## Performance Outcomes

### Service Quality
- **New Residential/Small Business Services Connected on Time**: 100.00% (2010-2014), Trend: Up. Industry: 90.00%.
- **Scheduled Appointments Met On Time**: 100.00% (2010-2014), Trend: Up. Industry: 90.00%.
- **Telephone Calls Answered On Time**: 99.10% (2010), Trend: Down. Industry: 98.60%.

### Customer Satisfaction
- **First Contact Resolution**: 97%, Trend: Down. Industry: 97.00%.
- **Billing Accuracy**: 99.88%, Trend: Up. Industry: 100.00%.
- **Customer Satisfaction Survey Results**: 98.00%.

### Operational Effectiveness
- **Level of Public awareness [measure to be determined]**
- **Level of Compliance with Ontario Regulation 22/04**: C C C C C.
- **Serious Electrical Incident Index**: 0 0 0 0 0.
- **Rate per 100, 1000 km of line**: 0.00 0.00 0.00 0.00 0.00.
- **Average Number of Hours that Power to a Customer is Interrupted**: 0.05 49.41 0.42 3.56 0.24.
- **Average Number of Times that Power to a Customer is Interrupted**: 0.56 1.04 0.19 1.16 0.19.

### System Reliability
- **Distribution System Plan Implementation Progress**: 67%.

### Asset Management
- **Efficiency Assessment**: 4 5 5.
- **Total Cost per Customer**: $595, $617, $746, $820, $784.
- **Total Cost per Km of Line**: $33,512, $33,528, $41,149, $50,545, $48,824.

### Cost Control
- **Conservation & Demand Management**
- **Net Annual Peak Demand Savings (Percent of target achieved)**: 10.07%, 18.30%, 25.31%, 53.82%, 0.88MW.
- **Net Cumulative Energy Savings (Percent of target achieved)**: 23.47%, 30.08%, 36.62%, 48.81%, 8.28GWh.

### Public Policy Responsiveness
- **Connection of Renewable Generation**
- **New Micro-embedded Generation Facilities Connected On Time**: 100.00%.

### Financial Performance
- **Liquidity: Current Ratio (Current Assets/Current Liabilities)**: 2.87, 1.04, 0.80, 0.51, 0.93.
- **Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio**: 0.22, 0.51, 0.60, 0.63, 0.89.
- **Profitability: Regulatory Return on Equity**
  - **Deemed (included in rates)**: 8.01%, 8.01%, 8.98%, 8.98%.
  - **Achieved**: 17.62%, 10.79%, 9.40%, 14.84%.

### 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 B – 2014 Scorecard Management Discussion and Analysis ("2014 Scorecard MD&A")

The link below provides a document titled "Scorecard - Performance Measure Descriptions" that has the technical definition, plain language description and how the measure may be compared for each of the Scorecard's measures in the 2014 Scorecard MD&A:  

Scorecard MD&A - General Overview

In 2014, West Coast Huron Energy Inc. exceeded almost all our performance targets. Aging distribution infrastructure continues to be the primary challenge facing utilities today. Like most utilities in Ontario, West Coast Huron Energy Inc. must replace aging infrastructure at an accelerated pace in order to meet this challenge. In addition, vegetation control, including tree trimming activities, were increased in the year to reduce the vulnerability of the distribution system to external uncontrolable events, such as weather.

Further to the above, West Coast Huron Energy Inc. continues to focus on you, the customer. West Coast Huron Energy Inc. 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. West Coast Huron Energy Inc. remains committed to provide its customers with the most reliable service at the least possible cost.

In 2015, West Coast Huron Energy Inc. 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, West Coast Huron Energy Inc. connected 62 low-voltage (connections under 750 volts) residential and small business customers within the five-day timeline as prescribed by the Ontario Energy Board. This is a decrease from 86 connections in 2013. The number of new connections decreasing can be due to the renovating and rebuilding of the August 2011 tornado coming to an end. The OEB sets a target of 90% of the connections to be completed within the five day timeline. West Coast Huron Energy Inc. has met this timeline 100% every year except 2012. This can be explained by all the new construction in Goderich after the tornado. West Coast Huron Energy Inc. considers "New Services Connected on Time" as an important form of customer engagement as it is the utility's 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. West Coast Huron Energy Inc. expects this trend to continue into the foreseeable future.
• **Scheduled Appointments Met On Time**

West Coast Huron Energy Inc. scheduled 2,932 appointments in 2014 to connect services, disconnect services, or otherwise complete work requested by its customers. This represents a decrease in the number of appointments scheduled in 2013 (3,161 appointments), which is due to the renovating and rebuilding as a result of the tornado coming to an end. West Coast Huron Energy Inc. 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, West Coast Huron Energy Inc. has met over 100% of these appointments on time, which significantly exceeds the Ontario Energy Board’s mandated target of 90% for this measure. Every year West Coast Huron Energy Inc. has been consistently above the mandated target but in 2012 and 2013 we did not meet 100% of the appointments on time. For both of these years West Coast Huron Energy Inc. met the required timeline 97.20% (in 2012) and 99.4% (in 2013) of the time. These decreases can be explained due to the increase appointments due to repairing and rebuilding in Goderich due to the tornado. West Coast Huron Energy Inc. expects this performance to continue into the foreseeable future.

• **Telephone Calls Answered On Time**

In 2014, West Coast Huron Energy Inc. received 4,716 calls from its customers. This represents a slight decrease in the number of calls over 2013 (4,748 calls). The slight decrease in call volumes can be attributed to many customers contacting our office via email. West Coast Huron Energy Inc. considers "Telephone Calls" to be an important communication tool for identifying and responding to its customers’ needs and preferences. Consistent with prior years, a customer service representative answered 98% of these calls in 30 seconds or less, which significantly exceeds the Ontario Energy Board mandated target of 65% for this measure. West Coast Huron Energy Inc. expects this performance to continue into the foreseeable future.

### Customer Satisfaction

• **First Contact Resolution**

First Contact Resolution 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.

West Coast Huron Energy Inc. defines "First Contact Resolution" as the number of customer enquiries that are 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 enquiries that are made to a customer service representative whether by telephone, letter, e-mail, or in person. West Coast Huron Energy Inc. considers the ability to address customer enquiries quickly and accurately to be an essential component of customer satisfaction. For the period July 1, 2014 to December 31, 2014, West Coast Huron Energy Inc. received 1,889 enquiries from its customers, of which 97% were successfully resolved during first contact. West Coast Huron Energy Inc. 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. West Coast Huron Energy Inc. considers timely and accurate billing to be an essential component of customer satisfaction. For the period from October 1, 2014 – December 31, 2014, West Coast Huron Energy Inc. issued 11,565 customer bills and achieved a billing accuracy of 99.88%, which is within the Ontario Energy Board mandated target of 98%. West Coast Huron Energy Inc. hopes that this trend continues but does expect a decrease in 2015 due to a scheduled upgrade in our billing system. West Coast Huron Energy Inc. is realistic in expecting some unexplainable errors to occur that can be expected with any upgrade in computer systems.

• Customer Satisfaction Survey Results

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, West Coast Huron Energy Inc. did not complete a custom survey as it was in the process of making plans for a third party organization to conduct a customer survey to be completed in 2015 along with 3 other utility companies. This statistical survey canvassed a number of key areas including power quality and reliability, price, billing and payments, communications and the overall customer service experience. West Coast Huron Energy Inc. considers this customer satisfaction survey to be 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. West Coast Huron Energy Inc. is only required to report on this measure on a bi-annual basis (every second year).

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. Over the past five years, West Coast Huron Energy Inc. 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.

**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, West Coast Huron Energy Inc. had zero fatalities and zero serious incidents within its territory. This trend is expected to continue as everyone’s safety is a major concern.

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**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. West Coast Huron Energy Inc. views reliability of electrical service as a high priority for its customers and constantly monitors its system for signs of reliability degradation. West Coast Huron Energy Inc. 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, West Coast Huron Energy Inc. achieved 0.24 hours of interrupted power, which is within the range of its historical performance for interrupted power and consistent with other measures over the five-year period between 2010 and 2014, save and except in 2011 due to the tornado. 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 West Coast Huron Energy Inc.. As outlined above, the OEB also typically requires a utility to keep this measure within the range of its historical performance and outside factors can also greatly impact this measure. West Coast Huron Energy Inc. experienced interrupted power 0.19 times during 2014, which is within the range of its historical performance for interrupted power and consistent with other measures over the five-year period between 2010 and 2014, save and except in 2011 due to the tornado. This trend is expected to continue into the foreseeable future.

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**Asset Management**

- **Distribution System Plan Implementation Progress**

*For Distributors with a completed Distribution System Plan*: Distribution system plan implementation progress is a new performance measure instituted by the Ontario Energy Board beginning in 2013. The Distribution System Plan outlines West Coast Huron Energy Inc.’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 West Coast Huron Energy Inc.’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.

West Coast Huron Energy Inc. defines this measure as the tracking of actual capital projects to planned capital projects, expressed as a percentage. For 2014, West Coast Huron Energy Inc. completed 67% of the capital projects planned for 2014. This trend is expected to continue into the foreseeable future.

For Distributors in the process of completing their Distribution System Plan: Distribution system plan implementation progress is a new performance measure instituted by the Ontario Energy Board beginning in 2013. The Distribution System Plan outlines West Coast Huron Energy Inc.'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 West Coast Huron Energy Inc.'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.

West Coast Huron Energy Inc. does not yet have a full distribution system plan in place and will therefore be using its capital asset management plan as a substitute. West Coast Huron Energy Inc. will implement its first full distribution system plan at its next regularly scheduled cost of service application, which is currently scheduled for 2017. At that time, the distribution plan will supersede the current asset management plan.

West Coast Huron Energy Inc. defines this measure as the tracking of actual capital projects to planned capital projects, expressed as a percentage. For 2014, West Coast Huron Energy Inc. completed 67% of the capital projects planned for 2014. This trend is expected to continue into the foreseeable future.

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**Cost Control**

- **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, West Coast Huron Energy Inc. was placed in Group 5 in terms of efficiency. Group 5 is considered fair and is defined as having actual costs 25% above predicted costs. Overall, this has not changed as West Coast Huron Energy Inc. received a Group 5 efficiency ranking in 2013. Although West Coast Huron Energy Inc.'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 West Coast Huron Energy Inc.'s capital and operating costs and dividing this cost figure by the total number of customers that West Coast Huron Energy Inc. serves. Similar to most distributors in the province, West Coast Huron Energy Inc. 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 $784/customer, which is a $36/customer decrease over its 2013 result. 2012 and 2013, West Coast Huron Energy Inc.’s total cost per customer was $746/customer and $820/customer, respectively, which is attributed to the rebuilding due to the tornado in 2011. Going forward, utility costs are expected to keep pace with economic fluctuations, however, West Coast Huron Energy Inc. 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, West Coast Huron Energy Inc.’s rate is $48,824 per km of line, which is a decrease of $1,721 per Km of line over its 2013 rate. West Coast Huron Energy Inc.’s growth rate for its territory is considered to be relatively low. A low growth rate has reduced West Coast Huron Energy Inc.’s ability to fund future capital projects and operating costs. As a result, the cost per km of line is expected to slowly increase as capital and operating costs also increase. As we progress into the future, West Coast Huron Energy Inc. will continue to seek innovative solutions to help ensure cost/km of line remains competitive and within acceptable limits to our customers.

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**Conservation & Demand Management**

- **Net Annual Peak Demand Savings (Percent of target achieved)**

  Late in 2010, the Ministry of Energy mandated 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.

  West Coast Huron Energy Inc. fell short of its Net Annual Peak Demand (kW) Savings target of 880 kW at the end of 2014. Although the OEB approved CDM programs were expected to result in major investments and savings in the Province, West Coast Huron Energy Inc.’s infrastructure and rate classes were negatively impacted by the August 2011 Tornado. Effectively, a large number of the commercial businesses in the Downtown Square were no longer standing. Insurance claims covered lighting retrofits, replacement of existing Roof Top Heating/Air Conditioning Units and whole building envelopes. West Coast Huron Energy Inc.’s custom electricity conservation program also relied heavily on their commercial (12%) and industrial (1%) customers to develop their own custom Energy Plans which required capital planning and budgets. From this planning perspective, West Coast Huron Energy Inc. are now experiencing an increase in Retrofit applications and Preliminary Engineering Studies (Co-generation), which will benefit our 2015-2020 Conservation First Framework Plan and new targets. West Coast Huron Energy Inc. will utilize the services of a Roving Energy Manager to identify and pursue opportunities with the large commercial, institutional and industrial customers.

- **Net Cumulative Energy Savings (Percent of target achieved)**

  West Coast Huron Energy Inc. also fell short of its four-year Net Cumulative Energy (kWh's) Savings target of 8,280,000 kWh at the end 2014. Although the OEB approved CDM programs were expected to result in major investments and savings in the Province, West Coast Huron Energy Inc.’s infrastructure and rate classes were negatively impacted by the August 2011 Tornado. Insurance claims covered whole building residential envelope replacements, as well as other
home upgrades. West Coast Huron Energy Inc.’s residential rate class accounts for approximately 87% of our customers. West Coast Huron Energy Inc. recognized at the onset that we would likely not meet our conservation target using the OPA Programs alone. West Coast Huron Energy Inc. will continue to participate in the OPA programs, however we will need to develop and collaborate on custom/innovative programs to prove to be successful in the 2015-2020 Conservation First Framework Plan and new targets.

### 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. West Coast Huron Energy Inc. has developed and implemented an internal procedure to ensure compliance with this regulation. All CIA’s are conducted internally by West Coast Huron Energy Inc. line staff.

  In 2014, West Coast Huron Energy Inc. completed 1 CIA’s. In 2013, West Coast Huron Energy Inc. completed 0 CIA’s. West Coast Huron Energy Inc. 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, West Coast Huron Energy Inc. connected 0 new micro-embedded generation facilities within its territory. West Coast Huron Energy Inc.’s process for these projects is well documented and West Coast Huron Energy Inc. works closely with its customers and their contractors to ensure the customer’s needs are met and/or exceeded. West Coast Huron Energy Inc. 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.

  West Coast Huron Energy Inc.’s current ratio increased from 0.51 in 2013 to 0.93 in 2014, which is indicative of a financially healthy organization. West Coast Huron Energy Inc.’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, West Coast Huron Energy Inc.'s debt to equity ratio was 0.89, which closely resembles the ratio expected by the Ontario Energy Board. West Coast Huron Energy Inc. expects its debt to equity ratio to remain close to the expected norm into the foreseeable future.

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. West Coast Huron Energy Inc.'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

West Coast Huron Energy Inc. achieved a ROE of 14.84% in 2014, which is slightly above the +/-3% range allowed by the OEB (see above paragraph). The increase was due to higher than forecasted revenue. West Coast Huron Energy Inc. anticipates being within the expected OEB range in the future.

Note to Readers of 2014 Scorecard MD&A

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.