

OSHAWA POWER

Strategic Plan

2026-2030



EMPOWERING CUSTOMERS TO THRIVE
THROUGH THE EVOLVING ENERGY TRANSITION



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Meet The Team



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Introduction

Oshawa PUC Networks Inc. (herein referred to as Oshawa Power) is a local distribution company (LDC) licensed and rate-regulated by the Ontario Energy Board (OEB). Oshawa Power is responsible for distributing safe, reliable and affordable electricity to residential, commercial and industrial clients in Oshawa and Durham Region.

As an organization, Oshawa Power honours our values of safety, stewardship, innovation, care for people, courage to act and customer focus. We take pride in fostering a culture that consistently reflects these values. Every day we work to earn the trust of our customers, staff and shareholder by consistently delivering value with reliability and affordability.

This 2026–2030 Strategic Plan (herein referred to as the Strategic Plan) guides the business plan for Oshawa Power, and aligns with the OEB’s Renewed Regulatory Framework for Electricity Distributors: A Performance Based Approach (RRFE). Further, this Strategic Plan considers the economic, political and regulatory environment and possible uncertainties and risks related to the service territory in which Oshawa Power operates. This Strategic Plan, providing an outlook for 2026 to 2030, provides a consolidation of Oshawa Power’s Vision, Mission, Values, and nine strategic objectives aligned to the RRFE and to the 2025–2030 Strategic Direction for the Oshawa Power Group of Companies.

Organizational Profile



Oshawa Power is a wholly-owned subsidiary of the City of Oshawa.

At our core, Oshawa Power is a regulated local distribution company (LDC) licensed and rate-regulated by the OEB under the OEB Act, 1998. We are dedicated to delivering a safe and reliable supply of electricity to approximately 63,000 homes and businesses across Oshawa.

Oshawa Power is part of a group of companies which also incorporates several assets outside the regulated framework of traditional utilities – this includes energy generation, services, a broadband communications business, and both new and existing technologies enabling the energy transition. They are:



EnerFORGE focuses on intelligent positioning to provide value to its customers. EnerFORGE develops, owns, and operates infrastructure as well as provides ancillary utility services. EnerFORGE owns and operates electric vehicle chargers, solar, wind, renewable natural gas plant and combined heat and power systems to support decarbonization. EnerFORGE operates one of the largest district energy systems in Ontario for Toronto Community Housing providing cost effective and low carbon energy.



Durham Broadband is the region's largest fibre optic network, connecting Durham Region to the world with ultrafast, reliable, and low-cost communications solutions. It offers custom solutions for institutional, enterprise, and small and medium-size business customers. It has been serving local institutions on its dark-fibre network for almost 20 years.

Strategies Designed for a Dynamic Landscape

This Strategic Plan reflects Oshawa Power's response to several pivotal issues, intersecting trends, and pressure points in its operating environment. The organization must be intentional in its focus and execution moving forward to effectively serve its customers while addressing the growing electrical demand across its service territory.

Oshawa Power is at a Strategic Inflection Point

With a new, dynamic leadership team, the team requires a focused approach and optimized resource allocation to serve existing customers and meet new demands. Leadership must strike a balance between investing in talent and infrastructure while managing financial and human resource limitations.

Building the Foundation for Growth and Economic Prosperity

We are a driving force behind the evolution of electricity distribution that enables our city to grow and develop as a premier place in which to live and do business. We understand the growing role we can play in the day-to-day lives of our customers. Through a focus on delivering reliable electricity at a reasonable cost, we strive to improve quality of life for our customers.

Context for Our Strategy: Energy Transformation

The energy sector is experiencing rapid transformation and increased demand for diversified and distributed approaches to electricity distribution. Distributed energy resources and non-wires alternatives to traditional infrastructure offer new opportunities and challenges in electricity distribution. The introduction of a transactional energy model has the long-term potential to upend market and distribution systems, as well as the proliferation of distributed energy resources. In addition, broader economic, regulatory, and environmental trends are shifting the market for energy services and delivery.

Economic Shifts and Uncertainty Will Impact Market Costs

High interest rates, rising costs and inflation are important pressures with impacts on operating costs and long-term capital investments. High interest rates, for example, affect Oshawa Power's ability to take on debt, while inflation impacts the cost of materials and services needed to ensure the continued reliability and growth of our distribution system. These factors also influence consumer expectations and demand for reliable energy at a reasonable cost. These pressures, together with economic and financial uncertainty, have also affected our customers' ability to pay – making affordability an issue at the forefront of the energy sector.

Accounting for Regulatory Uncertainty

Political uncertainty and policy changes as well as new funding models and incentives influence Oshawa Power's strategic direction. Significant new policy and regulatory initiatives at the federal, provincial, regional and municipal level affect how demands for electricity develops, as well as the value of demand reduction and distributed generation on our system. Oshawa Power must be pro-active and flexible in taking advantage of new grant and incentive programs that support the evolution of the distribution system and deliver value to our customers. It must also manage relationships with important parties such as the OEB, the Independent Electricity System Operator (IESO), regional partners and the City of Oshawa – in addition to the relationship with our customers.

Society is Focused on the Environment, Renewable Energy and Climate Change

Major societal shifts are influencing the need to transition towards green energy production and sustainable consumption. Consumers are price conscious, which requires balancing their desires with realities of economic situations. Energy consumers are demanding more choice in the delivery of energy, goals such as "Net Zero" and a desire to see concerted efforts in making investments in sustainability. Our ability to react to heightened frequency and severity of extreme weather events and changes to policy on climate will influence and drive change.

Rapid Innovation, Advancement of Technologies & Cybersecurity

Technological advancements will continue to shape energy service delivery, customer interactions, and internal processes. These changes will drive the need for timely investments in technology—not only to meet evolving expectations but also to enhance experiences, improve efficiency, and generate new revenue streams.

Revolutionary technologies such as improved natural language processing and augmented reality will create a new operating model for customer and employee interactions. Internal processes are transforming with commoditized automation, maturing machine learning, and evolving data analytics.

Grid and energy management, both in front of and behind the meter, will grow in scope and sophistication, introducing new opportunities, as well as the need to invest intelligently into winning technologies while filtering out the transient ones.

As our digital footprint expands, so will cybersecurity risks and the need for stronger defenses. The decentralization of the workforce and systems, the increasing convergence of IT and OT, new regulatory requirements, and emerging disruptive technologies will heighten the risk of cyber threats. To prevent and mitigate potential impacts, greater investment in robust security controls will be essential.

Fast-growing Demand, Changes in Local Market & Investing in the Workforce of Tomorrow

Fast-paced growth in local markets, including major new commercial builds, will heighten the urgency to invest in and upgrade existing infrastructure while delivering on promises to invest in new infrastructure to meet customer needs. Included in the economic development of the region are several priorities that focus on electrification and the deployment of new technologies.

The growth of local educational institutions is becoming a greater part of the fabric and conversation in the region, which will aid in any energy demand and conservation efforts. Additionally, changes to the competitive landscape will influence the timing and sequencing of strategic moves. For example, Ontario Power Generation's plans to establish a new corporate headquarters in the City of Oshawa will draw increased attention to the local energy sector.

Internally, these changes will affect our ability to recruit and retain the best talent in the region. A tight labour market pushes us to be an employer of choice with leading practices consistent with implementing an effective workforce strategy. To become an employer of choice, Oshawa Power will need to lead with a strong talent strategy that demonstrates respect and a commitment to employee development and inclusion, including investing in students and apprentices to build the electricity sector workforce of tomorrow.

Additional Considerations

Alignment with Shareholder Priorities

Oshawa Power's ability to make strategic investments, innovate and address opportunities and constraints is, in large part, dependent on its alignment with and preferred relationship with its shareholder, the City of Oshawa. This requires strong teamwork, trust, communication, and a model of shared risk going forward.

Enabling Execution

Oshawa Power's ability to execute will rely on its employees, experience in financial stewardship, and response to the demographic changes in the workforce. We will build capacity through positive employee experiences and also optimize business processes (through digital transformation and cyber security) to enhance business capabilities. Growth will also have implications for resource deployment, communications and delivering on consumer and shareholder expectations.

Our Vision & Mission

VISION

Be a trusted partner and leader in the energy sector today and tomorrow.

We are dedicated to helping our community achieve its goals through energy empowerment with cleaner and better ways of distributing power through the energy transition. As an organization deeply rooted in the region, we have driven innovation and change in the energy sector for 130 years — Oshawa Power will be a credible and reliable partner to our customers.

MISSION

Our mission is to empower customers to thrive through the evolving energy transition.

We will provide reliable, responsive electricity distribution at a reasonable rate, delivering value to our customers as the energy sector evolves. By leveraging our agility across our service area, we will implement innovative solutions that enhance customer value. We will continue to adopt new technologies and modernize the grid where and when it benefits our customers.

Our Values

SAFETY

We remain dedicated to always keeping both our community and employees safe. We are proud to offer continuous safety communications and training to both our customers and workforce.

INNOVATION

We remain outwardly focused to ensure we maintain an innovative approach to our regulated business that benefits our customers.

COURAGE TO ACT

We gain strength from challenges and tough decisions. We are not afraid of failure. We thrive on learning and development to support change and continuous improvements that benefit our stakeholders.

STEWARDSHIP

We are dedicated to supporting the community's efforts to drive energy resilience support via advocacy, openness, and storytelling.

CARE FOR PEOPLE

We always treat our employees, customers, community and partners with respect and look to grow together with trust and integrity. We encourage open dialogue, trust, and collaboration.

CUSTOMER FOCUS

Empowering and educating our customers while providing better service and transparency is key to our operations. With the customer in mind, we drive our decisions to safeguard mutual value.

Desired Outcomes & Measures of Success

HIGH-PERFORMING TEAM

With the development of a strong policy governance model, focused communications, talent and retention strategies, Oshawa Power has a goal of becoming a high-performing team and a Top Greater Toronto Area (GTA) employer. We will measure employee engagement through a variety of tools and regular touchpoints by leaders with their teams and through an annual satisfaction survey.

GROWTH

As the City of Oshawa rapidly grows through residential, educational, commercial and industrial development, we will maintain a deliberate and focused effort on ensuring delivery of reliable electricity at reasonable rates.

OPERATIONAL EFFICIENCY

Through our modernization and innovation agenda, we will efficiently manage our operating resources and with the deliberate execution of our investment plan, Oshawa Power will aim to maintain its better than average cost efficiency & operational performance compared to other Ontario LDCs, including its Cohort 2 status in the OEB's Total Cost Benchmarking for Electricity Distributors.

COMMUNITY & PARTNER ENGAGEMENT

Through advocacy and collaboration, we will create stronger community and partner relationships to ensure we provide the distribution infrastructure required to support the evolving energy needs of our customers.

DIGITAL MATURITY

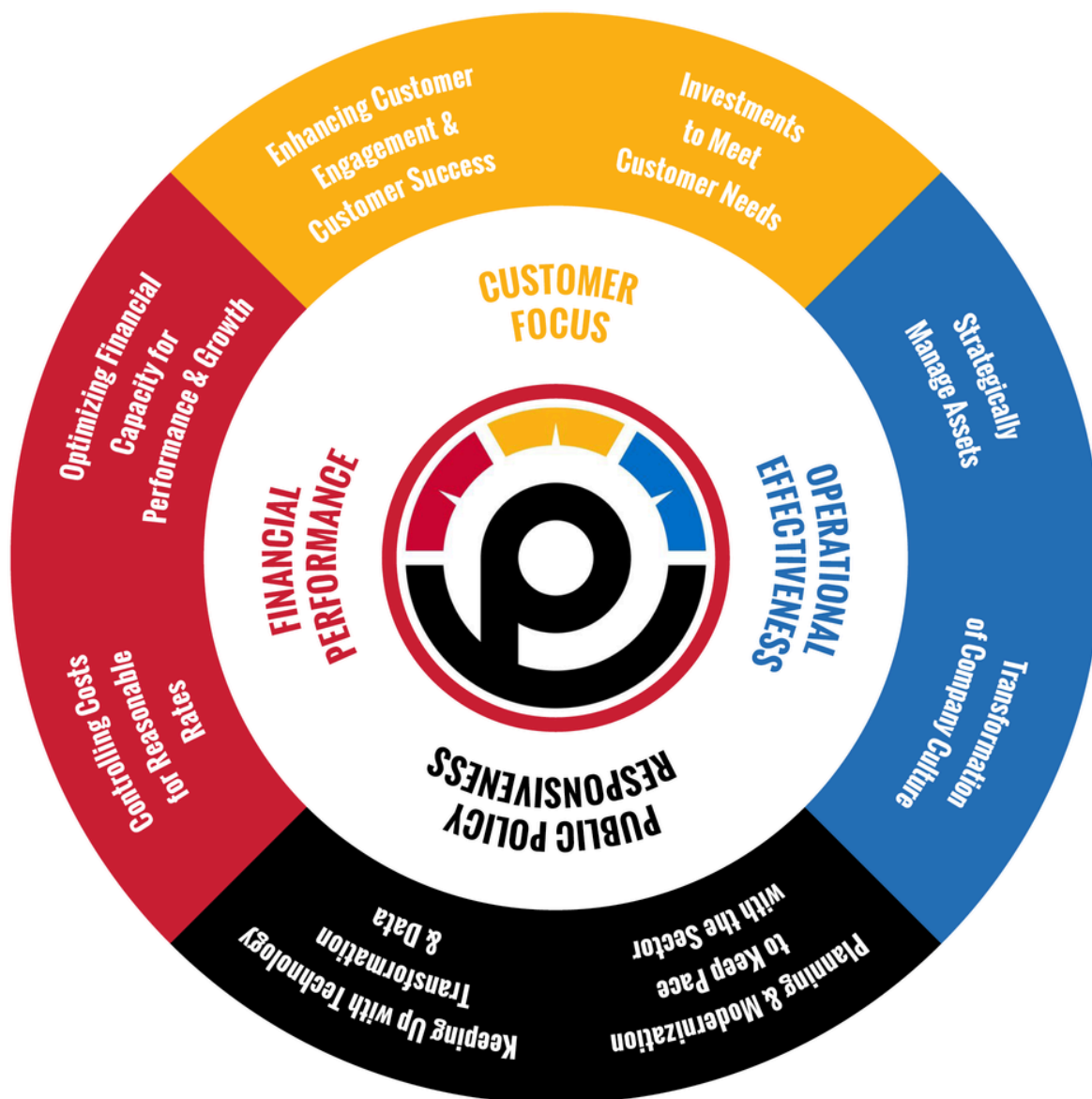
IT & cybersecurity will become second nature for all employees, minimizing attack surfaces and safeguarding our organization. Automation and seamless integrations will be ubiquitous, enabling targeted, best-of-breed solutions to drive operational excellence, efficiency, and data-driven and value-based decision-making.

ADVOCACY

Oshawa Power aims to strengthen its advocacy role for its customers and the community by being forward-looking and working with the industry, constituents, regulators and government through participation and demonstrating progressive improvements to its stewardship of resources.

Oshawa Power's Strategic Objectives: 2026-2030

Oshawa Power has identified eight strategic objectives for 2026–2030 for our regulated utility that align with the four performance outcomes identified in the OE Renewed Regulatory Framework for Electricity (RRFE). The objectives build on the company's foundational strengths and distribution system expertise to ensure cost performance and reliability for customers while preparing our regulated utility for the future.



Oshawa Power's Strategic Objectives: 2026-2030

CUSTOMER FOCUS

Oshawa Power is committed to delivering services to its community that align with the specific needs and preferences of its residential, small commercial and industrial customers. By actively responding to and addressing these preferences, the company is working to ensure a tailored and satisfying experience. This approach highlights their dedication to meeting customer needs and enhancing overall satisfaction.

Enhancing Customer Engagement and Customer Success

As our customers' needs evolve, Oshawa Power is committed to strengthening relationships built on trust, transparency, and active listening. We will enhance support for residential customers while offering tailored solutions for small commercial and industrial clients. Additionally, we will develop a more effective customer service experience to gain valuable insights that inform our future investments.

Investments to Meet Customer Needs

Oshawa Power is committed to its community. As we engage with our community and customers, we have heard that we must invest strategically in upgrading our electrical infrastructure through capital investment to support one of the fastest growing areas in Canada. This includes supporting new customers to connect to Oshawa Power's distribution system. Regular customer interactions, along with community advocacy, will continue reinforcing our commitment to providing a safe, reliable, and responsive grid while educating customers on new and upcoming policies.

Oshawa Power's Strategic Objectives: 2026-2030

OPERATIONAL EFFECTIVENESS

Oshawa Power is dedicated to the ongoing enhancement of productivity and effectiveness across its operations, with a focus on teams and strategy implementation. By prioritizing these areas for continuous improvement, the company ensures that it continues to meet and exceed system reliability and quality objectives. This commitment underscores our goal of delivering exceptional service while maintaining high standards of operational excellence.

Strategically Manage Assets

The organization will strategically review the condition of its assets with the implementation of its asset management policy as part of an enhanced asset management system. This ensures that investments are delivering value to customers throughout the time they are in service, balancing asset lifecycle costs with risks. In addition, this objective includes our requirement to vacate our legacy headquarters and move to a consolidated administrative and operational facility.

Transforming Company Culture

The organization must vigorously pursue effective talent attraction and retention strategies in a competitive labour market. Efforts must ensure organizational alignment and identification of capability gaps and create learning opportunities for staff and managers. We will strengthen succession planning through developing high potentials and retain next-level leadership to minimize talent risks. As a learning organization, we will invest in the workforce of tomorrow through partnerships with local educational institutions and through apprenticeship and internship opportunities.

Oshawa Power's Strategic Objectives: 2026-2030

PUBLIC POLICY RESPONSIVENESS

Oshawa Power fulfills its government and OEB-mandated obligations while adapting to the rapid changes in the electricity sector. Our approach to public policy responsiveness focuses on strategic planning and modernization to keep pace with industry evolution, technological advancements, and data-driven innovation. As the shift toward electrification and cleaner energy accelerates, we prioritize innovative, proactive strategies to ensure reliability, resilience, and customer choice.

Planning & Modernization to Keep Pace with the Sector

The regulated electricity sector is evolving faster than ever, and Oshawa Power must adapt to keep pace. Aligning with decarbonization, electrification, climate uncertainty, and rising electrical demand requires extensive grid planning and modernization. This business transformation strategy reimagines utility operations through modernization and automation while also exploring and implementing non-wires solutions where they can cost-effectively meet demand.

Keeping Up with Technology Transformation & Data

As the energy sector transforms, Oshawa Power will need to invest in, effectively select, and utilize new technologies, maintain cyber safety in alignment with the OEB's cybersecurity framework, and excel in operational effectiveness. Oshawa Power has developed an IT Business Transformation Strategy with three conditions for success:

- Modernization and automation capabilities
- Data, effective analytics, and continuous improvement
- Maintaining cyber security and managing risks

Oshawa Power's Strategic Objectives: 2026-2030

FINANCIAL PERFORMANCE

Oshawa Power will maintain its financial viability as a regulated utility, identifying operational savings as part of its continuous improvement activities as it grows and modernizes. This includes ensuring rates paid by customers are reasonable while ensuring financial performance supports the organization's growth.

Controlling Costs for Reasonable Rates

As Oshawa Power files with the OE for its 2026 distribution rates, an emphasis on cost control and containment is at the forefront, while investing strategically to meet customer needs. To ensure we provide our customers with cost-effective and reasonable rates, it is imperative to consider cost containment across the entire organization as we meet demand and modernize. With the constant rise in expenditures on material and delivery combined with increasing labour costs and demands, this will be a difficult task. Oshawa Power will need to consider other areas of cost control such as automation, process improvements, changes to contractual obligations and strategic sourcing. As bad debt grows across many distribution companies, Oshawa Power is creating a systematic plan to support an improved collection process while putting supports in place for our lower income customers.

Optimizing Financial Capacity for Performance and Growth

The organization will develop and execute a financing strategy that optimizes costs, existing constraints and economic uncertainty, while also meeting its overall financing principles. Various options will be assessed with lending partners to ensure a robust financing strategy to ensure value for its customers while mitigating future risk. Oshawa Power will continue to monitor its current liquidity ratio, debt levels, and profitability to ensure financial viability through this period of growth and transition.