



Guelph Municipal Holdings Inc. (GMHI)

2024 Annual Report & Financial Reporting Annual General Meeting of the Shareholder

Guelph City Council Meeting June 24, 2025

Background

Structure and Investments

- The Corporation of the City of Guelph (the City) is the sole shareholder of Guelph Municipal Holdings Inc. (GMHI).
- GMHI owns 4.63% of the shares of Alectra Inc. (Alectra). GMHI has a shareholder representative on the Board of Directors of Alectra.
- GMHI is governed by the Business Corporations Act (Ontario), its Articles of Amalgamation, bylaws, and Shareholder Declaration, as amended from time to time.
- GMHI reports annually to City Council as shareholder of GMHI, including on GMHI's investment in Alectra.



2024 snapshot-Financials

GMHI Financials

- GMHI's investment in Alectra Inc. is \$108.5 million (increase of \$4.1 million over 2023).
- GMHI's total comprehensive income is \$7.5 million (increase of \$1.2 million over 2023). Revenue increase driven by increase in Alectra's income.
- GMHI's cash, accounts receivable, and related party receivables total \$3.1 million.
- GMHI received \$3.7 million of dividends from Alectra (dividend income deficit, \$32 thousand less than budgeted).



2024 snapshot-District Energy

District Energy

- Residual commitments related to disposition of district energy incurred in 2024. The remaining \$64 thousand expected to be incurred in 2025.
- Expected to be the final cost associated with GMHI transition out of district energy business.
- During 2024, GMHI deregistered for HST purposes. No longer engaged in commercial activities through the district energy operations.



2024 snapshot-Investment

City's investment in GMHI

- GMHI continues to be a contributing asset to the City of Guelph, generating ongoing dividends and stable investment value.
- In 2024, GMHI remitted \$3.8 million of dividends to the City, as budgeted.
- The City's investment in GMHI increased by \$3.1 million over 2023. Added to dividend revenue of \$3.8 million, the City's net income from GMHI in 2024 is \$6.9 million.



Alectra Update Jane Armstrong – Board Chair, Alectra Inc.

> June 24, 2025 City of Guelph



Glossary

The following acronyms and abbreviations may be used in this document

AUC	Alectra Utilities Corporation	ICM	Incremental Capital Module
AES	Alectra Energy Services	IESO	Independent Electricity System Operator
BPC	BPC Energy Corporation (prev. Borealis)	IRM	Incentive Rate-Setting Mechanism (distribution rates setting mechanism)
CapEx	Capital Expenditures	LDC	Local Distribution Company
CDM	Conservation Demand Management	LU	Large User (Customers)
СР	Commerical Paper	MAA Ds	Mergers, Acquisitions, Amalgamation and Divestitures (application)
DER	Distributed Energy Resource	MIFRS	Modified International Financial Reporting Standards
EDR	Electricity Distribution Rate	MUSH	Municipal (Government), University, School, Hospital (sector)
ESM	Earnings Sharing Mechanism	OEB	Ontario Energy Board
FIT	Feed-in Tariff	OM& A	Operating, Maintenance and Administrative expenses
FTE	Full Time Equivalent	RFSP	Ring-Fenced Solar Projects (previously PS solar generation business)
GS	General Service (Customers)	USL	Unmetered Scattered Load



Disclaimer

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This presentation contains, and oral answers to questions may contain, forward-looking information within the meaning of applicable Canadian securities laws ("forward-looking statements"). All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of the words such as "plans", "expects", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements reflect the current expectations of Alectra's management regarding future events and operating performance, but involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Alectra Inc. to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Actual events could differ materially from those projected herein and depend on a number of factors.

Although forward-looking statements contained herein are based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Accordingly, prospective investors should not place undue reliance on forward-looking statements. The forward-looking statements contained herein speak only as of the date of this Investor Presentation. Except as required by applicable securities laws, Alectra does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law.

All references in this presentation are as of June 24, 2025, unless otherwise stated.



2024 Year in Review

• Stable Financial Performance and Incremental Value Creation

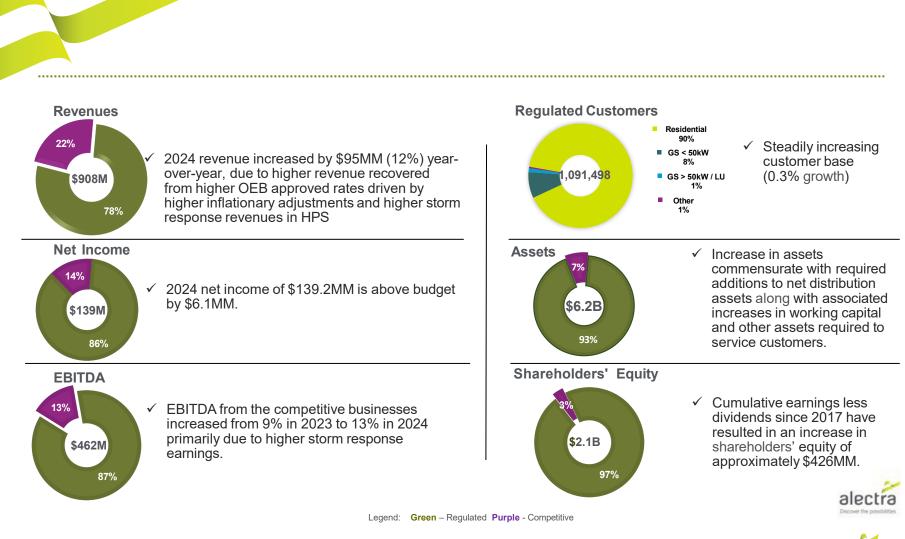
- Strong Competitive Metrics:
 - ✓ Reliability

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- ✓ Affordability
- ✓ Sustainability
- Community Update



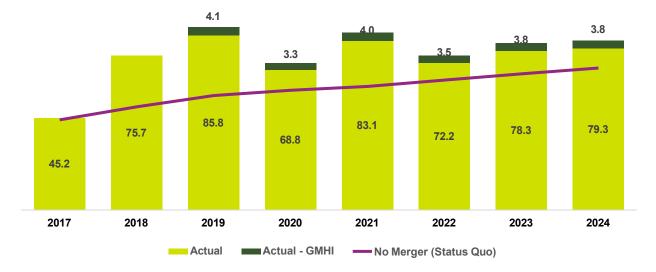
2024 Consolidated Results (MIFRS)





Dividends on Common Shares

Stable dividend supported by steady regulated cash flows



2017 - 2024 Dividends on Common shares, \$MM

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

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



Reliability

SAIFI – Average # of Times Power to a Customer is Interrupted

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Alectra year	1.06	times per
Sector Average	1.18	+ 11%
Toronto Hydro	1.24	+ 17%
Hydro One	1.76	+166%

SAIDI – Average # of Hours Power to a Customer is Interrupted

Alectra year	0.83	hours per
Toronto Hydro	0.79	- 5%
Sector Average	1.49	+ 80%
Hydro One	7.50	+804%

Source: OEB Scorecard for 2023 Performance



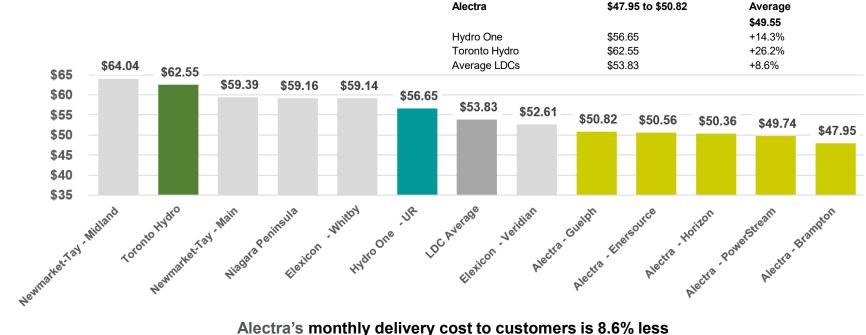
Alectra reliability is far better than the average Ontario utility



Affordability

Monthly Electricity Bill for Residential Customers "Delivery" Component at 700 kWh/Month for January 2025

Delivery Component of Monthly Bill



Alectra's monthly delivery cost to customers is 8.6% less than the LDC average at 700 kWh/month

Source: OEB Bill Calculator



Sustainability

Corporate Knights 50 Best Corporate Citizens Ranking

Alectra is outperforming all other Canadian utilities on Sustainability in 2024

Corporate Knights ranks the largest companies in Canada with over \$1Bn in revenue and public evidence of sustainability reporting / disclosures

Evaluates 25 Sustainability KPIs, from 2 years prior, covering metrics related to resources, employees, financial management, clean revenues and major supplier sustainable performance

Overall in Canada (out of 484 businesses)	Tx / Dx in Canad	Corporation
#1	а	Société de transport de Montréal
#1		societe de transport de Montreal
#8	#1	Alectra
#10		Hydro Quebec
#11	#2	Toronto Hydro
#20	#3	Hydro One
#31	#4	EPCOR
#32		BMO
#38		Rogers
#41		BC Hydro



#1 Tx / Dx (Canada) Ranking for 2024

#5 Public Sector (Global) Ranking for 2025



OM&A / Customer



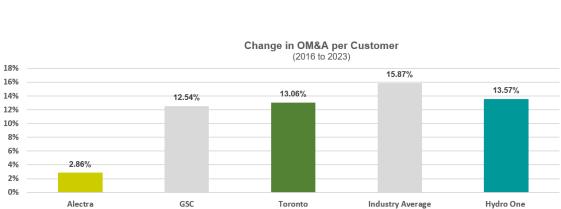


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OM&A / Custo	omer <u>% c</u>	<u>hg. since 2016</u>
Alectra	\$262.70	+2.86%
GSC Avg.	\$308.48	+12.54 %
Toronto	\$365.92	+13.06 %
Sector Avg.	\$383.83	+15.87 %

HyAtectræ has\$462.75f the How 65ft \$ OM&A / Customer values within the Ontario electricity sector

Alectra is 46% below the sector average in OM&A / Customer



Reference: All data from the OEB 2023

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Total Cost / Customer



OEB Data (2023):

Total Cost / Customer

GridSmartCity	\$795	
Sector Avg.	\$857	
Alectra	\$871	
Hydro One	\$1,36	
	9	
Toronto Hydro	\$1,52	
Alectra's \$Total Cost / Customer		

Approximately 40% below its peer utilities of Hydro One and Toronto Hydro

Reference: All data from the OEB 2023

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Operational Overview

Rate Rebasing

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

Distribution System Plan (DSP)

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



Renewing and Replacing Infrastructure Investing in assets and infrastructure to ensure reliable, safe and dependable delivery of electricity. Meeting Organic Electricity Load Growth Ensuring the capacity to support current and future demand in the face of changing energy needs. TE

Investing in Resilience and Modernization To improve reliability and shorten outage response times, particularly in stormvulnerable regions of the system.



Community Update – City of Guelph



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

- In 2024, Alectra invested over **\$10.4 million** to construct and renew infrastructure in the City of Guelph.
- In 2025, Alectra is on track to invest **\$11.9 million** in renewing infrastructure, replacing underground cable, new connections and upgrading equipment.
- Over the 2026-2031 planning period, Alectra proposed to complete **\$90.4 million** in capital investments to renew the electrical infrastructure, add system capacity to support growth, and make the grid more resilient.

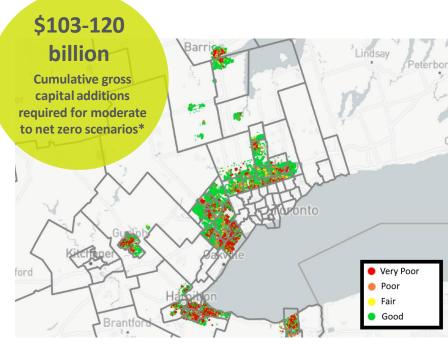




Sustainable Financing

• Alectra's increasing capital budgets will necessitate nonmunicipal financing, which will require updated tax policy.

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



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



Community Support

In 2024, Alectra Utilities has invested approximately \$153,000 in community support programs across Guelph.

AlectraCARES Program Highlights:

- Second Harvest, Food Rescue App Growth & Support in Guelph
- Food4Kids Guelph, Weekend Food Program
- Learning Disabilities Association of Wellington County, Community Workshop Series
- Hope House Guelph, Seniors Community Food Market
- Guelph Black Heritage Society, Heritage Hall Exhibit Expansion
- E3 Global Community Connections, Multicultural Youth Club
- Wyndham House, Youth Emergency Supports & Wellness
 Program
- Pollinator Partnership Canada, Project Wingspan
- Guelph Community Foundation, The Grove Hub for Youth
- Guelph General Hospital Foundation, Operating Room Sterilization Containers





Coldest Night of the Year walk for Hope House Guelph





Walk a Mile in Their Shoes

Thank you from Hope House for Seniors Food Market



In Summary



Customer and Community are the themes embedded in Alectra's Annual ESG Report

Reinforcing our rate-rebasing application elements of:

- Renewing and Replacing Infrastructure,
- Meeting Growing Electricity Demand,
- Enabling Resiliency and Modernization

- Evolving business environment is changing continuously due to U.S. tariffs
- This business environment is overlayed by our own Federal and Provincial responses and policy movement
- Alectra obtained an OEB approved annual 3.3% increase in 2025
- Alectra's 2027 Rate Rebasing application will be submitted shortly
- Advocacy has increased in importance



