



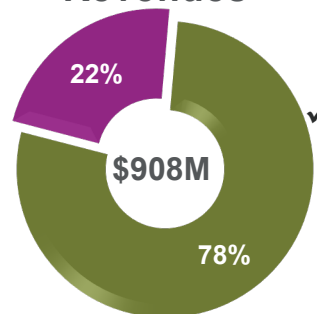
Alectra Update

Brian Bentz – President and CEO, Alectra Inc.

June 11, 2025
City of Mississauga

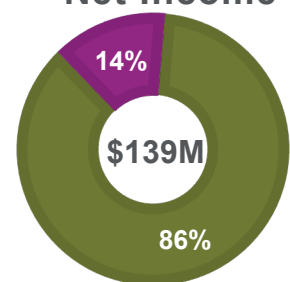
2024 Consolidated Results (MIFRS)

Revenues



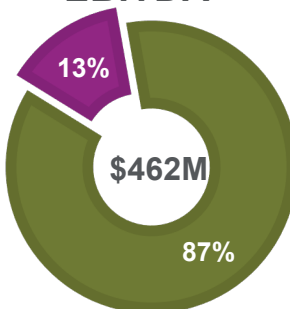
✓ 2024 revenue increased by \$95MM (12%) year-over-year, due to higher revenue recovered from higher OEB approved rates driven by higher inflationary adjustments and higher storm response revenues in HPS

Net Income



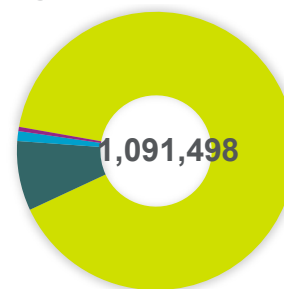
✓ 2024 net income of \$139.2MM is above budget by \$6.1MM.

EBITDA



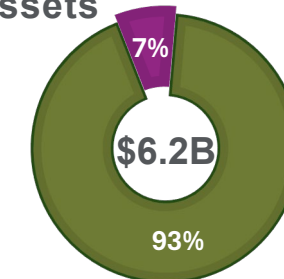
✓ EBITDA from the competitive businesses increased from 9% in 2023 to 13% in 2024 primarily due to higher storm response earnings.

Regulated Customers



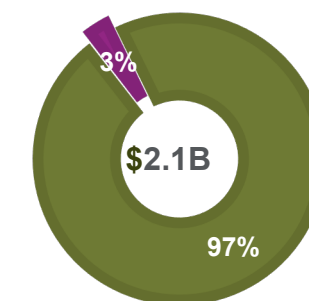
✓ Steadily increasing customer base (0.3% growth)

Assets



✓ Increase in assets commensurate with required additions to net distribution assets along with associated increases in working capital and other assets required to service customers.

Shareholders' Equity

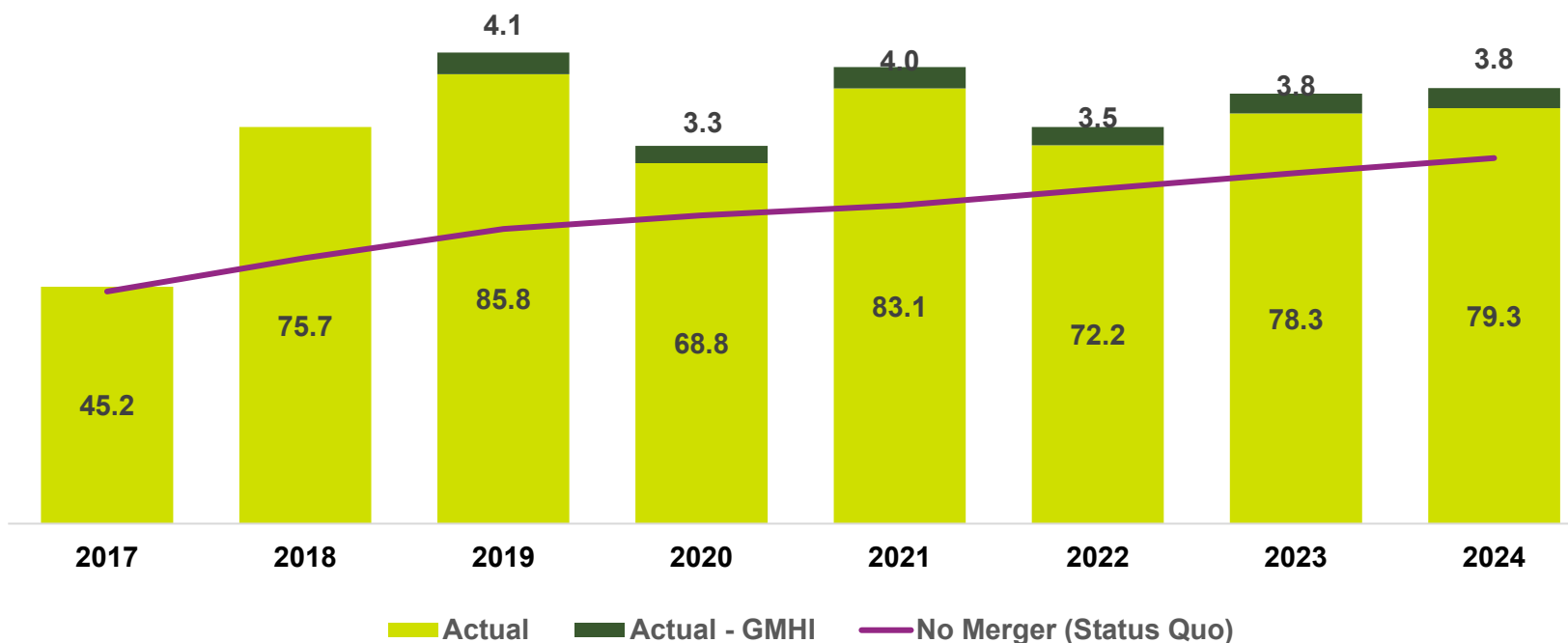


✓ Cumulative earnings less dividends since 2017 have resulted in an increase in shareholders' equity of approximately \$426MM.

Dividends on Common Shares

Stable dividend supported by steady regulated cash flows

2017 - 2024 Dividends on Common shares, \$MM



¹ Shared Net Income of Alectra refers to the Net income of Alectra Inc., excluding RFSP

² 2017-2018 \$3MM annual dividends by Guelph Hydro to City of Guelph are not included in the chart

Rate Rebasing

- Alectra will file a rebasing application for rates effective January 1, 2027.
- Extensive customer opinion research of our residential and business customers has been done over the past year.
- More than 80 percent of respondents agree with Alectra's capital plans.

Distribution System Plan (DSP)

- This Plan details Alectra's operational priorities for the 5-year rebasing period (2027-2031).
- Three key "themes" include:



Renewing and Replacing Infrastructure

Investing in assets and infrastructure to ensure reliable, safe and dependable delivery of electricity.



Meeting Organic Electricity Load Growth

Ensuring the capacity to support current and future demand in the face of changing energy needs.



Investing in Resilience and Modernization

To improve reliability and shorten outage response times, particularly in storm-vulnerable regions of the system.

- Alectra's Return on Equity percentage is regulated by the Ontario Energy Board (OEB).
- The OEB periodically reviews the rate of return and recently issued a Decision regarding the cost of capital, beginning in 2025:
 - Return on equity (ROE) of 9.00%; Deemed long-term debt rate (DLTDR) of 4.51%; Deemed short-term debt rate (DSTDR) of 3.91%.
 - No change to Capital Structure (60% Debt, 40% Equity); No change to annual adjustment formula.



Capital Investment

Alectra Utilities is addressing increasing customer electricity demands by reinforcing its power grid in Mississauga.

- In 2024, Alectra invested over **\$59.5 million** to construct and renew infrastructure in the City of Mississauga.
- In 2025, Alectra plans to invest **\$52.8 million** in renewing infrastructure, replacing underground cable, new connections and upgrading equipment.
- Over the 2026-2031 planning period, Alectra proposes to complete **\$556.4 million** in capital investments to renew the electrical infrastructure, add system capacity to support growth, and make the grid more resilient.

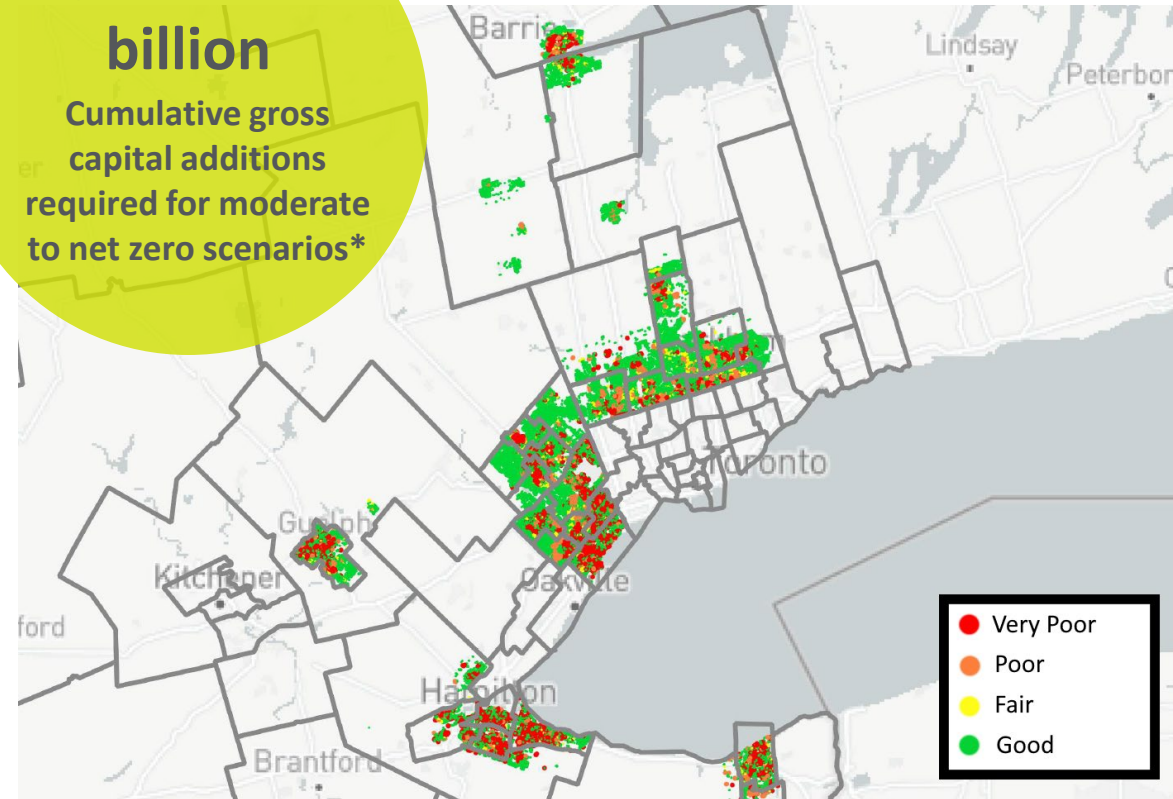


Sustainable Financing

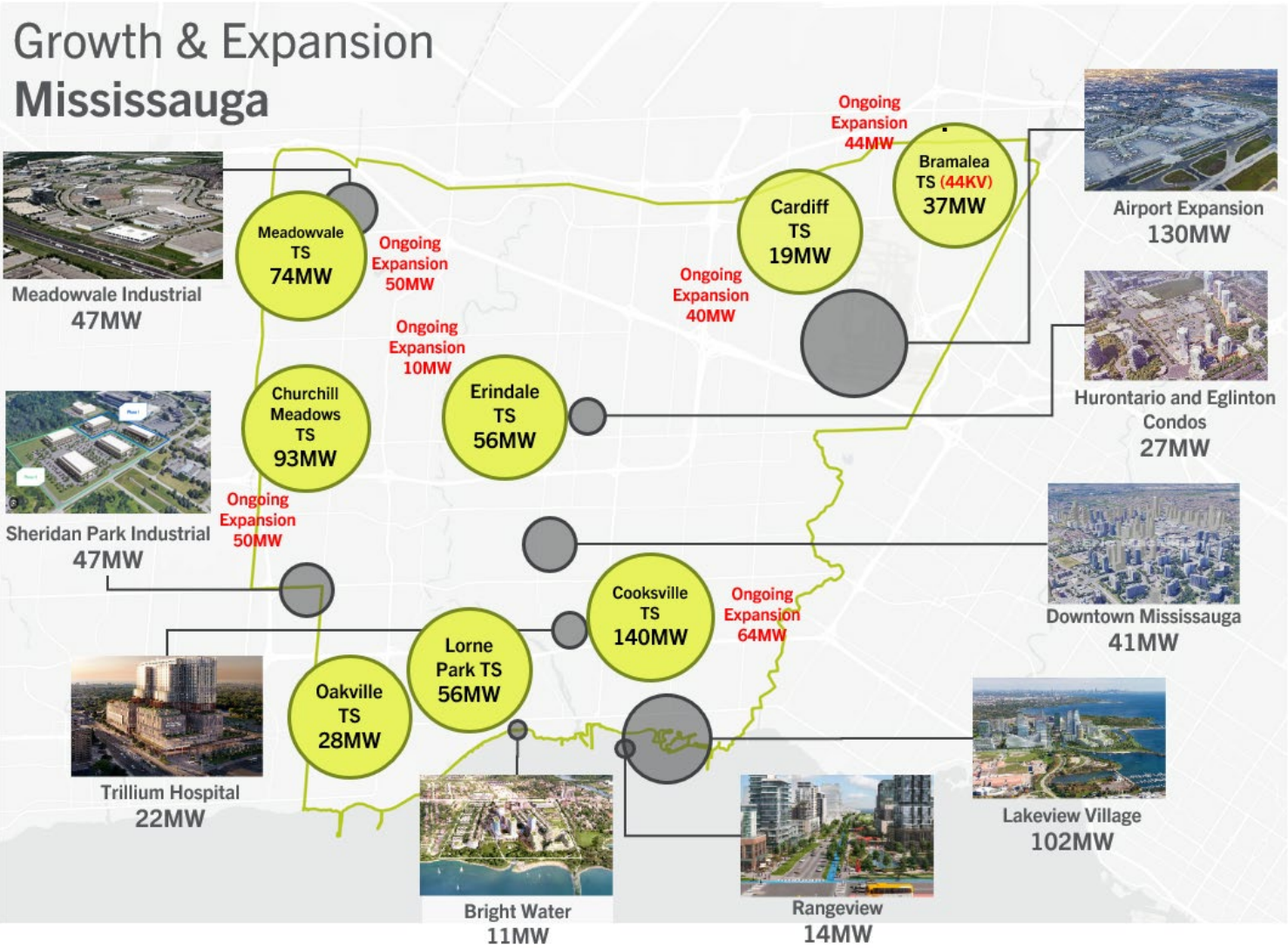
- Alectra's increasing capital budgets will necessitate non-municipal financing, which will require updated tax policy.
- Alectra accounts for approximately 20% of the asset base in Ontario within a growing service territory.. Therefore, Alectra will require a considerable portion of the EDA's forecasted Capital requirements.
- Alectra has done significant advocacy with both the provincial and federal government over the last 18 months in effort to remove tax barriers from non-municipal financing options.
- Specifically, we've requested that the federal government increase the 10% threshold for non-municipal ownership.
- Late last year, the federal government committed to exploring our proposal in their Fall Economic Statement.
- The province has expressed an interest in this topic, and we expect to hear more on this matter in their upcoming Integrated Energy Plan which supports our advocacy.

**\$103-120
billion**

Cumulative gross
capital additions
required for moderate
to net zero scenarios*



**EDA Solving Grid-Lock, Section 4: Investments to Enable the Energy Transition. The \$103B to \$120B is the EDA's projections out to 2050.*



Alectra's Action Items:

- More resources to better serve Housing Developments
- Listening to Developers and streamlining requirements
- Adopting Ontario Energy Board Code amendments & reducing costs
- Developer Roundtables: Alectra will invite key builders and consultants to co-design the next wave of improvements



Community Support

In 2024, Alectra Utilities has invested approximately \$260,000 in community support programs across Mississauga.

AlectraCARES Program Highlights:

- Trillium Health Partners Foundation
- City of Mississauga's Celebration Square Events
- EveryMind Youth Mental Health Services
- Mississauga Food Bank ReclaimFRESH Program
- ErinoakKids Centre for Treatment & Development
- Mississauga Arts Council – Alectra Art Utility Boxes
- The Dam Youth Drop-in and Mentor Assist & CNOY
- Restoration & Empowerment for Social Transition Centre
- Peel Children's Aid Foundation, Infant Wellness Program
- Carassauga Festival of Cultures
- Riverwood Conservancy's BioBlitz
- Sheridan College Alectra ED&I Bursaries
- Armagh House Women's Shelter Development



Coldest Night of the Year Walk for The Dam



Riverwood Conservancy BioBlitz

