

Scorecard - Essex Powerlines Corporation

9/19/2014

Performance Outcomes	Performance Categories	Measures	2009	2010	2011	2012	2013	Trend	Target	
									Industry	Distributor
Customer Focus Services are provided in a manner that responds to identified customer preferences.	Service Quality	New Residential/Small Business Services Connected on Time	98.80%	98.60%	98.30%	93.20%	92.70%		90.00%	
		Scheduled Appointments Met On Time	93.50%	94.90%	95.50%	95.70%	94.30%		90.00%	
		Telephone Calls Answered On Time	83.60%	70.60%	67.00%	68.50%	66.40%		65.00%	
	Customer Satisfaction	First Contact Resolution								
		Billing Accuracy								
		Customer Satisfaction Survey Results								
Operational Effectiveness Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.	Safety	Public Safety [measure to be determined]								
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted	1.70	3.56	1.01	0.89	2.24		at least within 0.89 - 3.56	
		Average Number of Times that Power to a Customer is Interrupted	0.93	1.65	0.52	0.61	1.12		at least within 0.52 - 1.65	
	Asset Management	Distribution System Plan Implementation Progress								
	Cost Control	Efficiency Assessment				2	2			
		Total Cost per Customer [See Note below]	\$437	\$465	\$475	\$491	\$482			
		Total Cost per Km of Line [See Note below]	\$26,760	\$27,518	\$28,669	\$30,851	\$29,323			
Public Policy Responsiveness Distributors deliver on obligations mandated by government (e.g., in legislation and in regulatory requirements imposed further to Ministerial directives to the Board).	Conservation & Demand Management	Net Annual Peak Demand Savings (Percent of target achieved)			35.00%	34.00%	46.20%		7.19MW	
		Net Cumulative Energy Savings (Percent of target achieved)			38.00%	68.00%	89.70%		21.54GWh	
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time		100.00%		100.00%	100.00%			
		New Micro-embedded Generation Facilities Connected On Time					100.00%		90.00%	
Financial Performance Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	1.70	1.09	1.07	1.00	1.01			
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	1.25	1.30	1.24	1.33	0.96			
		Profitability: Regulatory Return on Equity		Deemed (included in rates)	9.85%	9.85%	9.85%			
			Achieved	10.83%	8.15%	11.20%				

Legend:
 up
 down
 flat
 target met
 target not met

Note
 These figures were generated by the Board based on the total cost benchmarking analysis conducted by Pacific Economics Group Research, LLC and based on the distributor's annual reported information.

Management Discussion and Analysis for Year 2013

Service Quality

All of the industry standards for service quality have been met. A review of the customer service telephone accessibility is being completed in order to improve the telephone accessibility performance. Customers are encouraged to find information on policies, rates, outages etc. on our website, www.essexpowerlines.ca. Real time information for outages for example, can be found on Twitter as well. (@essexpowerlines)

Customer Satisfaction

The data for First Contact Resolution and Billing Accuracy is currently being collected as these are new measures implemented recently by the Ontario Energy Board. A customer satisfaction survey will be completed in September/October 2014.

Safety

There is nothing to report at this time because the Ontario Energy Board is in the process of developing the requirements and measures for this item.

System Reliability

The performance results are within the reliability standards range. Reliability can be affected by many factors such as weather, equipment, loss of supply, animal and tree contacts etc. There was an increase in weather related events in 2013 compared to 2012 that affected both the number of hours and the number of times that power was interrupted.

Asset Management

There is nothing to report at this time.

Cost Control

Essex Powerlines has been proactive in reducing and containing costs which has resulted in the upper end of the efficiency rating of "2" that means that the actual costs are 10% to 25% below the predicted costs.

Conservation & Demand Management

Essex Powerlines has been successful in achieving our interim conservation and demand management targets for the 2009 to 2014 period.

Connection of Renewable Generation

All targets have been met with respect to the connection of renewable generation within our distribution system.

Financial Ratios

Essex Powerlines has been utilizing effective cash management practices to minimize the timing of the need for long term debt and subsequently minimizing interest expenses. Additional loan facilities are forecasted to be required later in 2014 that will increase both the liquidity and the debt ratios.