

April 28, 2022

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

Dear Paul,

**Oshawa Power and Utilities Corporation (Oshawa Power) Report of the Chairman to the Shareholder –
First Quarter Report (2022)**

I am pleased to present the 2022 First Quarter Report of Oshawa Power to the Corporation of the City of Oshawa, the sole shareholder of this Corporation.

1. Draft Financial Data

	2022 (Actual) 31-Mar	Budget	2021 (Actual) 31-Mar
Total Distribution Revenue	7,184	7,078	6,391
Total other Revenue	1,718	1,804	1,276
Net Revenue	8,902	8,882	7,667
Total Expenses	3,942	4,699	4,068
EBITDA	4,960	4,183	3,599
Depreciation	1,818	1,855	1,721
EBIT	3,142	2,328	1,878
Interest Expense	772	669	668
Extraordinary Items			
Net Income Before Taxes	2,370	1,659	1,210
Net Income	2,370	1,639	1,180
Return on Equity (annualized)	3.40%	2.3%	1.80%

2. Other Information

- Changes to energy policy – no major updates.
- Newly adopted corporate policies – no major updates.
- 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.

3. Commentary

Health and Safety

Oshawa Power is pleased to note that they have maintained their status of no lost time injuries. The company has reached the milestone of over one million hours with no lost time injuries. This is something that is quite an accomplishment for an organization of our size, and with the challenges of a pandemic distracting staff as well. An acknowledgement will be held for staff in June to acknowledge the milestone, with a formal ceremony taking place in the fall when the IHSA joins us to present the award.

COVID-19

Oshawa Power continues to be diligent in its efforts to protect against COVID-19. Public Health updates continue to be shared with all employees as well as industry and informational updates. Oshawa Power continues to offer Rapid Antigen Testing twice weekly. This program has successfully identified asymptomatic cases and prevented spread in our workplace. As the province has opened up we are aware that cases are on the rise and continue to recommend that staff continue with precautions such as: mask wearing, social distancing and other precautions to staff.

4. Regulatory

Quarterly reporting and record keeping requirements to the Ontario Energy Board (OEB) include the following:

- Commodity deferral and variance account balances
- Customer counts for each rate class
- Micro FIT and FIT generation connections

Compliance

The Company is compliant with all bank covenants.

OEB Updates

The OEB moratorium on disconnections will be ending on April 30, 2022. Oshawa Power staff have spent considerable efforts ensuring that customers are aware of assistance programs that are available to them. Some of these efforts have included: connecting with customers by telephone or site visit, working with the Oshawa Public Libraries and Ontario Works to ensure staff are aware and can direct those needing assistance to a program that will work for them, reaching out to MPP Jennifer French's office to provide information about assistance programs and provide them with direct contact information to our staff. Oshawa Power is experiencing an increase in accounts receivables, but has been working with customers to make payment arrangements and will only be disconnecting customers as a last resort. With the number of payment arrangements in place, we expect the outstanding amounts to decrease as those payment plans progress.

5. Support Programs

As noted above Oshawa Power has been working to assist those customers in need and will continue with these efforts.

Low Income Energy Assistance Program (LEAP) Update

The LEAP program started 2022 with \$39,629 in funding. Customers can access LEAP up to a maximum of \$1,000 (\$1200 with electric heat).

The Ontario Electricity Support Program (OESP)

OESP provides qualifying residents with a monthly on bill credit. The amount is determined by the number of people living in the household and the total household income. Currently there are 2,186 qualifying residents in the City of Oshawa. Customers can apply for help at the following website: <https://ontarioelectricitysupport.ca/>

Oshawa Power Compassion Fund

Oshawa Power implemented a first of its kind assistance program specifically for Oshawa residents, ***“The Oshawa Power Compassion Fund,”*** designed to help those who are facing difficulty from COVID-19 or another significant life event and do not qualify for existing programs. The fund was developed to help those who “fall through the cracks.” Disconnecting service is a last resort and creates a cycle that is difficult for customers to get out of. The compassion fund helps customers get their accounts back into good standing. Funds are limited and assistance is approved in the order that it is received, up to \$150 per household, not exceeding the arrears on the account. To apply, the customer must only provide their name, account number, and contact email or telephone number.

The Rainy Day Fund

Oshawa Power is constantly working to find other available programs to support our customers. The Rainy-Day Fund is a program available through the Shine Through The Rain Foundation to assist those diagnosed with a serious or life threatening illness with overdue utility bills. The application can be found at: <https://shinethroughtherain.ca/rainydayfund/> or by calling: 1-866-753-0303.

Funding	Q1	Q2	Q3	Q4	Total
LEAP Funds Assigned (in Dollars)	\$27,226				\$27,226
LEAP Funds Remaining (in dollars)	\$11,403				
# of LEAP Approvals	42				42
Current # of OESP Recipients	2,122				2,122
Oshawa Power Compassion Fund	20	0	0	20	\$3,000

Yours very truly,



Denise Carpenter, ICD.D
Chair of the Board
cc: Board of Directors