

Scorecard - Energy Plus Inc.

Performance Outcomes	Performance Categories	Measures	2016	2017	2018	2019	2020	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	100.00%	100.00%	99.10%	97.19%	95.94%		90.00%		
		Scheduled Appointments Met On Time	100.00%	98.90%	99.94%	99.94%	99.94%		90.00%		
		Telephone Calls Answered On Time	71.50%	80.12%	88.89%	84.89%	87.11%		65.00%		
	Customer Satisfaction	First Contact Resolution	99.99	99.7	99.75	99.55%	99.60				
		Billing Accuracy	99.98%	99.99%	99.99%	99.99%	99.99%		98.00%		
		Customer Satisfaction Survey Results	B	A	A	A	A				
Operational Effectiveness Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.	Safety	Level of Public Awareness	85.00%	82.00%	82.00%	82.00%	82.00%				
		Level of Compliance with Ontario Regulation 22/04 ¹	C	C	C	C	C			C	
		Serious Electrical Incident Index	Number of General Public Incidents	0	0	1	0	3			0
			Rate per 10, 100, 1000 km of line	0.000	0.000	0.672	0.000	1.970			0.000
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted ²	0.63	1.53	0.46	0.92	0.71			0.87	
		Average Number of Times that Power to a Customer is Interrupted ²	1.27	2.18	1.19	1.53	1.38			1.46	
	Asset Management	Distribution System Plan Implementation Progress	On Plan	On plan	ON Plan	On Plan	80.6%				
	Cost Control	Efficiency Assessment	3	3	2	2	2				
		Total Cost per Customer ³	\$639	\$640	\$662	\$677	\$657				
		Total Cost per Km of Line ³	\$23,739	\$27,874	\$28,689	\$29,569	\$28,895				
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).	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time	80.00%	100.00%	100.00%	100.00%	100.00%				
		New Micro-embedded Generation Facilities Connected On Time	100.00%	100.00%	100.00%	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)	1.99	1.58	1.45	0.60	1.55				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	1.10	1.06	1.01	0.99	1.15				
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	9.36%	9.36%	9.36%	8.98%	8.98%			
			Achieved	9.49%	7.75%	8.68%	9.06%	8.34%			

1. Compliance with Ontario Regulation 22/04 assessed: Compliant (C); Needs Improvement (NI); or Non-Compliant (NC).

2. An upward arrow indicates decreasing reliability while downward indicates improving reliability.

3. A benchmarking analysis determines the total cost figures from the distributor 's reported information.

Legend:

5-year trend
 up down flat
 Current year
 target met target not met

2020 Scorecard Management Discussion and Analysis (“2020 Scorecard MD&A”)

The link below provides a document titled “Scorecard - Performance Measure Descriptions” that has the technical definition, plain language description and how the measure may be compared for each of the Scorecard’s measures in the 2020 Scorecard MD&A:

[http://www.oeb.ca/OEB/ Documents/scorecard/Scorecard_Performance_Measure_Descriptions.pdf](http://www.oeb.ca/OEB/Documents/scorecard/Scorecard_Performance_Measure_Descriptions.pdf)

Scorecard MD&A - General Overview

Energy+ Inc. delivers electricity to approximately 67,000 customers in the City of Cambridge, Township of North Dumfries, the County of Brant and rural areas around Brantford. Energy+’s mission is to deliver ideas, solutions and value-added services that benefit our customers, stakeholders and communities.¹

2020 was a challenging year, but despite the uncertainties caused by the COVID-19 pandemic Energy+ met or exceeded the performance targets as set out by the Ontario Energy Board (“OEB”) for Service Quality, and Customer Satisfaction, and accomplished a number of key objectives aligned to our vision “Be the energy company most admired for its innovative people, reliable service, and outstanding performance”. Energy+ is proud of its performance and the team’s achievements, which include:

- Achieving net income of \$6.25MM, representing a regulated rate of return of 8.34% to our shareholders, the City of Cambridge and the Township of North Dumfries.
- Achieving a cost performance rating of Cohort II in the OEB’s benchmark analysis, resulting from Energy+’s cost performance being 14.4% lower than predicted cost and placing Energy+ in the top 42% of all distributors in the province.
- Deployment of a joint operations facility with Brantford Power Inc. (“BPI”) and development of a shared services agreement that will enable cost efficiencies and improve service quality in the Brant County service territory.
- Executing the capital expenditure investment plan, as outlined in the long-term Distribution System Capital Plan, which ensures the continued reliability of our distribution system.
- Sustaining an ‘A Stable’ corporate credit rating from Standard & Poor’s (“S&P”) Rating Services, demonstrating Energy+’s strong

¹ In January 2016, Cambridge and North Dumfries Hydro Inc. (“CND”) and Brant County Power Inc. (“BCP”) amalgamated pursuant to the provisions of the Business Corporations Act (Ontario), to continue as one corporation under the name Energy+ Inc. (“Energy+”). The comparative results included on the Scorecard for the years 2014 and 2015 are for the former CND only.

financial performance.

In response to the COVID-19 pandemic, Energy+ took action to support its customers, ensure the safety of its employees, and maintain its financial viability, including:

- Administering the COVID-19 Emergency Assistance Program (“CEAP”) which provided \$436,428 in funding to its Residential and Small Commercial customers throughout 2020 and 2021.
- Provided socially distant work environments and personal protective equipment for the team to maintain the safety and reliability of the distribution system.
- Employed cost avoidance measures on capital and operating expenditures, and increased capacity on credit facilities to strengthen liquidity and financial viability.

Looking ahead, the risks and uncertainty from COVID-19 will continue to be managed and Energy+ will focus efforts on achieving operating efficiencies and demonstrating continuous improvement in its performance measures.

The key objective in 2021 will be the exploring a merger with BPI including due diligence review and integration planning. The proposed merger with BPI was approved by the Energy+ and BPI shareholders on August 30, 2021. Approval from the Ontario Energy Board (“OEB”) through a Mergers, Amalgamations, Acquisitions and Divestitures (“MAADs”) Application will be required to complete the merger which is anticipated for Q2 2022.

Service Quality

A core value for Energy+ and its employees is to be Customer Focused. Energy+ is committed to providing excellent services and solutions for our customers, both anticipating and responding to their needs. Energy+ proved its commitment to customer service by exceeding the industry standards in all three of the service quality measures.

- **New Residential/Small Business Services Connected on Time**

In 2020, Energy+ connected 715 new services for our customers, with 95.94% of the connections completed within 5 working days. This compares to 1,071 new services and 97.19% of connections completed within 5 working days in 2019. Energy+ has consistently exceeded the OEB's guideline of 90% completion within 5 working days of the request being made.

- **Scheduled Appointments Met On Time**

Energy+ scheduled 1,740 appointments that involved meeting a customer or the customer's representative to complete work requested by customers. This was an increase of 150 appointments compared to 1,590 in 2019. Energy+ met 99.94% of these appointments on time, which was consistent with the percentage of scheduled appointments met on time in 2019. Energy+ has consistently exceeded the industry target of 90%.

- **Telephone Calls Answered On Time**

Energy+ received 45,904 telephone calls in 2020, an average of 182 calls per day. This compares to 48,862 telephone calls in 2019. The monthly average number of calls answered in 2020 was 3,825; from a high of 4,049 answered in October to a low of 2,717 in February. In 2020, 87.11% of telephone calls were answered within 30 seconds, which is an improvement over the 84.89% achieved in 2019. Energy+ has consistently exceeded the industry standard of 65%.

Telephone response times fluctuate based on a number of factors including number of calls, weather related calls, high electricity bills due to extreme weather, available call centre resources, events in the news that drive calls to the call centre, regulatory and rate changes displayed on customer bills, and payment arrangements. All of these factors can result in an increase or a decrease in call volumes and increased or decreased time spent on each call with our customers. Energy+ is committed to providing continuous excellent customer service and this is one indication of achievement.

Customer Satisfaction

- **First Contact Resolution**

Energy+ measures First Contact Resolution as the percentage of customer calls answered whereby the customer's initial request has been satisfied by the Customer Service Representative, as the first point of contact. Customer telephone calls that are not satisfied with the first contact are elevated to a second point of contact for resolution. All customer calls are logged through our telephone software, which allows Energy+ to identify the calls that required a second point of contact.

Energy+ is pleased to report that in 2020, 99.60% of calls received by our Customer Care department were resolved by the first telephone contact, which was consistent with 99.55% in 2019. The OEB does not provide for a specific measure for First Contact Resolution. The OEB plans to review information provided by electricity distributors over the next few years and implement a commonly defined measure for this area in the future. As a result, each electricity distributor may have different measurements of performance until such time as the OEB provides specific direction regarding the commonly defined measure.

- **Billing Accuracy**

The OEB has prescribed a measurement of billing accuracy that is defined as the number of accurate bills issued expressed as a percentage of total bills issued. In 2020, Energy+ issued 806,776 bills and achieved a billing accuracy of 99.99%, compared to 796,130 bills and a billing accuracy of 99.99% in 2019. This compared favourably to the prescribed OEB target of 98%.

- **Customer Satisfaction Survey Results**

Electricity distributors are required to measure, and report customer satisfaction results every other year at minimum. A standard survey has not been implemented for the industry and at this time the OEB is allowing electricity distributors discretion as to how they implement this measure. In consultation with electric utilities and other stakeholders, the OEB has been evaluating a Customer Satisfaction Survey to be used by all electricity distributors as the basis of measuring customer satisfaction, which would align to the OEB defined principles, namely, Power Quality and Reliability, Price, Billing and Payment, Customer Service Experience and Communications.

Energy+ has a formal policy and procedure in place that outlines the processes for seeking feedback from customers, methods used to gather customer feedback, and guidelines for how Energy+ responds to the information obtained from customers. Energy+ obtains customer feedback using various methods, including: (i) engaging the services of an external third-party research organization; (ii) using internal survey tools; (iii) collecting and evaluating suggestions made by customers when they interact with employees; (iv) participating in community events; (v) meeting with customers directly; and (vi) obtaining feedback through various media channels including social media.

Energy+ conducted a Customer Satisfaction Survey of a representative sample of residential and small commercial customers during 2019 for the 2019-2020 reporting period. The survey feedback was gathered through one-on-one telephone interviews and questions aligned with the OEB defined principles.

Energy+ achieved a satisfaction score of “A”, with approximately 88% of customers responding that they were very satisfied or somewhat satisfied with the services provided by Energy+. The results indicated high levels of customer satisfaction with the services provided by Energy+ and the results were an improvement over the score of 80% from the survey for the 2017-2018 reporting period. Energy+ believes that the improvement in customer satisfaction levels can, in part, be attributed to the implementation of an online Outage Map and extended System Control Room services across the service territory. The survey also provided the opportunity to give feedback on areas that the customer believed Energy+ could change or make improvements upon. Delivering reasonable electricity distribution rates, improved communication and ensuring reliable day-to-day electrical service were identified as the most significant customer priorities.

Energy+ is committed to customer engagement and satisfaction and will continue to communicate and solicit feedback from our customers to ensure we are achieving our mission of delivering solutions and value-added services to our customers.

Safety

Public safety, and the health and safety of our employees is a core value. Energy+ is dedicated to pursuing excellence in safety and wellness and takes responsibility for our personal safety, the safety of each other and the safety of our customers and communities. We continuously work to strengthen our safety culture. Our employees and contractors are trained and equipped for the hazards that may be encountered while performing their duties. We encourage and promote safety and wellness at work, at home, and in the communities we serve.

- **Public Safety**

The public safety measures were implemented by the OEB in 2014, based upon recommendations provided by the Electrical Safety Association (“ESA”), the agency overseeing electrical safety and inspections in Ontario. The public safety measure includes three components: (i) Public Awareness of Electrical Safety; (ii) Compliance with Ontario Regulation 22/04; and (iii) Serious Electrical Incident Index.

- **Component A – Public Awareness of Electrical Safety**

The public safety measure is intended to measure the level of awareness of key electrical safety precautions among the public within the electricity distributor’s service territory. It measures the degree of effectiveness for distributor’s activities on preventing electrical accidents and is based upon a biennial survey (i.e., every second year) developed by the ESA in consultation with electricity distributors and the Electricity Distributors Association. Included in the survey are six core measurement questions which correspond to the six most frequent accidents involving utility equipment in Ontario over the last decade: (1) Likelihood to “call before your dig”; (2) Impact of touching a powerline; (3) Proximity to overhead powerline; (4) Danger of tampering with electrical equipment; (5) Proximity to downed powerline; and (6) Actions taken when a vehicle comes in contact with wires.

Energy+ achieved a Public Safety Awareness Index Score of 82% in its biennial survey performed in 2019 for the 2019-2020 reporting period. The results are consistent with the previous survey for the 2017-2018 reporting period. The overall result of the survey indicates that the majority of the public continue to have a good knowledge or have received information pertaining to the six core measurement questions within the survey.

Going forward, Energy+ will focus its public safety awareness messages to improve awareness on minimum distance requirements for downed powerlines, and the legal requirement to ‘call before digging’. Energy+ will look for opportunities to enhance future education materials that target these safety concerns.

- **Component B – Compliance with Ontario Regulation 22/04**

Energy+ is fully compliant with Ontario Regulation 22/04 (“OR 22/04”), the regulation that dictates the safe design, construction, and maintenance of electrical distribution systems owned by licensed distributors. Specifically, the regulation requires the approval of equipment, plans, specifications, and inspections of construction before the electrical distribution system components are placed into service. Energy+ is committed to ensuring a safe workplace and compliance with all applicable regulations. Energy+ has appropriate systems, processes, and procedures in place for ensuring that work is carried out in accordance and in compliance with OR 22/04.

- **Component C – Serious Electrical Incident Index**

The Serious Electrical Incident Index measures the number and rate of serious electrical incidents occurring across a distributor’s assets per 1,000 kms of line. Section 12 of Ontario Regulation 22/04 defines a serious electrical incident as:

- a) any electrical contact that caused death or critical injury to a person;
- b) any inadvertent contact with any part of a distribution system operating at 750 volts or above that caused or had the potential to cause death or critical injury to a person; or
- c) any fire or explosion in any part of a distribution system operating at 750 volts or above that caused or had the potential to cause death or critical injury to a person, except a fire or explosion caused by lightning strike.

Energy+ experienced three serious electrical incidents in the 2020 reporting period, compared to a target of zero incidents. The incidents result in a rate per 1,000 km of line of 1.970. All three incidents were a result of motor vehicle collisions, where a member of the public struck a pole or transformer exposing live wires, creating the potential for injury.

System Reliability

Yearly fluctuations in system reliability performance measures can result from variations in weather, such as lightning, excessive snowfalls, and ice storms, as well as defective equipment, foreign interference such as animal contacts, and motor vehicle accidents.

In December 2015, the OEB issued the “*Report of the Board: Electricity Distribution System Reliability: Major Events, Reporting on Major Events and Customer Specific Measures*”. As a result, the OEB made amendments to the reporting requirements in relation to the definition of a Major Event, and the computation of the system reliability measures to exclude Major Events for purposes of the Scorecard.

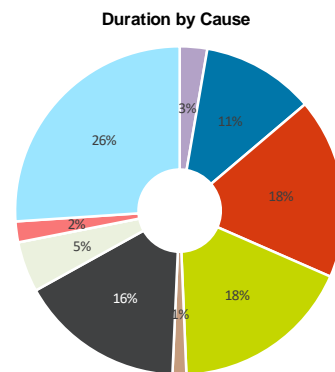
A Major Event is defined as an event that is beyond the control of the distributor and is (a) unforeseeable; (b) unpredictable; (c) unpreventable; or (d) unavoidable. Such events disrupt normal business operations and occur so infrequently that it would be uneconomical to take them into account when designing and operating the distribution system. Such events cause exceptional and/or extensive damage to assets, they take significantly longer than usual to repair, and they affect a substantial number of customers.

- **Average Number of Hours that Power to a Customer is Interrupted**

This metric represents the average amount of time that electricity supply to a customer is interrupted per year, determined by dividing the total customer hours of all interruptions (excluding interruptions caused by upstream loss of supply events to the distributor and major events) divided by the average number of customers served.

In 2020, the measure of Average Number of Hours that Power to a Customer is Interrupted was 0.71, an improvement compared to 0.92 reported in 2019. The result was lower than the target of 0.87.

Approximately 10% of the duration of interruptions were due to defective equipment.

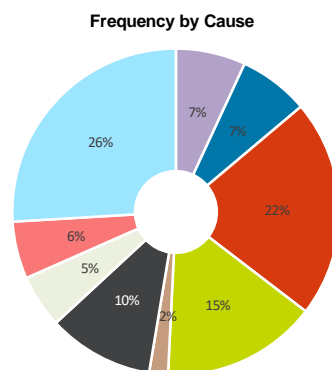


Cause of Interruption	Number Customer-hours Interruptions	
	Non-major Events	Major Events
0 Unknown/Other	835	0
1 Scheduled Outage	4,879	0
2 Loss of Supply	5,566	6,550
3 Tree Contacts	10,236	392
4 Lightning	626	0
5 Defective Equipment	18,704	5,317
6 Adverse Weather	2,853	2,978
7 Adverse Environment	0	0
8 Human Element	359	0
9 Foreign Interference	9,492	0
Sub-Totals	53,549	15,237

- **Average Number of Times that Power to a Customer is Interrupted**

This metric represents the average number of times that electricity supply to a customer is interrupted per year, determined by dividing the total number of interruptions (excluding interruptions caused by upstream loss of supply events to the distributor and major events) divided by the average number of customers served.

In 2020, the measure of Average Number of Times that Power to a Customer is Interrupted was 1.38, which was lower than the target of 1.46. The 2020 measure was also lower than the 1.53 reported in 2019.



Cause of Interruption		Number of Customer Interruptions	
		Non-major Events	Major Events
0	Unknown/Other	10,191	0
1	Scheduled Outage	9,011	0
2	Loss of Supply	7,431	2,207
3	Tree Contacts	23,715	59
4	Lightning	215	0
5	Defective Equipment	23,181	6,817
6	Adverse Weather	5,279	1,234
7	Adverse Environment	0	0
8	Human Element	173	0
9	Foreign Interference	21,598	0
Sub-Totals		100,794	10,317

Approximately 16% of the customer interruptions were due to defective equipment.

Energy+ experienced one major event in 2020 caused by adverse weather. In November 2020, the loss of supply from a 27.6kV feeder from Hydro One and equipment failures from a windstorm caused power interruptions to 10,317 customers throughout the Energy+ service territory. The outages met the criteria for a major event and resulted in 15,237 customer-hours of interruption. It took over six hours to restore power to 90% of customers affected.

In 2020, 81, or 18%, of the 458 total interruption events were caused by defective equipment. Energy+ has invested approximately \$32.9MM from 2016 to 2020 in the renewal of its distribution system, or approximately 47% of gross distribution capital expenditures. It will take some time to realize and fully evaluate improvements in reliability due to Energy+'s investment in replacing end of life assets.

Asset Management

- **Distribution System Plan Implementation Progress**

Distribution system plan implementation progress is a performance measure instituted by the OEB starting in 2013. Consistent with certain other measures, electricity distributors were given an opportunity by the OEB to define the measure in the manner that best fits their organization. The OEB may develop a standard in the future, based upon the methodologies that utilities use to define their measure.

Energy+ filed a long-term Distribution System Plan (“DSP”), as part of its 2019 Cost of Service Application, which was approved in August 2019. The DSP provides an overview of Energy+’s Asset Management Planning process, including detailed analysis of historical and planned capital expenditures. The long-term objective of the DSP is to ensure that the future distribution system is designed to deliver power at the quality and reliability levels required by customers and to minimize the lifetime cost by balancing preventative maintenance, life-extending refurbishment, and end of life replacement. The capital plan includes expenditures that are required to maintain and expand the distributor’s electricity system to serve its current and future customers from 2018 to 2023.

The “Distribution System Implementation Progress” measure is intended to assess Energy+’s effectiveness at planning and implementing its DSP. In the 2019 Cost of Service Application, Energy+ introduced a more detailed set of DSP implementation metrics that have been utilized for the 2020 reporting year. These metrics highlight the results of key capital programs in addition to financial performance versus plan. The metrics and their weightings that form the index used for reporting and are summarized in the following table:

DSP Implementation Metrics	Target	Weight
Overall DSP Financial Progress vs. Plan	90% to 100%	50.0%
Flag For Action Plan Progress	90% to 100%	16.1%
Overhead Rebuild Progress	Cost: +/-10% km of line: 90% to 100%	11.3%
Underground Rebuild Progress	Cost: +/-10% km of cable: 90% to 100%	4.8%
Residential Lots Connections	Number: 465 per year Cost: +/- 10%	3.9%
Large Service Connections	Cost: +/-25%	11.7%
SCADA Switch Installations	Number: 100% Cost: \$80,000 per switch	2.3%
Total		100.0%

The DSP implementation progress has been measured on a cumulative basis against the 2018 to 2023 DSP. In 2020, Energy+ achieved an index score of 80.6%. The following table summarizes the results across each metric:

DSP Implementation Metrics	Result	Weight	Total	Notes
Overall DSP Financial Progress vs. Plan	84%	50%	42.2%	Cumulative net capital expenditures for 2018-2020 were \$35.1MM compared to \$41.5MM in the DSP (84%).
Flag For Action Plan Progress	60%	16%	9.6%	Flagged For Action asset replacements are behind schedule due to the slower pace of pole replacements and the deferral of underground rebuilds.
Overhead Rebuild Progress	88%	11%	10.0%	Energy+ rebuilt 28.8 km of overhead lines from 2018-2020 compared to a plan of 42.6 km (77%). The cost per km of line in that period was \$197K compared to a plan of \$212K (100%). Energy+'s completed a lower number of overhead line rebuilds compared to plan due to higher System Access expenditures. Energy+ managed its overhead distribution risk through pole testing and spot pole replacements. Spending was also reduced due to the impacts of COVID-19. Energy+'s cost per km performance is ahead of plan.
Underground Rebuild Progress	50%	5%	2.4%	Energy+ rebuilt 1.6 km of underground lines from 2018-2020 compared to a plan of 11.4 km (14%). The cost per km of line in that period was \$572K compared to a plan of \$505K (87%). Energy+ performed testing on samples of its primary underground cables in 2018 and 2019, which identified that the cables were in good or fair condition. As a result, the renewal of these assets has been deferred. Testing was not performed in 2020 due to the uncertainties associated with COVID-19.
Residential Lots Connections	94%	4%	3.7%	Energy+ has connected 862 Residential lots per year from 2018-2020 compared to a plan of 465 lots per year (100%). The cost per lot in that period was \$4,532 compared to a plan of \$4,000 per lot (88%). The Energy+ service area experienced stronger Residential growth than forecasted in the DSP, which was largely based on historical averages.
Large Service Connections	98%	12%	11.5%	Energy+ has incurred costs of \$4.0MM from 2018-2020 for large service connections, compared to a plan of \$4.1MM (98%). A large number of three-phase pad-mount and three-phase pole mount installations were completed in 2019 and 2020 to support customer connections.
SCADA Switch Installations	58%	2%	1.3%	Energy+ installed 2 SCADA Switches from 2018-2020 compared to a plan of 7 (29%). The cost per switch in that period was \$90K compared to a plan of \$80K per switch (88%). Energy+ has experienced strong customer growth which has placed investment priorities on System Access, reducing capacity for System Service investments.
Total			80.6%	

Cost Control

- **Efficiency Assessment**

The total costs for Ontario local electricity distribution companies are evaluated by the Pacific Economics Group LLC on behalf of the OEB to produce a single efficiency ranking. The electricity distributors are divided into five groups based on the magnitude of the difference between their respective individual actual and predicted costs.

For 2020, Energy+ was assigned to Group 2 (above average efficiency), which is consistent with the assignment for 2019. Group 2 represents distributors with actual costs that are 10% to 25% below predicted costs. Distributors in Group 2 are considered to have above average efficiency, meaning that Energy+'s costs are below the average expected costs for distributors in the Province of Ontario. In 2020, 41% (24 distributors) were ranked as "more efficient", including Energy+; 49% (29 distributors) of the Ontario distributors were ranked as "average efficiency"; and 10% (6 distributors) were ranked as "least efficient".

Energy+'s vision "Be the energy company most admired for its innovative people, reliable service, and outstanding performance" is focused on achieving efficiencies and improving productivity, while providing value added services to our customers.

- **Total Cost per Customer**

Total cost per customer is calculated as the sum of Energy+'s capital and operating costs and dividing this cost figure by the total number of customers that Energy+ serves. The cost performance result for 2020 is \$657 per customer, compared to \$677 in 2019. This represents a 3.0% decrease from 2019 to 2020 and reflects an annual growth rate of 0.7% since 2016. Based upon the Pacific Economic Groups benchmarking analysis, Energy+'s Total Cost per Customer in 2020 was 14.4% lower than predicted costs, compared to 14.1% lower in 2019. In addition to higher customer counts, the decrease in 2020 is also attributable to cost avoidance measures taken in response to the COVID-10 pandemic.

- **Total Cost per Km of Line**

This measure uses the same total cost that is used in the Cost per Customer calculation above. The total cost is divided by the kilometers of line that Energy+ operates to serve its customers. Energy+'s 2020 Total Cost per km of Line rate is \$28,895, a decrease of 2.3% over the 2019 figure of \$29,569.

Conservation & Demand Management

The Conservation First Framework (“CFF”) was introduced in March 2014 and was initially designed to reduce electricity consumption by 7,000 GWh across the Province of Ontario by December 31, 2020. The implementation of the CFF was intended to provide: (i) a streamlined approach for local electricity distribution companies to design province-wide and local saveONenergy programs for customers; (ii) an energy efficiency target based on achievable potential in the service territory; and (iii) the flexibility to allocate funding for conservation programs to deliver cost-effective programs to consumers.

As part of the CFF, Energy+’s net cumulative energy savings target was set at 100.96 GWh for the period 2015 to 2020.

On March 21, 2019, the Ministry of Energy, Northern Development and Mines directed the Independent Electricity System Operator (“IESO”) to discontinue the CFF and to establish a scaled down Interim Framework for the balance of 2019 and 2020 that would be delivered centrally by the IESO. As a result, the IESO immediately notified local distribution companies that the CFF would be discontinued effective immediately and that local distribution companies were required to immediately act to wind-down its activities under the CFF. As a result of this Decision, Energy+ has ceased the marketing and delivery of conservation programs and is focused on overseeing the wind-down of existing approved projects with customers, as mandated. In response to the COVID-19 pandemic, the IESO has provided funding to extend the wind-down of the CFF program to support customers in completing their projects.

- **Net Cumulative Energy Savings (Percent of target achieved)**

As of December 31, 2019, Energy+ achieved 164% of its net cumulative energy savings target.

Connection of Renewable Generation

- **Renewable Generation Connection Impact Assessments Completed on Time**

Electricity distributors are required to conduct Connection Impact Assessments (“CIAs”) within 60 days of receiving authorization from the Electrical Safety Authority. In 2020, Energy+ completed 2 CIA, a decrease compared to the 1 CIA completed in 2019. All of the assessments in 2020 were completed on time.

Financial Ratios

- **Liquidity: Current Ratio (Current Assets/Current Liabilities)**

As an indicator of financial health, a current ratio that is greater than 1 is considered good as it indicates that the company can pay its short-term debts and financial obligations. Companies with a ratio of greater than 1 are often referred to as being “liquid”. The higher the number, the more ‘Liquid’ and the larger the margin of safety to cover the company’s short-term debts and financial obligations. Energy+’s current ratio at the end of 2020 was 1.55, demonstrating a strong liquidity position.

The current ratio of 1.55 for 2020 was higher than the 2019 figure of 0.60. The 2019 current ratio was lower than 1 due to \$35MM in debt scheduled to mature in 2020 that was considered a current financial obligation. In August 2020, Energy+ issued a 40 year \$55MM debenture with a historically low coupon rate for the utility sector which will provide interest savings and benefit customers in the long-term. A portion of the issuance was utilized to repay the \$35MM in debt, with the balance of cash proceeds available to support the long-term capital expenditure program and general corporate purposes.

- **Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio**

The OEB uses a deemed capital structure of 60% debt and 40% equity for electricity distributors when establishing rates. This deemed capital mix is equal to a debt-to-equity ratio of 1.5 (60/40). A debt-to-equity ratio of more than 1.5 indicates that a distributor is more highly levered than the deemed capital structure. A high debt to equity ratio may indicate that an electricity distributor may have difficulty generating sufficient cash flows to make its debt payments. A debt-to-equity ratio of less than 1.5 indicates that the distributor is less levered than the deemed capital structure. A low debt-to-equity ratio may indicate that an electricity distributor is not taking advantage of the increased profits that financial leverage may bring.

Energy+’s debt to equity ratio was 1.15 in 2020, an increase over the 0.99 reported for 2019. The increase is attributable to the aforementioned refinancing and issuance a long-term debt in August 2020. Energy+’s strong financial position is further supported by Standard & Poor’s Rating Services rating of “A Stable”.

- **Profitability: Regulatory Return on Equity – Deemed (included in rates)**

Energy+’s 2020 distribution rates were approved by the OEB and include an expected (deemed) regulatory return on equity of 8.98%. The OEB allows a distributor to earn within +/- 3% of the expected return on equity. When a distributor performs outside of this range, the actual performance may trigger a regulatory review of the distributor’s revenues and costs structure by the OEB.

- **Profitability: Regulatory Return on Equity – Achieved**

Energy+'s return achieved in 2020 was 8.34%, compared to the deemed regulatory return on equity of 8.98% included in 2020 distribution rates. Energy+'s return on equity is well within the +/- 3% range allowed by the OEB. The average return over the past three years was 8.69%.

Note to Readers of 2020 Scorecard MD&A

The information provided by distributors on their future performance (or what can be construed as forward-looking information) may be subject to a number of risks, uncertainties and other factors that may cause actual events, conditions or results to differ materially from historical results or those contemplated by the distributor regarding their future performance. Some of the factors that could cause such differences include legislative or regulatory developments, financial market conditions, general economic conditions, and the weather. For these reasons, the information on future performance is intended to be management's best judgement on the reporting date of the performance scorecard and could be markedly different in the future.