



Westario Power

WESTARIO POWER
Quarterly Presentation





ABOUT US

Powering People's Lives

Westario Power's electrical distribution network is proudly located in Southwestern Ontario, serving almost 25,000 customers in 15 communities throughout the Counties of Bruce, Grey, Huron, and Wellington:

Clifford, Elmwood, Hanover, Harriston, Kincardine, Lucknow, Mildmay, Neustadt, Palmerston, Port Elgin, Ripley, Southampton, Teeswater, Walkerton, and Wingham.

41 dedicated employees are working at:
24 Eastridge Rd, Walkerton, ON NoG 2Vo

HUMAN RESOURCES



STAFFING LEVEL BY CATEGORY AS OF DECEMBER 31, 2023

CATEGORY	Senior Executives	Management	Non-Union	Union	Contract	Total:
Permanent Full Time	3	9	1	25	2	40
Permanent Part Time						
On Leave				1		1
Total:	3	9		26	2	41

HUMAN RESOURCES



RECRUITMENT AS OF DECEMBER 31, 2023

POSITION	DATE POSTED	DATE FILLED
Manager of Engineering Department	2-Feb-23	17-Apr-23
President and CEO		1-May-23
Powerline Supervisor	13-Mar-23	5-Sep-23
Manager of Accounting	29-Mar-23	27-Sep-23
Billing Clerk (contract)	19-Jun-23	14-Aug-23
Two (2) Co-op Student, Operations		22-Feb-23
Co-op Student, Engineering		22-Feb-23
Admin. Assistant, Engineering (contract, former co-op)		1-Sep-23

HUMAN RESOURCES



COMPLETED TRAINING AS OF DECEMBER 2023

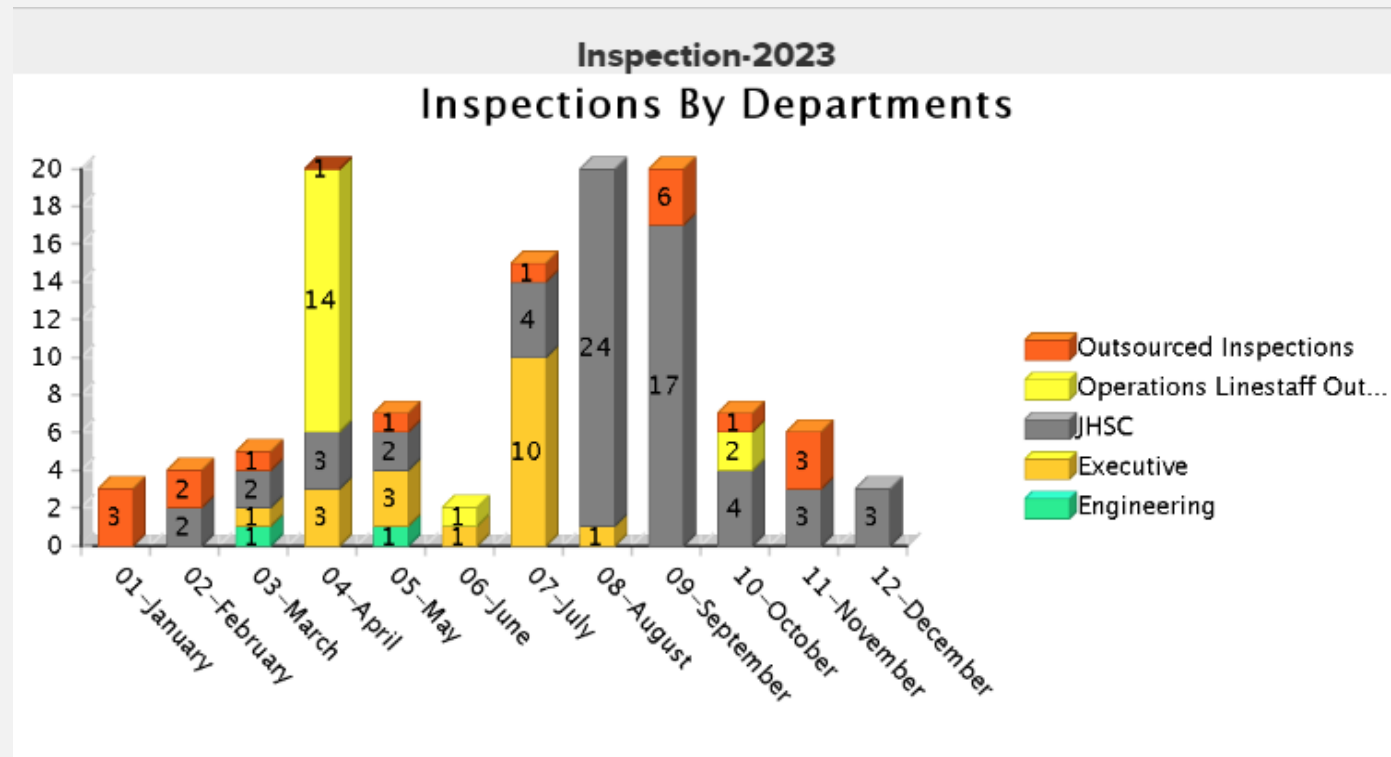
Working at Heights	1	Forklift Training	2
WHMIS - Verification of Understanding	10	First Aid	5
Pole Top Rescue Training	14	Environmental Response (PCB Training)	15
Mandatory Safety Training for Workers	2	Cybersecurity Awareness Training	39
Mandatory Safety Training for Supervisors	18	Construction Verification Program CVP	1
JHSC 2 Training Certificate	4	Traffic Control - Temporary Work Zones	17
JHSC 1 Training Certificate	3	Effective Leadership Skills for	1

HEALTH and SAFETY



“Westario Power is committed to providing a safe and healthy work environment and eliminating the risk of occupational injury and illness in the workplace.

No organizational goal or initiative will have priority over this commitment.” -WPI Safety Policy



HEALTH and SAFETY



JOINT HEALTH AND SAFETY COMMITTEE

Management Representatives

- Executive Assistant, Board Secretary
- H&S Administrator

Worker Representatives

- Operations Clerk
- 2 Line Workers

In 2023 the JHSC met on:

January 18th, February 15th, March 15th, April 12th, May 10th, June 20th, September 13th, November 9th and December 13th.

2023 Incidents:

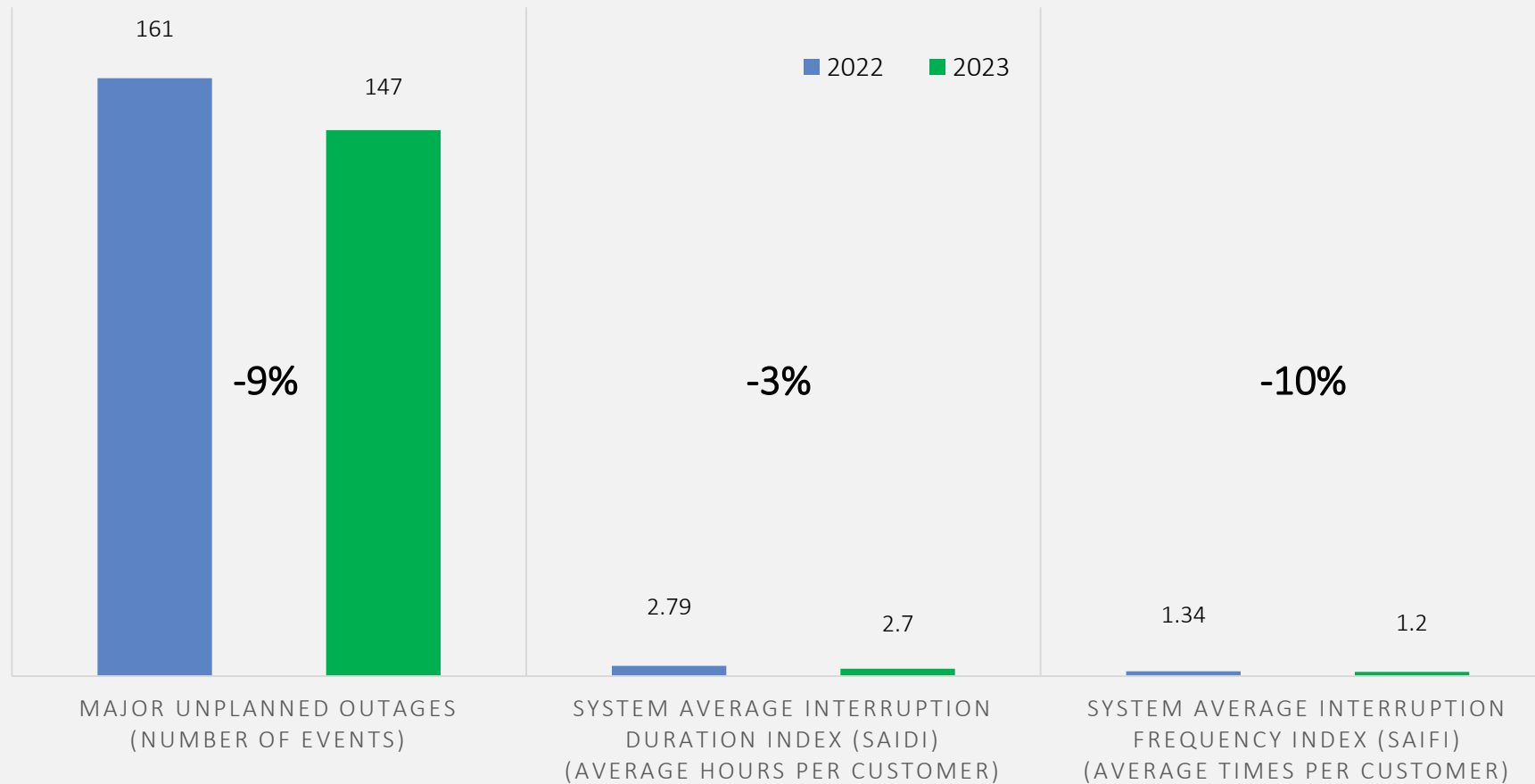
4- Physical injuries, 3- Damage to assets, 1- Criminal loss, 1- MVA, 10- reportable incidents and 1 Electrical contact.

2023 Staff Training:

161- Certificates obtained
1,471- Company documents reviewed
9- Safety meetings held
13- JHSC meetings held

OPERATIONS

RELIABILITY STATISTICS



OPERATIONS



MAJOR PROJECTS IN CONSTRUCTION



Teeswater Distribution Station Rehabilitation

Chris Haslam



44KV Extension Walkerton
McNab to Cunningham

Cole McKnight



Kincardine Underground Rebuild
Palmateer Dr. and Johnston Cres.

Cole McKnight



Station Tie MS₁-MS₃.
Gibson St. Walkerton

Cole McKnight

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OPERATIONS

STATIONS IMPROVEMENTS



**Port Elgin MS1
2023**



**Teeswater Under
Construction 2024**

OPERATIONS



DISTRIBUTION IMPROVEMENTS



Pole Line Rebuilds



**Kincardine
Underground
Rebuild**



Walkerton Feeder Tie

OPERATIONS



MAINTENANCE



FEEDER PATROLS

Ongoing Inspections

Pole Testing

Vegetation Maintenance Of Overhead Lines

OPERATIONS



KEY ACCOMPLISHMENTS



Major improvement to system and reliability in the north end of Southampton:

Over 30 rear decrepit lot poles, that were unable to be climbed, changed using specialty equipment.

Walkerton 44 kv extension phase 1 completed in '23:

750m, approx. 20 inaccessible poles relocated from along the river to McNab.

FINANCES



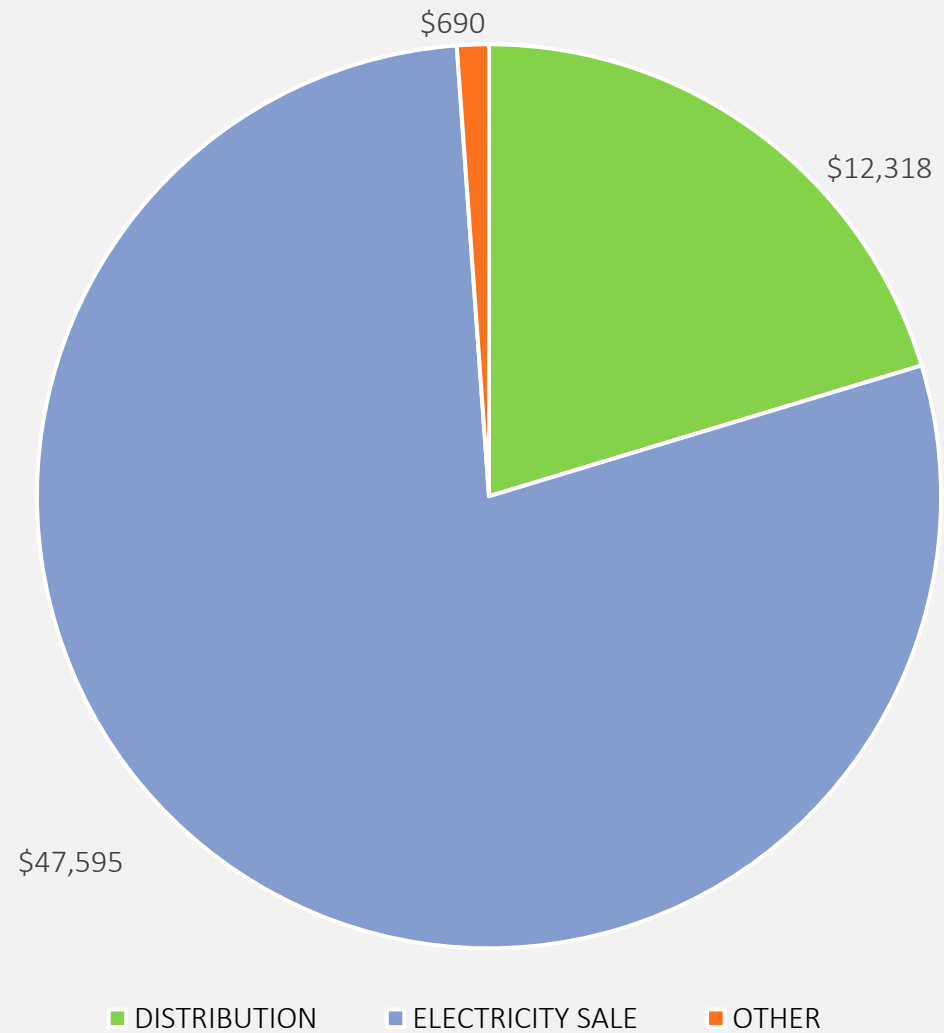
REVENUE and EXPENSES

12 months

	2022 - Dec 31 Actual	2023 - Dec 31 Prelim DRAFT	2024 - Budget Prelim
Revenues			
Sales of Electricity	\$52,019,912	47,595,107	50,496,893
Revenues from Services	\$11,817,646	12,318,044	13,089,920
Other Operating Revenues	\$744,426	689,696	763,069
Other Income & Deductions	-\$119,839	-9,143	-15,000
Investment Income	\$103,069	331,885	95,000
Total Revenues	\$64,565,214	\$60,925,589	\$64,429,882
Expenses			
Power Supply Expenses	\$52,019,912	47,595,107	50,496,893
Distribution Expenses - Operations	\$620,655	547,515	670,580
Distribution Expenses - Maintenance	\$2,033,085	2,036,252	1,879,524
Billing and Collecting	\$805,438	805,841	850,197
Community Relations	\$15,930	25,387	35,422
Administrative and General Expenses	\$4,385,573	3,570,485	3,510,994
Amortization Expense	\$1,936,866	2,181,129	2,409,135
Interest Expense	\$1,240,529	1,423,246	1,594,360
Taxes	-\$237,212	46,440	285,227
Other Deductions	\$29,513	1,720	7,000
Total Expenses	\$62,850,290	58,233,122	61,739,332
Profit/Loss:	\$1,714,924	\$2,692,468	\$2,690,550

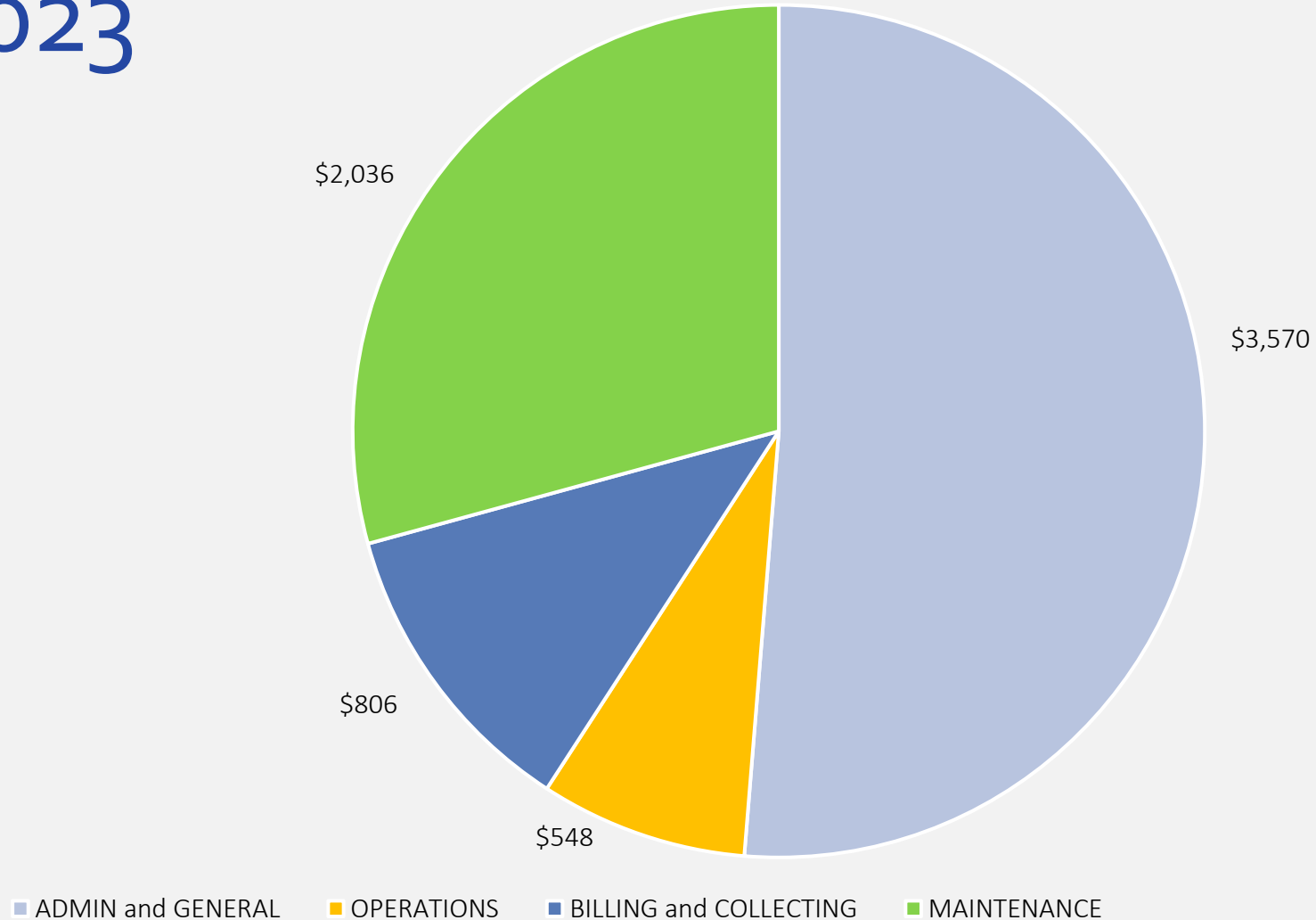
REVENUES (000's)

Q4 2023



OPERATING EXPENSES (000's)

Q4 2023



FINANCES



KEY ACCOMPLISHMENTS

Overhauling the budgeting and internal controls processes and realigning them in accordance with the Board of Directors' directives resulted in notable achievements:

- ❖ Year-over-year increase of approximately \$1 million to the organization's bottom line in 2023
- ❖ Effective execution of planned Capital work in accordance with the revised budgets.
- ❖ Successful injection of the adequate financing for capital projects and executing of the quarterly plan to return organization in compliance with banking covenants.
- ❖ Submission of the Cost of Service application with the OEB.

FINANCES

COST OF SERVICE APPLICATION

Westario Power Inc. has applied to change its electricity distribution rates effective January 1, 2024.

If the application is approved as filed, a typical residential customer and a typical general service customer of Westario Power Inc. would see the following increase:

- ✓ Residential (750 kWh) \$2.55 per month
- ✓ General Service less than 50kW (2,000 kWh) \$10.87 per month



NOTICE OF A HEARING

Westario Power Inc. has applied to change its electricity distribution rates effective January 1, 2024

If the application is approved as filed, a typical residential customer and a typical general service customer of Westario Power Inc. would see the following increase:

Residential (750 kWh)	\$2.55 per month
General Service less than 50kW (2,000 kWh)	\$10.87 per month

Other customers, including businesses, will also be affected. It's important to review the application carefully to determine whether you may be affected by the proposed changes

YOU SHOULD KNOW

There are three types of OEB hearings: oral, electronic and written. The applicant has applied for a written hearing. If you think a different hearing type is needed, you can write to us to explain why.

During this hearing, we will hear questions and arguments from participants about this case. We will also hear questions and arguments from participants that have registered as intervenors. After the hearing, we will decide whether to approve the application.

HAVE YOUR SAY

You have the right to information about this application and to participate in the process. Visit www.oeb.ca/notice and use file number **EB-2023-0058** to:

- Review the application
- Apply to become an intervenor
- File a letter with your comments

IMPORTANT DATES

You must engage with the OEB on or before **December 11, 2023** to:

- Provide input on the hearing type (oral, electronic or written)
- Apply to be an intervenor

If you do not, the hearing will move forward without you, and you will not receive any further notice of the proceeding.

PRIVACY

If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. If you are a business or if you apply to become an intervenor, all the information you file will be on the OEB website.

LEARN MORE

Ontario Energy Board
☎ /TTY: 1 877-632-2727
🕒 Monday - Friday: 8:30 AM - 5:00 PM
🌐 oeb.ca/notice

Westario Power Inc.
☎ 866-978-2746
🕒 Monday - Friday: 8:30 AM - 4:00 PM
🌐 <https://westario.com/my-westario/>

This hearing will be held under section 78 of the **Ontario Energy Board Act, 1998.**

Ce document est aussi disponible en français.



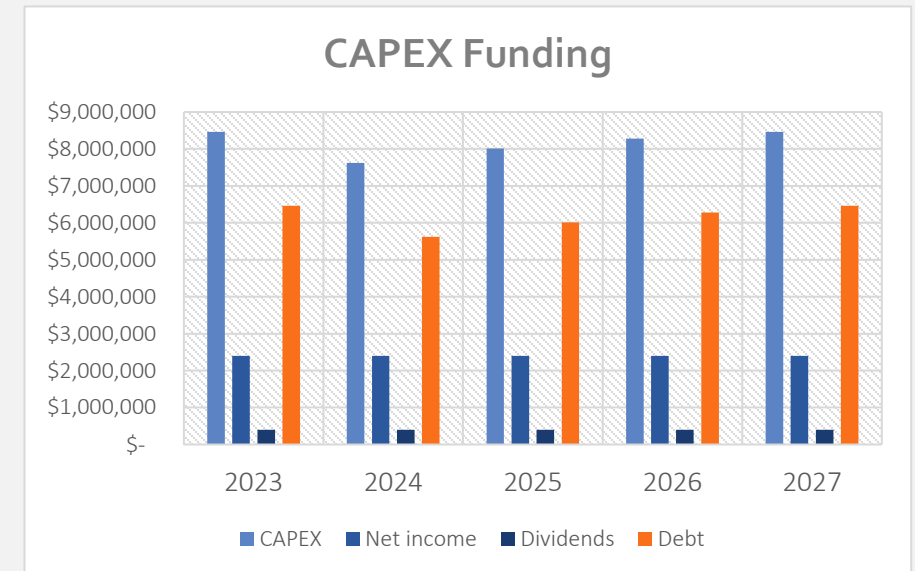
FINANCES



DIVIDEND POLICY

Dividend Policy was adopted by the Board of Directors effective June 18, 2014 and is adjusted annually based on the Board's direction:

- ❖ The year-end audited financial statements are used to determine the adjusted net income.
- ❖ Cash flow requirements are based on management's projection of cash flows and future obligations. In making its projections management will take into consideration all regulatory and banking covenant requirements in respect to cash flow, liquidity, and capital.
- ❖ Considering the additional capital necessary for funding capital projects over the next five years, it is recommended that a dividend payment of \$400,000 be declared. In the next 5-year horizon, dividend forecast has been set at 100% and will be set annually in accordance with the dividend policy and actual capital spending.



ELECTRICITY RATES



New Time-of-Use, Tiered and Ultra-Low Overnight Prices

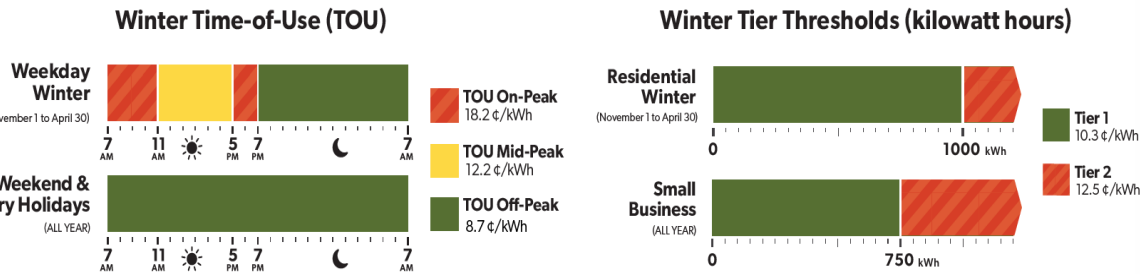
November 1, 2023

More Customer Choice

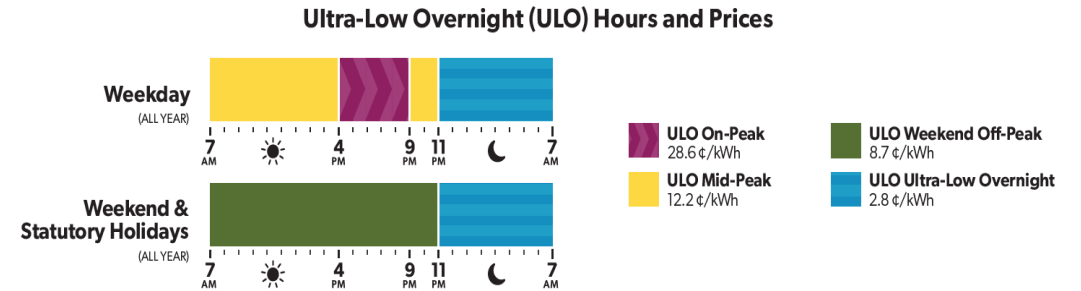
New Ultra-low Overnight Program Prices

November 1, 2023

The following applies to the Electricity line on your bill and reflects the electricity you use.



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- ❖ Winter 'Time-of-Use' rates came into effect November 1, 2023 – 'on-peak' shifts to weekdays between 7-11AM & 5-7PM
- ❖ Winter 'Tiered' rates came into effect November 1, 2023 – thresholds shift to 1,000 kilowatt-hours for residential customers
- ❖ New 'Ultra-Low Overnight' rate came into effect November 1, 2023; highlights include an ultra-low price (2.8¢/kWh) between 11:00PM-7:00AM on weekdays and weekends – 'on-peak' is weekdays between 4PM-9:00PM (28.6¢/kWh)
- ❖ Moratorium for winter disconnections continues through to May 1st - Westario Power works with customers to make flexible payment arrangements and educating on the available Financial Assistance programs.
- ❖ LEAP funding – Since 2016, Westario Power has donated additional monies to the assist customers and since the pandemic we have donated another \$5,000 knowing that we will likely see an uptake in this program.

COMMODITY CHARGES



The Ontario Energy Board sets Commodity Charges:

The Commodity portion of the bill goes to the Province.

There are three Regulated Price Plans (RPP) available:

- Time-of-Use (TOU) includes ON, MID, and OFF Peak.
- Tiered provides summer and winter kilo-watt hour thresholds between two price points.
- Ultra-low Overnight (ULO) features *ultra-low* pricing daily between 11PM – 7AM.

Power is personal:

- Consumers can choose Time-of-Use, Tiered or the ULO price plan to fit their lifestyle, while managing their electricity costs.
- Conservation = monthly savings off utility bill.

Power is Personal

New electricity price plan offers more customer choice

Utilities now offer the new Ultra-Low Overnight (ULO) price plan, with four price periods, one of which is a very low-priced overnight period.

TOU and ULO The price for both of these plans depends on when you use electricity. On each of these plans, you can help manage your electricity costs by shifting your usage to lower price periods when possible.	Tiered With Tiered pricing, you can use a threshold amount of electricity at a lower price. Once you exceed that limit, a higher price applies.	+	-	Considering a switch? Use your own electricity usage information and our calculator to estimate your bill amount under each price plan. Visit: oeb.ca/calculator
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We're here to help:
T: 1-877-632-2727 TTY: 1-844-621-9977
E: publicinformation@oeb.ca
W: oeb.ca
or contact your local utility.

Choose the price plan that's right for you.
Because **power is personal.**

ONTARIO ELECTRICITY SUPPORT PROGRAMS



Ontario Electricity Support Program (OESP) is an OEB offered program to assist lower income customers:

- OESP offers eligible customers with an on-bill credit.
- Eligibility is based on the household income level.
- March 1, 2024 income eligibility thresholds are increasing by up to 35% to provide additional low-income families' access.

MONTHLY CREDITS AMOUNT BY INCOME LEVEL (AFTER TAX) - ENERGY INTENSIVE HOMES

Household Size (Number of people living in household)	1	2	3	4	5	6	7+
\$38,000 or less	\$68	\$68	\$75	\$83	\$90	\$113	\$113
\$38,001 - \$54,000		\$60	\$68	\$75	\$83	\$90	\$113
\$54,001 - \$65,000			\$52	\$60	\$68	\$75	\$83
\$65,001 - \$71,000					\$52	\$60	\$68

MONTHLY CREDITS AMOUNT BY HOUSEHOLD INCOME LEVEL (AFTER TAX)

Household Size (Number of people living in household)	1	2	3	4	5	6	7+
\$38,000 or less	\$45	\$45	\$51	\$57	\$63	\$75	\$75
\$38,001 - \$54,000		\$40	\$45	\$51	\$57	\$63	\$75
\$54,001 - \$65,000			\$35	\$40	\$45	\$51	\$57
\$65,001 - \$71,000					\$35	\$40	\$45

FINANCIAL ASSISTANCE PROGRAMS



<h2>Financial Assistance Programs</h2>		
<p>Arrears Management Plan (AMP)</p> <p>When households are not able to pay their utility bill on time due to financial limitations, Westario Power can <u>provide assistance</u> to help manage their electricity bill.</p> <p>Fair payment arrangements can be made for individuals that qualify for our AMP program, when their electricity bills have fallen into arrears.</p> <p>For more information, please contact our Customer Service Team at...</p> <p>Phone: 1-866-978-2746</p> <p>Email: customer.service@westario.com</p>	<p>Low-Income Energy Assistance Program (LEAP)</p> <p>LEAP is a one-time emergency payment of up to \$500 (\$600 for electrically heated homes) per calendar year, that is credited to your electricity bill.</p> <p>Eligibility depends on how many people live in your home and the combined household income.</p> <p>More information is available at ...</p> <p>Phone: 1-866-978-2746</p> <p>Email: customer.service@westario.com</p> <p>Website: westario.com/residential/assistance/</p>	<p>Ontario Electricity Support Program (OESP)</p> <p>The OESP is a monthly credit between \$45 and \$75 applied directly to your electricity bill.</p> <p>The monthly credit amount is based on combined household income and the number of people living in your home.</p> <p>You must apply to the program to receive the OESP credit. To apply or to find out if you qualify, visit...</p> <p>OntarioElectricitySupport.ca</p> <p>Or call 1-855-831-8151</p>



CUSTOMER SERVICE



KEY ACCOMPLISHMENTS

- ❖ Successfully launched the Ultra-Low Overnight (ULO) price structure for Residential and General Service > 50kW accounts.
- ❖ Collaborated with EARTH Power, Savage Data Systems, and Utilismart to deliver the Green Button solution:
 - ✓ Connect My Data (CMD) and Download My Data (DMD) platforms are available for consumer and third-party use
 - ✓ Website page built to support Green Button deployment; majority of design completed in-house; technical items provided by a new web-design vendor.
 - ✓ “Go Live” successfully deployed on October 31, 2023

INFORMATION TECHNOLOGY



KEY ACCOMPLISHMENTS

- ❖ Partnered with Adaptis Mobile to deploy a mobile device management (MDM) solution that offers front-to-back device support.
- ❖ Launched KnowBe4 Cybersecurity training to all staff.

COMMUNITY ENGAGEMENT

2023



In keeping with corporate values, Westario Power made several contributions to community causes in 2023. These include community engagements, donations and sponsorships.

Participation

- ❖ Touch-A-Truck.
- ❖ Supported educational program at Saugeen Valley Children's Safety Village.
- ❖ Participated with boom truck at Santa Claus Parade in Walkerton.

COMMUNITY ENGAGEMENT

2023



Sponsorships and Donations

- ❖ Lucknow Legends Hockey, supporting young women from Lucknow, Walkerton, and Teeswater.
- ❖ Community Safety Net, through the Bruce Grey Child & Family Services which offers educational health and safety programming to students in local schools.
- ❖ Walkerton & District Hospital Foundation Gala.
- ❖ Saugeen Valley Children's Safety Village.
- ❖ Grey Bruce Children's Water Festival.
- ❖ Public Skates at the Hanover and Lucknow arenas.
- ❖ Poppy Campaigns organized by Royal Canadian Legions in Southampton, Kincardine, and Walkerton
- ❖ Grey Bruce Children's Water Festival.
- ❖ Alzheimer Society of Grey-Bruce.
- ❖ Spring Farm Road Safety.
- ❖ Back-to-School Food Drive.
- ❖ Public Swimming, Lucknow district.



GROWTH, COMMUNITY
PROSPERITY, EXCELLENCE

PASSION, LEADERSHIP,
COMMITMENT

Powering People's Lives

