

May 15, 2026

VIA RESS & EMAIL

Mr. Ritchie Murray, Acting Registrar
Ontario Energy Board
PO Box 2319
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Re: OEB File No. EB-2025-0252, Alectra Utilities Corporation (“Alectra Utilities”) 2027-2031 Custom Rate Application for Electricity Distribution Rates and Charges (the “Application”) – Disclosure of Documents After May 6th Confidentiality Decision

Dear Mr. Murray,

On February 20, 2026, Alectra Utilities requested certain information in the above referenced application and related interrogatory responses to be treated as confidential, pursuant to Rule 10.01 of the OEB’s *Rules of Practice and Procedure* and the OEB’s 2021 *Practice Direction on Confidential Filings*. Similar requests were made on March 27, 2026, and April 10, 2026 to redact certain information in Alectra Utilities’ undertaking responses.

On May 6, 2026, the OEB released its “Decision and Order on Confidentiality” (“Confidentiality Decision”). In accordance with the Confidentiality Decision, Alectra Utilities has modified the redactions to, and is refiling said evidence, in accordance with the Confidentiality Decision, as indicated in Table 1 below:

Table 1: Refiled Evidence with partial redactions remaining

Exhibit	Pages Unredacted
1-SEC-1, Attach. 1 Board	p. 26
4-SEC-90, Attach. 1 2025 Alectra CEO Compensation Review	p. 6, 14-15, 19
4-SEC-90, Attach. 2 2025 Alectra EVP Compensation Review	p. 6, 14-15, 20
JT-1.17	p. 4-7

Please do not hesitate to contact me if you have any questions.

Sincerely,

 Digitally signed by
Natalie Yeates
Date: 2026.05.15
16:30:23 -04'00'

Natalie Yeates
Vice President, Regulatory Affairs
Natalie.Yeates@alecrautilities.com

cc: Charles Keizer, Jonathan Myers, & Daliana Coban, Torys LLP
All intervenors

1-SEC-1

**Attachment 1
Board - Public**

**CONFIDENTIAL**

**REPORT TO THE
BOARD OF DIRECTORS**

Submitted by	Brian Bentz, Danielle Diaz, Christine Long, Tom Wasik, Marc Villett, Mike Malinowski
Subject	Rate Application Financial Plan Update
Item #	2.1
Meeting Date	May 15, 2025

☐ For Information☒ For Approval**Summary**

In Q4 2024, Alectra Utilities Corporation (“AUC”) completed phase two of the customer consultation process as part of the Company’s upcoming Ontario Energy Board (“OEB”) rate application.

Management has reviewed and updated the Financial Plan for the 2026-2031 period following the completion of the customer consultation process. The 2025 plan year is unchanged from the budget approved by the Board on November 22, 2024 and the 2026 Plan year is presented for information only. Management will return in November 2025 to request approval of the 2026 Budget.

Resolution

BE IT RESOLVED THAT the Board of Directors of Alectra hereby approves the proposed 2027–2031 Financial Plan as presented by management and as set out in the Rate Application,

acknowledging their alignment with the utility's strategic objectives and regulatory obligations; and

BE IT FURTHER RESOLVED THAT the Board approves the rate framework proposed in the Rate Application, which includes a revenue requirement forecast, a custom rate framework model, and a rate harmonization proposal; and

BE IT FURTHER RESOLVED THAT the proposed customer rates, are hereby approved for filing with the regulator and constitute just and reasonable rates in accordance with applicable regulatory obligations; and

BE IT FINALLY RESOLVED THAT management is authorized to take all necessary actions to finalize and file the Rate Application with the Ontario Energy Board and to respond to any subsequent information requests or proceedings arising therefrom.



2025-2031 Financial Plan Update - Rebasing Application

Board of Directors

May 15, 2025

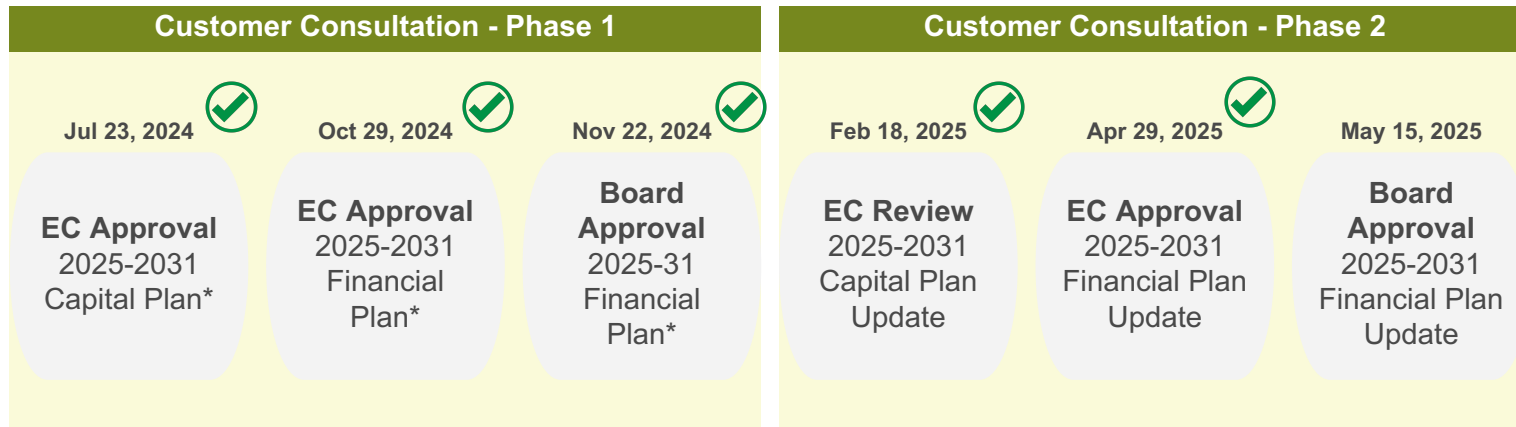


Glossary

The following acronyms and abbreviations are used in this document.

ADMS	Advanced Distribution Management System	DSO	Distribution System Operator	NRCan	Natural Resources Canada
AES	Alectra Energy Solutions	DSP	Distribution System Plan	OEB	Ontario Energy Board
AFDA	Allowance for Doubtful Accounts	EAM	Enterprise Asset Management	OH	Overhead
AFFO	Adjusted Funds from Operations	EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization	OM&A	Operating, Maintenance, and Administration
AFRM	Audit, Finance and Risk Management Committee	eDSM	Electricity Demand-Side Management	P80	Reasonable Probability of Realization
AI	Artificial Intelligence	ELT1	Expedited Long-Term	PCBs	Polychlorinated Biphenyl
AI-C	Alectra Inc.	ERP	Enterprise Resource Planning	PP&E	Property, Plant and Equipment
AI	Accelerated Investment Incentive	EV	Electric Vehicle	RFSP	Ring-Fenced Solar Portfolio
AMI	Advanced Metering Infrastructure	FTE	Full-Time Equivalent	ROE	Return on Equity
APSI	Alectra Power Services Inc.	GHG	Greenhouse Gases	SaaS	Software as a Service
AUC	Alectra Utilities Corporation	GOCA	Getting Ontario Connected Act	SAIDI	System Average Interruption Duration Index
BPS	Basis Points	GRE&T	Green Energy and Technology	SCADA	Supervisory Control and Data Acquisition
CAGR	Compound Annual Growth Rate	HCM	Human Capital Management	SEW	Smart Energy Water
CC&B	Oracle Customer Care and Billing System	HPS	Holland Power Services	SREP	Smart Renewables and Electrification Pathways Program
CCA	Capital Cost Allowance	ICM	Incremental Capital Module	SSGP	Solar Sunbelt General Partnership
CDM	Conservation and Demand Management	IESO	Independent Electricity System Operator	TRIF	Total Recordable Incident Frequency
CIA	Customer Insights & Acquisitions	IFRS	International Financial Reporting Standards	TS	Transformer Station
CIR	Customer Incentive Rate-Setting	IRM	Incentive Rate-setting Mechanism	UA	Util-Assist Inc.
CIS	Customer Information System	IST	Information Systems Technology	UG	Underground
COD	Commercial Operation Date	IT	Information Technology	V2X	Vehicle-to-everything
CP	Commercial Paper	JV	Joint Venture	WFM	Mobile Workforce Management
CX	Customer Experience Project	LDC	Local Distribution Company		
DB	Direct Buried	LRT	Light Rail Transit		
DER	Distributed Energy Resource	MIFRS	Modified International Financial Reporting Standards		
DES	Distributed Energy Solutions	MW	Mega Watt		

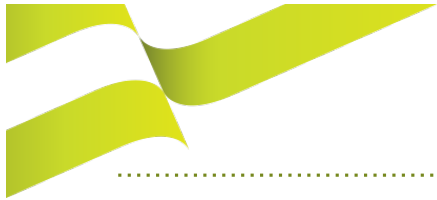
Plan Approval



The updated financial plan integrates essential revisions in AUC that will support the upcoming rate application, including significant updates to the Distribution System Plan (DSP) to ensure alignment with regulatory requirements and strategic objectives.

- Reflects customer needs and preferences identified during two phases of customer consultation;
- Reflects updates to the rate framework and recommendations from the completion of third party studies;
- Addresses key priorities of the DSP including overhead system resilience, deteriorated transformers, underground cable remediation, station and lines capacity to connect customers, customer connections, AMI 2.0 and enabling resiliency and modernization

*2025 Budget, 2026-2031 Preliminary Outlook



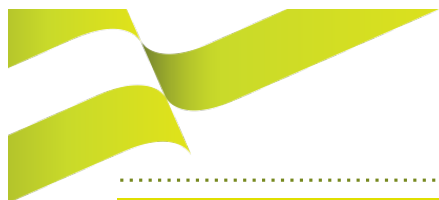
Executive Summary

2025-31 - Investing in the Future

- Alectra Inc. (“Alectra” or “AI-C”) will make significant investments in its distribution system to renew and replace infrastructure, meet growing electricity demand and to modernize the grid while enhancing its resiliency.
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- The projected outcomes in this presentation depend on the OEB granting full approval of the 2027-31 rate application for AUC.

2025-31 Distribution System Plan Supports Alectra’s Strategic Goals

- AUC plans to invest \$3.8 billion in net capital over the 2025-31 period, a \$100MM reduction from the Plan - November, to renew and replace infrastructure, meet growing electricity demand and to modernize the grid.
- Significant investments are also planned to address cyber security risks, Information Technology (“IT”) systems, and in fleet and facilities to support our employees that keep the distribution system operating.



Key Assumptions

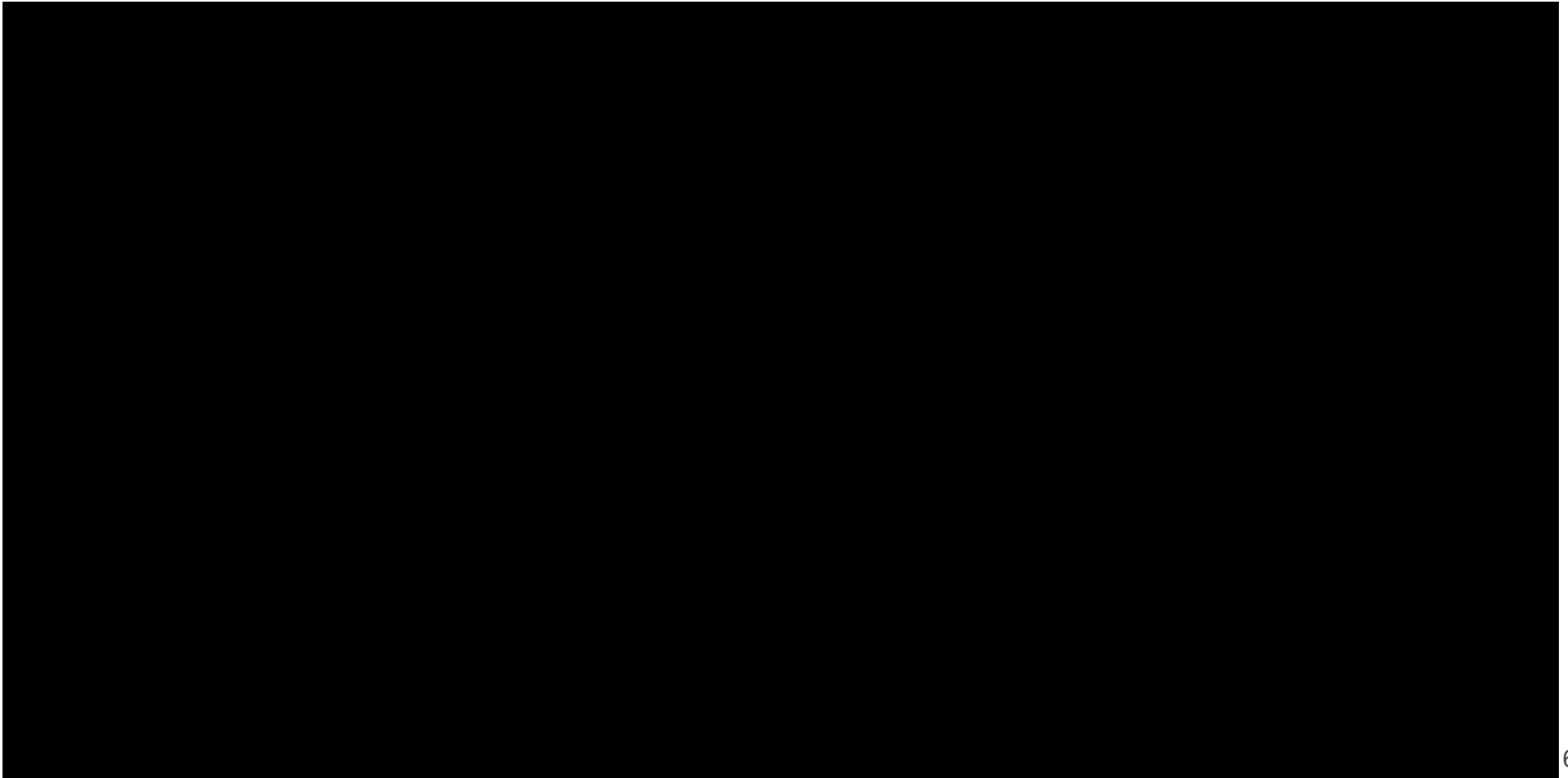
Category	Details
➤ Plan Structure	➤ Regulated and competitive businesses: AUC, [REDACTED] ➤ AI-C unless otherwise denoted; and ➤ Modified International Financial Reporting Standards basis of presentation. ("MIFRS")
➤ Revenue	➤ Distribution customer growth: 0.4% in 2026-27, 0.5% in 2028-31 excluding unoccupied accounts; ➤ Price cap IR: 2.3% in 2026 (includes 0.3% stretch factor); ➤ Rebasing: Capital related costs are escalated based on Alectra's forecast capital expenditures. OM&A costs are escalated based on growth in customers and peak demand growth, as well as econometrically derived inflationary increases; Revenue requirement calculated on deemed structure of 60% debt and 40% equity; ➤ Return on Equity ("ROE"): OEB allowed ROE of 9.00%* beginning in 2027; ➤ Incremental Capital Module ("ICM"): no future ICM applications submitted to OEB; ➤ Energy consumption growth: 0.7% in 2026, 1.8% in 2027, 2.7% in 2028-29, 3.2% in 2030 and 2.8% in 2031. Accelerating impact from growing electricity demand beginning in 2025; ➤ Water Billing: AUC windup of water billing services for Hamilton in 2025, Guelph in 2026, and and remaining municipalities in 2028; ➤ [REDACTED] and ➤ [REDACTED]
➤ Expenses	➤ Wage inflation: 3.5% in 2026-27, and 3% in 2028-31 with incremental 2.0% for non-union staff below job rate; and ➤ Vacancy rate: 4.0% annually for AUC labour, [REDACTED].
➤ Economic Assumptions	➤ USD/ CAD: based on average of Canadian bank forecasts**; ➤ Short-term rates: based on average of Canadian bank forecasts; and ➤ Long-term rates: based on March 2025 report from CIBC.

*Based on cost of capital parameters set in the OEB's Decision and Order EB-2024-0063

** As submitted during November 2024 Approval. [REDACTED]



Plan over Plan Changes AI-C





Plan over Plan Changes AI-C

Net Revenue

Net Revenue has decreased by [REDACTED] compared to the Plan - November.

Other revenue has decreased in 2026 primarily due to the transfer of lower depreciation costs resulting from the useful life study and lower direct labour costs resulting from the DLC study to a regulatory variance account.

Distribution revenue is lower in the 2027-2031 period principally attributable to a change in the rate framework assumptions impacting the recovery of OM&A over the application period.

OM&A

Operating expenses have increased by [REDACTED] compared to the Plan - November, principally attributable to the reclassification of burden pool depreciation recoveries from OM&A to depreciation, and higher labour costs due to revised merit assumptions and the addition of FTEs to support operational requirements, partially offset by higher allocation of labour costs to capital as a result of the DLC study and the deferral of ERP implementation to 2032.

The impacts from the reclassification of burden pool depreciation recoveries from OM&A are directly offset by lower depreciation.



Plan over Plan Changes AI-C

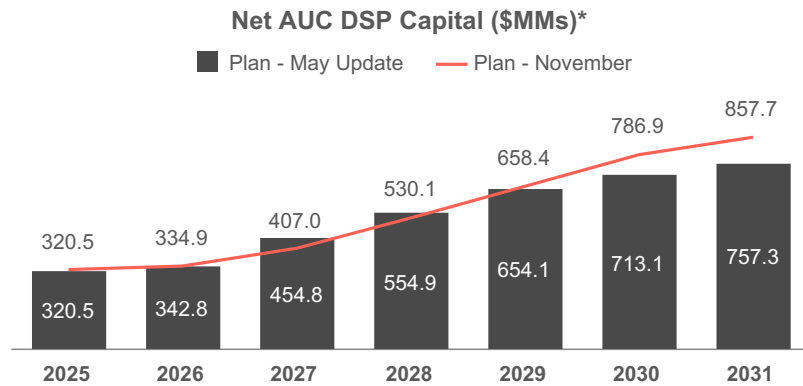
Depreciation and Amortization

Depreciation and amortization expenses have decreased by [REDACTED] compared to the Plan - November, principally attributable to lower depreciation due to the useful lives study, and the reclassification of burden pool depreciation recoveries from OM&A to depreciation, partially offset by higher depreciation related to the timing and asset component changes of in-service additions.

Net Financing Charges

Net Financing charges have decreased by [REDACTED] compared to the Plan - November, principally attributable to higher capitalized interest as a result of increased CIP balances, lower customer deposits and a reduction in long-term debt which was partially offset by higher short-term debt.

Plan over Plan Changes - AUC Capital



	2025	2026	2027	2028	2029	2030	2031
Net Capital (\$MMs)							
System Renewal	—	(2.9)	17.2	19.7	2.9	(8.9)	(22.1)
System Access	—	10.5	25.0	26.5	9.0	(7.8)	(14.9)
System Service	—	(2.6)	3.3	(23.6)	(19.0)	(27.2)	(64.9)
General Plant	—	2.9	2.3	2.2	2.8	(29.9)	1.5
Total Change	—	7.9	47.8	24.8	(4.3)	(73.8)	(100.4)

Net Capital Changes

Net capital expenditures for 2027 to 2031 have decreased by \$105.9MM compared to the Plan - November, primarily due to responses to customer engagement survey phase two. Key adjustments include deferral of a portion of the AMI 2.0 meters deployment, select capacity projects, and an increase in overhead renewal.

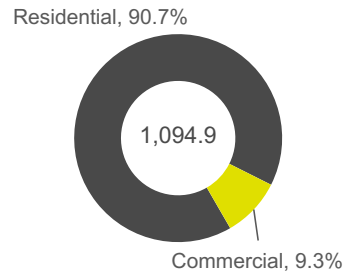
*Note: Capital expenditures in DSP exclude transition capital



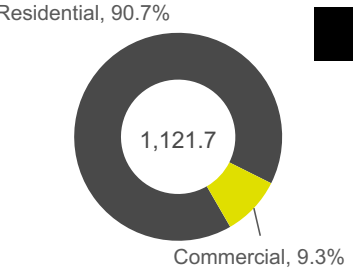
Alectra Inc.

2025

Regulated Customers (000s)*



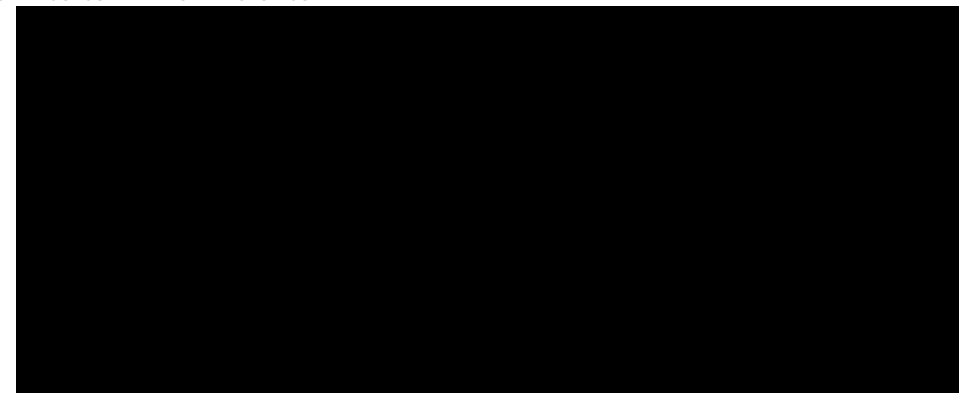
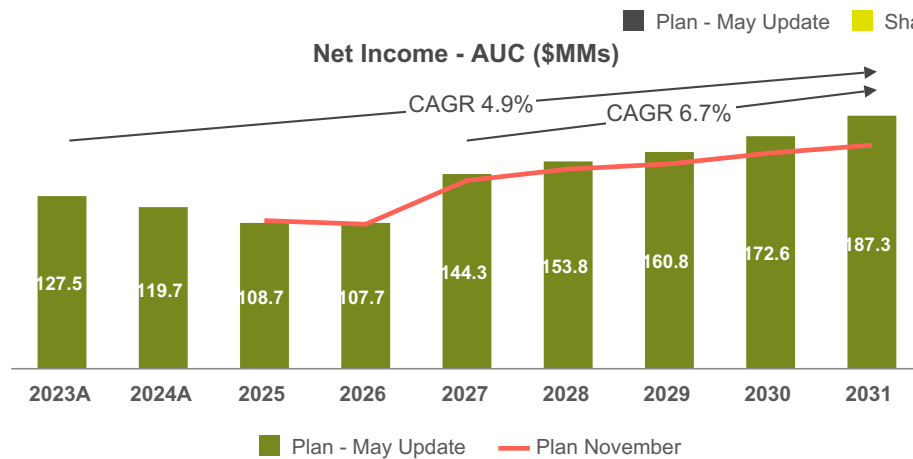
Regulated Customers (000s)*



*Note: Regulated customers are for AUC only and exclude unoccupied accounts. Holdings includes eliminations.

**Note: Capitalization is calculated on IFRS basis to align with other reporting

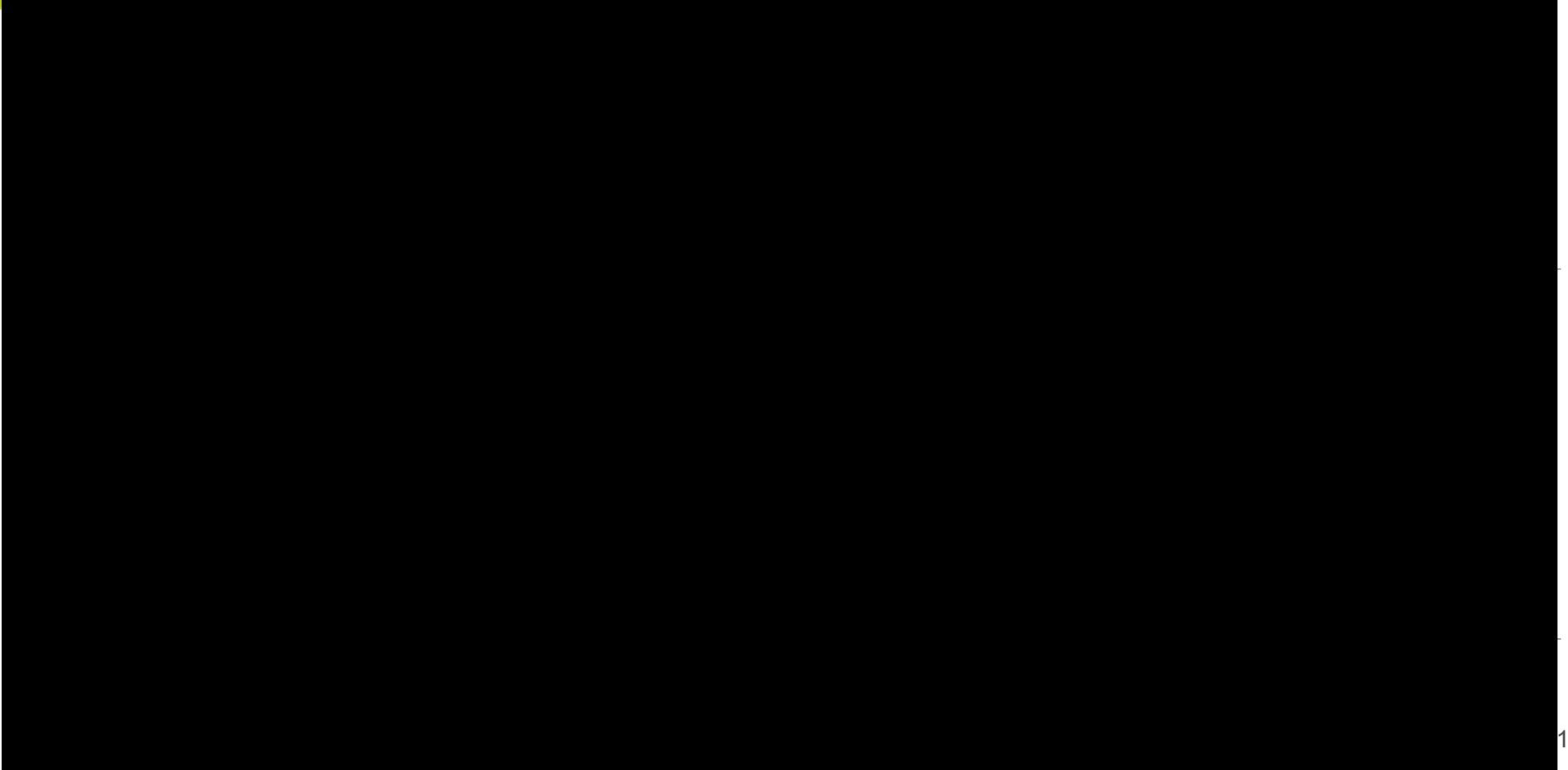
Alectra Inc. Net Income



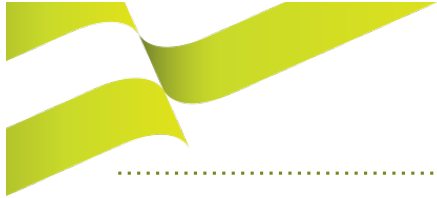
Note: Plan update includes higher shared service and shared asset cost allocations to AES from AUC



Alectra Inc. Financial Metrics



12



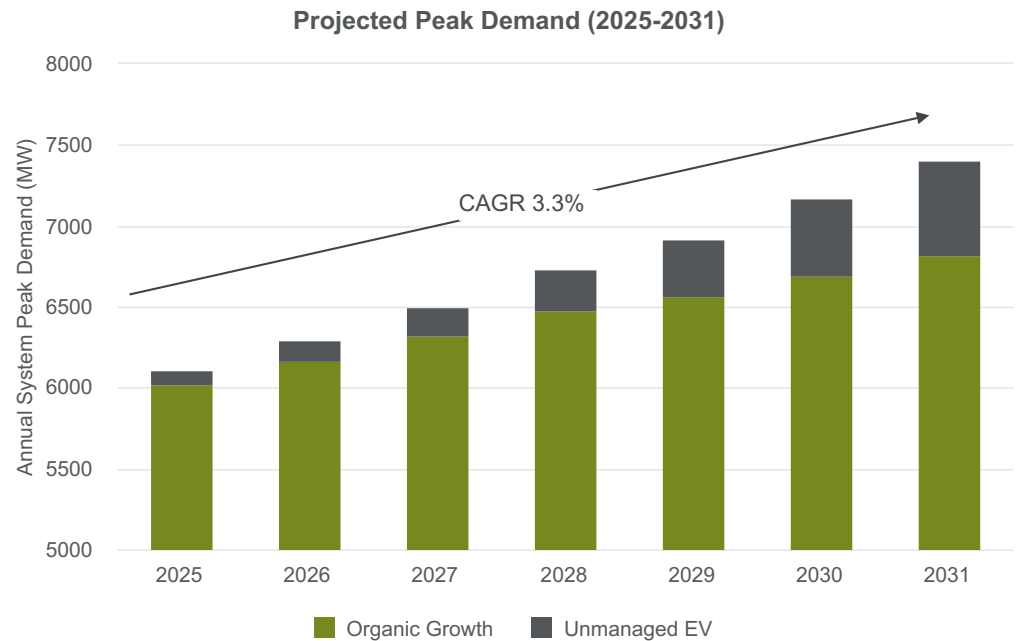
System Peak Demand Growth

Organic Growth by 2031:

- AUC projects to add system capacity to connect 158k new residential units;
- To support employment and commercial & industrial development, businesses are projected to add 157k jobs; and
- As of year-end 2024, AUC has committed to connect 425MW of data center load to support cloud computing and generative AI.

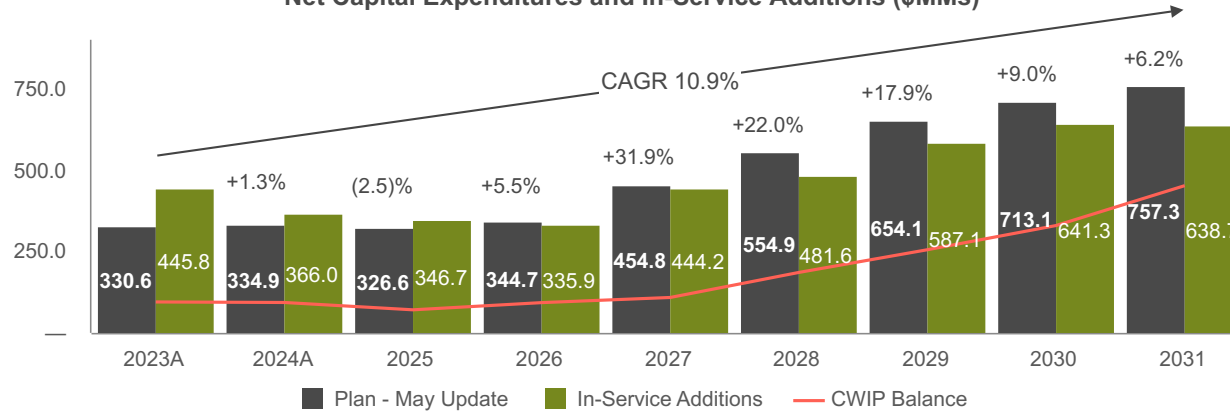
EV Uptake:

- AUC projects 534k Electric Vehicles (EVs) and corresponding charging infrastructure by 2031;
- As of Q1 2025, AUC has 77k EVs registered in the service area, uptake is exceeding projections by 17%.

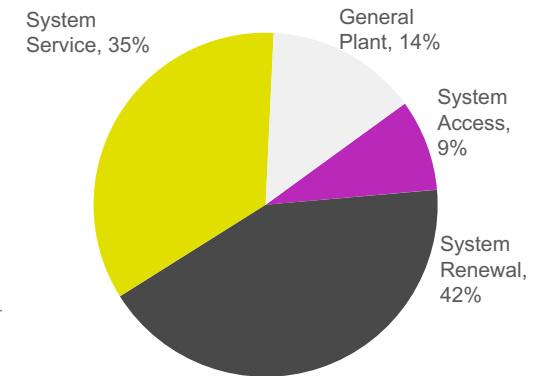


AUC Capital

Net Capital Expenditures and In-Service Additions (\$MMs)



2027 Capital Allocation (Net)

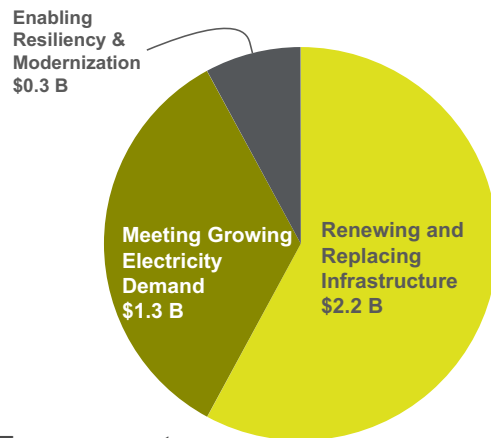


AUC net capital expenditures are planned to increase from \$330.6MM in 2023 to \$757.3MM in 2031, representing a CAGR of 10.9%. The changes year over year include:

- 2027 capital expenditures increase from 2026 with the ramp up of the AMI renewal project, increased investments for customer connections and customer-initiated distribution system projects, fleet renewal, and information technology systems; and
- 2028-31 capital expenditures increase due to the continued ramp-up of the AMI renewal project, ongoing focus on infrastructure renewal for overhead and underground assets, system capacity expansion in multiple operational areas to meet the demand growth aligned with municipal plans and provincial development policies, as well as investment in grid resiliency and modernization.

AUC Capital - Investment Themes

2025-2031 AUC Capital Expenditures
By Investment Themes



Customer Engagement

- Customers supported AUC's investment plan with 86% social permission.
- AUC adjusted the capital plan in response to customer choices and feedback. The net reduction of the capital plan was **\$105.9 MM (2027-2031)**. Response to customer engagement includes deferral of a portion of the AMI 2.0 meters deployment, select capacity projects and an increase in overhead renewal.

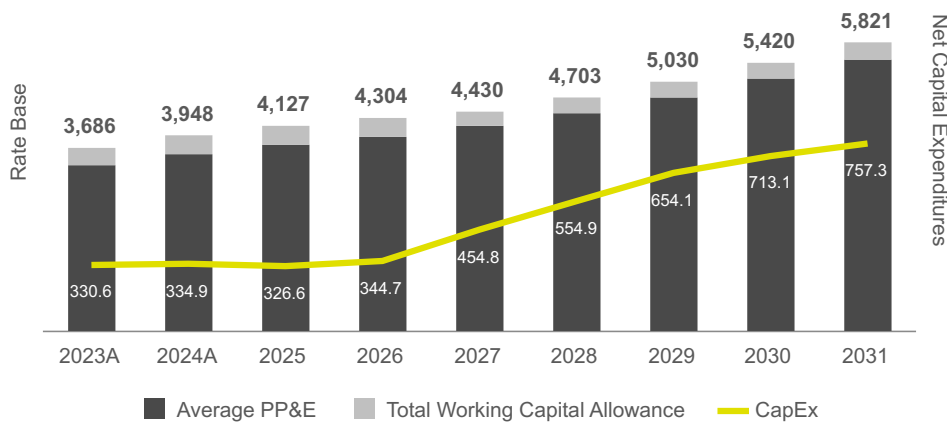
Investment Themes

- **Renewing and Replacing Infrastructure:** Investments in assets and infrastructure renewal is necessary to ensure reliable, safe and dependable operations. Assets and infrastructure include distribution system assets, metering, fleet, facilities and IT.
- **Investments:** Underground cable, overhead assets, distribution transformers, station assets, metering infrastructure, fleet investments.
- **Outcomes:** Improved system reliability, reduced risk of meter failure and impacts on meter-to-cash processes, and efficient systems and fleet availability to support operations.
- **Meeting Growing Electricity Demand:** Investments to prudently prepare the grid for anticipated organic growth aligned with municipal plans and provincial policies. Investments will increase available connection capacity to meet the forecasted growth and have the ability to connect customers.
- **Outcomes:** Adequate system capacity to meet the growing demand from existing and new customers to support development and growth in Alectra's service area.
- **Enabling Resiliency and Modernization:** Investments addressing climate vulnerable areas, limiting outage impacts, building planning tools and distribution market preparedness.
- **Investments:** Storm hardening and rebuild of rear-lot services, deployment of automated switching devices, implementation of Customer Experience (CX) and Advanced Distribution Management System (ADMS).
- **Outcomes:** Improved system reliability, grid and operational resilience through expedited outage detection and restoration, grid hardening vulnerable system areas to storms and climate risks, improved customer communications and choice through Customer Experience system and grid modernization systems (e.g. CX).

AUC Capital and Rate Base

- The Plan - May Update outlines the Capital Investment Plan for 2025-2031, which includes management's rate base forecast.
- Management estimates rate base will reach \$5,821MM in 2031, representing an eight-year CAGR of 5.9%.

Forecasted Rate Base & Capital Expenditures (\$MMs)



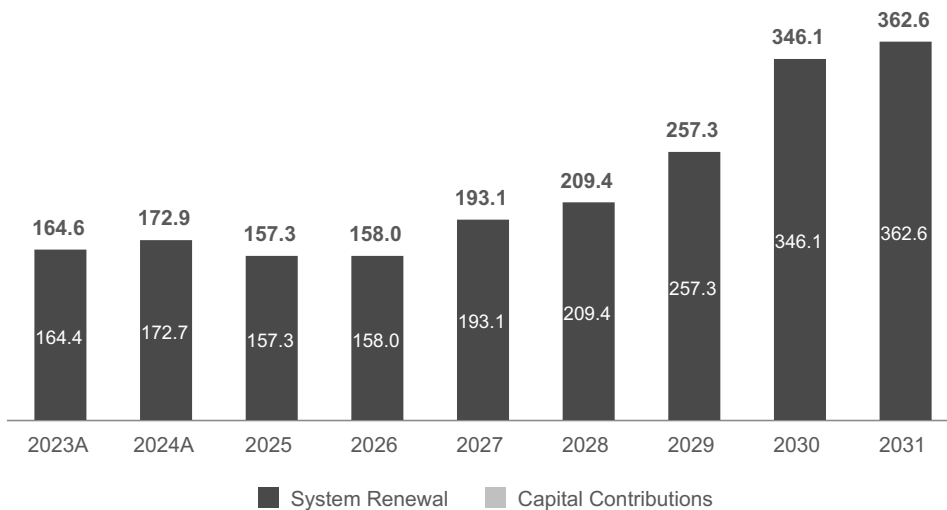
Key Drivers of 2025-2031 Capital Expenditure and Rate Base Growth

- **System Renewal - \$1,683.8MM Net:** Projects and programs for renewal and refurbishing of distribution equipment to avoid failures, failure risks, safety risks and enable grid resilience.
- Net system renewal investments are forecasted for underground asset renewal (42%), overhead asset renewal (28%), reactive capital (12%), transformer renewal (9%), rear lot conversion (5%), and substation renewal (4%).
- **System Access - \$969.2MM Net:** Projects to meet customer connection requests, system modification to accommodate customer and municipal driven work (e.g. road widening). Replacement of metering infrastructure and other mandated service obligations.
- Net system access investments are forecasted for customer connections (50%), network metering (37%), road authority, transit projects, and transmitter related upgrades (13%).
- **System Service - \$669.4MM Net:** Includes improvements to the distribution system to ensure operational service levels are met, while meeting anticipated service capacity requirements and reliability.
- Net system service investments are forecasted for stations capacity (47%), lines capacity (33%), Supervisory Control and Data Acquisition ("SCADA") and automation (13%), and system control communications, distributed energy resources integration, safety and security (7%).
- **General Plant - \$483.1MM Net:** Projects supporting IT renewal and initiatives, fleet, facility and capital contribution for transmission connections.
- Net general plant investments are forecasted for IT systems (38%), Connection & Cost Recovery agreements with HONI (26%), fleet renewal (25%) and other projects (11%).

System Renewal

- Net System Renewal expenditures will reach \$362.6MM in 2031, representing an eight-year CAGR of 10.4%. The investments over the plan period focus on system reliability and storm resilience (\$1,683.8MM).
- The investments over the plan period focus on replacing and renewing deteriorated assets to maintain the integrity of Alectra's distribution system including underground cables, overhead poles and lines, and transformers.

System Renewal Expenditures (\$MMs)



Key Drivers of 2025-2031 System Renewal Expenditures

Underground Renewal - \$712MM Net over the 2025-2031 period

- AUC's primary focus for System Renewal continues to be underground (UG) cable, which addresses the most significant portion of equipment failures.
- UG cables are AUC's most deteriorated asset.
- One in four neighborhoods in Alectra service territory are served by deteriorated and failing underground cables.

Overhead Renewal - \$470MM Net over the 2025-2031 period

- AUC operates approximately 10K poles in deteriorated condition, which pose a safety hazard upon failure and risk of prolonged outages.
- Deteriorated poles are vulnerable to storms and climate events. In May 2022, Alectra experienced an event that resulted in approximately 100 pole failures in one storm.
- AUC plans to increase investment in voltage conversion to bring legacy infrastructure up to modern standards (i.e., higher voltages); these investments will improve reliability and mitigate the need for costly station rebuilds.

Reactive Capital - \$197MM Net over the 2025-2031 period

- Increase in reactive expenditure is in line with historical trends. Reactive replacement is related to the backlog of deteriorated assets that remain in-service.

Transformer Renewal - \$144MM Net over the 2025-2031 period

- Population of deteriorated distribution transformers servicing customers has doubled since 2018.
- Deteriorated transformers are prone to leak oil, which may contain hazardous Polychlorinated Biphenyls (PCBs), posing environmental and public health risks and incurring costly remediation of the soil and waterways.

System Access

- Net System Access expenditures will reach \$138.7MM in 2031, representing an eight-year CAGR of 9.5%.
- The investments over the plan period focus on connecting new customers, deploying metering assets, and supporting transit projects (\$969.2MM).

Key Drivers of 2025-2031 System Access Expenditures

Network Metering - \$357MM Net over the 2025-2031 period

- AMI 2.0 with enhanced technology to provide real-time data and control over energy usage.
- Full-scale AMI 2.0 deployment will start in 2027 and will proceed throughout the planning period.
- Ongoing meter renewal for outdated and failing meters to ensure meter-to-cash process is maintained.

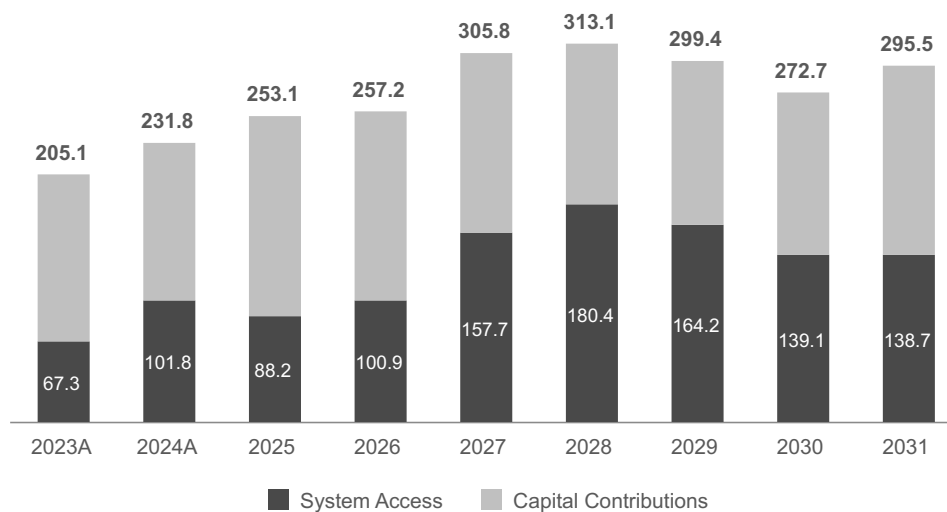
Customer Connections - \$246MM Net over the 2025-2031 period

- Provincial and municipal housing growth targets through the “More Homes Built Faster Act” will increase customer connections within Alectra’s service territories.
- Subdivision connections are planned to increase beginning in 2028 with growth experienced across all operational areas
- Continued growth for industrial, commercial, and institutional customers further increasing customer connections and growth demands.

Customer Initiated Projects - \$240MM Net over the 2025-2031 period

- System expansion requirements for customer-driven work including data centers and feeders to service commercial developments.
- Increased market demand for AI and data storage services is driving system expansion investments to support customer capacity requests.
- Multi-use, high-rise and commercial building intensification in East, Central South, and West service areas require additional service feeders and increased capacity provisions.

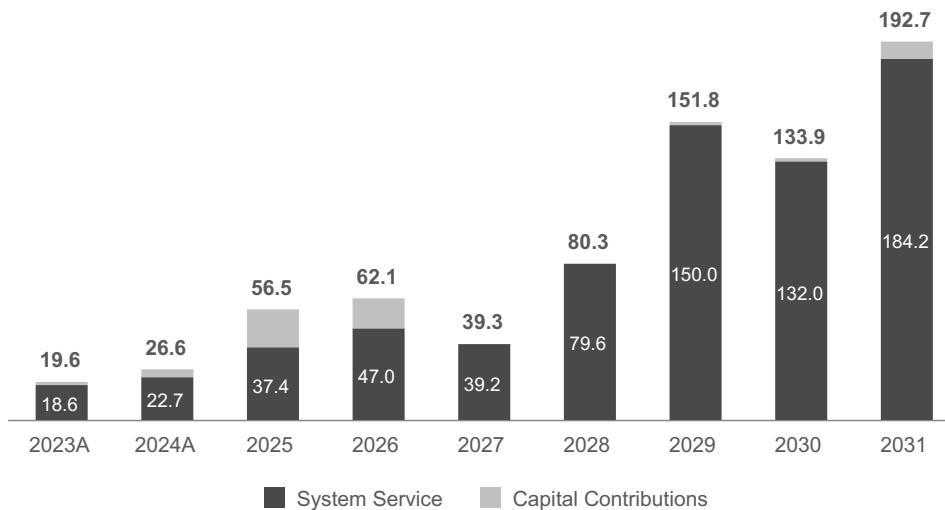
System Access Expenditures (\$MMs)



System Service

- Net System Service expenditures will reach \$184.2M in 2031, representing an eight-year CAGR of 33.2%. The investments over the plan period focus on meeting organic growth demand and start preparing the grid for electrification (\$669.4MM).
- The investments over the plan period focus on the construction of new stations to support increased capacity, expansion of the lines system, and automation to reduce system interruption.

System Service Expenditures (\$MMs)



Key Drivers of 2025-2031 System Service Expenditures

Capacity Stations - \$314MM Net over the 2025-2031 period

- Organic growth and start preparing the grid for electrification, drive system expansion investment to provide the capacity needed to meet growing electricity demand.
- Anticipated growth is aligned with municipal plans and provincial policies such as the "More Homes Built Faster Act"
- Timelines to construct new stations is approximately 5-7 years.
- AUC plans to construct and commission seven new stations by 2031.
- The large majority of system expansion investment is required to accommodate known and anticipated organic growth.

Capacity Lines - \$223MM Net over the 2025-2031 period

- Expansion of the system to accommodate organic growth in multiple high-growth developments including:
 - Heritage Heights areas in North-West Brampton
 - Downtown Mississauga / Square One Area
 - Downtown Hamilton surrounding the Light Rail Transit (LRT) project
 - Vaughan Metropolitan Centre
- Relief of feeders that are currently operating over the planning limit.

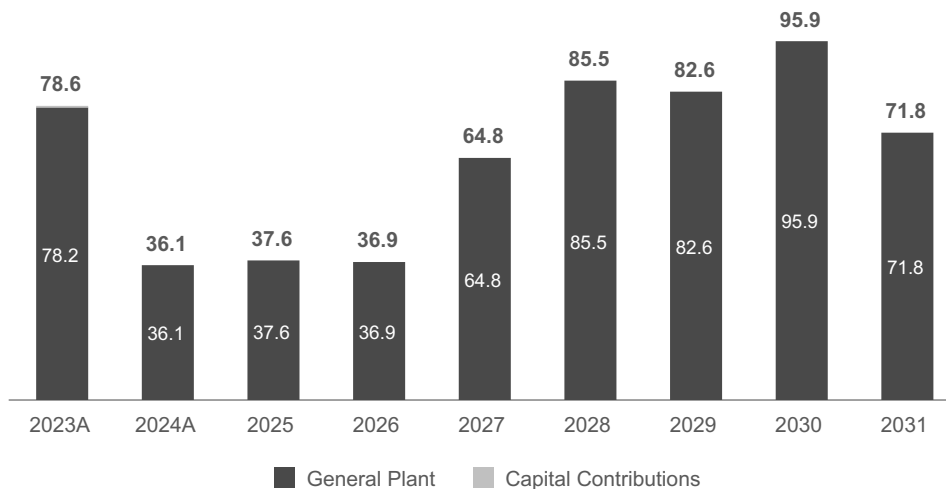
SCADA & Automation - \$90MM Net over the 2025-2031 period

- Deploy automated switching devices to enable grid flexibility and expedited service restoration from outages.
- In 2023, automation reduced the System Average Interruption Duration Index (SAIDI) by 14.2 minutes.
- Increased installation of automated devices across the entire distribution system will enable a self-healing grid solution.

General Plant

- Net General Plant* expenditures will reach \$72MM in 2031, representing an eight-year CAGR of (1.1)%. The investments over the plan period focus on improving customer experience and operational efficiency (\$475MM).
- The investments over the plan period focus on implementation of new IT systems and IT investments to support operations, additional transmission connections, and fleet renewal.

General Plant Expenditures (\$MMs)



Key Drivers of 2025-2031 General Plant Expenditures

Information Technology Systems - \$183MM Net over the 2025-2031 period

- Alectra plans to implement several IT systems:
 - Enterprise wide systems for Billing & Collections, Customer Experience and Resource Planning (CIS, CX).
 - Asset Management tools for efficient analysis of system and system control (ADMS & EAM).
 - Systems to support Operational needs and efficient use of resources of the organization (WFM, SCADA).
 - Financial system enhancement and planning needs on ERP & C55.
 - Cyber-security enhancements to address growing threats of cyber risk and increase system resiliency for protection.
- Hardware and software investments to support operations and administrative functions to ensure employees have appropriate tools to facilitate work tasks.
- Distribution System Operator (DSO) and grid edge investments to support DSO functionality, back-office systems to support load management and increased investments.

Connection & Cost Recovery Agreements - \$125MM Net over the 2025-2031 period

- AUC will work with HONI to facilitate additional connections of the distribution system to the transmission grid.
- As per the Transmission System Code, transmission connections and new stations require connection agreements and capital contribution to HONI.

Fleet Renewal - \$122MM Net over the 2025-2031 period

- Increased investments in fleet to replace deteriorated vehicles will reduce ongoing operating repair costs.
- Investments in additional vehicles to support the planned capital program.
- Investments in electric vehicles to reduce Greenhouse Gases (GHG) emissions.

*Note: General Plant excludes transition capital

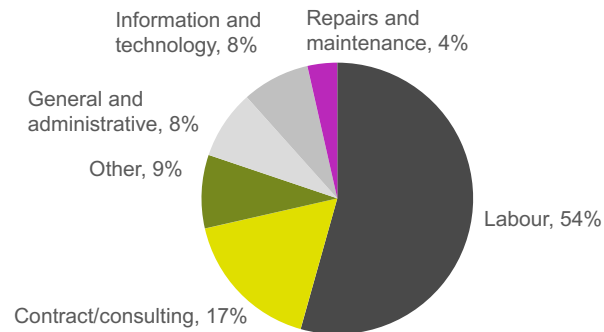
Metering

- The Metering team is responsible for AUC's 1.1MM networked meters, its wholesale meter installations, and the provision of real-time data for customer billing and settlements;
- AUC's AMI 1.0 meters, primarily installed between 2006 and 2010, are reaching end-of-life, and beginning to fail;
- AMI Renewal began in 2023 with the installation of the first AMI 2.0 meters as like-for-like meter replacements;
- AMI Renewal will ramp up beginning in 2027:
 - Implementation of a new AMI 2.0 UtilityIQ headend system (2027);
 - Mass deployment of approximately 0.9MM meters (2027 to 2031);
 - Retirement of 3 of Alectra's 4 AMI 1.0 networks (2028 to 2031);
- The AMI Renewal program is expected to be a "just in time" replacement program, however; there is risk that failures could outpace renewal, impacting AUC's overall capital costs;
 - It is less expensive to deploy meters within a structured neighborhood-by-neighborhood plan, than it is to replace failed meters one at a time.

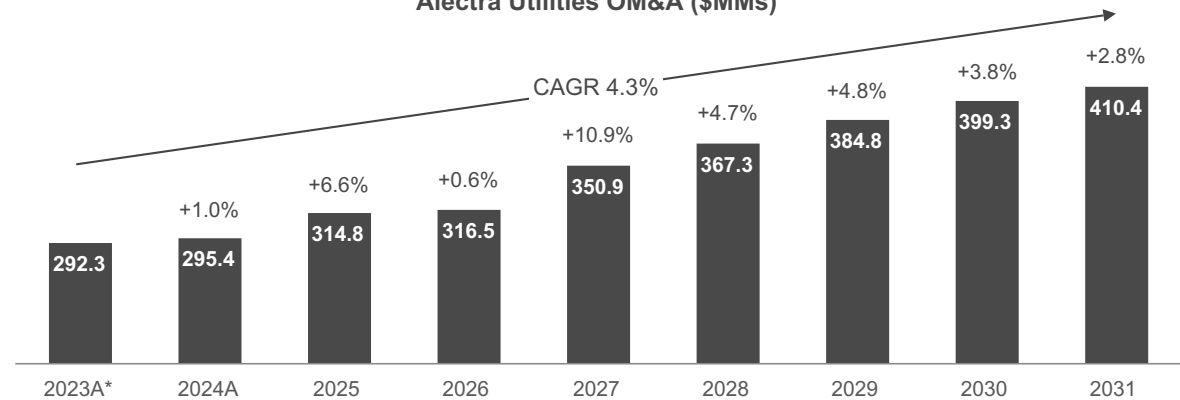
\$MM	2025	2026	2027	2028	2029	2030	2031	Total
Capital	26.9	26.2	54.1	69.9	68.6	59.8	52.9	358.4
<i>AMI 2.0 Renewal</i>	10.6	10.4	38.2	57.6	57.4	49.8	44.6	268.6
<i>New Connections</i>	4.5	3.9	3.7	3.8	3.8	3.9	4.0	27.6
<i>Failures</i>	4.6	5.0	5.5	4.8	3.7	2.5	0.8	26.9
<i>Other</i>	7.2	6.9	6.7	3.7	3.7	3.6	3.5	35.3
Depreciation impact to AMI 1.0 meters	—	—	8.6	7.6	4.4	2.7	1.9	25.2
<i>AMI 1.0 Accelerated depreciation</i>	—	—	8.6	7.6	4.4	2.7	1.9	25.2

AUC OM&A

2027 OM&A Allocations (\$MMs)

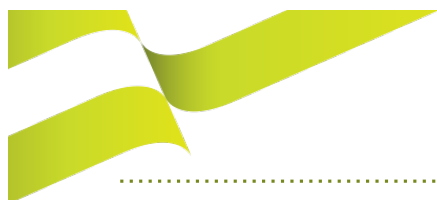


Alectra Utilities OM&A (\$MMs)



- Operating expenditures are expected to increase from \$292.3MM in 2023 to \$410.4MM in 2031, representing a CAGR of 4.3%. The annual increases are principally due to labour, IT software costs, property taxes, reset of OEB deferral accounts, insurance, and credit losses.
- Labour costs are expected to increase in all plan years due to annual merit and step increases for staff. Additionally, labour costs from 2027-2029 are increasing due to the addition of permanent roles to manage increased capital workload supporting the execution of the DSP, and to strengthen IT capabilities including data and security.
- OM&A expenditures are expected to increase in 2027 as a result of the disposition of regulatory deferral accounts, including cable locates, OEB Assessment costs, and rebasing application costs.
- IT licensing is expected to increase annually due to vendor price increases exceeding the rate of inflation and incremental licenses for new initiatives such as Project Atlas (CX), HCM, EAM, WFM, enhanced IT security, and AMI 2.0.
- Property taxes and insurance costs are expected to increase in all plan years. Property tax increases due to the anticipated start of a new assessment cycle in 2026 and insurance costs are anticipated to increase based on historical annual price increases ranging from 5-15%.

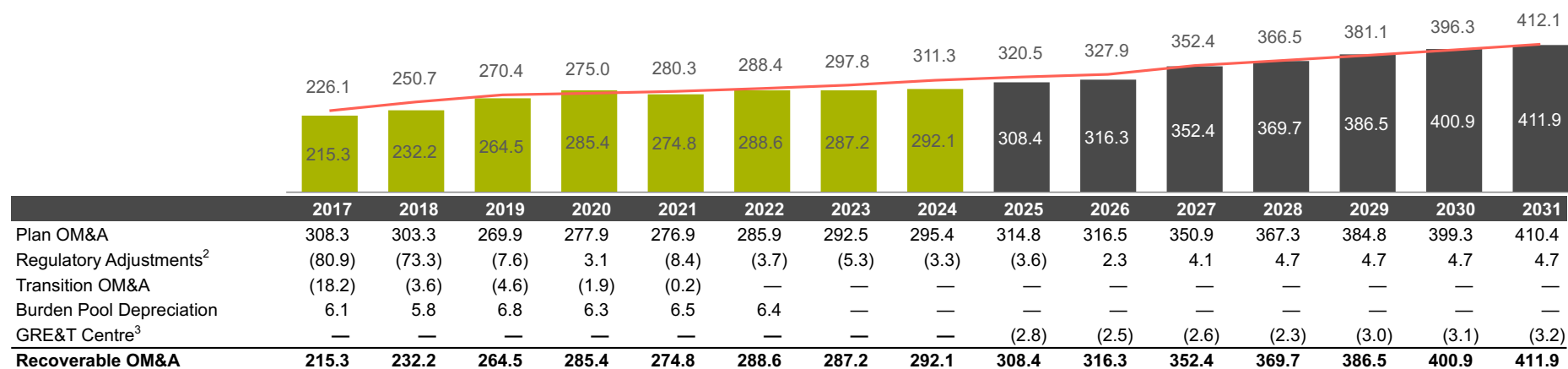
*2023A updated for reclassification of burden pool depreciation recoveries from OM&A to depreciation to match MD&A



2017-2031 AUC Regulated OM&A

AUC Regulated Operating Expenditures (\$MM)

■ Historical OM&A ■ Plan - May Update — OM&A in Rates¹



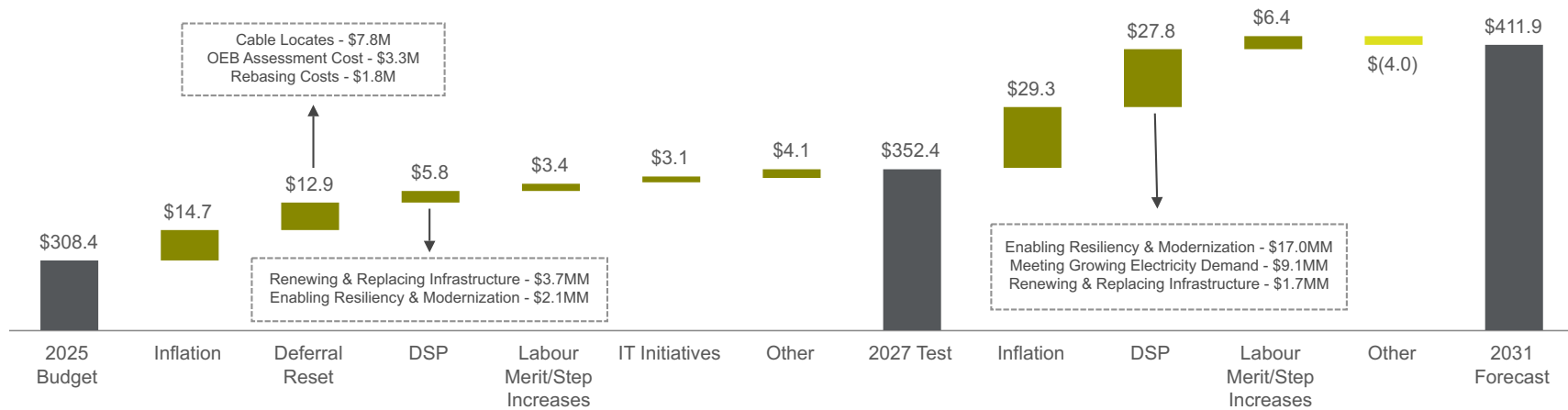
Beginning in 2019, there has been a rise in Customer Service expenses related to credit losses, call centre collections, and postage. In 2020, Alectra incurred higher maintenance costs in Operations due to aging infrastructure resulting in increased cable faults. The increased costs in these areas are offset by a reduction in reported OM&A expenditures due to the utilization of the cable locates deferral account in 2023 and 2024, and sustained cost reductions in facilities costs related to the consolidation of operating centres into the Kennedy Road facility.

¹Normalized for burden pool depreciation recoveries allocated to depreciation

²Regulatory Adjustments are mainly related to reclassifications of non-regulated items (CDM, HRZ Water Billing) and bank charges from interest expense

³GRE&T Centre OM&A recoveries are adjusted to what was previously funded in rates through the re-allocation of the Advanced Planning BU

2025-2031 AUC Regulated OM&A



2025-27 Regulated OM&A increases primarily as a result of:

- the disposition and reset of regulatory deferral account in 2027;
- higher expenditures to support the DSP for renewing & replacing infrastructure largely attributable to AMI 2.0, CC&B licensing, system updates for workforce management, updates to the windows operating system, and increased headcount for enabling resiliency and modernization;
- higher labour for current FTEs due to step/merit increases associated with bringing employees up to job rate and attracting and retaining talent;
- technology initiatives for Cyber Security, harnessing AI capabilities (AI Chatbot), and business continuity (BizTalk, and CIS); and
- other impacts from the wind down of water billing services in Hamilton and Guelph*, increased property taxes, and increased credit losses.

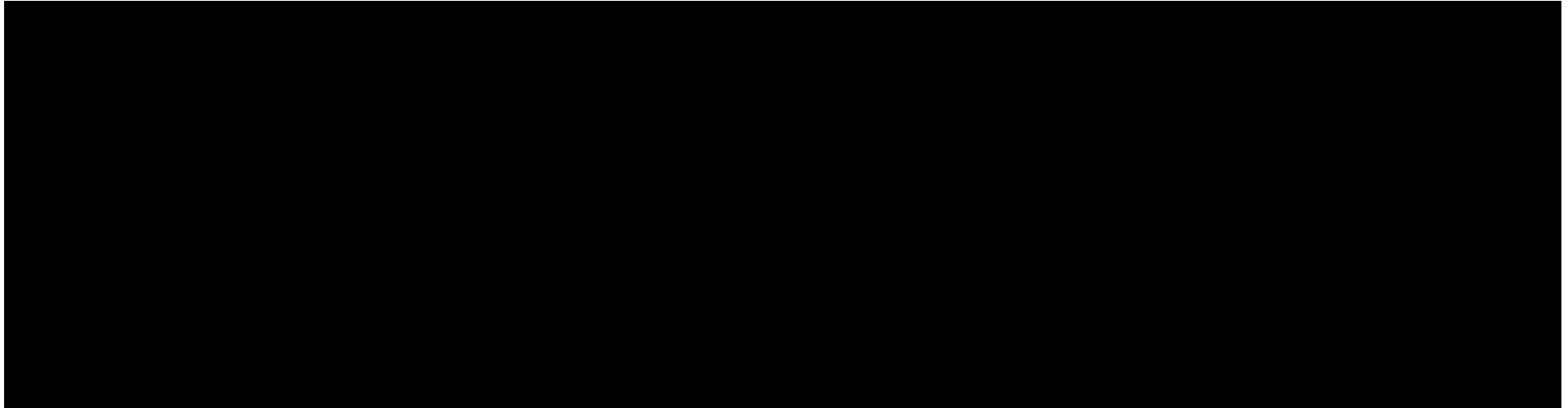
2027-31 Regulated OM&A increases primarily as a result of:

- enabling DSP themes through additional headcount (\$24.3M), further detailed on slide 27;
- technology expenditures for AMI 2.0, workforce management, and the implementation of an enterprise asset management system;
- higher labour for existing FTEs to account for step/merit increases; partially offset by
- decreased costs primarily related to the wind down of water billing services.

*Regulatory adjustments for AUC Regulated OM&A for HRZ water billing offset by reduced postage in Guelph



Alectra Inc. Labour

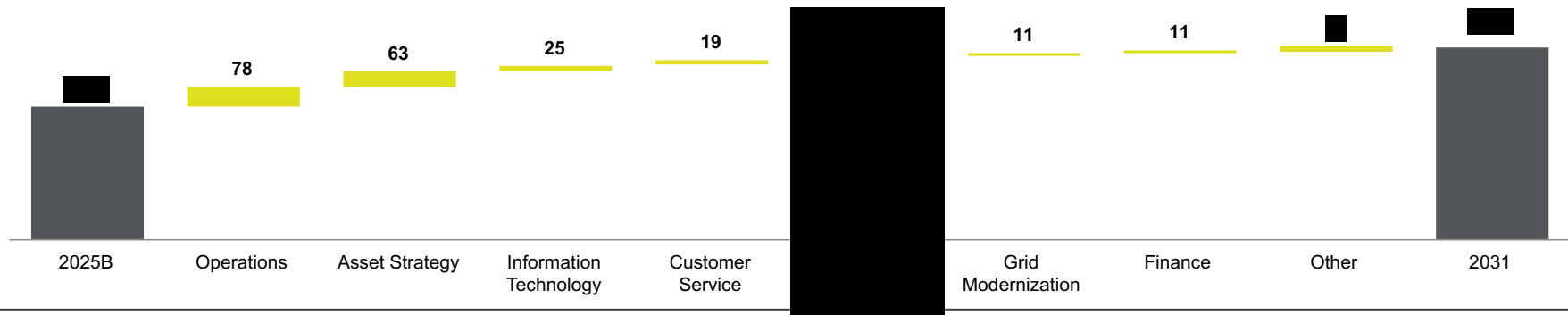


AI-C Full-Time Equivalent (“FTE”) is expected to increase from 1,927 budgeted in 2023 to 2,275 in 2031, representing an FTE CAGR of 2.1%. The FTE increases in the AES business are primarily associated with incremental growth and contingent on offsetting revenues, as well as the acquisition of Gagnon in 2024. AI-C labour costs increase at a CAGR of 7.1% from 2023 to 2031, primarily due to the addition of new positions to support the growing capital program, IT initiatives, and annual wage increases.

The AUC increases in 2025-2026 are driven by permanent additions to support the design and construction of the expanded capital plan, enhanced digital technologies, and the implementation of new metering infrastructure. From 2027-2031, FTE growth will focus on permanent roles to manage increased capital workload as detailed in the DSP, strengthen IT capabilities for data and security, and bolster key corporate services to support the expanded capital work program.

Note: A vacancy provision of [REDACTED] has been applied to gross labour in 2025-2031. The labour (\$) excludes overtime and shift premiums.

Alectra Inc. FTE - 2025 vs 2031

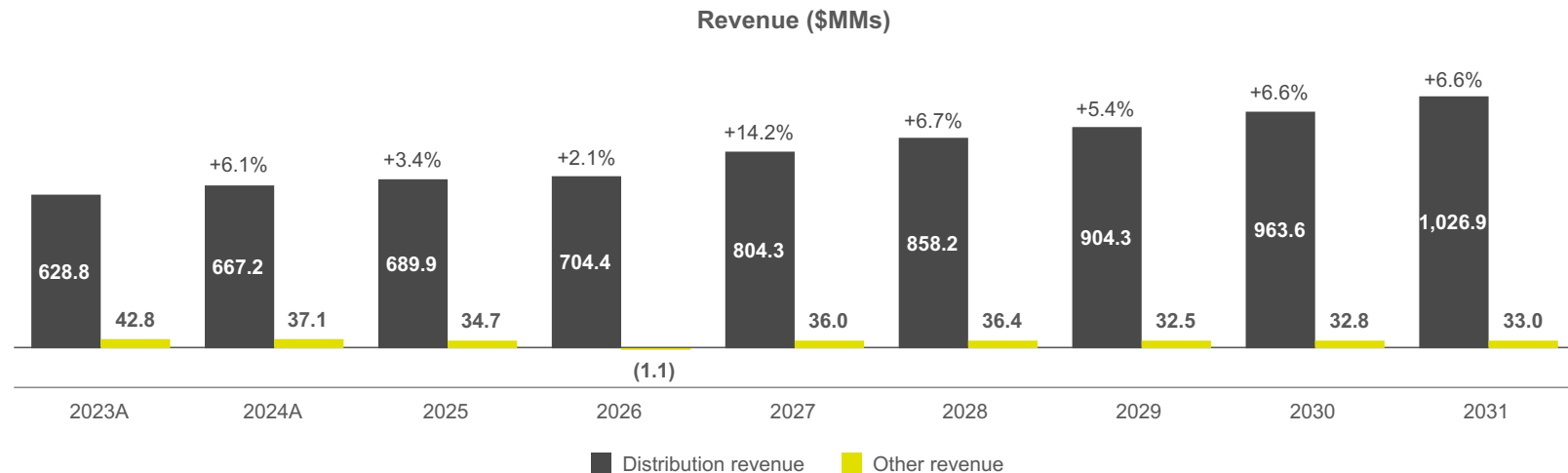


2031 FTE resources are expected to increase relative to 2025, principally due to:

- ↑ in Operations (78 FTE) to support increased capital work (40 FTE), to implement the Capital Investment Program (19 FTE) and Distribution System Automation (6 FTE). Additionally, Lines positions were deferred from 2024 to offset the impact of new additions in 2025 & 2026 and will be reinstated in 2027 (13 FTE);
- ↑ in Asset Strategy (63 FTE) to execute Distribution System planning and ensure timely capital construction (56 FTE). Additional roles to support the increased electrification workload (5 FTE), and fully funded, recoverable positions to support transit projects with Metrolinx (2 FTE);
- ↑ in Information Technology (25 FTE), where a new operating model is being implemented to enhance efficiency and support digital and growth strategies. New positions will manage digital product development (16 FTE), data (6 FTE), and security risks (3 FTE);
- ↑ in Customer Service (19 FTE) to support a growing customer base, ensuring service quality, and digital enhancements (19 FTE);
- ↑ in Grid Modernization (11 FTE) to enhance grid and electrification capacity (8 FTE), address the need for supervisory and leadership roles due to increased staffing (2 FTE), and ensure market compliance (1 FTE);
- ↑ in Finance (11 FTE) due to the increase in invoices and work orders from the higher capital plan (10 FTE) and for process automation through technology (1 FTE).

Note: Other includes budgeted increases from Network Metering, Executive, Internal Audit, People & Safety, Business Transformation, Regulatory, Government & Corporate Relations, Legal, Strategy, Strategic Support, Taxation & Treasury, and Supply Chain

Alectra Utilities Revenue



AUC Revenue is expected to increase from \$671.6MM in 2023 to \$1,059.8MM in 2031, representing a CAGR of 5.9%.

Distribution revenue is forecast to increase from 2023-2026 principally due to the compounding of the OEB IRM inflation factor, and increased customer growth. Additionally, Distribution revenue is forecast to increase in 2027-2031 as a result of rate rebasing.

In 2026, Other Revenue is expected to decrease as a result of the transfer of lower depreciation costs resulting from the useful lives study to a regulatory variance account (\$21.2MM), windup of water billing services to Hamilton and Guelph (\$7.6MM), and the transfer of lower direct labour costs resulting from the DLC study to a regulatory variance account (\$5.3MM). Other revenue is expected to decrease in 2029 as a result of the windup of water billing services to Markham and Vaughan.

Note: 2027-2031 Other Revenue includes collection and other service charges, joint-use pole rental, late payment charges, management and other support services, scrap sales, and various other revenue (damage and accident claims, ICI revenue, MicroFIT, non-regulated)

AUC Rate Framework

Alectra's Proposed Custom Rate Framework



Index for the Annual Rate Adjustment



Rate Harmonization Proposal

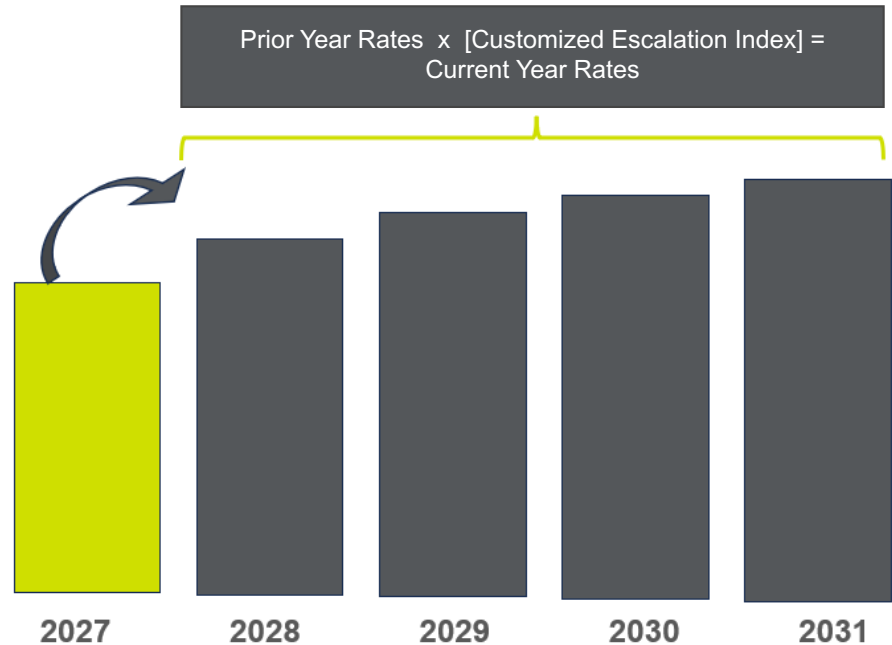


New Deferral and Variance Accounts

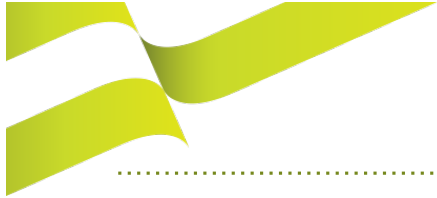
Alectra's application will include a 2027-2031 custom incentive rate-setting framework based on a custom index supported by empirical evidence.

Common elements of such frameworks include:

- distributor-specific index;
- productivity;
- mechanisms to protect customers (e.g., earnings sharing)



Current Year revenue is increased by the customized escalation index and increases in customers and load.



Rate Harmonization

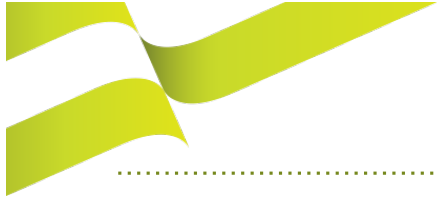
Alectra will propose a rate harmonization plan to fully harmonize all legacy rate zones into a consolidated set of rates classes applicable to Alectra's entire service territory.

If the combined impact of the cost of service-based rate increases and harmonization effects result in total bill increases for any customer class exceeding 10%, Alectra will propose measures to smooth material rate impacts.

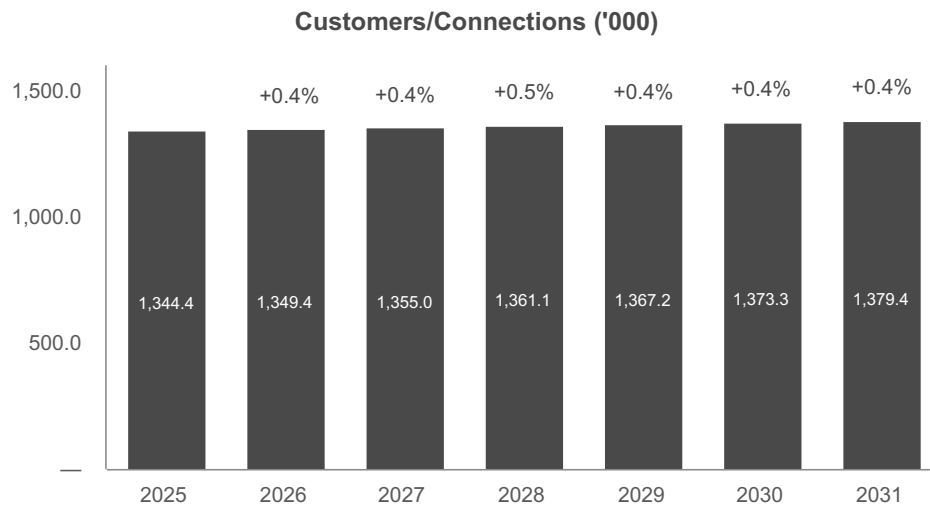
1. One Residential, GS<50, Large Use Rate Across 5 Rate Zones
2. One Rate Across GS>50 Rate Classes



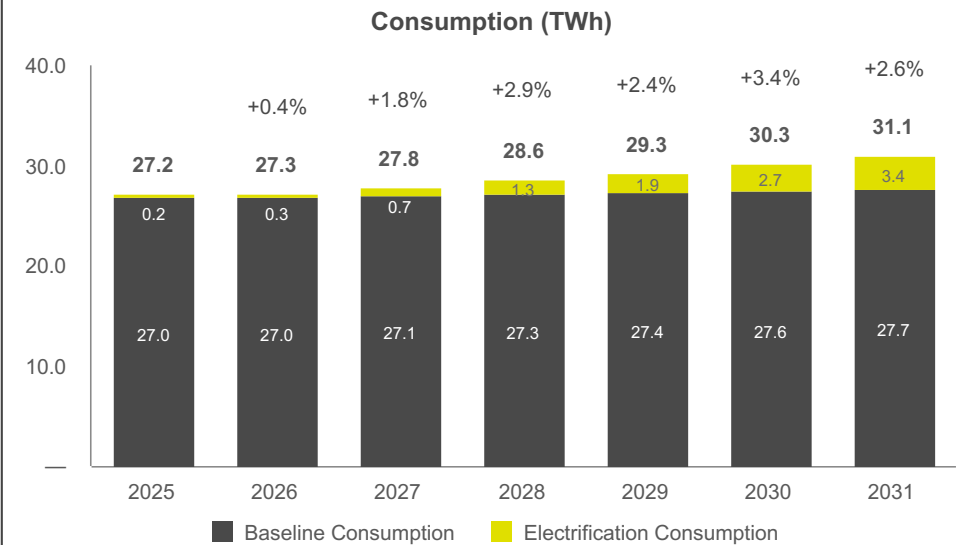
On average, the impact of harmonization (not including the rebasing impact) will result in a rate decrease for over 60% of customers



Customers and Consumption



*Per Connection billed rate classes (USL, Street Lighting, Sentinel Lighting) allow a single customer to have multiple connections.



Consumption increase is primarily driven by electrification. The contribution of electrification to total consumption growth ranges from 0.7 TWh to 3.4 TWh over the plan period.



Avg. Monthly Bill Impacts (\$) - Harmonized Rates

Rate Class	Average Monthly Dx Bill Change (2027-2031) under Harmonized Rates					Monthly Average Dx Bill Change	Monthly Average Total Bill Change
	BRZ	ERZ	GRZ	HRZ	PRZ		
Residential	\$3.28	\$3.30	\$2.07	\$2.69	\$2.38	\$2.75	\$2.71
General Service Less Than 50 kW	\$6.86	\$4.17	\$10.40	\$5.80	\$5.07	\$6.46	\$6.78
General Service Greater Than 50 kW, Regular	\$177.30	\$77.39	\$169.76	\$130.36	\$87.51	\$128.47	\$248.05
General Service Greater Than 50 kW, Intermediate	(\$104.39)	(\$202.14)	\$52.90			(\$84.54)	(\$19.74)
Large User	\$4,277.58	\$1,418.25	\$4,886.70	\$853.12	\$4,251.60	\$3,137.45	\$5,014.98
Large User with Dedicated Assets				\$473.41		\$473.41	\$4,288.87
Street Lighting	\$0.27	(\$0.38)	\$0.82	(\$0.25)	\$0.38	\$0.17	\$0.33
Sentinel Lighting			\$0.74	\$0.69	\$1.45	\$0.96	\$1.38
Unmetered Scattered Load	\$2.52	\$0.65	\$1.48	\$0.91	\$0.64	\$1.24	\$1.37

- Distribution bill impact (Dx Bill) includes the monthly service charge and distribution volumetric rate
- Total bill impact includes the distribution portion of the bill in addition to electricity commodity charges, transmission charges, regulatory charges (e.g., wholesale market service charge), and taxes.
- A rate mitigation plan will be proposed if total bill impacts exceed 10%.



Avg. Annual Bill Impacts (\$) - Harmonized Rates

Rate Class	Average Annual Dx Bill Change (2027-2031) under Harmonized Rates					Annual Average Dx Bill Change	Annual Average Total Bill Change
	BRZ	ERZ	GRZ	HRZ	PRZ		
Residential	\$39.41	\$39.58	\$24.86	\$32.28	\$28.61	\$33.00	\$32.52
General Service Less Than 50 kW	\$82.32	\$50.09	\$124.85	\$69.65	\$60.82	\$77.52	\$81.36
General Service Greater Than 50 kW, Regular	\$2,127.65	\$928.63	\$2,037.11	\$1,564.37	\$1,050.16	\$1,541.64	\$2,976.60
General Service Greater Than 50 kW, Intermediate	(\$1,252.70)	(\$2,425.62)	\$634.85			(\$1,014.48)	(\$236.88)
Large User	\$51,330.94	\$17,019.02	\$58,640.35	\$10,237.39	\$51,019.20	\$37,649.40	\$60,179.76
Large User with Dedicated Assets				\$5,680.90		\$5,680.92	\$51,466.44
Street Lighting	\$3.29	(\$4.58)	\$9.79	(\$3.02)	\$4.50	\$2.04	\$3.96
Sentinel Lighting			\$8.86	\$8.31	\$17.42	\$11.52	\$16.56
Unmetered Scattered Load	\$30.25	\$7.85	\$17.75	\$10.94	\$7.63	\$14.88	\$16.44

- Distribution bill impact (Dx Bill) includes the monthly service charge and distribution volumetric rate
- Total bill impact includes the distribution portion of the bill in addition to electricity commodity charges, transmission charges, regulatory charges (e.g., wholesale market service charge), and taxes.
- A rate mitigation plan will be proposed if total bill impacts exceed 10%.

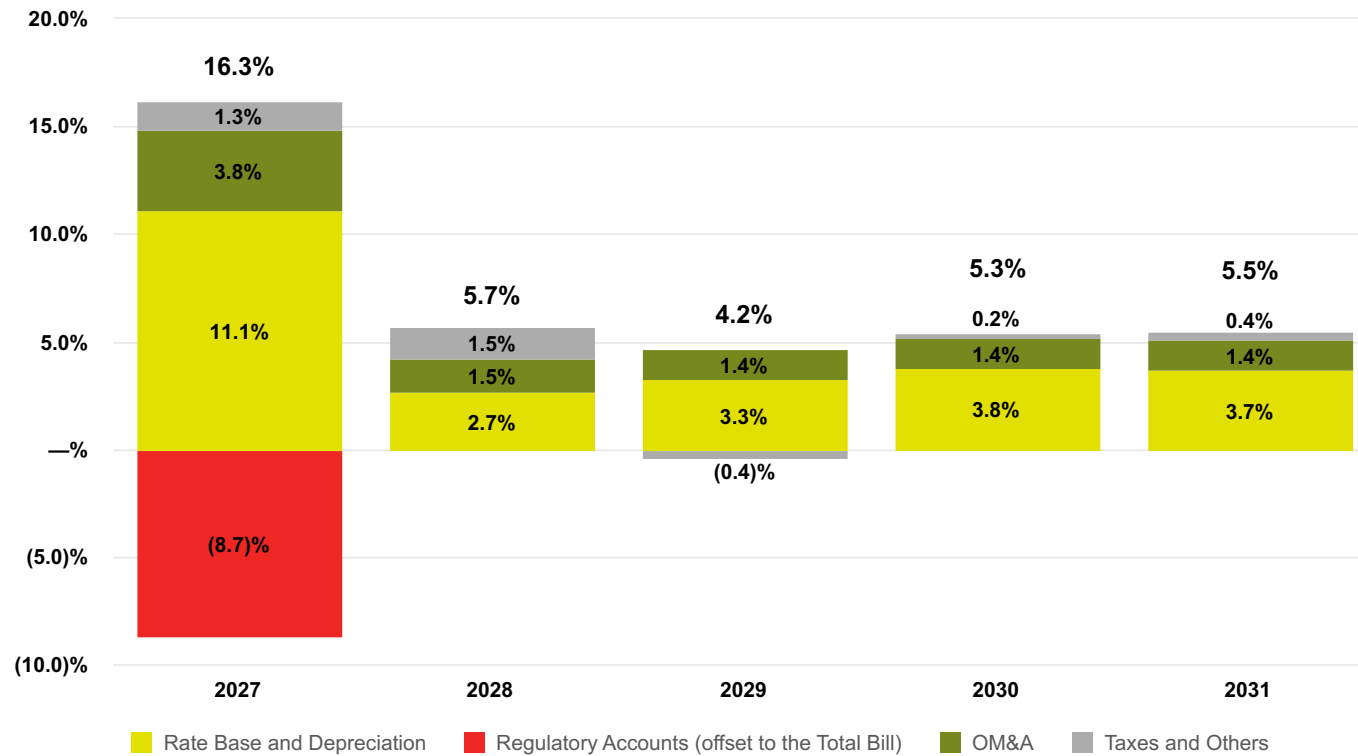
2027-31 Dx Bill Impact - Harmonized Rates

Rate Class	2027	2028	2029	2030	2031
Residential	16.3% -0.005%	5.7%	4.2%	5.3%	5.5%
General Service Less Than 50 kW	9.9% -0.2%	5.8%	4.2%	5.3%	5.5%
General Service Greater Than 50 kW, Regular	13.8% -0.8%	5.7%	4.2%	5.3%	5.5%
General Service Greater Than 50 kW, Intermediate	7.2% -48.4%	5.7%	4.2%	5.3%	5.5%
Large User	14.0% 3.2%	5.7%	4.2%	5.3%	5.5%
Large User with Dedicated Assets	2.8%	5.7%	4.2%	5.3%	5.5%
Street Lighting	-13.3% -0.2%	5.8%	4.2%	5.3%	5.6%
Sentinel Lighting	14.5% -0.4%	5.7%	4.2%	5.3%	5.4%
Unmetered Scattered Load	14.6% 0.03%	5.7%	4.2%	5.4%	5.5%

Rebasing impacts are presented in the first row under each rate class, followed by the YEAR 1 only Harmonization impact.

For example, for the average Residential customer, Rebasing Impact is 16.3% and Harmonization Impact is -0.005%.

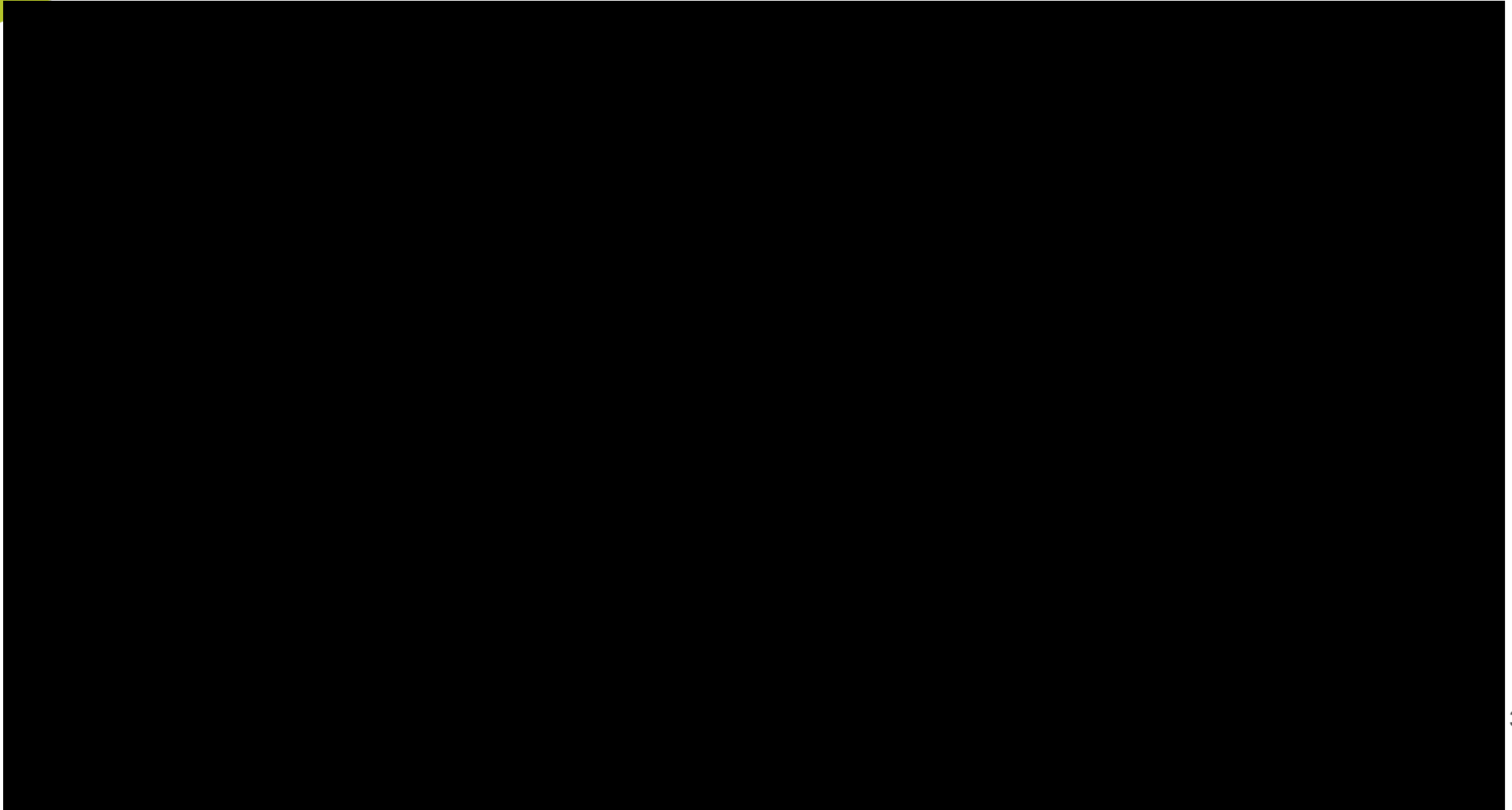
2027-31 Dx Bill Impact - Harmonized Rates



Note: Although group 2 rate riders are not included in the distribution bill impact, for illustrative purposes, it has been reflected in 2027 as the rate increase is partially offset by a rate rider refund to customers.

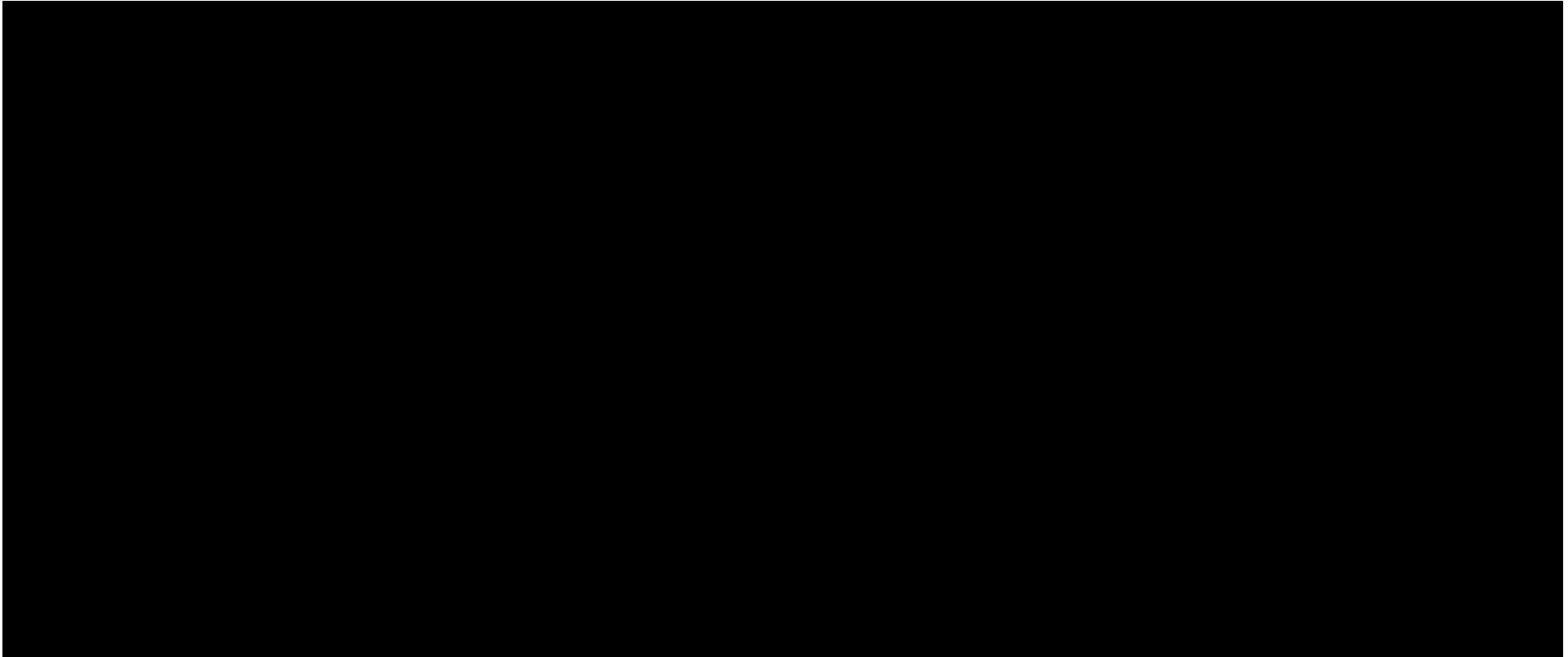


Alectra Inc. Net Financing Charges





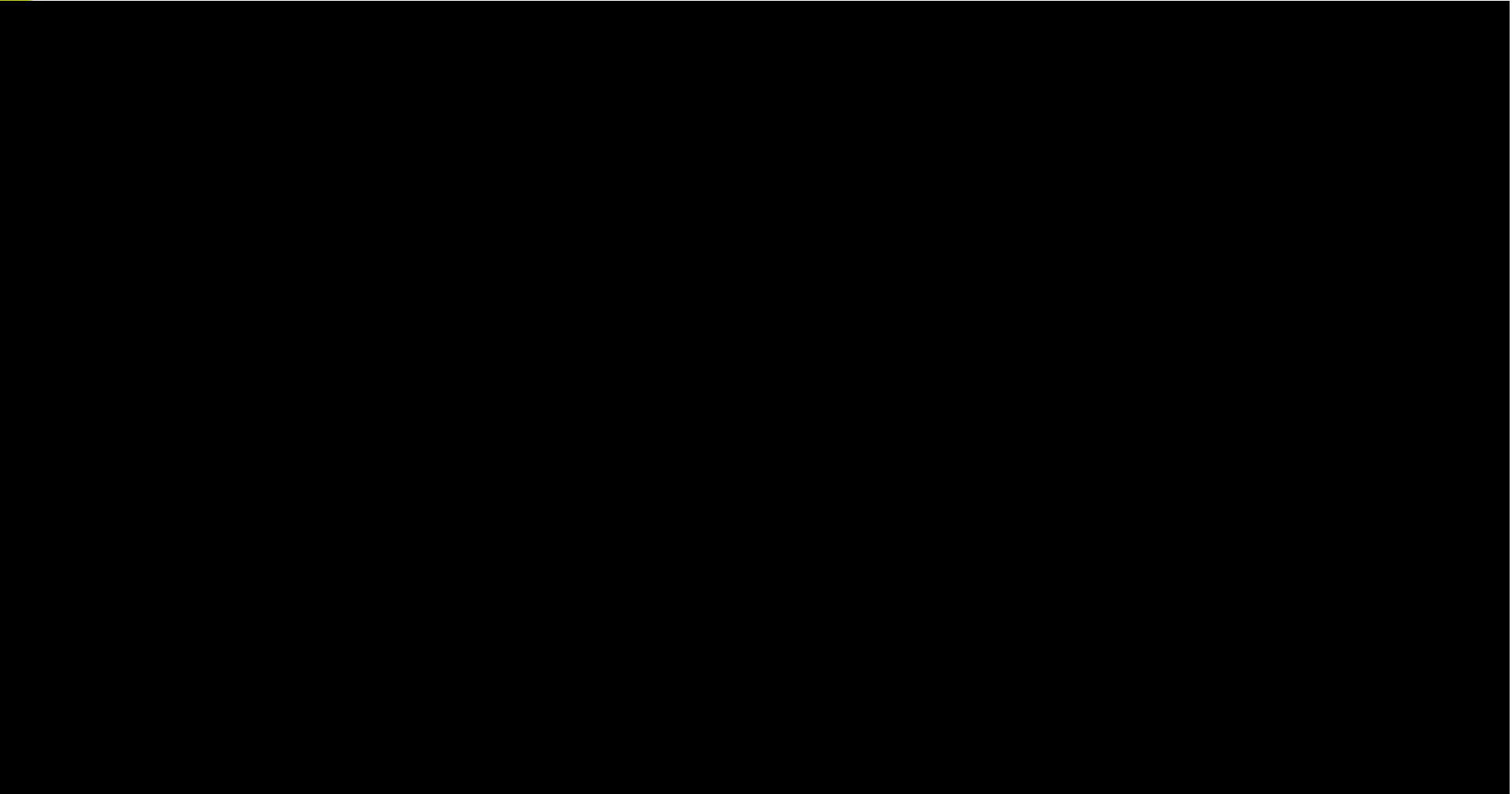
Alectra Inc. Debt



- Annual new issuances from 2026-2031 are forecasted to total \$2.1B to support future capital requirements.

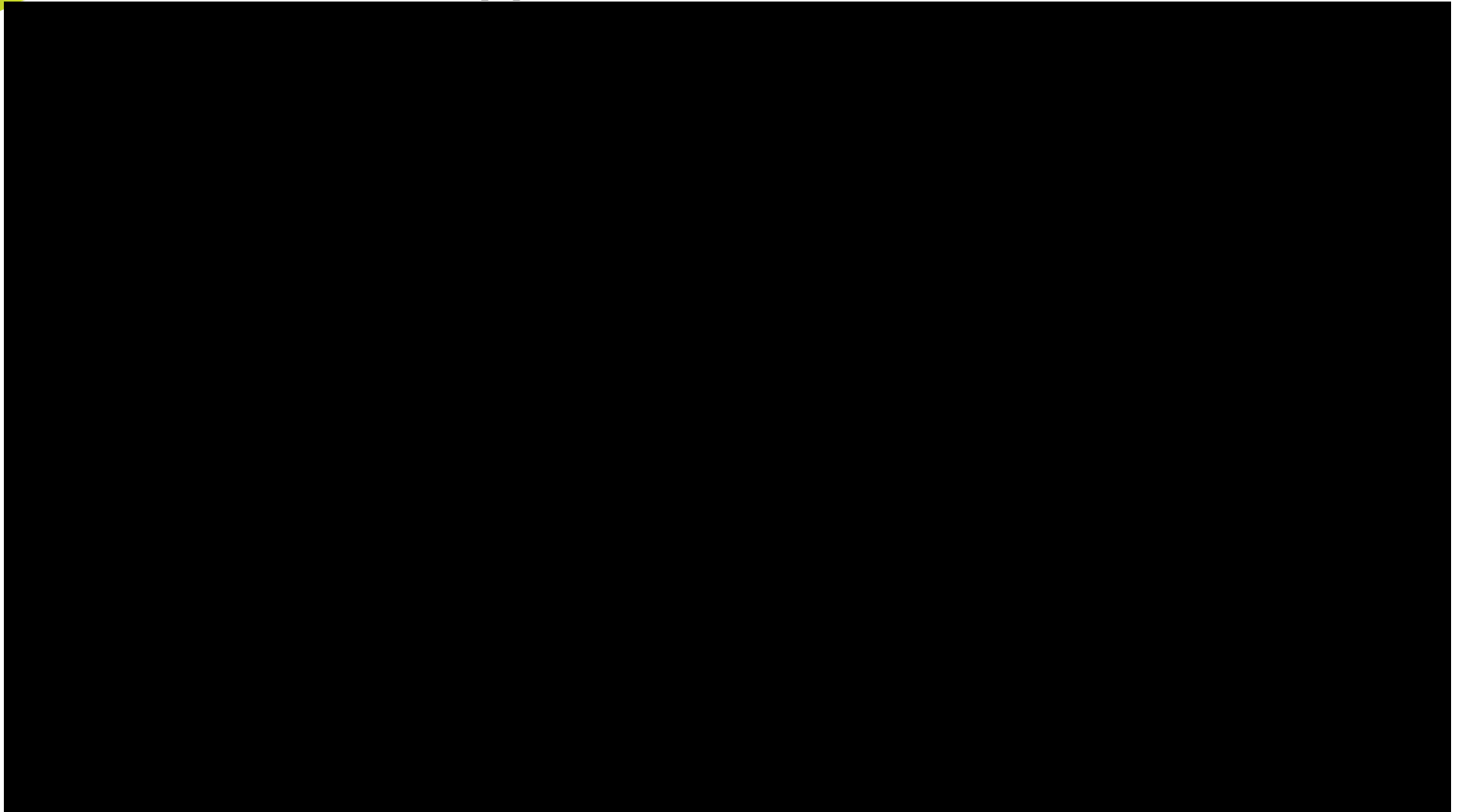


Alectra Inc. Income Taxes and Depreciation





AI-C Opportunities and Risks to Net Income



AI-C Opportunities and Risks

Capital Risks & Opportunities - 2025 (\$MMs)

■ Risk ■ Opportunity



Tariffs: Alectra has reviewed the impact of the application of tariffs on Alectra's business in relation to the procurement of goods purchased from the United States. Alectra has exposure to tariffs through purchases of certain US manufactured transformers, switchgears, meters, and component equipment purchased through Canadian distributors and manufacturers. Additionally, there is exposure in instances where a product is manufactured in Canada but has certain equipment sourced from the US.

Alectra receives and issues inventory under the weighted average unit cost of goods. The average unit costs of impacted materials would gradually increase to accommodate the additional costs attributable to tariffs. Management estimates a maximum impact of \$10MM to cash flow for increased capital purchases annually as a result of a 25% tariff. The increase to capital will result in a gradual increase to depreciation expense.

Other Risks

- Unforeseen reactive capital or maintenance work that has not been included in the Plan;
- Delays in delivery of fleet replenishment;
- Unanticipated delays and/ or cost increases for major projects.

Other Opportunities

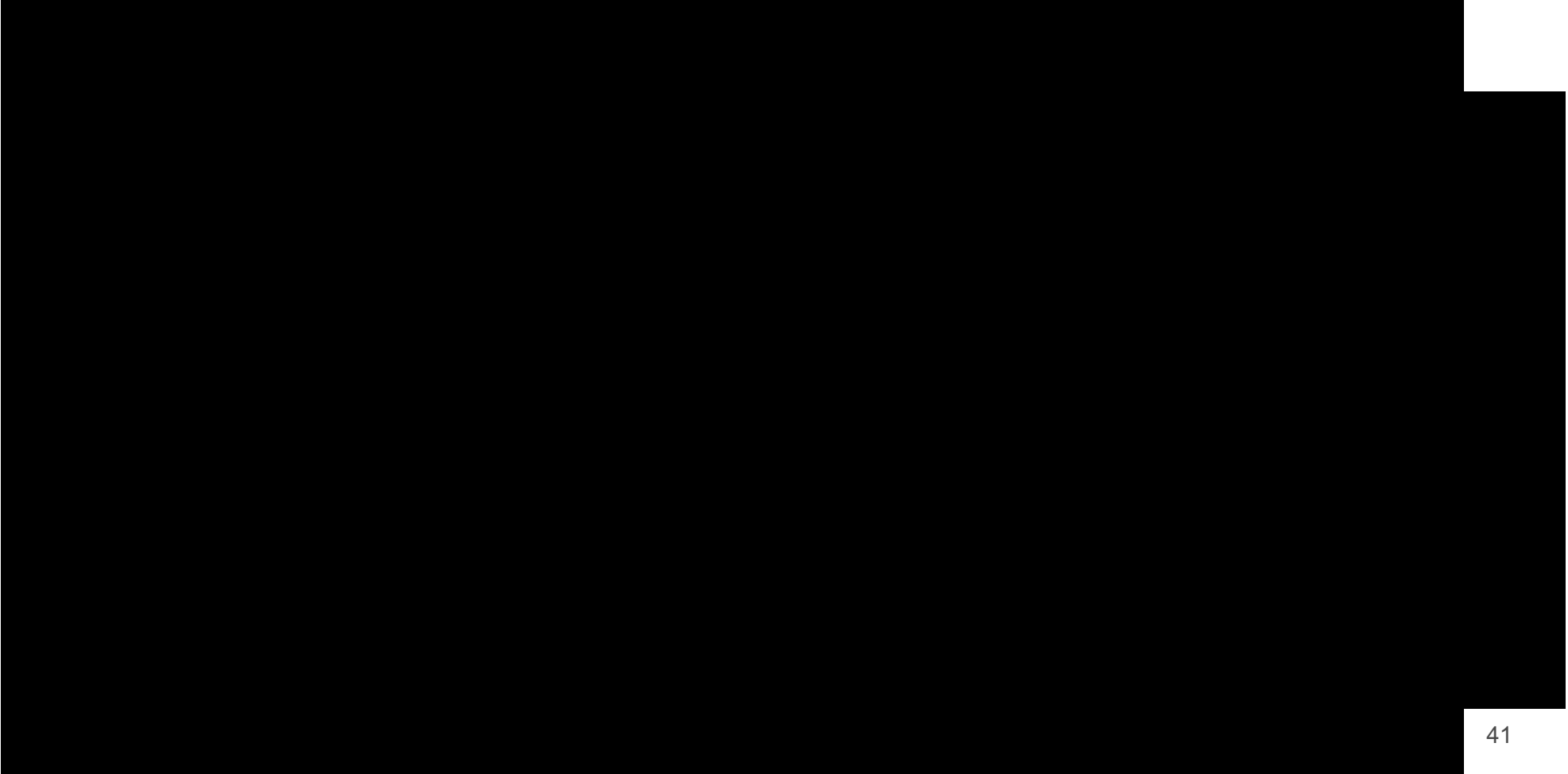
- Increased uptake of data centres driven by market demand for artificial intelligence increasing the number of large users connected to the system; and
- Higher than planned new residential connections due to improving market conditions and the More Homes Built Faster Act.



2025 Budget and 2026-2031 Outlook - Alectra Energy Solutions



Alectra Energy Solutions Summary





Appendix A

Financial Statements



Alectra Inc. Income Statement

A large, solid black rectangular box that covers the majority of the slide, from just below the title to just above the footer. This indicates that the content of the slide has been redacted for confidentiality or security reasons.



Alectra Inc. Statement of Financial Position

A large, solid black rectangular area that covers the majority of the slide's content. It is positioned below the title and above the footer, indicating that the financial statement data has been redacted for this presentation.



Alectra Utilities Corporation Income Statement

(\$MMs)	2023A	2024A	2025	2026	2027	2028	2029	2030	2031
Revenue:									
Distribution revenue	628.8	667.2	689.9	704.4	804.3	858.2	904.3	963.6	1,026.9
Other revenue	42.8	37.1	34.7	(1.1)	36.0	36.4	32.5	32.8	33.0
Total net revenue	671.6	704.3	724.6	703.3	840.3	894.6	936.8	996.4	1,059.9
Expenses:									
Operating expenses	292.3	295.4	314.8	316.5	350.9	367.3	384.8	399.3	410.4
Depreciation	158.0	163.6	178.3	165.2	195.6	199.4	214.1	230.8	242.2
Total expenses	450.3	459.0	493.1	481.7	546.5	566.7	598.9	630.1	652.6
Income from operating activities	221.3	245.3	231.5	221.6	293.8	327.9	337.9	366.3	407.3
Loss on derecognition	2.6	9.6	5.9	6.4	6.0	6.0	6.0	6.0	6.0
Financing charges	82.7	95.2	100.6	101.7	119.3	133.7	147.0	161.5	182.6
Other	0.1	—	(0.1)	0.1	0.1	(0.1)	(0.1)	—	0.1
Income before taxes	135.9	140.5	125.1	113.4	168.4	188.3	185.0	198.8	218.6
Income tax expenses	8.4	20.8	16.4	5.7	24.1	34.5	24.2	26.2	31.3
Net income	127.5	119.7	108.7	107.7	144.3	153.8	160.8	172.6	187.3

Note: other includes the impairment of non-current assets and the loss/ (gain) on foreign exchange.



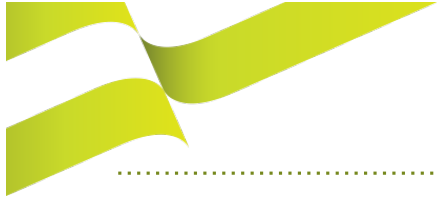
Alectra Energy Services Income Statement

[illegible]



Appendix B

Capital by Rate Zone



Capital - East (PRZ) Rate Zone

SYSTEM ACCESS	2025	2026	2027	2028	2029	2030	2031
Network Metering	6.3	7.9	16.3	8.1	8.3	27.1	42.6
Customer Connections	12.1	15.7	15.3	16	16.8	18	18.4
Customer Initiated Dist Sys Projects	6.9	11.9	16.6	17.2	8.7	5.8	5.9
Road Authority & Transit	4.4	4.8	6.3	5.7	6.4	6.3	6.6
Transmitter Related Upgrades	0	0	0	0	0	0	0
Total SYSTEM ACCESS	29.7	40.3	54.5	47	40.2	57.2	73.5

SYSTEM RENEWAL	2025	2026	2027	2028	2029	2030	2031
Overhead Asset Renewal	11.1	10.9	11.7	14.8	15.9	17.5	18.3
Reactive Capital	12.9	12.7	12.9	12.5	12.1	12	11.6
Rear Lot Conversion	0	0	0	0	11.5	14.2	21.5
Substation Renewal	2.4	2.5	2.5	2.8	2.8	3.7	1.7
Transformer Renewal	4.2	4	4.7	6.8	8.2	9.8	11.4
Underground Asset Renewal	41.2	32.2	33.8	34.8	44.5	63.2	81.2
Total SYSTEM RENEWAL	71.8	62.3	65.6	71.7	95	120.4	145.7

SYSTEM SERVICE	2025	2026	2027	2028	2029	2030	2031
SCADA and Automation	1.7	1.7	1.9	1.9	8.1	8.4	3.1
Capacity (Lines)	13.5	4.4	2.4	16.2	30.7	10.8	13.5
Capacity (Stations)	1.2	15.1	10.6	16.5	39.3	24	18.9
System Control, Comm'ns & Performance	1.7	0.4	0.3	2.9	4.4	2.4	1.3
Safety & Security	0	0	0	0.2	0.4	0.4	0.4
Distributed Energy Resources (DER)	1.6	1.6	0.2	0.3	0.3	0.3	0.1
Total SYSTEM SERVICE	19.7	23.2	15.4	38	83.2	46.3	37.3

GENERAL PLANT	2025	2026	2027	2028	2029	2030	2031
Facilities Management	0.4	0.7	1	2.4	2.9	3.2	2.6
Information Technology Systems	8.7	6.6	9.7	14.4	14.3	8.3	8.8
Fleet Renewal	4	3.3	7.1	2.5	3.9	2.8	5.1
Connection & Cost Recovery Agreements	5	5	10	0	0	0	0
Tools, Shop and garage Equipment	0.3	0.6	0.7	0.6	0.5	0.6	0.6
Total GENERAL PLANT	18.4	16.2	28.5	19.9	21.6	14.9	17.1
Total EAST	139.6	142	164	176.6	240	238.8	273.6



Capital - Central North (BRZ) Rate Zone

SYSTEM ACCESS	2025	2026	2027	2028	2029	2030	2031
Network Metering	10.1	5.5	9.9	18.9	9.4	2.3	2
Customer Connections	4.6	6	5.8	6	6.3	6.7	7
Customer Initiated Dist Sys Projects	7.7	1.7	5.7	17.4	21.4	12.2	10.5
Road Authority & Transit	2.2	4.9	9.4	6.7	2.3	2.4	2.4
Transmitter Related Upgrades	0.8	5	5	0	0	0	0
Total SYSTEM ACCESS	25.4	23.1	35.8	49	39.4	23.6	21.9

SYSTEM RENEWAL	2025	2026	2027	2028	2029	2030	2031
Overhead Asset Renewal	7.2	6.7	6.9	5.4	5.7	6.6	7.1
Reactive Capital	4.1	3.9	4.1	4	3.9	4.1	4.3
Rear Lot Conversion	0.7	0	0	0	0	0	0
Substation Renewal	1.2	0.9	0.4	0.5	1.4	2.4	1.8
Transformer Renewal	1.9	1.9	2.6	3.2	3.7	4.4	5.1
Underground Asset Renewal	3.1	6.8	11.6	13.1	10.6	6.1	10.1
Total SYSTEM RENEWAL	18.2	20.2	25.6	26.2	25.3	23.6	28.4

SYSTEM SERVICE	2025	2026	2027	2028	2029	2030	2031
SCADA and Automation	1.1	1	1	1.6	1.4	1.8	2.3
Capacity (Lines)	2.6	0	0	6.9	20	14.2	12.4
Capacity (Stations)	0	5.2	5.3	0.1	2.7	22.4	38.2
System Control, Comm'ns & Performance	0.1	0.1	0.1	0.8	0.6	0.2	0.2
Safety & Security	0	0	0	0	0	0	0
Distributed Energy Resources (DER)	0	0	0	0	0	0	0
Total SYSTEM SERVICE	3.8	6.3	6.4	9.4	24.7	38.6	53.1

GENERAL PLANT	2025	2026	2027	2028	2029	2030	2031
Facilities Management	0.1	0.1	0.3	0.5	0.4	0.2	0.2
Information Technology Systems	3.8	2.9	4.1	6.1	6.1	3.6	3.8
Fleet Renewal	0.9	3.1	4.9	3	7.5	7	2.4
Connection & Cost Recovery Agreements	0	0	0	0	0	29.2	24.1
Tools, Shop and garage Equipment	0.3	0.2	0.2	0.2	0.3	0.3	0.3
Total GENERAL PLANT	5.1	6.3	9.5	9.8	14.3	40.3	30.8
Total EAST	52.5	55.9	77.3	94.4	103.7	126.1	134.2



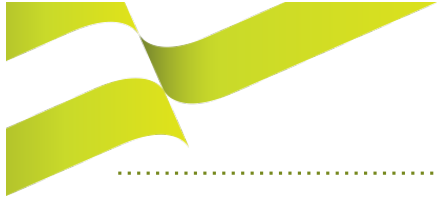
Capital - Central South (ERZ) Rate Zone

SYSTEM ACCESS	2025	2026	2027	2028	2029	2030	2031
Network Metering	4.3	5	7.5	4.6	31.2	13.5	2.7
Customer Connections	4	4.4	3.8	4.1	4.4	4.8	5
Customer Initiated Dist Sys Projects	1.9	2.4	15.7	15.3	4.5	5.1	3.8
Road Authority & Transit	1.6	2.9	6.3	5.3	1.9	1.9	2
Transmitter Related Upgrades	0	0	0	0	0	0	0
Total SYSTEM ACCESS	11.8	14.7	33.3	29.3	42	25.3	13.5

SYSTEM RENEWAL	2025	2026	2027	2028	2029	2030	2031
Overhead Asset Renewal	7.5	8.7	11.5	16	16.6	17.7	21.3
Reactive Capital	5.4	5	4.9	4.3	3.3	3.5	3.6
Rear Lot Conversion	0	0	0	0	0.9	0	0
Substation Renewal	1	0.9	3.7	5.2	7.5	6.8	13.6
Transformer Renewal	3.8	3.5	4.1	4.6	5.1	6.1	6.9
Underground Asset Renewal	17	17.2	14	11.6	9.6	17.1	24.5
Total SYSTEM RENEWAL	34.7	35.3	38.2	41.7	43	51.2	69.9

SYSTEM SERVICE	2025	2026	2027	2028	2029	2030	2031
SCADA and Automation	1.3	1.6	1.2	1.2	1.2	5.2	4.4
Capacity (Lines)	2.2	1.3	2.8	0	0.6	3.8	5.9
Capacity (Stations)	2.9	8.2	8.3	5.5	8.2	12.8	41.8
System Control, Comm'ns & Performance	0.5	0.2	0.3	5.3	4.7	1.7	0.8
Safety & Security	0	0	0	0	0.5	0.7	0.7
Distributed Energy Resources (DER)	0	0	0	0	0	0	0
Total SYSTEM SERVICE	6.9	11.3	12.6	12	15.2	24.2	53.6

GENERAL PLANT	2025	2026	2027	2028	2029	2030	2031
Facilities Management	0.1	0.1	0.3	0.6	0.5	0.2	0.3
Information Technology Systems	4.3	3.4	4.8	7.1	7.2	4.2	4.4
Fleet Renewal	2.3	2.3	4.4	5.2	1	2	2.8
Connection & Cost Recovery Agreements	0	0	0	0	0	0	0
Tools, Shop and garage Equipment	0.5	0.5	0.4	0.4	0.4	0.4	0.4
Total GENERAL PLANT	7.2	6.3	9.9	13.3	9.1	6.8	7.9
Total EAST	60.6	67.6	94	96.3	109.3	107.5	144.9



Capital - West (HRZ) Rate Zone

SYSTEM ACCESS	2025	2026	2027	2028	2029	2030	2031
Network Metering	4.1	7	17.7	32.9	14.8	13.9	5.1
Customer Connections	6.3	7.3	7	7.5	7.9	8.6	8.9
Customer Initiated Dist Sys Projects	2.4	1.9	4	6.5	11	3.3	10.9
Road Authority & Transit	6	4.2	0.9	0.9	2	2.1	2.1
Transmitter Related Upgrades	0	0	0	0	0	0	0
Total SYSTEM ACCESS	18.8	20.4	29.6	47.8	35.7	27.9	27

SYSTEM RENEWAL	2025	2026	2027	2028	2029	2030	2031
Overhead Asset Renewal	10	7.8	25.9	20.5	43.5	45	51.6
Reactive Capital	8.9	8.3	8.1	7	5.3	4.9	5
Rear Lot Conversion	0	0	0	0	6.8	18.5	12.1
Substation Renewal	0.4	0.4	0.8	1	1.1	1.3	1.3
Transformer Renewal	1.7	1.6	4.9	5.3	4.7	8.4	5.8
Underground Asset Renewal	7.3	17.7	18.1	26.9	23.9	60.7	34.5
Total SYSTEM RENEWAL	28.3	35.8	57.8	60.7	85.3	138.8	110.3

SYSTEM SERVICE	2025	2026	2027	2028	2029	2030	2031
SCADA and Automation	3.8	4.1	4.2	4.1	4.1	5.7	7.7
Capacity (Lines)	0	0	0	8.4	11.3	12.9	16.4
Capacity (Stations)	0	0	0	3.6	5.3	2.7	11.9
System Control, Comm'ns & Performance	1.1	1.1	0.2	0.2	1.1	0.7	0.5
Safety & Security	0.2	0	0	0	0	0	0
Distributed Energy Resources (DER)	0	0	0	0	0	0	0
Total SYSTEM SERVICE	5.1	5.2	4.4	16.3	21.8	22	36.5

GENERAL PLANT	2025	2026	2027	2028	2029	2030	2031
Facilities Management	0.4	0.4	0.8	1.4	2.5	2.2	3.7
Information Technology Systems	5.8	4.6	6.5	9.6	9.7	5.7	5.9
Fleet Renewal	4.8	3.6	7.8	12.6	6.2	5.1	4.2
Connection & Cost Recovery Agreements	0	0	0	8.1	8.2	9.1	0
Tools, Shop and garage Equipment	0.1	0.5	0.6	0.5	0.6	0.6	0.7
Total GENERAL PLANT	11.1	9.1	15.7	32.2	27.2	22.7	14.5
Total EAST	63.3	70.5	107.5	157	170	211.4	188.3



Capital - South West (Guelph) Rate Zone

SYSTEM ACCESS	2025	2026	2027	2028	2029	2030	2031
Network Metering	1	0.9	2.7	5.4	4.9	3	0.6
Customer Connections	1	1.1	1	1	1.1	1.2	1.3
Customer Initiated Dist Sys Projects	0.3	0.3	0.2	0.3	0.3	0.3	0.3
Road Authority & Transit	0.2	0.1	0.6	0.6	0.6	0.6	0.6
Transmitter Related Upgrades	0	0	0	0	0	0	0
Total SYSTEM ACCESS	2.5	2.4	4.5	7.3	6.9	5.1	2.8

SYSTEM RENEWAL	2025	2026	2027	2028	2029	2030	2031
Overhead Asset Renewal	1.9	2.1	2.2	3	3.5	3.9	4.2
Reactive Capital	0.7	0.6	0.7	0.7	0.6	0.7	0.7
Rear Lot Conversion	0	0	0	0	1.1	0	0
Substation Renewal	0.1	0.1	0.1	0.1	0.3	0.5	0.3
Transformer Renewal	0.4	0.4	0.4	0.7	0.8	1.1	1.3
Underground Asset Renewal	1.2	1.2	2.5	4.6	2.4	5.9	1.8
Total SYSTEM RENEWAL	4.3	4.4	5.9	9.1	8.7	12.1	8.3

SYSTEM SERVICE	2025	2026	2027	2028	2029	2030	2031
SCADA and Automation	0.4	0.3	0.4	0.4	0.4	0.5	0.6
Capacity (Lines)	1	0.7	0	3.5	1.2	0.2	2.9
Capacity (Stations)	0	0	0	0	3.3	0	0
System Control, Comm'ns & Performance	0.5	0	0	0	0.2	0.2	0.2
Safety & Security	0	0	0	0	0	0	0
Distributed Energy Resources (DER)	0	0	0	0	0	0	0
Total SYSTEM SERVICE	1.9	1	0.4	3.9	5.1	0.9	3.7

GENERAL PLANT	2025	2026	2027	2028	2029	2030	2031
Facilities Management	0.1	0.1	0.2	0.7	0.9	0.7	0.6
Information Technology Systems	0.8	0.7	0.9	1.2	1.2	0.7	0.7
Fleet Renewal	0.1	0	0	0	0	0.4	0
Connection & Cost Recovery Agreements	0.7	0	0	8.2	8.1	9.2	0
Tools, Shop and garage Equipment	0.2	0.1	0.1	0.2	0.2	0.2	0.2
Total GENERAL PLANT	1.9	0.9	1.2	10.3	10.4	11.2	1.5
Total EAST	10.6	8.7	12	30.6	31.1	29.3	16.3



Monthly Dx Bill Change under Harmonized Rates

Rate Class	2027					2028	2029	2030	2031
	BRZ	ERZ	GRZ	HRZ	PRZ	ALECTRA			
Residential	\$7.92	\$7.99	\$1.86	\$4.95	\$3.42	\$2.16	\$1.69	\$2.22	\$2.40
General Service Less Than 50 kW	\$14.62	\$1.19	\$32.34	\$9.34	\$5.66	\$5.07	\$3.89	\$5.15	\$5.57
General Service Greater Than 50 kW, Regular	\$533.50	\$33.91	\$495.78	\$298.80	\$84.55	\$90.42	\$70.79	\$93.02	\$100.31
General Service Greater Than 50 kW, Intermediate	(\$874.98)	(\$1,363.70)	(\$88.50)			\$90.42	\$70.79	\$93.02	\$100.31
Large User	\$13,672.67	(\$623.96)	\$16,718.26	(\$3,449.64)	\$13,542.78	\$2,014.56	\$1,577.03	\$2,072.49	\$2,234.75
Large User with Dedicated Assets				\$259.18		\$539.17	\$421.79	\$554.69	\$598.18
Residential	26.5%	26.8%	5.2%	15.0%	9.9%	5.7%	4.2%	5.3%	5.5%
General Service Less Than 50 kW	19.9%	1.4%	58.1%	11.9%	6.9%	5.8%	4.2%	5.3%	5.5%
General Service Greater Than 50 kW, Regular	50.8%	2.2%	45.6%	23.3%	5.6%	5.7%	4.2%	5.3%	5.5%
General Service Greater Than 50 kW, Intermediate	-35.6%	-46.3%	-5.3%			5.7%	4.2%	5.3%	5.5%
Large User	63.3%	-1.7%	90.0%	-8.9%	62.3%	5.7%	4.2%	5.3%	5.5%
Large User with Dedicated Assets				2.8%		5.7%	4.2%	5.3%	5.5%

2026 Anticipated Dx Charge for a Typical Customer (3.4% escalation to current 2025 rates)

Rate Class	BRZ	ERZ	GRZ	HRZ	PRZ
Residential	\$29.93	\$29.86	\$35.99	\$32.90	\$34.43
General Service Less Than 50 kW	\$73.41	\$86.84	\$55.69	\$78.69	\$82.37
General Service Greater Than 50 kW, Regular	\$1,050.39	\$1,549.98	\$1,088.11	\$1,285.09	\$1,499.34
General Service Greater Than 50 kW, Intermediate	\$2,458.87	\$2,947.58	\$1,672.39		
Large User	\$21,611.96	\$35,908.59	\$18,566.37	\$38,734.27	\$21,741.85
Large User with Dedicated Assets				\$9,183.36	



Monthly Dx Bill Change Breakout under Harmonized Rates

	Rate Class	2027					2028	2029	2030	2031
		BRZ	ERZ	GRZ	HRZ	PRZ	ALECTRA			
Impact of Harmonization	Residential	\$2.63	\$2.70	(\$3.43)	(\$0.34)	(\$1.87)				
	General Service Less Than 50 kW	\$6.57	(\$6.86)	\$24.29	\$1.29	(\$2.39)				
	General Service Greater Than 50 kW, Regular	\$339.16	(\$160.44)	\$301.43	\$104.46	(\$109.80)				
	General Service Greater Than 50 kW, Intermediate	(\$1,069.33)	(\$1,558.04)	(\$282.85)						
	Large User	\$9,467.06	(\$4,829.57)	\$12,512.65	(\$7,655.25)	\$9,337.17				
	Large User with Dedicated Assets				\$0.00					
Impact of Cost of Service Review /Cost Allocation	Residential	\$5.29	\$5.29	\$5.29	\$5.29	\$5.29	\$2.16	\$1.69	\$2.22	\$2.40
	General Service Less Than 50 kW	\$8.05	\$8.05	\$8.05	\$8.05	\$8.05	\$5.07	\$3.89	\$5.15	\$5.57
	General Service Greater Than 50 kW, Regular	\$194.35	\$194.35	\$194.35	\$194.35	\$194.35	\$90.42	\$70.79	\$93.02	\$100.31
	General Service Greater Than 50 kW, Intermediate	\$194.35	\$194.35	\$194.35			\$90.42	\$70.79	\$93.02	\$100.31
	Large User	\$4,205.61	\$4,205.61	\$4,205.61	\$4,205.61	\$4,205.61	\$2,014.56	\$1,577.03	\$2,072.49	\$2,234.75
	Large User with Dedicated Assets				\$259.18		\$539.17	\$421.79	\$554.69	\$598.18
Total Dx Bill Change	Residential	\$7.92	\$7.99	\$1.86	\$4.95	\$3.42	\$2.16	\$1.69	\$2.22	\$2.40
	General Service Less Than 50 kW	\$14.62	\$1.19	\$32.34	\$9.34	\$5.66	\$5.07	\$3.89	\$5.15	\$5.57
	General Service Greater Than 50 kW, Regular	\$533.50	\$33.91	\$495.78	\$298.80	\$84.55	\$90.42	\$70.79	\$93.02	\$100.31
	General Service Greater Than 50 kW, Intermediate	(\$874.98)	(\$1,363.70)	(\$88.50)			\$90.42	\$70.79	\$93.02	\$100.31
	Large User	\$13,672.67	(\$623.96)	\$16,718.26	(\$3,449.64)	\$13,542.78	\$2,014.56	\$1,577.03	\$2,072.49	\$2,234.75
	Large User with Dedicated Assets				\$259.18		\$539.17	\$421.79	\$554.69	\$598.18

4-SEC-90

Attachment 1
2025 CEO Compensation Review - PUBLIC



CEO COMPENSATION REVIEW



Report prepared for People &
Safety Committee

FEBRUARY 2025

Prepared for
alectra
Discover the possibilities



Table of Content

<u>Section</u>	<u>Page</u>
1 Introduction & Methodology	3
2 Market Compensation Analysis	13

1

Introduction & Methodology



Introduction

Korn Ferry (“KF”) has been retained by Alectra Inc. (“Alectra”) to review the compensation competitiveness for its President & CEO.

This report will assist Alectra to develop a competitive executive compensation structure considering the compensation market, future state of Alectra, and appropriate executive compensation philosophy.



Job Evaluation Methodology

The Korn Ferry Hay MethodSM has been adopted by numerous organizations in over 40 countries since 1940. It is the most widely used process for the evaluation of management, professional, technical, and administrative jobs in the world. The method measures three core aspects of total job content including know-how, problem solving and accountability. The sum of these measures, expressed in job evaluation points, represents the total “job size”, as summarized below:

Know-How +	Problem Solving +	Accountability =	Korn Ferry Hay Points
Know How - knowledge and skill needed for acceptable job performance:	Problem Solving - This factor measures the thinking required in the job by considering two dimensions:	Accountability - This factor measures	The sum of Know-How, Problem Solving and Accountability
■ Technical know-how. ■ Managerial know-how. ■ People know-how.	■ Environment in which the thinking takes place. ■ Challenge presented by the thinking to be done.	■ Nature and degree of the decision-making or influence of the job. ■ Unit or function most clearly affected by the job. ■ Nature of that effect.	It is important to note that all positions in Korn Ferry database have been evaluated using the same method.

Job Evaluation for Alectra's CEO

- In this review, KF has completed a systematic and consistent application of job measurement factors (Know How, Problem Solving, Accountability), described on page 5.
- The evaluation process considered (A) Internal relativity and external comparisons (B) Utilities industry benchmarks; and (C) Korn Ferry Hay global job evaluation standards.
- Information of the position profiles and organization was provided by Alectra in 2023 for evaluation. The position evaluation has remained unchanged since then.

Job Title	KF Hay Points
President & CEO, Alectra Inc.	██████████



Job Evaluation & Pay Comparison

- We recognize that Alectra and many comparator organizations are different, considering ownership, scale, mix of business lines, geographic footprints and organizational structure.
- The use of a job evaluation methodology (Korn Ferry Hay MethodSM) will likely resolve those challenges with respect to role / level matching for analyzing market compensation level.
- The retrieval of pay level are based on the market roles with job size similar to that at Alectra. We do not analyze market pay level by simply comparing job titles (e.g., CEO vs CEO).

- Pay comparisons are job size-adjusted (size as measured by Korn Ferry Hay Points) by capturing a broader range of comparable companies.
- The exhibit below illustrates the concept of job size comparison using KF Hay Points:

	Your Organization	Organization of Similar Size / Complexity	Organization of Larger Size / Complexity
KF Hay Points	CEO		
	CEO	CEO	SEVP / President
	EVP	SVP	SVP / VP
	VP	VP	VP / Senior Director
	Sr Director / VP		Director

Comparator Market

The approved comparator has remained unchanged since 2023 and is shown below.

Organization		Ownership	
1	ENMAX Corporation	BPS	Utility / Power
2	EPCOR Utilities Inc.	BPS	Utility / Power
3	NB Power	BPS	Utility / Power
4	Ontario Power Generation	BPS	Utility / Power
5	Toronto Hydro Corporation	BPS	Utility / Power
6	Algonquin Power & Utilities Corp.	PS	Utility / Power
7	Boralex Inc.	PS	Utility / Power
8	Fortis Ontario	PS	Utility / Power
9	FortisBC Energy	PS	Utility / Power
10	Hydro One	PS	Utility / Power
11	Nova Scotia Power	PS	Utility / Power
12	Capital Power	PS	Utility / Power
13	Brookfield Infrastructure Corporation	PS	Utility Asset Mgt
14	ArcelorMittal	PS	Industrial - Metal
15	Methanex Corporation	PS	Industrial - Gas
16	Toyota Motor Canada	PS	Industrial - Auto



Compensation Values and Treatments

1. All compensation values in this report are stated in Canadian dollars.
2. Alectra compensation values have been submitted by Alectra.
3. Long-term incentive (LTI) values are the economic values of the current year's grants (see next page).
4. In this report, the realized payout of long-term incentive in the current year from previous years' grants is not considered due to various technical inconsistencies/complexities, such as:
 - The exercise of stock options is at the election of the executive which may be influenced by factors such as risk appetite, industry volatility, in-the-money value, personal financial/ liquidity situation, and potential public scrutiny in light of public disclosure, etc.; and
 - The vesting of full value share units (e.g., Performance Share Unit) may reflect grants received in a previous role.



Long-Term Incentive Valuation

- Long-term incentives are designed to reward and motivate employees and directors for multi-year performance. Since these arrangements are often complex and multi-faceted, any comparison of such awards is extremely difficult without a single common denominator or yardstick upon which all plans can be measured.
- Estimating/calculating the present value of any of these awards allows one to compare the values of any long-term incentive vehicle, such as performance units and stock options. For share-based awards, the fair market value of the underlying share is used. For option-based awards, the Binomial Model is used.
- The Binomial Model is essentially a “mathematical decision tree” which divides the life of the option into time periods, where the share price is modeled to move either up or down according to a probability derived from the input factors. This method results in a finite number of possible stock prices, which are translated into possible expected option values discounted to the present.
- The Black-Scholes Model is currently also a common valuation tool in the North American market due to the endorsement by the SEC and FASB in USA. Korn Ferry adopts the Binomial Model, which includes 1,000 steps of calculation, because of its strengths and flexibility. Typically, both Black-Scholes and Binomial models produce highly similar results for simple stock options.

Compensation Elements

Pay Element	Description
Base Salary	Actual annual salary.
Actual Total Cash	The sum of the Actual Base Salary and dollar amount of the Actual Short Term Incentive paid for the most recent fiscal year.
Target Total Cash	The sum of the Actual Base Salary and dollar amount of the Target Short Term Incentive (target / potential bonus).
Actual Total Direct	The sum of the Actual Total Cash and the dollar amount of present value of Long Term Incentives (i.e. stock option, PSU, cash plans, etc..).
Target Total Direct	The sum of the Target Total Cash and the dollar amount of present value of Long Term Incentives (i.e. stock option, PSU, cash plans, etc..).
Actual STI (%)	The Actual short-term incentive as a % of Base Salary.
Target STI (%)	The Target short-term incentive as a % of Base Salary.
LTI (%)	The economic value of long-term incentive as a % of Base Salary.

Market Statistics

Statistics	Description
P90 / 90th Percentile	The point below which 90% of all observations fall (minimum of 12 observations)
P75 / 75th Percentile	The point below which 75% of all observations fall (minimum of 8 observations)
P50 / 50th Percentile / Median	The point with an equal number of larger and smaller observations (minimum of 4 observations)
P25 / 25th Percentile	The point below which 25% of all observations fall (minimum of 8 observations)
P10 / 10th Percentile	The point below which 10% of all observations fall (minimum of 12 observations)
Average	The arithmetic average of all observations (minimum of 4 observations)

Market Variance

Variances are the ratio of an incumbent's compensation to the P50 of the market for all compensation elements. For example:

- A variance of 0% against P50 indicates that the incumbent's compensation is exactly equal to the market P50.
- A P50 variance of 10% indicates that the incumbent's compensation is 10% above the market P50.

2

Market Compensation Analysis



Summary of Alectra vs Market

This report covers the compensation analysis with respect to Salary, Total Cash (Salary + STI) and Total Direct, as of December, 2024.

	President & CEO
Base Salary	██████
Target STI	██████████
Target LTI	██████████████████
Target Total Direct	██████

Market Compensation Analysis: President & CEO

KF Hay Points:	Base Salary	Target		Actual		STI ¹ (% of Salary)		LTI ¹
		Total Cash	Total Direct	Total Cash	Total Direct	Target	Actual	%
Alectra:	570,900			1,093,200	1,673,200			

Observations

- Alectra base salary is
- Alectra Target STI is Target LTI is
- Target Total Direct is
- Alectra's (Target Total Direct + Pension) is estimated
Page 19 indicates that Alectra CEO's total pension is

Executive of Market Compensation Mix

The following table reflects the typical element mix of Target Total Direct based on market practices, as of December, 2024.

	President & CEO
Base Salary	33%
Target STI	27%
Target LTI	40%
Target Total Direct	100%

Pay Trends: Salary Budget

	2024 Salary Increase Budget	2025 Salary Increase Budget
Major LDCs	4.0%	3.4%
Canadian Industrials	3.8%	3.6%
Canadian Broader Public Sector	3.8%	3.4%
Canadian Financials	3.4%	3.1%

- Most organizations do not differentiate the budget for executive and non-executive (excluded) positions.

CEO Pension Benefits (1)

Alectra Plans for CEO (2 Components)

OMERS Defined Benefit Plan (DB)

- Benefit is 1.3% of earning up to YMPE and 2% above YMPE per year of service, based on best 5 conservative years of earning.
- Benefit is capped for earning at [7 x YMPE] (i.e., the estimated earning cap is 479,500 for 2024 and is above the CRA limit).
- “Earning” is defined as salary and STI payout.
- Pension benefit is indexed with guarantee after retirement.
- Employee contributes 9% of YMPE and 14.6% of earning above YMPE, up of the total earning at [7x YMPE].

Defined Contribution Top Up Plan (DC SERP)

- For earning above [7x YMPE], the DC SERP contributes 14.6% of earning annually.
- No employee contribution is required for the DC SERP.

CEO Pension Benefits (2)

Alectra's Competitiveness

Alectra Management retained Mercer in 2022 to complete an in-depth pension plan review and will share this report with the P&S Committee as reference information.

Mercer's report has the following findings:

- Alectra executive pension (DB Pension + DC SERP) is [REDACTED] of the comparator group.
- Alectra employer paid pension value (DB Pension + DC SERP) is [REDACTED]
[REDACTED]
- Alectra is ranked [REDACTED] in the 2022 study.
- [REDACTED]
[REDACTED]
[REDACTED]



Korn Ferry is a global organizational consulting firm. We work with our clients to design optimal organizational structures, roles, and responsibilities. We help them hire the right people and advise them on how to reward and motivate their workforce while developing professionals as they navigate and advance their careers.

Business advisors.
Career makers.

Thank You

Wiclif Ma

Korn Ferry
Wiclif. Ma@kornferry.com

4-SEC-90

Attachment 2
2025 EVP Compensation Review - PUBLIC



EVP COMPENSATION REVIEW



Report

FEBRUARY 2025

Prepared for
alectra
Discover the possibilities



Table of Content

<u>Section</u>		<u>Page</u>
1	Introduction & Methodology	3
2	Market Compensation Analysis	13
3	Compensation Approach	23
4	EVP Pension Benefits	27

1

Introduction & Methodology



Introduction

Korn Ferry (“KF”) has been retained by Alectra Inc. (“Alectra”) to review its market pay competitiveness for the following Executive Vice Presidents:

1. EVP, Energy Solutions & Growth
2. EVP, Asset Strategy & Operations
3. EVP, Chief Financial Officer
4. EVP, People & Transformation
5. EVP, Customer Experience
6. EVP, Chief Digital & Innovation Officer
7. EVP, Legal, Strategy, and Corporate Secretary

This report covers the review of the EVP compensation while a separate report covers the CEO compensation.

This report will assist Alectra to develop a competitive EVP compensation structure considering the compensation market, future state of Alectra, and appropriate pay philosophy.



Job Evaluation Methodology

The Korn Ferry Hay MethodSM has been adopted by numerous organizations in over 40 countries since 1940. It is the most widely used process for the evaluation of management, professional, technical, and administrative jobs in the world. The method measures three core aspects of total job content including know-how, problem solving and accountability. The sum of these measures, expressed in job evaluation points, represents the total “job size”, as summarized below:

Know-How +	Problem Solving +	Accountability =	Korn Ferry Hay Points
Know How - knowledge and skill needed for acceptable job performance:	Problem Solving - This factor measures the thinking required in the job by considering two dimensions:	Accountability - This factor measures	The sum of Know-How, Problem Solving and Accountability
■ Technical know-how. ■ Managerial know-how. ■ People know-how.	■ Environment in which the thinking takes place. ■ Challenge presented by the thinking to be done.	■ Nature and degree of the decision-making or influence of the job. ■ Unit or function most clearly affected by the job. ■ Nature of that effect.	It is important to note that all positions in Korn Ferry database have been evaluated using the same method.

Job Evaluation for Alectra’s Executive Positions

- In this review, KF has completed a systematic and consistent application of job measurement factors (Know How, Problem Solving, Accountability), described on page 5.
- The evaluation process considered (A) Internal relativity and external comparisons (B) Utilities industry benchmarks; and (C) Korn Ferry Hay global job evaluation standards.
- Information of the position profiles and organization was provided by Alectra in 2023. All positions remain unchanged in 2024.

Job Title	KF Hay Points
EVP, Energy Solutions & Growth	
EVP, Asset Strategy & Operations	
EVP, Chief Financial Officer	
EVP, People & Transformation	
EVP, Customer Experience	
EVP, Chief Digital & Innovation Officer	
EVP, Legal, Strategy, and Corporate Secretary	



Job Evaluation & Pay Comparison

- We recognize that Alectra and many comparator organizations are different, considering ownership, scale, mix of business lines, geographic footprints and organizational structure.
- The use of a job evaluation methodology (Korn Ferry Hay MethodSM) will likely resolve those challenges with respect to role / level matching for analyzing market compensation level.
- The retrieval of pay level are based on the market roles with job size similar to that at Alectra. We do not analyze market pay level by simply comparing job titles (e.g., CEO vs CEO).

- Pay comparisons are job size-adjusted (size as measured by Korn Ferry Hay Points) by capturing a broader range of comparable companies.
- The exhibit below illustrates the concept of job size comparison using KF Hay Points:

	Your Organization	Organization of Similar Size / Complexity	Organization of Larger Size / Complexity
KF Hay Points			CEO
	CEO	CEO	SEVP / President
	EVP	SVP	SVP / VP
	VP	VP	VP / Senior Director
		Sr Director / VP	Director

Comparator Market

The approved comparator has remained unchanged since 2023 and is shown below.

Organization		Ownership	
1	ENMAX Corporation	BPS	Utility / Power
2	EPCOR Utilities Inc.	BPS	Utility / Power
3	NB Power	BPS	Utility / Power
4	Ontario Power Generation	BPS	Utility / Power
5	Toronto Hydro Corporation	BPS	Utility / Power
6	Algonquin Power & Utilities Corp.	PS	Utility / Power
7	Boralex Inc.	PS	Utility / Power
8	Fortis Ontario	PS	Utility / Power
9	FortisBC Energy	PS	Utility / Power
10	Hydro One	PS	Utility / Power
11	Nova Scotia Power	PS	Utility / Power
12	Capital Power	PS	Utility / Power
13	Brookfield Infrastructure Corporation	PS	Utility Asset Mgt
14	ArcelorMittal	PS	Industrial - Metal
15	Methanex Corporation	PS	Industrial - Gas
16	Toyota Motor Canada	PS	Industrial - Auto



Compensation Values and Treatments

1. All compensation values in this report are stated in Canadian dollars.
2. Alectra compensation values have been submitted by Alectra.
3. Long-term incentive (LTI) values are the economic values of the current year's grants (see next page).
4. In this report, the realized payout of long-term incentive in the current year from previous years' grants is not considered due to various technical inconsistencies/complexities, such as:
 - The exercise of stock options is at the election of the executive which may be influenced by factors such as risk appetite, industry volatility, in-the-money value, personal financial/ liquidity situation, and potential public scrutiny in light of public disclosure, etc.; and
 - The vesting of full value share units (e.g., Performance Share Unit) may reflect grants received in a previous role.



Long-Term Incentive Valuation

- Long-term incentives are designed to reward and motivate employees and directors for multi-year performance. Since these arrangements are often complex and multi-faceted, any comparison of such awards is extremely difficult without a single common denominator or yardstick upon which all plans can be measured.
- Estimating/calculating the present value of any of these awards allows one to compare the values of any long-term incentive vehicle, such as performance units and stock options. For share-based awards, the fair market value of the underlying share is used. For option-based awards, the Binomial Model is used.
- The Binomial Model is essentially a “mathematical decision tree” which divides the life of the option into time periods, where the share price is modeled to move either up or down according to a probability derived from the input factors. This method results in a finite number of possible stock prices, which are translated into possible expected option values discounted to the present.
- The Black-Scholes Model is currently also a common valuation tool in the North American market due to the endorsement by the SEC and FASB in USA. Korn Ferry adopts the Binomial Model, which includes 1,000 steps of calculation, because of its strengths and flexibility. Typically, both Black-Scholes and Binomial models produce highly similar results for simple stock options.

Compensation Elements

Pay Element	Description
Base Salary	Actual annual salary.
Actual Total Cash	The sum of the Actual Base Salary and dollar amount of the Actual Short Term Incentive paid for the most recent fiscal year.
Target Total Cash	The sum of the Actual Base Salary and dollar amount of the Target Short Term Incentive (target / potential bonus).
Actual Total Direct	The sum of the Actual Total Cash and the dollar amount of present value of Long Term Incentives (i.e. stock option, PSU, cash plans, etc..).
Target Total Direct	The sum of the Target Total Cash and the dollar amount of present value of Long Term Incentives (i.e. stock option, PSU, cash plans, etc..).
Actual STI (%)	The Actual short term incentive as a % of Base Salary.
Target STI (%)	The Target short term incentive as a % of Base Salary.
LTI (%)	The economic value of long term incentive as a % of Base Salary.

Market Statistics

Statistics	Description
P90 / 90th Percentile	The point below which 90% of all observations fall (minimum of 12 observations)
P75 / 75th Percentile	The point below which 75% of all observations fall (minimum of 8 observations)
P50 / 50th Percentile / Median	The point with an equal number of larger and smaller observations (minimum of 4 observations)
P25 / 25th Percentile	The point below which 25% of all observations fall (minimum of 8 observations)
P10 / 10th Percentile	The point below which 10% of all observations fall (minimum of 12 observations)
Average	The arithmetic average of all observations (minimum of 4 observations)

Market Variance

Variances are the ratio of an incumbent's compensation to the P50 of the market for all compensation elements. For example:

- A variance of 0% against P50 indicates that the incumbent's compensation is exactly equal to the market P50.
- A P50 variance of 10% indicates that the incumbent's compensation is 10% above the market P50.

2

Market Compensation Analysis



Summary of Alectra vs Market

This report covers the compensation analysis with respect to Salary, Total Cash (Salary + STI) and Total Direct, as of December, 2024.

	Larger EVPs	Smaller EVPs
Base Salary		
Target STI		
Target LTI		
Target Total Direct		

Executive Market Compensation Mix

The following table reflects the typical element mix of Target Total Direct based on market practices, as of December, 2024.

	Larger EVPs	Smaller EVPs
Base Salary		
Target STI		
Target LTI		
Target Total Direct		

EVP, Energy Solutions & Growth

KF Hay Points:	Base Salary	Target		Actual		STI ¹ (% of Salary)		LTI ¹
		Total Cash	Total Direct	Total Cash	Total Direct	Target	Actual	%
Alectra:	321,300			472,500	662,000			

Observations

- This version reflects the role becoming more mature, accountable for a substantial business portfolio. Alectra base salary is
- Target STI payout at Alectra are positioned Target LTI is
- Target Total Cash is and Target Total Direct is positioned at
- Alectra's (Target Total Direct + Pension) is estimated indicates that Alectra EVP's total pension is

Page 29

EVP, Asset Strategy & Operations

KF Hay Points:	Base Salary	Target		Actual		STI ¹ (% of Salary)		LTI ¹
		Total Cash	Total Direct	Total Cash	Total Direct	Target	Actual	%
Alectra:	328,400			461,600	629,100			

Observations

- Alectra base salary is
- Target STI Target LTI is
- Target Total Direct is
- Alectra's (Target Total Direct + Pension) is estimated indicates that Alectra EVP's total pension is

Page 29

EVP, Chief Financial Officer

		Target		Actual		STI ¹ (% of Salary)		LTI ¹
KF Hay Points:	Base Salary	Total Cash	Total Direct	Total Cash	Total Direct	Target	Actual	%
Alectra:	314,800			467,600	609,300			

Observations

- Alectra base salary is
 - Target STI is Target LTI is
 - Target Total Direct is
 - Alectra's (Target Total Direct + Pension) is estimated indicates that Alectra EVP's total pension is
- Page 29

EVP, People & Transformation

KF Hay Points:	Base Salary	Target		Actual		STI ¹ (% of Salary)		LTI ¹
		Total Cash	Total Direct	Total Cash	Total Direct	Target	Actual	%
Alectra:	310,100			436,200	582,000			

Observations

- Alectra base salary is
- Target STI is Target LTI is
- Target Total Direct is
- Alectra's (Target Total Direct + Pension) is estimated indicates that Alectra EVP's total pension is

Page 29

EVP, Customer Experience

KF Hay Points:	Base Salary	Target		Actual		STI ¹ (% of Salary)		LTI ¹
		Total Cash	Total Direct	Total Cash	Total Direct	Target	Actual	%

Observations

- Alectra base salary is . Target STI is . Target LTI is .
- Target Total Direct is . Target LTI is
- Alectra's (Target Total Direct + Pension) is estimated . [Page 29](#) indicates that Alectra EVP's total pension is .

EVP, Chief Digital & Innovation Officer

KF Hay Points:	Base Salary	Target		Actual		STI ¹ (% of Salary)		LTI ¹
		Total Cash	Total Direct	Total Cash	Total Direct	Target	Actual	%

Observations

- Alectra base salary is Target STI is
- Target Total Direct is Target LTI is
- Alectra's (Target Total Direct + Pension) is estimated . [Page 29](#) indicates that Alectra EVP's total pension is .

EVP, Legal, Strategy, and Corporate Secretary

KF Hay Points:	Base Salary	Target		Actual		STI ¹ (% of Salary)		LTI ¹
		Total Cash	Total Direct	Total Cash	Total Direct	Target	Actual	%

Observations

- Alectra base salary is Target STI is
- Target Total Direct is Target LTI is
- Alectra's (Target Total Direct + Pension) is estimated . [Page 29](#) indicates that Alectra EVP's total pension is .

3

Compensation Approach



Pay Trends: Salary Budget

	2023 Salary Increase Budget	2024 Salary Increase Budget
Major LDCs	4.0%	3.4%
Canadian Industrials	3.8%	3.6%
Canadian Broader Public Sector	3.8%	3.4%
Canadian Financials	3.4%	3.1%

- Most organizations do not differentiate the budget for executive and non-executive (excluded) positions.

Compensation Approaches and Considerations (1)

Executive Salary Administration

- The salary range midpoint in principle is targeted at the P50 of the comparator market.
 - Each executive will be placed within the appropriate salary range, taking into account the skill and competency, individual performance as well as unique market conditions (e.g., specialty talent shortage or intense talent demand) for the role.
 - Typical market practices would accelerate the salary quickly to the desired target (within 10% of P50) for executives, given that the executive market is highly competitive. Once reaching the target level, the movement will slow down.
- In the following Exhibit, the compa-ratio zones are intended to guide the actual salary administration:

Compa-Ratio Zone	Stage	Typical Action
Below 90%	Developmental	Progressive salary adjustment
90% to 110%	Fully competent	Normal salary adjustment
Above 110%	Exceptional	Conservative or normal salary depending on the situation (e.g., succession)

Compensation Approaches and Considerations (2)

Executive STI and LTI Opportunities

- The market P50 of Target Total Direct can be used as the reference.
- Target STI size and Target LTI size can slightly vary for different categories of executive depending on the strategic needs. This method is highly common in certain TSX organizations such as banks and mining organizations but less common in LDCs.
- For Alectra, KF recognizes that there would be a need of practicing this method for those executive positions have a significant requirement for leading or supporting the growth plan related to the non-regulated business. We believe that the use of LTI could be more effective to avoid regulatory challenges.

4

EVP Pension Benefits



EVP Pension Benefits (1)

Alectra Plans for EVPs (2 Components)

OMERS Defined Benefit Plan (DB)

- Benefit is 1.3% of earning up to YMPE and 2% above YMPE per year of service, based on best 5 conservative years of earning.
- Benefit is capped for earning at [7 x YMPE] (i.e., the estimated earning cap is 479,500 for 2024 and is above the CRA limit).
- “Earning” is defined as salary and STI payout.
- Pension benefit is indexed with guarantee after retirement.
- Employee contributes 9% of YMPE and 14.6% of earning above YMPE, up of the total earning at [7x YMPE].

Defined Contribution Top Up Plan (DC SERP)

- For earning above [7x YMPE], the DC SERP contributes 14.6% of earning annually.
- No employee contribution is required for the DC SERP.
- As EVPs have earnings below the OMERS DB plan cap, this DC SERP is not in use for EVPs.

EVP Pension Benefits (2)

Alectra's Competitiveness

Alectra Management retained Mercer in 2022 to complete an in-depth pension plan review and will share this report with the P&S Committee as reference information.

Mercer's report has the following findings:

- Alectra executive pension (DB Pension + DC SERP) is [REDACTED] of the comparator group.
- Alectra is ranked [REDACTED] in the 2022 study.
- [REDACTED]
[REDACTED]
[REDACTED]



Korn Ferry is a global organizational consulting firm. We work with our clients to design optimal organizational structures, roles, and responsibilities. We help them hire the right people and advise them on how to reward and motivate their workforce while developing professionals as they navigate and advance their careers.

Business advisors.
Career makers.

Thank You

Wiclif Ma

Korn Ferry
Wiclif. Ma@kornferry.com

**TECHNICAL CONFERENCE UNDERTAKING RESPONSES TO
CONSUMERS COUNCIL OF CANADA**

JT-1.17

Provide a summary of the initial economic analysis with respect to the projects that do not attract a capital contribution.

RESPONSE:

Alectra Utilities' response below provides the EEM Summary for the projects referenced in 2-CCC-17 that have no forecast capital contribution during the 2027-2031 period. These project codes are 152602, 153230, 153231, 153233, and 153236.

The economic evaluations were each conducted using Alectra's standard Economic Evaluation Model methodology. Key assumptions included the forecast peak load associated with the project, a staged ramp-up of customer demand over the connection horizon, the applicable distribution rates for the rate zone, and a revenue horizon consistent with the economic evaluation framework used for the specified rate class. Consistent with the economic evaluation framework, the developer's capital contribution and associated security arrangements ensure that the costs of the connection facilities are appropriately allocated, such that other ratepayers are not exposed to the risk of under-recovery should the forecast load not materialize as expected.

For each of the projects listed below, the preliminary economic evaluation indicated that the forecast distribution revenues associated with the development over the revenue horizon are sufficient to recover the cost of the required system expansion, resulting in no developer capital contribution being required for the phases forecast within the 2027-2031 period.

The tables below provide the EEM Summary and Developer Summary for each project.

Table 1 – Project Summary and Developer Summary

Project Code	Project Name	Net 2027-2031 (\$MM)	Gross 2027-2031 (\$MM)	Expected In-service Date	EEM Summary
152602	Customer Initiated Distribution System Expansion Project - GTAA Feeders	9.5	9.5	2028	Table 2
153230	Customer Initiated Distribution System Expansion - Toronto Gore (Block 47)	15.3	15.3	2029	Table 3
153231	Customer Initiated Distribution System Expansion (East South) - Angus Glen Developments	11.1	11.1	2028	Table 4
153233	Customer Initiated Distribution System Expansion (East South) - Block 27	5.9	5.9	2028	Table 5
153236	Customer Initiated Distribution System Expansion Project - Block 52 Mississauga Rd & Williams Pkwy	29	29	2028	Table 6

1

Table 2 - Project 152602 - EEM Summary

Economic Evaluation Model (EEM) Summary	
Inputs:	
Project Name:	152602 - Customer Initiated Distribution System Expansion Project - GTAA Feeders
Type of Project:	Industrial/Commercial/Institutional (ICI)
Revenue Horizon:	25 Years
Connection Horizon:	5 Years
Rate Zone:	ERZ
Energization Year:	2028
Estimated Customer Connections / Load:	██ ██ ██
Estimated Total Project Costs:	\$15.3M (\$5.8M in 2026 and \$9.5M between 2027-2031)
Outputs:	
PV (Revenues)	████████
PV (Capital and Operating Costs, incl. CCA TAX Shield)	████████

2

1 Due to the multi-phase nature of the GTAA System Expansion project, parts of the expansion
2 have already been completed under an executed OTC and the associated customer
3 contributions will be recognized prior to 2027. However, the spending associated with the
4 remaining phases of the project scheduled for construction between 2027 and 2031 are not
5 expected to generate additional customer contributions, as per the original mock EEM.

6 **Table 3 - Project 153230 - EEM Summary**

Economic Evaluation Model (EEM) Summary	
Inputs:	
Project Name:	153230 - Customer Initiated Distribution System Expansion - Toronto Gore (Block 47)
Type of Project:	Residential
Revenue Horizon:	40 years
Connection Horizon:	15 years
Rate Zone:	BRZ
Energization Year:	2029
Customer Connections / Load:	Estimated 8,000 residential connections over the connection horizon
Estimated Total Project Costs:	\$15.3M
Outputs:	
PV (Revenues):	\$34.7M
PV (Capital and Operating Costs, incl. CCA TAX Shield)	\$33.0M

7
8
9
10
11
12

1

Table 4 - Project 153231 - EEM Summary

Economic Evaluation Model (EEM) Summary	
Inputs:	
Project Name:	153231 - Customer Initiated Distribution System Expansion (East South) - Angus Glen Developments
Type of Project:	Residential
Revenue Horizon:	40 years
Connection Horizon:	15 years
Rate Zone:	PRZ
Energization Year:	2028
Customer Connections / Load:	Estimated 11,337 residential connections over the connection horizon
Estimated Total Project Costs:	\$11.1M
Outputs:	
PV (Revenues):	\$45.5M
PV (Capital and Operating Costs, incl. CCA TAX Shield)	\$34.0M

2

3

Table 5 - Project 153233 - EEM Summary

Economic Evaluation Model (EEM) Summary	
Inputs:	
Project Name:	153233 - Customer Initiated Distribution System Expansion (East South) - Block 27
Type of Project:	Residential
Revenue Horizon:	40 years
Connection Horizon:	15 years
Rate Zone:	PRZ
Energization Year:	2028

Customer Connections / Load:	Estimated 9,529 residential connections and 7 GS>50, with a total estimated demand of 11,500 kW for GS>50 over the connection horizon
Estimated Total Project Costs:	\$5.9M
Outputs:	
PV (Revenues):	\$126.5M
PV (Capital and Operating Costs, incl. CCA TAX Shield)	\$73.8M

1

Table 6 - Project 153236 - EEM Summary

Economic Evaluation Model (EEM) Summary	
Inputs:	
Project Name:	153236 -Customer Initiated Distribution System Expansion Project - Block 52 Mississauga Rd & Williams Pkwy
Type of Project:	Residential
Revenue Horizon:	40 years
Connection Horizon:	15 years
Rate Zone:	BRZ
Energization Year:	2028
Customer Connections / Load:	It includes an estimated 12,471 residential units, 13 GS>50 connections with an estimated demand load of 25MW, and 2 large-user connections with an estimated demand load of 24MW over the connection horizon.
Estimated Total Project Costs:	\$29.0M
Outputs:	
PV (Revenues):	\$88.0M
PV (Capital and Operating Costs, incl. CCA TAX Shield)	\$75.1M

2

3