

February 25, 2026

Tracy Adams  
City Chief Administrative Officer  
The Corporation of the City of Oshawa  
50 Centre Street S  
Oshawa, Ontario L1H 3Z7

Dear Tracy,

**Oshawa Power and Utilities Corporation (Oshawa Power) Report of the Chair to the Shareholder –  
Fourth Quarter Report (2025)**

I am pleased to present the 2025 Fourth Quarter Report of Oshawa Power to the Corporation of the City of Oshawa, the sole shareholder of this Corporation.

**Draft Financial Data**

(000s)	YTD Q4 2025		YTD Q4 2024
	Actual	Budget	Actual
Total Distribution Revenue	32,671	32,377	30,828
Total Other Revenue	8,723	8,820	8,821
<b>Net Revenue</b>	<b>41,394</b>	<b>41,196</b>	<b>39,649</b>
Total Expenses	25,223	24,963	23,357
<b>EBITDA</b>	<b>16,171</b>	<b>16,233</b>	<b>16,292</b>
Depreciation	7,594	8,807	8,665
<b>EBIT</b>	<b>8,578</b>	<b>7,426</b>	<b>7,627</b>
Interest Expense	2,473	3,190	2,504
<b>Net Income Before Taxes</b>	<b>6,105</b>	<b>4,236</b>	<b>5,122</b>
Taxes	-100	161	451
<b>Net Income</b>	<b>6,205</b>	<b>4,075</b>	<b>4,672</b>

**1. Other Information**

- a. Changes to energy policy – no major updates.
- b. Newly adopted corporate policies – no major updates.
- c. Tax issues – no major updates.

This report is for information and is respectfully submitted on behalf of the Board of Directors of Oshawa Power and Utilities Corporation.

**2. Commentary**

**Health and Safety**

Safety continues to be top of mind, and I am proud to report that we ended the year with every single person going home safely at the end of every day in 2025. Oshawa Power completed the requirements for the annual Audit to maintain COR® certification from the Infrastructure Health and Safety Association (IHSA), and

remains diligent with training programs and maintaining and improving our Health and Safety Program to ensure that our employees and customers remain safe.

### Regulatory

The Regulatory and Commercial Affairs Department submitted the company's Cost of Service (COS) application to secure rates for the 5-year period beginning in 2026. The application was completed and submitted to the Ontario Energy Board (OEB). An OEB oral hearing was held in late October, with the OEB originally expected to deliver their decision in February and now have advised it will likely be mid-March for Oshawa Power to receive their decision on rates for the next 5 year period.

### Compliance

The Company is compliant with all bank covenants.

### OEB Updates

#### Panel for Utility Leadership and Service Excellence (PULSE)

In the last update a full description of the panel's goals were provided. The research saw the panel gathering evidence, research and input from sector experts to inform its recommendations. The panel is aiming to get a full range of perspectives to provide strategic recommendations to the Energy Minister to ensure that LDCs are positioned well to meet increasing electricity demands while not compromising high standards of safety, reliability and remain cost effective.

The panel is now closed for input and the outcome is expected to be sent out in the coming weeks.

#### OEB Moratorium on Disconnections

The OEB winter moratorium on disconnections is now in effect, starting on November 15, 2025 and running until April 30, 2026. Oshawa Power continues to focus efforts on communicating with customers and aiming to collect on past due accounts, and provide information to those customers who need assistance.

#### OEB Winter Rates – Effective November 1, 2025

The OEB announced its new Winter Rates effective November 1, 2025. The rates increased from the summer rates:

Time-of-Use (TOU) Pricing			
Pricing Period	Schedule	Rate	Change
Off-Peak	Weekdays 7 p.m. – 7 a.m., all day weekends and holidays	9.8 ¢/kWh	+2.2 ¢/kWh
Mid-Peak	Weekdays 11 a.m. – 5 p.m.	15.7 ¢/kWh	+3.5 ¢/kWh
On-Peak	Weekdays 7 a.m. – 11 a.m. and 5 p.m. – 7 p.m.	20.3 ¢/kWh	+4.5 ¢/kWh
Tiered Pricing			
Pricing Period	Schedule	Rate	Change
Tier 1	<b>Residential</b> – first 1,000 kWh/month <b>Non-residential</b> – first 750 kWh/month	12.0 ¢/kWh	+2.7 ¢/kWh
Tier 2	<b>Residential</b> – usage above 1,000 kWh/month <b>Non-residential</b> – usage above 750 kWh/month	14.2 ¢/kWh	+3.2 ¢/kWh

## Ultra-Low Overnight (ULO) Pricing

Pricing Period	Schedule	Rate	Change
Ultra-Low Overnight	Every day 11 p.m. – 7 a.m.	3.9 ¢/kWh	+1.1 ¢/kWh
Weekend Off-Peak	Weekends and holidays 7 a.m. – 11 p.m.	9.8 ¢/kWh	+2.2 ¢/kWh
Mid-Peak	Weekdays 7 a.m. – 4 p.m. and 9 p.m. – 11 p.m.	15.7 ¢/kWh	+3.5 ¢/kWh
On-Peak	Weekdays 4 p.m. – 9 p.m.	39.1 ¢/kWh	+10.7 ¢/kWh

### 3. Support Programs

As noted above Oshawa Power assists customers not only by making flexible payment arrangements, but also by guiding them to programs that are available to assist with financial help.

#### Low Income Energy Assistance Program (LEAP) Update

Funding for the Low Income Energy Assistance Program (LEAP) continues to operate with the expanded availability announced by the OEB in 2024. Grants of up to \$780.00 are available for low income families and individuals. Below is a summary of the financial support provided:

Funding	Q1	Q2	Q3	Q4	Total
LEAP Funds Assigned (in Dollars)	\$7826	\$51,043	\$20,068	14,274	\$93,211
LEAP Funds Remaining (in dollars)					27,218.38
# of LEAP Approvals	14	81	37	28	160
Current # of OESP Recipients	2253	2319	2390	2512	2512

Yours very truly,



Robert Watson, ICD.D  
Chair of the Board  
cc: Board of Directors