

Scorecard - Kingston Hydro Corporation												8/25/2025	
												Target	
Performance Outcomes	Performance Categories	Measures		2020	2021	2022	2023	2024	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		99.52%	99.59%	100.00%	100.00%	100.00%	⬆	90.00%			
		Telephone Calls Answered On Time		64.65%	77.43%	75.06%	80.89%	85.21%	⬆	65.00%			
	Customer Satisfaction	First Contact Resolution		99.06%	98.68%	98.04%	97.49%	97.63%					
		Billing Accuracy		99.57%	95.81%	99.74%	99.85%	99.86%	⬆	98.00%			
		Customer Satisfaction Survey Results		'A'	"A"	"A"	"A"	"A"					
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		82.00%	82.00%	82.00%	82.00%	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	➡		0		
			Rate per 10, 100, 1000 km of line	0.000	0.000	0.000	0.000	0.000	➡		0.000		
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted ²		1.57	1.41	1.12	1.17	0.64	⬇		1.19		
		Average Number of Times that Power to a Customer is Interrupted ²		0.87	2.10	0.55	0.74	0.44	⬇		1.01		
	Asset Management	Distribution System Plan Implementation Progress		On track	On track	On track	On track	97.08%					
	Cost Control	Efficiency Assessment		3	3	2	2	2					
		Total Cost per Customer ³		\$562	\$543	\$614	\$671	\$688					
		Total Cost per Km of Line ³		\$46,486	\$45,552	\$24,873	\$27,431	\$28,157					
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)		1.69	1.69	1.73	1.72	1.67					
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio		1.12	1.10	1.05	1.00	0.96					
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	9.19%	9.19%	9.19%	9.36%	9.36%					
			Achieved	7.25%	8.39%	6.76%	7.92%	8.26%					
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%20Performance%20Measure%20Descriptions.pdf)

Scorecard MD&A - General Overview

Kingston Hydro delivers electricity to 28,000 homes and businesses in Central Kingston, Canadian Forces Base Kingston, and parts of Barriefield under an Ontario Energy Board (OEB) license. While Kingston Hydro owns the wires, poles, transformers, and meters that bring electricity from the provincial transmission grid to these locations, the electrical system is proudly operated by the employees of Utilities Kingston.

By integrating electricity services with water, wastewater, and gas utilities, Utilities Kingston leverages a multi-utility model that improves operational efficiency, enhances reliability, and ensures safe, affordable service for our community. This approach not only strengthens day-to-day operations but also drives long-term performance, as reflected in Kingston Hydro’s 2024 Scorecard results.

In 2024, Kingston Hydro met or surpassed OEB targets across service quality, reliability, safety, and efficiency. Customers benefited from 100 per cent on-time new service connections and scheduled appointments, with call centre responsiveness and billing accuracy performing well above industry requirements. These service levels reinforced trust and confidence in the utility’s commitment to delivering dependable and accurate service.

Reliability remained one of our strongest achievements, with customers experiencing outages that were less frequent and shorter in duration than provincial target levels. This performance was supported by proactive maintenance, strategic infrastructure renewal, and targeted system investments. Public awareness of electrical safety rose to 84 per cent, reflecting our commitment to education and community protection, and operations remained incident free throughout the year. Full compliance was maintained with Ontario Regulation 22/04, further underscoring our commitment to safe operations.

Despite facing inflation and supply chain challenges, we efficiently managed capital expenditures with a focus on infrastructure renewal. Our continued efforts in efficiency maintained our position in the Group 2 efficiency assessment, reflecting our above-average performance. Although there was an increase in total cost per customer and kilometre of line, our total cost per customer remained below

the industry average, reinforcing our position as an efficient, low-cost distributor.

Financially, Kingston Hydro maintains a stable liquidity ratio and a balanced debt-to-equity ratio, achieving a return on equity that was slightly below the deemed rate due to inflationary costs that were higher than expected.

Overall, Kingston Hydro's 2024 results highlight strong operational performance, disciplined cost management, and a steadfast focus on safety and reliability. These achievements demonstrate our ongoing commitment to delivering safe, reliable, and affordable electricity, meeting the evolving needs of our customers, and supporting the long-term resilience of the community we serve.

Service Quality

New Residential/Small Business Services Connected on Time

- Utilities must connect new service for the customer within five business days, 90 per cent of the time, unless the customer agrees to a later date.
- Kingston Hydro exceeded this target for the 347 new low-voltage (less than 750 volts) services connected in 2024. As in previous years, 100 per cent of these services were connected within the target of five working days (from the time all required permits were issued).

Scheduled Appointments Met on Time

- For appointments during the 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 per cent of the time. Customers make appointments with Utilities Kingston, on behalf of Kingston Hydro, for a variety of reasons, including for meter changes, service upgrades, and utility locates. Utilities Kingston strives to complete all requested appointments within five business days.
- In 2024, 349 of 349 (100 per cent) of scheduled appointments were met on time, surpassing the target of 90 per cent.

Telephone Calls Answered on Time

- During regular call centre hours, the utility's call centre staff must answer phone calls within 30 seconds of receiving the call directly, or having the call transferred to them, 65 per cent of the time.
- In 2024, customer service representatives answered a total of 41,118 calls, an increase of 1.04 percent from 2023 call volume.
- 85.21 per cent of calls (35,035) were answered within 30 seconds. We are proud to see our continued efforts reflected in the improvement of this metric year-over-year.

Customer Satisfaction

First Contact Resolution

- Utilities should aim to address their customers' needs as quickly as possible. Ideally, their concerns and issues are resolved the first time the customer contacts the utility.
- For Utilities Kingston, this is a measure of the number of times a customer inquiry or request, related to their account, is handled by the first person to receive the contact.
- In 2024, 97.63 per cent of contacts were answered without having to transfer to another staff member, a similar result to previous years. First contact resolution is closely monitored to ensure that front line staff members have the information and tools available so they can effectively address customer inquiries.

Billing Accuracy

- Ensuring billing accuracy is a key aspect of delivering quality service to customers. Providing accurate information the first time helps build trust and confidence.
- In 2024, Utilities Kingston issued 355,503 bills on behalf of Kingston Hydro Corporation, with an overall billing accuracy of 99.86 per cent, an increase from 2023. This exceeded the industry standard, which requires at least 98% of the bills to be accurate.

Customer Satisfaction Survey Results

- Utilities use different ways to determine how satisfied their customers are with the service they receive. Distributors are required to report their results every second year, at a minimum.
- In 2023, Innovation Research Group was selected to complete the customer satisfaction survey to provide a different approach to completing the survey from previous years. The customer satisfaction survey was conducted by Innovation Research Group on behalf of Kingston Hydro from October 4 to October 14, 2023, and the results are based on telephone interviews with 400 customers (both residential and commercial).
- An overall rating of 91 per cent was reported in 2023. The survey results outcome was provided to Kingston Hydro in numeric format, whereas previous surveys were provided in a less granular letter format. For consistency with previous surveys conducted in 2014, 2016, and 2019, our result of 91 per cent has been reported by converting the numeric result into a letter grade with the Utility Pulse grading of "A."
- Highlighted in the 2023 Customer Satisfaction Survey are high results for trustworthiness and fairness in addition to high satisfaction for receiving accurate bills and providing convenient options to receive and pay bills.

Safety

Public Safety

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

In September 2024, a public awareness online survey was carried out among 415 members of the public residing in Kingston Hydro's distribution area. The survey followed the requirements established in *Appendix B: Biannual Standardized Scorecard Public Awareness of Electrical Safety Telephone Questionnaire*, published by the OEB on November 25, 2015.

The survey yielded an overall Public Safety Awareness Index Score of 84 per cent (a slight increase from the 2022 survey result of 82 per cent), demonstrating that many people do have good knowledge or have received some information pertaining to the six core measurement questions. The 2024 results are used for the reporting years of 2024 and 2025, with the next survey for Public Awareness of Electrical Safety to be carried out in 2026.

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

For the year 2024, as in previous years, Kingston Hydro was fully compliant with the *Ontario Electrical Distribution Safety Regulation 22/04*. This is substantiated through the annual independent *Audit of Compliance and Declaration of Compliance*, as well as the *Electrical Safety Authority Due Diligence Inspections (DDI)* and *Reports of Public Safety Concerns*.

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

Results				Target
Number of Incidents	km of Line	Rate Default Value	Serious Incident Index	Serious Incident Index
0	689	100	0.000	0.000

For the reporting period, Kingston Hydro did not have any serious electrical incidents.

System Reliability

Both target scores for the System Average Interruption Duration Index (SAIDI) of 0.64 hours and the System Average Interruption Frequency Index (SAIFI) of 0.44 were exceeded in 2024.

Average Number of Hours that Power to a Customer is Interrupted

- Kingston Hydro tracks all electricity outages and strives to reduce the length of time they affect customers. The average of 0.64 hours on the scorecard includes both planned interruptions necessary to conduct work safely (0.31 hours) and unplanned/emergency power disruptions (0.33 hours). Our result of 0.64 is better than the distributor's target of 1.19.

Average Number of Times that Power to a Customer is Interrupted

- On this measure, the average of 0.44 includes both planned interruptions (0.09) and unplanned interruptions (0.35). Our result of 0.44 is better than the distributor's target of 1.01.
- Foreign Interference (0.26 hours) was the primary cause of interruptions in 2024. An outage caused by animal contact accounted for 0.11 hours, representing 43 per cent of all interruptions classified under Foreign Interference. Foreign Interference refers to external factors such as customer owned equipment, DERs not owned by distributors, animal contact, vehicle accidents, dig-ins, vandalism, sabotage, foreign objects, and cybersecurity events.
- Recognizing the importance of system reliability, Kingston Hydro is committed to improving our performance in this area for 2024 and beyond. We continue to prioritize proactive tree trimming, preventative inspections, and infrastructure renewal programs.

Asset Management

Distribution System Plan Implementation Progress

Table 1 below summarizes Kingston Hydro's 2024 capital expenditure variance analysis by OEB Category.

Table 1 – 2024 Capex Analysis

Investment Category	\$Actual (A)	\$Forecast (B)	\$Variance (C)	% Var wrt Category Forecast (D)	% Actual wrt Forecast Gross Capex (E)	% Forecast wrt Forecast Gross Capex (F)	% Var wrt Forecast Gross Capex (G)
System Access	\$ 1,601,927	\$ 1,718,000	-\$ 116,073	-6.8%	36.5%	39.0%	-2.6%
System Renewal	\$ 1,266,395	\$ 1,235,000	\$ 31,395	2.5%	28.8%	28.1%	0.7%
System Service	\$ 408,811	\$ 380,000	\$ 28,811	7.6%	9.3%	8.6%	0.7%
General Plant	\$ 1,113,414	\$ 1,067,000	\$ 46,414	4.3%	25.4%	24.3%	1.1%
Gross Capex	\$4,390,547	\$4,400,000	-\$ 9,453	-0.2%	100.0%	100.0%	-0.2%
Capital Contributions	\$ 313,269	\$ 200,000	\$ 113,269	56.6%	7.1%	4.5%	2.6%
Net Capex	\$4,077,278	\$4,200,000	-\$122,722	-2.9%	92.9%	95.5%	-2.8%

$$\% \text{ DSP} = \frac{\text{Actual Net Capex}}{\text{Forecast Net Capex}} = \frac{\$4,077,278}{\$4,200,000} = 97.1\%$$

Calculation Notes:

$$C = A - B$$

$$D = C / B \times 100\%$$

$$E = A / (\text{Gross Capex Forecast})$$

$$F = B / (\text{Gross Capex Forecast})$$

$$G = C / (\text{Gross Capex Forecast})$$

The following is a discussion of the 2024 Capex details summarized in Table 1 above.

The **System Access variance** of -\$116,073 (-6.8%) between the actual and forecast amount closely mirrors the capital contribution variance amount. All capital contributions received in 2024 were categorized as System Access. The \$113,269 in additional capital contribution funding effectively reduced the gross capex expenditures for System Access.

The **System Service variance** of \$28,811 (7.6%) between the actual and forecast amount is below Kingston Hydro's materiality threshold. The additional expenditures for this category represent a 0.7% variance with respect to the total Forecast Gross Capex amount in Table 1.

The **General Plant variance** of \$46,414 (4.3 %) between the actual and forecast amount is below Kingston Hydro's materiality

threshold. The additional expenditures for this category represent a 1.1% variance with respect to the Forecast Gross Capex amount in Table 1.

The **System Renewal variance** of \$31,395 (2.5%) between the actual and forecast amount is below Kingston Hydro's materiality threshold. The additional expenditures for this category represent a 0.7% variance with respect to the total Forecast Gross Capex amount in Table 1.

There has been a change to the RRR filing requirement 2.1.19(e) for the DSP AM Scorecard Measure. The OEB has standardized this measure as a percentage, calculated as $(\text{Actual Net CAPEX} / \text{Planned Net CAPEX} \times 100\%)$, replacing our previous custom qualitative measure (e.g., "On Track"). For the 2024 Scorecard report, Kingston Hydro's "% DSP implementation progress" is 97.1%.

Cost Control

Efficiency Assessment

- Kingston Hydro manages its costs successfully to help ensure customers receive value for the cost of the service. Utilities' total costs are evaluated to produce a single efficiency ranking. Total costs for Ontario LDCs are evaluated by the Pacific Economics Group on behalf of the OEB to divide LDCs into five groups, depending on the difference between their predicted and actual costs.
- Kingston Hydro is pleased to report that in 2024, Kingston Hydro has remained in efficiency assessment Group 2, which is above-average efficiency, meaning Kingston Hydro's actual costs are more than 10% below expected costs for the 3-year period 2022-2024.
- Kingston Hydro's total costs in 2024 were 3.3 per cent higher than in 2023. This compares to an average increase of 5.9 per cent for the 59 utilities. Kingston Hydro's capital costs increased 1.85 per cent while OM&A increased 5.31 per cent.
- Kingston Hydro's total costs were 17.9 per cent below expected costs compared to an industry average of 14.8 per cent below expectations. Costs related to infrastructure renewal and system access to facilitate new customer connections continue to be the focus of where funds are spent.
- For the three-year period 2022 through 2024, Kingston Hydro's actual costs have been less than predicted by an average of 14.6 per cent, compared to an average of 14.7 per cent for the industry.
- Kingston Hydro will continue to manage its expenditures to ensure efficiencies will be achieved and continue to work toward maintaining a Group 2 Efficiency Assessment.

Total Cost per Customer

- Total cost per customer is the sum of all the capital and operating costs incurred by Kingston Hydro to provide service to its customers, divided by Kingston Hydro's total number of customers.
- Kingston Hydro's total cost per customer increased from \$671 to \$688 per customer, 77 per cent % of the industry average of \$899 per customer.
- Total operating, maintenance and administrative expenses per customer for Kingston Hydro were \$297 per customer, an increase of 4.5 per cent over the 2023 amount of \$284 per customer. The industry average increase for OM&A per customer for 2024 was 6.3 per cent. Kingston Hydro remains an efficient, low-cost, low-rate electricity distributor compared to other Ontario electricity distributors.

Total Cost per km of Line

- Total cost per km of line is the sum of all the capital and operating costs incurred by Kingston Hydro to provide service to its customers, divided by Kingston Hydro's total kilometres of line.
- Kingston Hydro's result for 2024 is \$28,157 per kilometre of line, compared to the 2023 cost of \$27,431 per kilometre of line.
- Kingston Hydro's 2023 Cost of Service rate application has outlined capital and operating costs estimates for the 2023 through 2027 period.

Connection of Renewable Generation

New Micro-embedded Generation Facilities Connected on Time

- In 2024, Kingston Hydro connected six micro-embedded generation facilities, all within the required timeframe established by the OEB.

Financial Ratios

Liquidity: Current Ratio (Current Assets/Current Liabilities)

- A common way of measuring the financial health of a company is through financial ratios.
- This first ratio measures whether the utility has enough resources (assets) on hand at a particular point in time to pay the debts that could become due over the next 12 months. Kingston Hydro's Current Ratio is at 1.67:1.00 as at December 31, 2024, compared to 1.72:1.00 as at December 31, 2023. This indicates that for every \$1.00 of short-term liabilities due, Kingston Hydro has \$1.67 of assets available to fund those payments.
- This ratio will fluctuate somewhat on a year-to-year basis but is expected to remain within the range of 1.4:1.0 to 1.9:1.0.

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

- This measures the degree to which the utility is leveraging itself through its use of borrowed money.
- The OEB uses a deemed capital structure (debt: equity) of \$1.50 to \$1.00. This means that for \$1.00 invested in infrastructure, the company's deemed regulatory capital financing structure is 60 per cent funding with new debt and 40 per cent with available cash.
- Kingston Hydro's debt: equity ratio is \$0.96 to \$1.00. This means that for every \$1.00 the company has invested in assets, 49.0 per cent (2023 – 50.0 per cent) has been funded with debt and 51.0 per cent (2023 – 50.0 per cent) has been funded with equity. Kingston Hydro continues to monitor this ratio to ensure it stays at or below \$1.50:1.00.

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

- Return on equity is the rate of return that the utility is allowed to earn through its distribution rates, as approved by the OEB. Kingston Hydro's current approved deemed return on equity for 2023 was 9.36 per cent, which was awarded in its 2023 Cost of service proceeding.

Profitability: Regulatory Return on Equity – Achieved

- This shows the utility's actual return on equity earned each year for the period 2020 through 2024. Kingston Hydro achieved a return on equity of 8.26 per cent for 2024, less than the deemed rate by 1.1 per cent due to inflationary costs that were higher than expected.

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