

Scorecard - Hearst Power Distribution Company Limited

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%	100.00%	100.00%	100.00%	100.00%	→	90.00%		
		Scheduled Appointments Met On Time	100.00%	0.00%	0.00%	0.00%	100.00%	→	90.00%		
		Telephone Calls Answered On Time	95.30%	96.70%	95.00%	92.50%	100.00%	↑	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	9.03	1.48	6.05	4.95	5.32	↓		at least within 1.48 - 9.03	
		Average Number of Times that Power to a Customer is Interrupted	2.07	0.76	1.02	2.20	1.41	↑		at least within 0.76 - 2.20	
	Asset Management	Distribution System Plan Implementation Progress									
	Cost Control	Efficiency Assessment				1	1				
		Total Cost per Customer ¹	\$429	\$419	\$412	\$418	\$414				
		Total Cost per Km of Line ¹	\$17,442	\$16,840	\$17,073	\$17,131	\$16,980				
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			6.00%	8.00%	12.60%			0.68MW	
		Net Cumulative Energy Savings (Percent of target achieved)			14.00%	31.00%	49.20%			3.91GWh	
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time									
		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)	4.50	3.86	4.97	3.05	2.52				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.59	0.59	0.58	0.55	0.59				
		Profitability: Regulatory Return on Equity			Deemed (included in rates)	9.85%	9.85%	9.85%			
					Achieved	10.48%	38.07%	27.17%			

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

Hearst Power scorecards results show that the utility is well above the industry standards. The utility is committed to continue its pursuit of excellence in this area.

Customer Satisfaction

Hearst Power is in the process of developing a customer satisfaction survey in collaboration with other utilities. The survey has been developed and is in the process of being translated in French. The survey will be posted on the utility's website in September. Hearst Power will start reporting on billing accuracy in October of 2015 as instructed by the OEB.

Safety

Hearst Power understands that the OEB is working with the ESA to establish safety measures. In the meantime, Hearst Power is committed to upholding the highest of safety standards for its customers and employees

System Reliability

The safety results have slightly diminished in its last report. The utility attests that as an embedded utility, many of the disruption originates from the host utility.

Asset Management

Hearst Power is in the process of developing as Distribution System Plan, the plan will be filed as part of the utility's 2014 Cost of Service application.

Cost Control

Hearst Power has reviewed its cost per customer and is satisfied that its costs are focus on delivering value for money; aligns the interests of the distributor with those of customers; and supports the achievement of public policy objectives.

Conservation & Demand Management

Hearst Power is on track to meeting its targets. The utility continues to invest in CDM initiatives in order to meet its future targets.

Connection of Renewable Generation

Hearst Power has met all its obligations with respect to renewable generation

Financial Ratios

Hearst Power notes that its achieved results are in not line with its deemed ROE due to a low capital asset value. Changes are expected with IFRS transition and Cost of Service Application for 2015.