






# Scorecard - Wellington North Power 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	100.00%	100.00%	100.00%	100.00%	100.00%	→	90.00%		
		Scheduled Appointments Met On Time	99.70%	99.80%	97.60%	95.20%	100.00%	↕	90.00%		
		Telephone Calls Answered On Time	100.00%	100.00%	100.00%	100.00%	100.00%	→	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	0.48	0.00	0.92	0.44	0.14	↕	at least within 0.00 - 0.92		
		Average Number of Times that Power to a Customer is Interrupted	0.38	0.04	0.40	0.15	0.10	↕	at least within 0.04 - 0.40		
	<b>Asset Management</b>	Distribution System Plan Implementation Progress									
	<b>Cost Control</b>	Efficiency Assessment				4	4				
		Total Cost per Customer <sup>1</sup>	\$606	\$672	\$764	\$740	\$785				
		Total Cost per Km of Line <sup>1</sup>	\$28,584	\$31,929	\$36,441	\$35,543	\$38,175				
<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>			5.00%	15.00%	6.70%		0.93MW		
		Net Cumulative Energy Savings (Percent of target achieved)			13.00%	46.00%	65.50%		4.52GWh		
	<b>Connection of Renewable Generation</b>	Renewable Generation Connection Impact Assessments Completed On Time					100.00%				
		New Micro-embedded Generation Facilities Connected On Time							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)	0.74	1.18	1.12	1.01	1.52				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.48	0.74	0.84	0.84	1.30				
		Profitability: Regulatory Return on Equity			Deemed (included in rates)	8.57%	9.12%	9.12%			
					Achieved	-7.59%	1.66%	4.35%			

**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

#### Customer Satisfaction

These are new measures that were introduced in 2014 by the energy regulator (the Ontario Energy Board). Information will be available in next year's Scorecard.

#### Safety

This is a new measure that was introduced in 2014 and is being defined by the Ontario Energy Board with the assistance of the Electrical Safety Association.

#### System Reliability

Wellington North Power Inc.'s service area was affected by two ice storms in April 2013 and December 2013. The company thanks all customers for their support and patience during power-outages. Wellington North Power Inc. has continued to focus on tree-trimming, vegetation maintenance and replacement of aged asset infrastructure (such as deteriorated or weathered hydro poles) to reduce the risk of power outages. The ice-storms of 2013 also identified the need for a second supply feed to Wellington North Power Inc.'s service area and this has been included in the company's capital project plan for 2016.

#### Asset Management

This is a new measure that was introduced in 2014 by the energy regulator (the Ontario Energy Board). Information will be available in next year's Scorecard.

#### Cost Control

The Ontario Energy Board (OEB) has initiated performance based regulation including formula-based and cost-based rate setting, since it began regulating the rates of Ontario electricity distributors in 2001. Efficiency Assessment - the OEB has established 5 groups, ranking all electricity distributors in Ontario according to their relative cost-efficiency and unit cost performance (i.e. capital expenditures and day-to-day operating expenditures) with group 1 being most efficient.

#### Conservation & Demand Management

Wellington North Power Inc. continues to work with all customer classes to provide cost effective Conservation programs. Our staff have participated a number of Community events over the past three years, to provide conservation information and to educate customers on what programs and incentives are available not only to save energy, but also to reduce energy costs.

#### Connection of Renewable Generation

**Financial Ratios**

Wellington North Power Inc.'s long-term debt has increased year-over year as the company aims to achieve a 60:40 debt to equity ratio that is preferred by the Ontario Energy Board. This financed debt has been used to fund major capital projects within Wellington North Power Inc.'s service territory.