

Scorecard - Algoma Power Inc.

9/24/2014

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	100.00%	98.60%	97.60%	94.70%	99.00%		90.00%		
		Scheduled Appointments Met On Time	98.90%	100.00%	99.80%	100.00%	100.00%		90.00%		
		Telephone Calls Answered On Time	72.10%	73.20%	76.30%	78.80%	82.90%		65.00%		
	Customer Satisfaction	First Contact Resolution									
		Billing Accuracy									
		Customer Satisfaction Survey Results					72.0%				
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	9.86	15.86	11.38	10.88	11.91		at least within 9.86 - 15.86		
		Average Number of Times that Power to a Customer is Interrupted	3.42	3.72	4.76	7.66	3.64		at least within 3.42 - 7.66		
	Asset Management	Distribution System Plan Implementation Progress									
	Cost Control	Efficiency Assessment				3	5				
		Total Cost per Customer ¹	\$1,572	\$1,686	\$1,844	\$1,807	\$1,952				
		Total Cost per Km of Line ¹	\$9,958	\$10,593	\$11,556	\$11,354	\$12,302				
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) ²			2.00%	6.00%	12.30%		1.28MW		
		Net Cumulative Energy Savings (Percent of target achieved)			9.00%	26.00%	44.50%		7.37GWh		
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time			100.00%						
		New Micro-embedded Generation Facilities Connected On Time					96.88%		90.00%		
Financial Performance Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	3.17	2.27	1.61	1.66	1.99				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	1.40	1.47	1.47	1.34	1.25				
		Profitability: Regulatory Return on Equity			Deemed (included in rates)	9.85%	9.85%	9.85%			
				Achieved	10.50%	11.44%	7.06%				

Notes:
 1. 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.
 2. The Conservation & Demand Management net annual peak demand savings do not include any persisting peak demand savings from the previous years.

Legend:

- up
- down
- flat
- target met
- target not met

Management Discussion and Analysis for Year 2013

Service Quality

The data is collected through the Company's customer information and automated telephone systems. All three measures are trending well above the OEB industry requirements.

Customer Satisfaction

The customer satisfaction rating is gathered via an annual telephone survey of residential customers conducted by an independent third party. The survey provides for a statistically relevant sample size with a 95% confidence interval.

Safety

System Reliability

The frequency and duration of outages are recorded through a combination of manual work orders, customer phone calls and where available through SCADA. API's service territory spans approximately 14,200 square kilometres, or 3.5 million acres of land. Being a rural and remote distributor in Northern Ontario, there are three distinct characteristics of the API distribution system; the service territory is vast and heavily forested, the distribution system's configuration is required to distribute electricity to an extremely dispersed customer base, and the climatic conditions often limit and dictate access to distribution facilities and customers' premises.

Asset Management

Cost Control

Historical cost measures are reflective of the fact that 99.9% of API's service territory is located in rural areas, subject to more severe northern weather conditions, its exposure to Lake Superior with its prevailing winds and lake effect precipitation, its requirement for an extensive vegetation management program, and the operation and maintenance of several distribution substations.

Conservation & Demand Management

The Company continues to actively promote the OPA Province wide CDM programs in its service territory.

Connection of Renewable Generation

Financial Ratios