

# Scorecard - Haldimand County Hydro Inc.

9/24/2014

Performance Outcomes	Performance Categories	Measures	2009	2010	2011	2012	2013	Trend	Target		
									Industry	Distributor	
<b>Customer Focus</b> Services are provided in a manner that responds to identified customer preferences.	<b>Service Quality</b>	New Residential/Small Business Services Connected on Time	96.70%	99.20%	97.00%	99.00%	93.20%		90.00%		
		Scheduled Appointments Met On Time	98.70%	98.30%	98.90%	99.70%	100.00%		90.00%		
		Telephone Calls Answered On Time	80.40%	88.80%	83.40%	85.50%	81.10%		65.00%		
	<b>Customer Satisfaction</b>	First Contact Resolution									
		Billing Accuracy									
		Customer Satisfaction Survey Results									
<b>Operational Effectiveness</b> Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.	<b>Safety</b>	Public Safety [measure to be determined]									
	<b>System Reliability</b>	Average Number of Hours that Power to a Customer is Interrupted	4.01	2.77	8.34	2.22	9.69			at least within 2.22 - 8.34	
		Average Number of Times that Power to a Customer is Interrupted	1.39	1.20	3.30	1.17	2.57			at least within 1.17 - 3.30	
	<b>Asset Management</b>	Distribution System Plan Implementation Progress									
	<b>Cost Control</b>	Efficiency Assessment				2	2				
		Total Cost per Customer <sup>1</sup>	\$621	\$626	\$665	\$696	\$681				
		Total Cost per Km of Line <sup>1</sup>	\$7,469	\$7,617	\$8,078	\$8,434	\$8,310				
<b>Public Policy Responsiveness</b> Distributors deliver on obligations mandated by government (e.g., in legislation and in regulatory requirements imposed further to Ministerial directives to the Board).	<b>Conservation &amp; Demand Management</b>	Net Annual Peak Demand Savings (Percent of target achieved) <sup>2</sup>			14.00%	13.00%	14.20%			2.85MW	
		Net Cumulative Energy Savings (Percent of target achieved)			47.00%	69.00%	89.70%			13.30GWh	
	<b>Connection of Renewable Generation</b>	Renewable Generation Connection Impact Assessments Completed On Time			0.00%	11.11%	100.00%				
		New Micro-embedded Generation Facilities Connected On Time					100.00%			90.00%	
<b>Financial Performance</b> Financial viability is maintained; and savings from operational effectiveness are sustainable.	<b>Financial Ratios</b>	Liquidity: Current Ratio (Current Assets/Current Liabilities)	0.85	1.48	1.79	1.78	1.66				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.40	0.31	0.35	0.42	0.36				
		Profitability: Regulatory Return on Equity			Deemed (included in rates)	9.85%	9.85%	9.85%			
					Achieved	10.39%	7.60%	11.02%			

**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

## Service Quality

## Customer Satisfaction

## Safety

## System Reliability

In 2013, Haldimand County Hydro is recording a service level of 9.69 for the "Average Number of Hours that Power to a Customer is Interrupted ("SAIDI")", which represents Haldimand County Hydro's highest service level since 2009. The increase is attributed directly to major storm events. In 2013 two storm events impacted the majority of our customers and put our reliability standards to the test. First in July, severe weather, including high winds and lightning, caused an outage impacting 10,000 of our 21,206 customers lasting more than 48 hours in some cases. Secondly, we won't forget anytime soon, the Ice Storm of 2013 which impacted 15,000 of our 21,296 customers in the order of 36 hours. These two storm events increased our five year rolling average of the number of hours that power to a customer is interrupted. Even though 9.69 marks the highest rating during the period 2009-2013, we are confident that this number was contained based on our response tactics which included utilizing our strong relationship with our contractors early in each event.

## Asset Management

## Cost Control

2014 marked the second year where the Ontario Energy Board provided Electricity Distributors efficiency ratings utilizing a utilities total costs. Research carried out by Pacific Economics Group Research provided independent insight into determining how to calculate the efficiency of electrical distributors based on both actual data and the expected results. An econometric model is used to predict the level of cost associated with each distributor's operating conditions. "Distributors that had actual cost that was lower than that predicted by the model were assigned lower stretch factors than those that did not." Haldimand County Hydro, the fourth largest distribution service territory in Ontario, has been ranked in the second grouping and overall 7th most efficient electricity distributor in 2012. The efficiency assessments contain five categories, with the first group as most efficient delivering 25% below expected costs. These categories provide a mathematical rating which is used at the time of setting interim distribution rates and reflects the potential for incremental productivity gains to be retained by the distributor depending on their individual level of cost efficiency. Haldimand County Hydro's stretch factor (efficiency rating) is 0.15%. Distributors in category 5 have a stretch factor of 0.60%. Given our significant service territory and volume of distribution assets, this favourable ranking is a significant achievement.

## Conservation & Demand Management

Consistently, Haldimand County Hydro has been progressing forward in obtaining both our energy and demand target. While we are confident we will not achieve our demand target of 2.85 MW we are equally confident that we will achieve our energy target of 13.3 GWh by December 31, 2014. We have a long standing relationship with our community in promoting and advocating a culture of conservation. Helping our customers use the electricity we distribute more efficiently as well as contributing towards reducing the provincial peak demand has been part of our day to day service offering. December 31, 2014 will mark the end of the 2011-2014 program year which exclusively offered programs designed by the Ontario Power Authority. During the next program phase, January 1, 2015 through December 31, 2020, we will be utilizing our experience and customers interest to shape our energy saving program offering. This plan is anticipated to be available by mid-2015.

**Connection of Renewable Generation**

**Financial Ratios**