

Scorecard - Hydro One Networks 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	90.50%	90.90%	92.00%	95.70%	97.40%		90.00%		
		Scheduled Appointments Met On Time	93.50%	92.70%	93.90%	98.60%	98.40%		90.00%		
		Telephone Calls Answered On Time	69.70%	69.70%	81.40%	83.40%	63.90%		65.00%		
	Customer Satisfaction	First Contact Resolution					78.30%				
		Billing Accuracy					4.40%				
		Customer Satisfaction Survey Results					87%				
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	9.25	9.00	21.17	10.58	26.57			at least within 9.00 - 21.17	
		Average Number of Times that Power to a Customer is Interrupted	3.08	2.91	3.93	3.15	4.23			at least within 2.91 - 3.93	
	Asset Management	Distribution System Plan Implementation Progress					Under Review				
	Cost Control	Efficiency Assessment				5	5				
		Total Cost per Customer ¹	\$989	\$1,052	\$1,072	\$1,041	\$1,046				
		Total Cost per Km of Line ¹	\$9,775	\$10,471	\$11,064	\$10,741	\$10,682				
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			16.00%	20.00%	39.40%			213.66MW	
		Net Cumulative Energy Savings (Percent of target achieved)			30.00%	45.00%	59.60%			1,130.21GWh	
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time	100.00%	100.00%	95.79%	99.39%	100.00%				
		New Micro-embedded Generation Facilities Connected On Time					99.71%			90.00%	
Financial Performance Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	0.94	1.01	0.99	0.99	1.00				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	1.42	1.44	1.34	1.30	1.35				
		Profitability: Regulatory Return on Equity		Deemed (included in rates)		9.66%	9.66%	9.66%			
				Achieved		8.80%	8.72%	8.00%			

Legend:

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

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.

Management Discussion and Analysis for Year 2013

Service Quality

Telephone Calls Answered On Time:

Total call volume increased by 57% from 2012 due to the province experiencing 7 major storms through the year, as well as the implementation of the Customer Information System. For example, December 2013 call volumes surged by 219% vs. 2012 mainly due to the December ice storm. November 2013 showed an increase of 168% vs. 2012 and both April and July had increases of approximately 100%, all mainly impacted by major storms.

Customer Satisfaction

Safety

System Reliability

In 2013, seven storm events met the definition of major events, i.e. with over 10% of our distribution customers interrupted. The impact of these storms is considered beyond the day to day operations capability of the company. These events had a major impact on system reliability. The detailed event descriptions can be found in the notes of Hydro One's RRR document submitted to the OEB. By separating out the impact of these major events, the system reliability results are:

- With Loss of Supply - Annual SAIDI of 7.3 hours, annual SAIFI of 2.8 interruptions.
- Without Loss of Supply - Annual SAIDI of 6.9 hours, annual SAIFI of 2.5 interruptions

Asset Management

Cost Control

Conservation & Demand Management

Connection of Renewable Generation

Financial Ratios