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</tr>
</thead>
<tbody>
<tr>
<td>Customer Focus</td>
<td>Service Quality</td>
<td>New Residential/Small Business Services Connected on Time</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>up</td>
<td>90.00%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Scheduled Appointments Met On Time</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>up</td>
<td>90.00%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Telephone Calls Answered On Time</td>
<td>97.50%</td>
<td>98.20%</td>
<td>98.20%</td>
<td>98.00%</td>
<td>70.90%</td>
<td>down</td>
<td>65.00%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Customer Satisfaction</td>
<td>First Contact Resolution</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>99%</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Billing Accuracy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>99.94%</td>
<td>up</td>
<td>98.00%</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Customer Satisfaction Survey Results</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>A</td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>Operational Effectiveness</td>
<td>Level of Public awareness [measure to be determined]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>C</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Level of Compliance with Ontario Regulation 22/04</td>
<td>Ni</td>
<td>C</td>
<td>Ni</td>
<td>C</td>
<td>C</td>
<td>up</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Serious Electrical Incident Index</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>up</td>
<td>0</td>
<td>at least within 0.10 - 0.87</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of General Public Incidents</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>up</td>
<td>0</td>
<td>at least within 0.21 - 0.83</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rate per 10, 100, 1000 km of line</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>System Reliability</td>
<td>Average Number of Hours that Power to a Customer is Interrupted</td>
<td>0.78</td>
<td>0.87</td>
<td>0.51</td>
<td>0.10</td>
<td>0.03</td>
<td>down</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Average Number of Times that Power to a Customer is Interrupted</td>
<td>0.83</td>
<td>0.71</td>
<td>0.21</td>
<td>0.73</td>
<td>0.63</td>
<td>up</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Asset Management</td>
<td>Distribution System Plan Implementation Progress</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>In progress</td>
<td></td>
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<tr>
<td></td>
<td>Cost Control</td>
<td>Efficiency Assessment</td>
<td>$507</td>
<td>$508</td>
<td>$531</td>
<td>$500</td>
<td>$512</td>
<td>up</td>
<td>3.14MW</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total Cost per Customer</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total Cost per Km of Line</td>
<td>$23,217</td>
<td>$23,544</td>
<td>$24,270</td>
<td>$23,849</td>
<td>$24,260</td>
<td>up</td>
<td>14.97GWh</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Public Policy Responsiveness</td>
<td>Cons &amp; Demand Management</td>
<td>6.23%</td>
<td>13.64%</td>
<td>28.78%</td>
<td>56.30%</td>
<td></td>
<td></td>
<td></td>
<td>3.14MW</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Net Annual Peak Demand Savings (Percent of target achieved)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Net Cumulative Energy Savings (Percent of target achieved)</td>
<td>21.34%</td>
<td>39.73%</td>
<td>64.19%</td>
<td>90.73%</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Connection of Renewable Generation</td>
<td>Renewable Generation Connection Impact Assessments Completed On Time</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>up</td>
<td>90.00%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>New Micro-embedded Generation Facilities Connected On Time</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>up</td>
<td></td>
<td></td>
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<td></td>
<td>Financial Performance</td>
<td>Financial Ratios</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>Liquidity: Current Ratio (Current Assets/Current Liabilities)</td>
<td>1.43</td>
<td>1.34</td>
<td>1.42</td>
<td>1.25</td>
<td>1.10</td>
<td></td>
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<td></td>
<td></td>
<td>Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio</td>
<td>0.43</td>
<td>0.39</td>
<td>1.49</td>
<td>1.41</td>
<td>1.41</td>
<td>1.27</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Profitability: Regulatory Return on Equity</td>
<td>8.01%</td>
<td>8.01%</td>
<td>8.98%</td>
<td>8.98%</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>Deemed (included in rates)</td>
<td>2.26%</td>
<td>0.10%</td>
<td>8.40%</td>
<td>11.21%</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Achieved (included in rates)</td>
<td></td>
<td></td>
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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 include any persisting peak demand savings from the previous years.
Appendix A – Collus PowerStream Corp. 2014 Scorecard Management Discussion and Analysis (“2014 Scorecard MD&A”)

Scorecard MD&A - General Overview

In 2014, Collus PowerStream exceeded all performance targets with the exception of its Conservation and Demand Management. Aging distribution infrastructure continues to be the primary challenge facing utilities today. Like most utilities in Ontario, Collus PowerStream must replace aging infrastructure at an accelerated pace in order to meet this challenge. In addition, vegetation control, including tree trimming activities, were continued in the year to reduce the vulnerability of the distribution system to external uncontrollable events, such as weather.

Further to the above, Collus PowerStream continues to focus on you, the customer. Collus PowerStream makes every effort to engage its customers on a regular basis to ensure we are aware of your needs and that you are receiving the best value for your money. Collus PowerStream remains committed to provide its customers with the most reliable service at the least possible cost.

In 2015, Collus PowerStream will continue its efforts to improve its overall scorecard performance results as compared to prior years. This performance improvement is expected as a result of continued investment in both our infrastructure and in our response to your needs.

Service Quality

- **New Residential/Small Business Services Connected on Time**

  In 2014, Collus PowerStream connected 157 low-voltage (connections under 750 volts) residential and small business customers within the five-day timeline as prescribed by the Ontario Energy Board. This represents an increase of 13% in the number of connections over 2013, which is driven primarily by new residential construction including detached homes and condominiums. Collus PowerStream considers “New Services Connected on Time” as an important form of customer engagement as it is the utilities first opportunity to meet and/or exceed its customer’s expectations, which in turn affects the level of customer satisfaction within a utility’s territory. Consistent with prior years, Collus PowerStream connected 100% of these customers on time, which significantly exceeds the Ontario Energy Board’s mandated target of 90% for this measure. Collus PowerStream expects this trend to continue into the foreseeable future.

- **Scheduled Appointments Met On Time**

  Collus PowerStream scheduled 199 appointments in 2014 to connect services, disconnect services, or otherwise complete work requested by its customers. This represents a decrease of 1% in the number of appointments over 2013, which is driven primarily by new service connections, service upgrades or issues surrounding power quality. Collus PowerStream considers “Scheduled Appointments Met” as an important form of customer engagement as customer presence is required for all types of appointments. Consistent with prior years, Collus PowerStream met 100% of these appointments on time, which significantly exceeds the Ontario Energy Board’s mandated target of 90% for this measure. Collus PowerStream expects this trend to continue into the foreseeable future.
• **Telephone Calls Answered On Time**

In 2014, Collus PowerStream received over 24,537 calls from its customers (over 98 calls per day). This represents an increase of 42% in the number of calls over 2013. Collus PowerStream considers “Telephone Calls” to be an important communication tool for identifying and responding to its customers’ needs and preferences. In 2014 Collus PowerStream implemented a new phone call monitoring system which has increased the reliability and accuracy of the tracking of incoming calls which has contributed to the increase in call volume. As a result there was a decrease in the percentage of calls answered on time. However with the new system in place Collus PowerStream can more accurately track the qualified incoming calls. A customer service representative answered 71% of eligible calls in 30 seconds or less, which exceeds the Ontario Energy Board mandated target of 65% for this measure. Collus PowerStream expects the metric will increase with the implementation of its revised tracking measures in the phone system.

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**Customer Satisfaction**

- **First Contact Resolution**

Billing accuracy is a new scorecard measure introduced by the Ontario Energy Board midway through 2014. The Ontario Energy Board has not yet issued a common definition for this measure but is expected to do so within the next few years. As a result, this measure may differ from other utilities in the Province.

Collus PowerStream defines “First Contact Resolution” as the number of customer inquiries that are not resolved by the first contact at the utility, resulting in the enquiry being escalated to an alternate contact at the utility, typically a supervisor or a manager. This includes all customer inquiries that are made to a customer service representative whether by telephone, letter, e-mail, or in person. Collus PowerStream considers the ability to address customer inquiries quickly and accurately to be an essential component of customer satisfaction. For the period July 1, 2014 to December 31, 2014, Collus PowerStream received 24,637 inquiries from its customers, of which 99% were successfully resolved during first contact. Collus PowerStream expects this trend to continue for 2015, the first full year of reporting on this measure.

- **Billing Accuracy**

Billing Accuracy is a new scorecard measure introduced by the Ontario Energy Board late in 2014, and is defined as the number of accurate bills issued expressed as a percentage of total bills issued. Collus PowerStream considers timely and accurate billing to be an essential component of customer satisfaction. For the period from October 1, 2014 – December 31, 2014, Collus PowerStream issued more than 49,145 customer bills and achieved a billing accuracy of 99.94%, which is within the Ontario Energy Board mandated target of 98%. Collus PowerStream expects this trend to continue for 2015, the first full year of reporting on this measure.

- **Customer Satisfaction Survey Results**

The Customer Satisfaction Survey is a new scorecard measure introduced by the Ontario Energy Board for the 2014 scorecard. The Ontario Energy Board has not yet issued a common definition for this measure but is expected to do so within the next few years. As a result, this measure may differ from other utilities in the Province.

For 2014, Collus PowerStream engaged Utility Pulse to conduct our individual utility specific customer satisfaction survey. This statistical survey, with a 95% confidence level, canvassed a number of key areas including power quality and reliability, price, billing and payments, communications, and the overall customer service experience. Collus PowerStream considers this customer satisfaction survey to be a useful tool for engaging the customer to get a better understanding
of their wants and needs with respect to the provision of electricity services and for identifying areas that may require improvement. For 2014, Collus PowerStream received a rating of “A” on its customer satisfaction survey, which exceeds the Ontario rating. Collus PowerStream is only required to report on this measure on a biennial basis (every second year), but expects this trend to continue into the foreseeable future.

Safety

- **Public Safety**

Public Safety is a new scorecard measure introduced by the Ontario Energy Board for the 2014 scorecard. The Public Safety measure is generated by the Electrical Safety Authority and is comprised of three components: Public Awareness of Electrical Safety, Compliance with Ontario Regulation 22/04, and the Serious Electrical Incident Index. A breakdown of the three components is as follows:

**Component A – Public Awareness of Electrical Safety:**
Component A consists of a new statistical survey that gauges the public's awareness of key electrical safety concepts related to electrical distribution equipment found in a utility's territory. The survey also provides a benchmark of the levels of awareness including identifying gaps where additional education and awareness efforts may be required. **Please Note: The survey for Component A has not yet been implemented and will not be reported until next year.**

**Component B – Compliance with Ontario Regulation 22/04:**
Component B consists of a utilities compliance with Ontario Regulation 22/04 - Electrical Distribution Safety. Ontario Regulation 22/04 establishes the safety requirements for the design, construction, and maintenance of electrical distribution systems, particularly in relation to the approvals and inspections required prior to putting electrical equipment into service. In 2014 Collus PowerStream was found to be compliant with Ontario Regulation 22/04 (Electrical Distribution Safety). This was achieved by our strong commitment to safety, and the adherence to company procedures & policies. This trend is expected to continue into the foreseeable future.

**Component C - Serious Electrical Incident Index:**
Component C consists of the number of serious electrical incidents, including fatalities, which occur within a utility’s territory. In 2014, Collus PowerStream had ZERO fatalities and ZERO serious incidents within its territory. This trend is expected to continue into the foreseeable future.

System Reliability

- **Average Number of Hours that Power to a Customer is Interrupted**

The average number of hours that power to a customer is interrupted is a measure of system reliability or the ability of a system to perform its required function. Collus PowerStream also regularly maintains its distribution system to ensure its level of reliability is kept as high as possible. The OEB typically requires a utility to keep its hours of interruption within the range of its historical performance, however, outside factors such as severe weather, defective equipment, or even regularly scheduled maintenance can greatly impact this measure. For 2014, Collus PowerStream achieved 0.03 hours of interrupted power, which is within the range of its historical performance for interrupted power and is 0.07 hours better than the previous year. Collus PowerStream views reliability of electrical service as a high priority for its customers and constantly monitors its system for signs of reliability degradation. This trend is expected to continue into the foreseeable future.
• **Average Number of Times that Power to a Customer is Interrupted**

The average number of times that power to a customer is interrupted is also a measure of system reliability and is also a high priority for Collus PowerStream. As outlined above, the OEB also typically requires a utility to keep this measure within the rage of its historical performance and outside factors can also greatly impact this measure. Collus PowerStream experienced interrupted power 0.63 times during 2014, which is within the range of its historical performance for interrupted power and is an improvement over 2013 results. This trend is expected to continue into the foreseeable future.

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**Asset Management**

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**Distribution System Plan Implementation Progress**

Distribution system plan implementation progress is a new performance measure instituted by the Ontario Energy Board beginning in 2013. The Distribution System Plan outlines Collus PowerStream’s forecasted capital expenditures over the next five (5) years, which are required to maintain and expand the utility’s electricity system to serve its current and future customers. The Distribution System Plan Implementation Progress measure is intended to assess Collus PowerStream’s effectiveness at planning and implementing these capital expenditures. Consistent with other new measures, utilities were given an opportunity to define this measure in the manner that best fits their organization. As a result, this measure may differ from other utilities in the Province.

Collus PowerStream does not yet have a full distribution system plan in place and will therefore be using its capital asset management plan as a substitute. Collus PowerStream will implement its first full distribution system plan at its next regularly scheduled cost of service application, which is currently scheduled for 2016. At that time, the distribution plan will supersede the current asset management plan.

Collus PowerStream defines this measure as the tracking of actual capital projects to planned capital projects, expressed as a percentage. For 2014, Collus PowerStream completed 71% of the capital projects planned for 2014. This trend is expected to improve by 2016. In 2014, Collus experienced low line staff levels due to leaves and staff turnover. Currently, Collus now has the required full complement of line staff needed to complete the capital plan.

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**Cost Control**

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**Efficiency Assessment**

On an annual basis, each utility in Ontario is assigned an efficiency ranking based on its performance. To determine a ranking, electricity distributors are divided into five groups based on the magnitude of the difference between their actual costs and predicted costs. For 2014, Collus PowerStream was placed in Group III in terms of efficiency. Group III is considered average and is defined as having actual costs within +/- 10% of predicted costs. This remained the same compared to 2013. Although Collus PowerStream’s forward looking goal is to advance to a “more efficient” group, management’s expectation is that its efficiency performance will not decline in the foreseeable future.
• Total Cost per Customer

Total cost per customer is calculated as the sum of Collus PowerStream’s capital and operating costs and dividing this cost figure by the total number of customers that Collus PowerStream serves. Similar to most distributors in the province, Collus PowerStream has experienced increases in its total costs required to deliver quality and reliable services to customers. Province wide programs such as Time of Use pricing, growth in wage and benefits costs for our employees, as well as investments in new information systems technology and the renewal and growth of the distribution system, have all contributed to increased operating and capital costs.

The total cost performance result for 2014 is $512 per customer, which is a 2.4% increase over its 2013 result. The 2012 performance of $531 per customer is an anomaly year as a result of the additional costs incurred during the sale of 50% of the company’s shares to PowerStream. Between 2010 and 2014, Collus PowerStream’s total cost per customer has increased from $507 per customer to $512 per customer which is a $5 or 1% increase for the five year period. Going forward, utility costs are expected to keep pace with economic fluctuations; however, Collus PowerStream will continue to implement productivity and efficiency improvements to help offset some of the costs associated with distribution system enhancements, while maintaining the reliability and quality of its distribution system.

• Total Cost per Km of Line

This measure uses the same total cost that is used in the Cost per Customer calculation above. Based on this, Collus PowerStream’s rate is $24,260 per km of line, which is a 1.7% increase over its 2013 rate. Collus PowerStream’s growth rate for its territory is considered to be relatively moderate. A moderate growth rate helps to contribute to Collus PowerStream’s ability to fund future capital projects and operating costs. The cost per km of line is expected to slowly increase as capital and operating costs also increase. As we progress into the future, Collus PowerStream will continue to seek innovative solutions to help ensure cost/km of line remains competitive and within acceptable limits to our customers.

Conservation & Demand Management

• Net Annual Peak Demand Savings (Percent of target achieved)

Late in 2010, the OEB introduced a new 2011 - 2014 framework for electricity conservation and demand management (CDM) in Ontario. As a result, the OEB was required to establish CDM targets for the reduction of electrical consumption (kWh’s) and electricity demand (kW’s) to be met by certain licensed electricity distributors across the province. The Ontario Power Authority supported this initiative through the introduction of a number of OEB approved CDM programs designed to conserve electricity across all classes of electricity customers.

Collus PowerStream did not meet its Net Annual Peak Demand (MW) Savings target of 3.14 MW at the end of 2014. Collus PowerStream achieved 1.77 MW or 56.30% of its target. Collus PowerStream showed significant incremental increases between 2012 and 2013 of 15.14% and 2013 and 2014 of 27.52% - (2011 to 2012 – 7.41%). In 2013 Collus PowerStream contracted PowerStream to manage the Conservation and Demand Management programs. The above results were achieved by utilizing PowerStream’s Conservation and Demand Management team and leveraging the suite of OEB approved CDM programs designed for commercial customers. These programs included a Roving Energy Manager who was retained to identify and pursue opportunities with the large commercial, institutional and industrial customers and the Equipment Replacement Incentive Initiative program. Going forward, a new CDM framework and new targets will also be implemented for this measure for the period 2015 – 2020.
• Net Cumulative Energy Savings (Percent of target achieved)

Collus PowerStream did not meet its four-year Net Cumulative Energy (GWh's) Savings target of 14.97 GWh’s at the end 2014. Collus PowerStream achieved 13.58 GWh’s or 90.73%. Collus PowerStream showed significant incremental increases between 2012 and 2013 of 24.46% and 2013 and 2014 of 26.54% - (2011 to 2012 – 18.39%). In 2013 Collus PowerStream contracted PowerStream to manage the Conservation and Demand Management programs. The above results were achieved by utilizing PowerStream’s Conservation and Demand Management team and leveraging the suite of OEB approved CDM programs designed for the residential and commercial customers. Going forward, a new CDM framework and new targets will also be implemented for this measure for the period 2015 – 2020.

Connection of Renewable Generation

• Renewable Generation Connection Impact Assessments Completed on Time

Electricity distributors are required to conduct Connection Impact Assessments (CIA’s) on all renewable generation connections within 60 days of receiving authorization from the Electrical Safety Authority. Collus PowerStream has developed and implemented an internal procedure to ensure compliance with this regulation. All CIA’s are conducted internally by Collus PowerStream line staff.

In 2014, Collus PowerStream completed 5 CIA’s totalling 650 kW, all of which were completed within the prescribed time limit. In 2013, Collus PowerStream completed 0 CIA’s. Collus PowerStream expects the trend for this measure to continue for the foreseeable future.

• New Micro-embedded Generation Facilities Connected On Time

Micro-embedded generation facilities consist of solar, wind, or other clean energy projects of less than 10 kW that are typically installed by homeowners, farms or small businesses. In 2014, Collus PowerStream connected 7 new micro-embedded generation facilities totaling 58.77 kW within its territory. 100% of these projects were connected within the prescribed timeframe of five (5) business days, which significantly exceeds the Ontario Energy Board’s mandated target of 90% for this measure. Collus PowerStream’s process for these projects is well documented and Collus PowerStream works closely with its customers and their contractors to ensure the customer’s needs are met and/or exceeded. Collus PowerStream expects the trend for this measure to continue to exceed the mandated target for the foreseeable future.

Financial Ratios

• Liquidity: Current Ratio (Current Assets/Current Liabilities)

As an indicator of financial health, a current ratio indicates a company’s ability to pay its short term debts and financial obligations. Typically, a current ratio between 1 and 1.5 is considered good. If the current ratio is below 1, then a company may have problems meeting its current financial obligations. If the current ratio is too high (higher than 1.5) then the company may be inefficient at using its current assets or its short-term financing facilities.
The current ratio declined from 1.42% in 2012 to 1.25% in 2013 to 1.10% in 2014. This decline in 2013 was the result of a $2,601,493 net debit change to the long term regulatory asset (liability), which decreased the cash in bank. In 2014, the net debit increase was another $161,351 for regulatory assets. As the regulatory amounts are collected the cash balance will be replenished. A second factor impacting cash in 2014 was the payment of a dividend to the shareholders in the amount of $367,000.

The corporation’s current ratio is indicative of a financially healthy organization. Collus PowerStream’s current ratio is expected to remain healthy into the foreseeable future.

- **Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio**

The debt to equity ratio is a financial ratio indicating the relative proportion of shareholders' equity and debt used to finance a company's assets. The Ontario Energy Board uses a capital structure of 60% debt and 40% equity (a debt to equity ratio of 60/40 or 1.5) when setting rates for an electricity utility. A high debt to equity ratio may indicate that an electricity distributor may have difficulty generating sufficient cash flows to make its debt payments, while a low debt-to-equity ratio may indicate that an electricity distributor is not taking advantage of the increased profits that may be had through increased financial debt.

In 2014, Collus PowerStream’s debt to equity ratio was 1.27, which closely resembles the ratio expected by the Ontario Energy Board. Collus PowerStream expects its debt to equity ratio to remain close to the expected norm into the foreseeable future.

The leverage ratio in 2012 and 2013 significantly increased over 2010 and 2011 as a result of the re-structuring of the debt and equity proportions when fifty percent of the shares of the company were sold on July 31, 2012. A recapitalization dividend was paid to the Town of Collingwood to remove their accumulated retained earnings before the shares were sold and the debt was increased to the OEB's expected structure.

- **Profitability: Regulatory Return on Equity – Deemed (included in rates)**

Return on equity (ROE) measures the rate of return on shareholder equity. ROE demonstrates an organization’s profitability or how well a company uses its investments to generate earnings growth. Collus PowerStream’s current distribution rates were approved by the OEB and include an expected (deemed) regulatory return on equity of 8.98%. The OEB allows a distributor to earn within +/- 3% of the expected return on equity. If a distributor performs outside of this range, it may trigger a regulatory review of the distributor’s financial structure by the OEB.

- **Profitability: Regulatory Return on Equity – Achieved**

Collus PowerStream achieved a ROE of 11.21% in 2014, which is within the 8.98% +/-3% range allowed by the OEB (see above paragraph). This is indicative of a healthy financial organization. This trend is expected to continue into the foreseeable future.

The return on equity greatly improved in 2013 to 8.40% from 2.26% in 2011. This was the result of the changes mentioned above in the leverage ratio discussion and a strong net income for the 2013 year. The 0.10% result for 2012 was an anomaly year with a low net income, which was the result of the additional expenses incurred during the sale of 50% of the company’s shares to PowerStream.
The information provided by distributors on their future performance (or what can be construed as forward-looking information) may be subject to a number of risks, uncertainties and other factors that may cause actual events, conditions or results to differ materially from historical results or those contemplated by the distributor regarding their future performance. Some of the factors that could cause such differences include legislative or regulatory developments, financial market conditions, general economic conditions and the weather. For these reasons, the information on future performance is intended to be management’s best judgment on the reporting date of the performance scorecard, and could be markedly different in the future.