# Scorecard - Festival Hydro Inc.

9/29/2016

| Performance Outcomes | Performance Categories | Measures | | 2011 | 2012 | 2013 | 2014 | 2015 | Trend | Target | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | Industry | Distributor |
| **Customer Focus**<br>Services are provided in a manner that responds to identified customer preferences. | Service Quality | New Residential/Small Business Services Connected on Time | | 99.20% | 99.50% | 99.40% | 100.00% | 99.60% | | 90.00% | |
| | | Scheduled Appointments Met On Time | | 100.00% | 99.80% | 99.80% | 100.00% | 99.80% | | 90.00% | |
| | | Telephone Calls Answered On Time | | 98.60% | 78.70% | 84.50% | 84.60% | 90.10% | | 65.00% | |
| | Customer Satisfaction | First Contact Resolution | | | | | 99.89% | 99.97% | | | |
| | | Billing Accuracy | | | | | 99.89% | 99.97% | | 98.00% | |
| | | Customer Satisfaction Survey Results | | | | | 79% | 79 | | | |
| **Operational Effectiveness**<br>Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives. | Safety | Level of Public Awareness | | | | | | 80.00% | | | |
| | | Level of Compliance with Ontario Regulation 22/04 [1] | | NI | C | C | C | C | | | C |
| | | Serious Electrical Incident Index | Number of General Public Incidents | 0 | 0 | 0 | 0 | 0 | | | 0 |
| | | | Rate per 10, 100, 1000 km of line | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | | | 0.000 |
| | System Reliability | Average Number of Hours that Power to a Customer is Interrupted [2] | | 1.08 | 1.04 | 4.00 | 1.27 | 1.02 | | | 1.85 |
| | | Average Number of Times that Power to a Customer is Interrupted [2] | | 1.73 | 1.42 | 3.11 | 1.56 | 1.21 | | | 1.95 |
| | Asset Management | Distribution System Plan Implementation Progress | | | | | 91.45% | 107.67% | | | |
| | Cost Control | Efficiency Assessment | | | 4 | 4 | 4 | 4 | | | |
| | | Total Cost per Customer [3] | | $606 | $612 | $627 | $634 | $639 | | | |
| | | Total Cost per Km of Line [3] | | $43,484 | $44,313 | $49,466 | $50,028 | $50,535 | | | |
| **Public Policy Responsiveness**<br>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 Cumulative Energy Savings [4] | | | | | | 13.92% | | | 34.65 GWh |
| | Connection of Renewable Generation | Renewable Generation Connection Impact Assessments Completed On Time | | | | | 100.00% | 100.00% | | | |
| | | New Micro-embedded Generation Facilities Connected On Time | | | | 100.00% | 100.00% | 100.00% | | 90.00% | |
| **Financial Performance**<br>Financial viability is maintained; and savings from operational effectiveness are sustainable. | Financial Ratios | Liquidity: Current Ratio (Current Assets/Current Liabilities) | | 0.49 | 0.37 | 0.48 | 0.48 | 0.46 | | | |
| | | Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio | | 0.93 | 1.10 | 1.34 | 1.40 | 1.26 | | | |
| | | Profitability: Regulatory Return on Equity | Deemed (included in rates) | 9.85% | 9.85% | 9.85% | 9.85% | 9.30% | | | |
| | | | Achieved | 11.71% | 9.75% | 10.50% | 8.18% | 14.24% | | | |

1. Compliance with Ontario Regulation 22/04 assessed: Compliant (C); Needs Improvement (NI); or Non-Compliant (NC).
2. The trend's arrow direction is based on the comparison of the current 5-year rolling average to the fixed 5-year (2010 to 2014) average distributor-specific target on the right. An upward arrow indicates decreasing reliability while downward indicates improving reliability.
3. A benchmarking analysis determines the total cost figures from the distributor's reported information.
4. The CDM measure is based on the new 2015-2020 Conservation First Framework. This measure is under review and subject to change in the future.

**Legend:**

5-year trend: up, down, flat

Current year: target met, target not met

# Festival Hydro Inc. – 2015 Scorecard Management Discussion and Analysis ("2015 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 2015 Scorecard MD&A:

**http://www.ontarioenergyboard.ca/OEB/_Documents/scorecard/Scorecard_Performance_Measure_Descriptions.pdf**

## Scorecard MD&A - General Overview

Festival Hydro Inc. ("Festival") is a locally owned distribution company ("LDC") servicing over 20,000 customers within a 45 sq km urban territory in the municipalities of Stratford, St. Marys, Seaforth, Hensall, Zurich, Dashwood and Brussels. Festival is committed to maintaining a safe, reliable and efficient electricity distribution system and providing quality service to its customers.

In 2015, Festival Hydro exceeded all Ontario Energy Board ("OEB") Scorecard performance targets. Festival is pleased with its Scorecard results achieved within each of the four performance outcome measures of customer focus, operational effectiveness, public policy responsiveness and financial performance.

One of Festival's goals is to continue to improve the customer experience. In early 2016, Festival replaced its current website with a more user focused system, with a broad array of useful, real-time, and interactive tools that allows customers more self service features. In the fall of 2016, Festival will be conducting a detailed customer survey to obtain valuable input from its customers. With the new self serve website and other customer focused initiatives, Festival expects it should lead to an overall improved customer experience and should reflect as such on future Scorecard performance results.

Festival is proud to say that it is one of the first few utilities in Ontario to enable Green Button Download My Data. The Green Button allows customers to access and share electricity data in a standardized, secure manner. Through the use of innovative applications, products, services, and solutions, it can help Ontario households and businesses conserve energy and better manage their electricity bills.

## Service Quality

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

  In 2015, Festival connected 99.60% (237 of 238 requested) of its eligible low-voltage residential, small business and microFIT customer connections (those utilizing connections under 750 volts) to its system within the five-day timeline prescribed by the OEB. This is a slightly lower score than 2014 (2014 - 190 of 190 connected) but is well above the OEB-mandated threshold of 90%. The high score reflects Festival's commitment to quality and timely customer service.

- **Scheduled Appointments Met On Time**

Festival met 546 of its 547 scheduled appointments or 99.80% in 2015 to complete work for special meter reads, reconnects, locates, or other work requiring an appointment to be performed. Down slightly from last year score of 100% (2014- 483 of 483 requested), the 2015 score significantly exceeds the industry target of 90%. Again, the high score reflects Festival's commitment to quality and timely customer service.

- **Telephone Calls Answered On Time**

In 2015, Festival's customer service agents received 20,688 customer related calls. This compares to 20,697 calls received in 2014. An agent answered a call in 30 seconds or less for 90.10% of these calls, which is an improvement from the 84.60% score achieved in 2014. This result significantly exceeds the OEB-mandated 65% target for timely call response, and demonstrates Festival's commitment to timely customer service.

Festival expects that in 2017 call volumes should decrease as a result of the new website which will offer more online self-serve features and reduce the necessity to call. For 2016 call volumes are expected to be the same. Festival expects the enhanced features of the new website may lead to improved calls answered on time results.

## Customer Satisfaction

- **First Contact Resolution**

Specific customer satisfaction measurements have not been formally defined across the industry. The OEB instructed all electricity distributors to review and develop measurements in these areas and to begin tracking by July 1, 2014. The OEB plans to review information provided by electricity distributors over the next few years and implement a commonly defined measure for these areas in the future. As a result, each electricity distributor may have different measurements of performance until such time as the OEB provides specific direction regarding a commonly defined measure.

First Contact Resolution can be measured in a variety of ways and further regulatory guidance is necessary in order to achieve meaningful comparable information across electricity distributors. In July 2014, Festival implemented a First Contact Resolution process whereby at the end of the phone call the customer service agent records whether or not the customer's issue or reason for calling was satisfactory resolved on their first call. Of the total customers calls received during 2015, 99.97% of calls were found to be resolved on the first call to Festival. This is a slight improvement from the initial period of July 1, 2014 to December 31, 2014, where 99.89% of eligible calls were found to have been resolved on the first call to Festival.

During Q4 of 2016, Festival plans to install a new telephone system with an emphasis on maintaining the necessary statistics to measure our success of first call resolution. For the time being, Festival will continue with its existing measure, in anticipation of a new standard measure eventually being set by the OEB. Festival's goal is to have customer issues and concerns resolved at the time of the first call. Festival will also review its 2016 customer survey results to identify actions to be taken to improve customer service and assist in enhancing first contact resolution.

- **Billing Accuracy**

Until July 2014, a specific measurement of billing accuracy had not been previously defined across the industry. After consultation with some electricity distributors, the OEB prescribed a measurement of billing accuracy which all electricity distributors were to adopt effective October 1, 2014.

During fiscal year 2015, over 246,000 bills were issued for which Festival achieved a billing accuracy rate of 99.97%. This compares favourably to the initial measurement period from October 1, 2015 – December 31, 2015 when Festival issued more than 61,000 bills and achieved a billing accuracy rate of 99.89%. These results adequately met the prescribed OEB target of 98%. Festival takes billing accuracy very seriously and monitors its billing accuracy results and processes to identify opportunities for improvement. For customers to put their trust in Festival, it is essential that bills are issued accurately and on a timely basis.

- **Customer Satisfaction Survey Results**

The OEB introduced the Customer Satisfaction Survey Results measure beginning in 2013. At a minimum, electricity distributors are required to measure and report a customer satisfaction result at least every other year.

The results for the 2015 scorecard year are the same score as for 2014 as surveys are done on a biannual basis. During 2014, Festival conducted its first customer satisfaction survey. The survey was created in-house and asked customers a set of questions on specific topics related to their interaction with Festival. These included questions related to telephone interaction, front counter interaction, website interaction, on-site interaction and overall impression of their interactive experience with Festival. The 2014 customer survey results have been incorporated into Festival's planning process and forms the basis of plans to improve customer satisfaction and meet the needs of customers. One example of customer improvement which took place early 2016 is the new website. A new phone system for Q4 2016 is another project focused on an improved customer experience.

On the 2015 Scorecard, Festival has reported a score of 79% as achieved on its 2014 survey results. This percentage represents the number of customers surveyed that were either very or fairly satisfied with Festival. Festival identified from the survey a number of customer service improvement opportunities. Customer feedback indicated, in particular, a need for improvements to Festival's website and online self-service features.

Previous to 2014, in 2013 a survey was conducted which specifically asked questions on topics related to reliability and customers expectations as it relates to new technology and infrastructure expenditures. This survey was completed as part of Festival's 2015 Cost of Service Application and the results of the survey were considered in support of developing Festival's Five Year Distribution System Plan.

In the fall of 2016, Festival will be surveying its customers which will include a set of standardized survey questions which are to be asked and measured by all LDCs. These standardized questions will allow for comparative assessment of results between LDCs and will provide a common measure to be reported on the Scorecards.

# Safety

- ## Public Safety

The Ontario Energy Board introduced these Safety measures in 2015. The measures look at safety from a customer's point of view as safety of the distribution system is a high priority. The Safety measures are generated by the Electrical Safety Authority (ESA) and include three components: Public Awareness of Electrical Safety, Compliance with Ontario Regulation 22/04 and the Serious Electrical Incident Index.

***Component A – Public Awareness of Electrical Safety***

This year ESA, on behalf of Festival Hydro, launched the new public awareness survey among a representative sample (400 citizens) of its territory population. The survey gauges awareness levels of key electrical safety concepts related to distribution assets and is based on a template survey provided by the Electrical Safety Authority (ESA.) The survey provides a benchmark of levels of awareness including identifying gaps where additional education and awareness efforts may be required. This component of the public safety measure has performance data for the 2015 Scorecard with a respectable score of 80.0%.

***Component B – Compliance with Ontario Regulation 22/04***

Over the past four years since this measure was introduced, Festival has been in compliance with Ontario Regulation 22/04 (Electrical Distribution Safety). This has been achieved as a result of Festival's strong commitment to safety and adherence to company safety procedures & practices. Ontario Regulation 22/04 - *Electrical Distribution Safety* establishes objective-based electrical safety requirements for the design, construction, and maintenance of electrical distribution systems owned by licensed distributors. Specifically, the regulation requires the approval of equipment, plans, specifications and inspection of construction before they are put into service.

***Component C - Serious Electrical Incident Index***

Festival reported no serious electrical incidences in the past five years, which reflects Festival's commitment to public safety and setting public and employee safety as a number one priority.

# System Reliability

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

Festival saw a decrease in the average number of hours that power to a customer was interrupted during 2015 compared to 2013 and 2014. For 2015, the OEB established a new measure for LDCs to be within their most recent 5 year average. The result for 2015 of 1.02 hours is well within Festival's 5 year average target of 1.85 hours. Festival's score of 1.02 in 2015 compares favourably to the provincial average (excluding Hydro One networks) of 1.77 as reported in the 2015 OEB's Yearbook of Electricity Distributors. 2013 reliability results are much poorer because of two significant weather events which occurred: an ice storm in April 2013 followed by a more severe ice storm in December.

The severe storm events of 2013 provided Festival with an opportunity to review its practices and ensure its distribution system plan directs improvements that will have a positive effect on reliability to ensure customers continue to receive high value from their electricity service.

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

Festival's Average Number of Times that Power to a Customer is Interrupted (i.e. frequency) of 1.21 is an improvement over both 2013 and 2014. For 2015, the OEB established a new measure for LDCs to be within their most recent 5 year average. The result for 2015 of 1.21 is well within Festival's 5 year average target of 1.95. Festival's score of 1.21 in 2015 compares favourably to the provincial average (excluding Hydro One Networks) of 1.65 as reported in the 2015 OEB's Yearbook of Electricity Distributors. In 2013, two significant weather events occurred which negatively impacted the scores obtained by Festival and many other distributors.

Festival' Distribution System Plan, filed with its 2015 Cost of Service, specifically addresses system reliability. Festival has conducted a detailed review of its distribution assets as part of its Distribution System Plan and prepared a comprehensive plan, which provides for the renewal of its distribution system over the five year period 2015 to 2020. Festival maintains a proactive, balanced approach to distribution system planning, infrastructure investment and replacement programs to address immediate risks associated with end-of-life assets to ensure the safe and reliable delivery of electricity. Festival has committed a minimum of 10% of its capital budget to be spent annually on system reliability.

## Asset Management

- **Distribution System Plan Implementation Progress**

Distribution system plan ("DSP") implementation progress is a new performance measure instituted by the OEB starting in 2014. Consistent with other new measures, utilities were given an opportunity to define this measure in the manner that best fits their organization.

The "Distribution System Plan Implementation Progress" measure is intended to assess the effectiveness of planning and implementing the DSP. As part of Festival's 2015 Cost of Service application, a five year Distribution System Plan was developed. The DSP outlines Festival's forecasted capital expenditures which are required to maintain and expand the distributor's electricity system in order to serve its current and future customers over the period 2015 to 2020.

For 2014 and 2015, Festival measured the progress of its capital expenditures as a ratio of actual total capital expenditures in the year compared to the total amount of planned capital expenditures for the year. The 2015 measure at 107.67% indicates that Festival completed and exceeded its planned project spending during the year. Since the DSP is a plan with a five year horizon, Festival expects that some years may be slightly more or slightly less than budget for the year, with the objective that Festival will cumulatively achieve close to 100% of budget levels over the 5 year period. Based on the cumulative results of 2014 and 2015, the cumulative two year budget completion is at 99.56%.

The Company has planned relatively flat expenditures on infrastructure and capital over the 2015 to 2020 time period. Due to strong capital programs in the past, Festival is fortunate to not be in the position as some other distributors where substantial amounts of capital investment are required over the next five to ten years to address aging infrastructure.

# Cost Control

- ## Efficiency Assessment

The total costs for Ontario local electricity distribution companies are evaluated by the Pacific Economics Group LLC (“PEG”) on behalf of the OEB to produce a single efficiency ranking. The ranking is based on a total cost approach taking into account the amounts spend on expenditures on capital and infrastructure reinvestments and the amounts spent on Operations, Maintenance and Administration (“O, M & A”) costs. The electricity distributors are divided into five groups based on the magnitude of the difference between their respective individual actual and predicted costs.

In 2015, for the fourth year in a row, Festival was placed in Group 4, where a Group 4 distributor is defined as having actual costs in excess of 10% to 25% above predicted costs. The 4 rating was anticipated by Festival as a result of a number of years of sustained higher investment to improve the infrastructure within in the smaller towns purchased by Festival.

Based on the 2015 PEG results, Festival's total cost per customer increased by 1.7% which was substantially below the average of LDCs at 3.88% as reported in PEG’s report. With major investments now completed, and O, M & A costs being kept under control, Festival anticipates advancing to the “more efficient” group 3 within the next few years. Note that under the previous OEB performance efficiency model, which was based solely on operating costs, Festival was amongst the top 10 most efficient local distribution companies in the Province.

- ## Total Cost per Customer

Total cost per customer is calculated as the sum of Festival’s capital and operating costs and dividing this cost figure by the total number of customers that Festival serves. The cost performance result for 2015 is $639 per customer, which is a 0.8% increase from 2014. This increase is less that the CPI increases in Ontario for 2015.

Festival’s Total Cost per Customer has increased on average by 1.4% per annum over the period 2010 through 2015, which is well below inflationary CPI for that period. Similar to most distributors in the province, Festival has experienced increases in its total costs required to deliver quality and reliable services to customers. Festival has managed to keep its costs in line despite having to deliver on provincial wide programs such as Time of Use metering, growth in wage and benefits costs, as well as investments in new information systems technology and the renewal and growth of the distribution system, which have all contributed to increase operating and capital costs.

Festival plans to continue to replace distribution assets proactively along a carefully managed timeframe in a manner that balances system risks and customer rate impacts, as demonstrated in Festival Distribution Plan filed as part of its 2015 Cost of Service application. Festival will continue to implement productivity and improvement initiatives to help offset some of the costs. Customer engagement initiatives will continue, for example, in the form of a 2016 customer survey, so customers have an opportunity to share their viewpoint.

- ## Total Cost per Km of Line

This measure uses the same total cost as used in the Cost per Customer calculation above. The total cost is divided by the kilometers of line that Festival operates to serve its customers. Festival's 2015 rate is $50,535 per Km of line, a 1.0% increase over 2014, which is well within the CPI increase for 2015. Festival generally experiences minimal growth in its total kilometers of lines due to a low annual customer and population growth rate. Such a low growth rate has reduced Festival’s ability to fund capital renewal and increased operating costs through customer growth. As a result, cost per Km of line has increased year over year with the increase in capital and operating costs. Festival continues to seek innovative solutions to help ensure cost/km of line remains competitive and within acceptable limits to our customers.

## Conservation & Demand Management (“CDM”)

- **Net Cumulative Energy Savings**

Festival, as a participant in the Conservation First Framework, has contracted with the IESO for the delivery of CDM programs over the 2015-2020 period with an energy savings target for the six year period of 34.65 GWh. During 2015, Festival achieved 13.92% of its target. Festival was pleased with its 2015 results considering 2015 was the start year of the new programs.

For the conservation framework ending in 2014, Festival achieved its four-year net cumulative energy savings target, achieving in excess of 155% of target and being in the top nine utilities within the province. In terms of meeting its MW target, Festival was amongst the top nine utilities achieving over 85% of its MW target for the program delivery period of 2011 to 2014.

## Connection of Renewable Generation

- **Renewable Generation Connection Impact Assessments Completed on Time**

Electricity distributors are required to conduct Connection Impact Assessments (CIAs) within 60 days of receiving authorization from the Electrical Safety Authority. Festival completed all CIAs in 2015 within the prescribed time limit.

- **New Micro-embedded Generation Facilities Connected On Time**

In 2015, Festival connected 10 new micro-embedded generation facilities (MicroFIT projects of less than 10 kW) 100% of time within the prescribed time frame of five business days. The minimum acceptable performance level for this measure is 90% of the time. Festival works closely with its customers to minimize connection issues and to ensure projects are connected on time.

## Financial Ratios

- **Liquidity: Current Ratio (Current Assets/Current Liabilities)**

As an indicator of financial health, a current ratio that is greater than 1 is considered good as it indicates that the company can pay its short term debts and financial obligations. Companies with a ratio of greater than 1 are often referred to as being “liquid”. The higher the number, the more “liquid” and the larger the margin of safety to cover the company’s short-term debts and financial obligations.

While Festival’s current ratio decreased for 2015 to 0.46, it is fairly consistent with the ratio over the past five years. The reason for the ratio being substantially less than 1.00 is because of the shareholder loan. The repayment term on the promissory note is “on demand” and as such the borrowing instrument is classified as a current liability. If the impact of the promissory note is removed, Festival then has a 1.09 current ratio for 2015 and a 1.02 ratio for 2014.

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

The OEB uses a deemed capital structure of 60% debt, 40% equity for electricity distributors when establishing rates. This deemed capital mix is equal to a debt to equity ratio of 1.5 (60/40). A debt to equity ratio of more than 1.5 indicates that a distributor is more highly levered than the deemed capital structure. A high debt to equity ratio may indicate that an electricity distributor may have difficulty generating sufficient cash flows to make its debt payments. A debt to equity ratio of less than 1.5 indicates that the distributor is less levered than the deemed capital structure. A low debt-to-equity ratio may indicate that an electricity distributor is not taking advantage of the increased profits that financial leverage may bring.

Festival continues to maintain a debt to equity structure that is slightly less than the deemed 60% to 40% capital mix as set out by the OEB – this is demonstrated by the 2015 debt to equity ratio of 1.26. During 2013 and 2014, the leverage ratio moved closer to the prescribed OEB rate largely due to a large investment ($15.5 million) in the construction of the Transformer Station. Capital expenditures planned for the 2015 to 2020 will be primarily funded through current operations so the leverage ratio is expected not to exceed the OEB deemed ratio of 1.5.

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

Festival's current deemed regulatory return of equity ("ROE") of 9.30% was approved by the OEB as part of Festival's 2015 Cost of Service Application. The deemed regulatory return on equity is traditionally only changed as part of a Cost of Service Application. The OEB expects a distributor to earn within +/- 3% of the expected return on equity. When a distributor performs outside of this range, the actual performance may trigger a regulatory review of the distributor's revenues and costs structure by the OEB. The 2015 deemed regulatory return on equity approved by the OEB as part of Festival's 2015 Cost of Service Application is set at 9.30% compared to the previous approved rate of 9.85%, resulting in a lower return to Festival and lower amount to be collected through distribution rates.

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

On the Scorecard it appears that Festival achieved a regulatory return of equity of 14.24% in 2015 which is well in excess of the 300 basis points band. Due to the OEB prescribed regulatory accounting procedures for incremental capital accounts, all rate rider income collected by Festival Hydro for its transformer station during the period of May 1, 2013 to April 30, 2015 was included in income for 2015. A new rate rider was also in place from May 1, 2015 to December 31, 2015. If the impact of the accounting for the disposition of the ICM account and new rate rider is removed from ROE determination, the profitability (ROE) earned excluding the impact of the ICM rate rider is 10.41%, which is within the 300 basis point band established by the OEB.

For 2014, the reduction in the 2014 return compared to previous years was largely the result of expensing $194,000 in operating costs related to the operations of the transformer station incurred in 2013 and 2014 for which recovery was not allowed through rates. The average return over the 4 year period (2010 to 2014) was an average of 10.04%, which was 1.9% on average higher than the approved ROE and well within the approved 300 basis point band. Festival achieved slight higher returns over that 4 year period mainly due to mitigated the overall real growth in its operating cost base with productivity savings arising from related process improvement initiatives.

## Note to Readers of 2015 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.