- 3% deadband. The 2025 results included a one-time tax adjustment of relating to the 2024 tax return. This adjustment increased the 2025 tax expense and reduced the achieved return. It is non-recurring and will not affect future periods.

	Note to Readers of 2025 Scorecard MD&A
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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.