### Scorecard - Newmarket-Tay Power Distribution Ltd.

**Performance Outcomes**

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</thead>
<tbody>
<tr>
<td><strong>Customer Focus</strong></td>
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<tr>
<td><strong>Service Quality</strong></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>90.00%</td>
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<tr>
<td></td>
<td>Scheduled Appointments Met On Time</td>
<td>98.20%</td>
<td>98.60%</td>
<td>94.90%</td>
<td>96.50%</td>
<td>98.00%</td>
<td>90.00%</td>
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<tr>
<td></td>
<td>Telephone Calls Answered On Time</td>
<td>87.80%</td>
<td>88.50%</td>
<td>83.60%</td>
<td>84.90%</td>
<td>84.00%</td>
<td>65.00%</td>
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<td><strong>Customer Satisfaction</strong></td>
<td>First Contact Resolution</td>
<td>85%</td>
<td>92%</td>
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<td></td>
<td>Billing Accuracy</td>
<td>99.98%</td>
<td>99.98%</td>
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<tr>
<td></td>
<td>Customer Satisfaction Survey Results</td>
<td>92%</td>
<td>94%</td>
<td></td>
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<tr>
<td><strong>Operational Effectiveness</strong></td>
<td>Level of Public Awareness</td>
<td>100.00%</td>
<td>82.00%</td>
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<tr>
<td></td>
<td>Level of Compliance with Ontario Regulation 22/04</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td></td>
<td>Serious Electrical Incident Index</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Number of General Public Incidents Rate per 100, 1000 km of line</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
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<tr>
<td><strong>Safety</strong></td>
<td>Average Number of Times that Power to a Customer is Interrupted</td>
<td>0.93</td>
<td>0.72</td>
<td>0.78</td>
<td>0.68</td>
<td>0.58</td>
<td>0.68</td>
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<tr>
<td></td>
<td>Average Number of Times that Power to a Customer is Interrupted</td>
<td>0.73</td>
<td>0.50</td>
<td>0.54</td>
<td>0.79</td>
<td>0.79</td>
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<tr>
<td><strong>System Reliability</strong></td>
<td>Distribution System Plan Implementation Progress</td>
<td>80%</td>
<td>99%</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>Asset Management</strong></td>
<td>Efficiency Assessment</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Total Cost per Customer</td>
<td>$534</td>
<td>$536</td>
<td>$543</td>
<td>$566</td>
<td>$579</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total Cost per Km of Line</td>
<td>$21,464</td>
<td>$21,830</td>
<td>$22,272</td>
<td>$23,340</td>
<td>$23,801</td>
<td></td>
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<tr>
<td><strong>Conservation &amp; Demand Management</strong></td>
<td>Net Cumulative Energy Savings</td>
<td>22.68%</td>
<td>36.24 GWh</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td><strong>Connection of Renewable Generation</strong></td>
<td>Renewable Generation Connection Impact Assessments Completed On Time</td>
<td>100.00%</td>
<td>100.00%</td>
<td></td>
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<tr>
<td></td>
<td>New Micro-embedded Generation Facilities Connected On Time</td>
<td>100.00%</td>
<td>100.00%</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Cost Control</strong></td>
<td>Liquidity: Current Ratio (Current Assets/Current Liabilities)</td>
<td>4.70</td>
<td>3.13</td>
<td>2.69</td>
<td>2.66</td>
<td>2.70</td>
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<tr>
<td></td>
<td>Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio</td>
<td>0.66</td>
<td>0.65</td>
<td>0.61</td>
<td>0.61</td>
<td>0.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Profitability: Regulatory Deemed (included in rates)</td>
<td>9.66%</td>
<td>9.66%</td>
<td>9.66%</td>
<td>9.66%</td>
<td>9.66%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Return on Equity Achieved</td>
<td>9.48%</td>
<td>9.39%</td>
<td>11.10%</td>
<td>8.88%</td>
<td>8.51%</td>
<td></td>
</tr>
</tbody>
</table>

### Performance Categories

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.

### Financial Performance

Financial viability is maintained; and savings from operational effectiveness are sustainable.
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:


NTPDL Scorecard MD&A - General Overview

In 2015, NTPDL exceeded all performance targets except for one of the two system reliability measures, primarily due to planned outages for asset maintenance and replacement that had to be done in between the two major phases of the VIVAnext Bus Rapid Transit (BRT) project. While aging equipment failure was not the key contributor to the outage frequency, being slightly higher than the performance target, NTPDL recognizes that aging distribution assets require a planned investment focus to ensure that existing reliability levels are maintained going forward and this is reflected in our Distribution System Plan (DSP) capital investments for the 2015 – 2019 period.

One of the key challenges experienced by NTPDL during the 2011 - 2015 period was the need for very high levels of investment to relocate poles and overhead conductor along Davis Drive and Yonge Street due to the VIVAnext Bus Rapid Transit (BRT) project. Labour, material and financial resource committed to this mandatory undertaking resulted in limited resources being made available to other discretionary programs, such as planned equipment replacement programs and support systems. Despite increased planned outages, necessary during the powerline relocation construction to facilitate the BRT project, NTPDL managed to maintain good reliability, well within industry standards with only a slight increase in the trending reliability measure for average outage frequency. NTPDL management paced and prioritized the remaining available spend among investments that would best maintain existing service reliability levels while minimizing impact on customer rates.

The next phase of the VIVAnext Bus Rapid Transit (BRT) project is underway and consists of a dedicated 2.4km rapidway along Yonge Street, from Mulock Drive to Davis Drive, linking to the Davis Drive rapidway. This has/will have similar impacts on labour, material and financial resource availability during the first few years of the 2015 – 2019 planning period in the company’s DSP. System Renewal spending, focusing on proactive replacement of equipment at end of life, was modest during 2015 and will continue to be modest in 2016. System Renewal spending will increase in pace and priority beginning in 2017 as more resources become available. NTPDL management believes that this investment pacing will not result in undue risk to existing to system reliability levels during the 2015 – 2019 planning period. As stated, the company's goal during the 2015 – 2019 planning period is to maintain existing reliability levels.

Also of note are NTPDL’s customer engagement efforts. In addition to determining customer satisfaction, annual customer surveys are used to engage customers and determine preferences going forward. The 2015 Electric Utility Large Customer Satisfaction Survey was undertaken in October 2015. The survey indicated that NTPDL’s standard of reliability met expectations. Another customer engagement effort focused on NTPDL’s 2015 – 2019 Distribution System Plan (DSP). NTPDL engaged its customer by posting the draft 2015 – 2020 DSP to its website along with a short survey form for customers to provide feedback. Feedback obtained was incorporated into the final DSP.

CDM efforts continue to focus on efforts to reduce peak demand and overall energy consumption. New CDM targets in place for the 2015 – 2020 period are significantly above the levels achieved in 2011 through 2014. NTPDL believes that partnerships are a key component to our overall success. To help meet NTPDL’s
conservation goals under the Conservation First Framework that was introduced in 2015 by the Independent Electricity System Operator (IESO), NTPDL is working with other Utilities in the province through a collaborative group called CustomerFirst to design and deliver cost effective conservation programs for our customers. By working together, CustomerFirst utilities will find efficiencies in the delivery of conservation and this will lead to cost savings for electricity customers.

As a member of CustomerFirst, NTPDL is part of a joint Conservation (CDM) Plan that has been approved by the IESO. The joint plan will achieve 141,877 MWh of savings which is equal to the combined targets that were allocated to each CustomerFirst member under the new framework.

NTPDL is committed to providing our customers with cost effective conservation programs to help them save electricity and lower their electricity bills. All sectors and customer types are covered in the joint plan and customers will have access to multiple province-wide, local and pilot programs. The joint CDM plan includes four pilot programs that will be developed and launched to meet the local needs of our customers. In 2015, CustomerFirst received approval from the IESO to deliver a pilot residential program designed to assist residential customers with electrical heating. The program will be available to customers in the NTPDL service area beginning the fall of 2016.

Through the CustomerFirst joint CDM Plan, NTPDL will continue to work collaboratively with the other CustomerFirst utilities to find efficiencies and reduce costs. The group will be sharing resources and working together in all areas of CDM including sales, marketing, customer and project support to provide value to ratepayers.

Renewable generation connection has not had a significant impact on investment and performance and is not expected to have a significant impact in the near term.

In 2016, NTPDL expects to maintain its overall scorecard performance results as compared to prior years.
• **New Residential/Small Business Services Connected on Time**

In 2015, NTPDL connected 100% of its low-voltage residential and small business customers within the five-day timeline set out by the Ontario Energy Board (OEB). This is the 5th year in a row that NTPDL has reached 100%; the OEB mandated threshold is 90%. In addition, where possible, NTPDL also coordinates connection activities with other planned construction activities undertaken by the utility, other utilities or municipal/regional and provincial government agencies. NTPDL is currently working with local municipalities to further enhance the coordination between municipal/regional and electrical distribution construction activities. This is most evident with the significant coordination of effort required between the various agencies involved with the VIVAnext Bus Rapid Transit (BRT) project.

• **Scheduled Appointments Met On Time**

In 2015 NTPDL was able to meet 98% of its scheduled appointments within its scheduled timeframe of 4 hours. In 2015, 2,200 appointments were scheduled and 2,155 were met within the scheduled timeframe. This is a 1.5% improvement from the previous year and above the OEB mandated threshold of 90%. The number of scheduled appointments decreased by 14% in 2015 compared to 2014. Appointment numbers vary from year to year due to a number of factors but in general in excess of over 2,000 appointments are expected to be addressed in any given year. The existing processes that are in place for this are expected to maintain performance above the 90% threshold level.

• **Telephone Calls Answered On Time**

NTPDL received 37,276 phone calls in 2015 and was able to answer 84% of those calls within 30 seconds or less. This result significantly exceeds the OEB-mandated 65% target for timely call response. The 2015 result amounts to a 0.9% decrease over 2014 performance. This is not considered a significant variance in telephone call answer performance given the increase in call volumes (an increase of 898 calls over 2014). Telephone call numbers vary from year to year due to a number of factors but in general in excess of over 35,000 calls are expected to be addressed in any given year. Call volumes have remained somewhat stable over the 2011 – 2015 period. The existing processes that are in place for this are expected to maintain performance above the 65% threshold level.
Customer Satisfaction

• First Contact Resolution

NTPDL engaged a third party agent to survey Large Customers on their overall satisfaction with Customer Service and whether the reason for calling was resolved on their first call. The survey was conducted between October 7 and October 28 2015. The Large Customer (LC) segment differs from residential and small commercial customers (RSC). From a customer count perspective, LCs represent a tiny fraction of the customer base, but on the volume side of things LCs represent a huge amount of the total kW consumed in the LDC’s area of responsibility. 50 Large Customers participated in the survey. The questions specific to First Contact Resolutions resulted in information from customers with respect to satisfaction with the contact experience, whether the problem was resolved on the call, and an overall Customer Experience Performance rating. The overall Large Customer satisfaction rating was 92%.

NTPDL endeavours to use the customer survey results to identify customer service improvements which are expected to increase first contact resolutions in the future.

• Billing Accuracy

NTPDL issued over 430,000 bills from January 1, 2015 to December 31, 2015 and achieved 99.98% accuracy. This compares favourably to the prescribed OEB target of 98%.

NTPDL continues to monitor its billing accuracy results and processes to identify opportunities for improvement.

• Customer Satisfaction Survey Results

Over the 2011 – 2015 period, NTPDL has engaged a third party to conduct customer satisfaction surveys. These customer satisfaction surveys provide information that supports discussions surrounding improving customer service at all levels and departments within the company. The survey asks customers questions on a wide range of topics, including: overall satisfaction with NTPDL, reliability, customer service, outages, billing and corporate image. In addition, NTPDL provides input to this third party to enable them to develop questions that will aid in gathering data about customer expectations and needs. This data is then incorporated into NTPDL’s planning process and forms the basis of plans to improve customer satisfaction and meet the needs of customers. The final report on these customer satisfaction surveys evaluates the level of customer satisfaction and identifies areas of improvement. It also helps identify the most effective means of communication. NTPDL’s 2015 Large Customer Satisfaction Results contain a number of measures of customer satisfaction. In its 2015 Scorecard the company reported the number of Large Customers that were very or fairly satisfied with NTPDL. NTPDL received a score of 94% in 2015 on this measure as compared to a score of 92% for 2014. Large Customer feedback indicates that customer satisfaction, while still high, requires ongoing monitoring by NTPDL to ensure that customers sustain perception of getting value for monies spent. NTPDL will continue to use the survey results to identify additional improvement opportunities.
Safety

- Public Safety

Safety continues to be NTPDL's priority and the 2015 safety results reflect NTPDL's persistent efforts in this area especially with regard to training, planning, and construction activities along with collaboration within the industry.

- Component A – Level of public Awareness

NTPDL engaged a third party agent to measure the level of awareness of key electrical safety precautions among the public within its service territory. Six (6) key electrical safety precautions were identified by the OEB. Public awareness of these 6 key precautions was surveyed. Survey results were based on a random telephone survey of 400 respondents of the general public located in Newmarket and Tay service areas. NTPDL scored 82% on the OEB's Public Safety Awareness Index Score. This indicates that many of the general public have a good awareness of the key public electrical safety issues. NTPDL continues to promote continued education, awareness and application of safety around powerlines and as such, safety continues to play a key role in ongoing activities. NTPDL participated in the 2016 ESA Powerline Safety Campaign.

- Component B – Level of Compliance with Ontario Regulation 22/04

NTPDL has achieved compliance in this portion of the audit each year since the regulation came into effect in 2004. In 2015, NTPDL once again achieved full compliance with O. Reg. 22/04. NTPDL has adopted a target of “zero” non-compliance and “one” needs improvement as a performance benchmark.

- Component C – Serious Electrical Incident Index

There were no public Serious Electricity Incidences in 2015 ("0" and "0.000 per km of line").
System Reliability

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

  NTPDL comfortably met its 0.68 target value for Average Number of Hours that Power to a Customer is interrupted (i.e. duration) in 2015 by achieving an actual performance measure of 0.58. The 2015 number is lower than the 2014 value of 0.68 and is an improvement over the previous year. For 2015, 0.58 represents that NTPDL’s customers lost power for an average of 35 minutes per year. This represents a supply availability of 99.993%. Four “nines” is an extremely high level of service availability that most utilities strive to achieve but few are able to accomplish. NTPDL will strive to maintain the average number of hours that power is interrupted to a customer.

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

  NTPDL’s Average Number of Times that Power to a customer is interrupted (i.e. frequency) in 2015 was 0.67. The 2015 number represents an improvement over the 2014 value of 0.79 but is still higher than the 0.55 target value and slightly higher than the 2011 – 2015 5-year average. The performance above the 2011 - 2015 average was primarily due to planned outages for asset maintenance and replacement that had to be done in between the two major phases of the VIVAnext Bus Rapid Transit (BRT) project. As the BRT project completes in 2018, NTPDL expects that outage frequency related statistics going forward will be within historical norms. It is important to note that the 2015 result equates to less than one interruption per customer per year which is a leading performance figure in the electrical utility industry. NTPDL will continue to strive to reduce the number of times that power is interrupted to a customer.

For comparison purposes, to illustrate the relative service NTPDL customers are receiving, we show below the 2015 System Reliability statistics (source: OEB 2015 Yearbook of Electricity Distributors) compared to all Ontario distributors:

<table>
<thead>
<tr>
<th></th>
<th>Average number of Hours power to a Customer is interrupted</th>
<th>Average number of Times power to a Customer is interrupted</th>
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<tbody>
<tr>
<td>All Ontario distributors</td>
<td>4.64</td>
<td>2.15</td>
</tr>
<tr>
<td>NTPDL</td>
<td>0.58</td>
<td>0.67</td>
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</tbody>
</table>

Table 1 – All Ontario LDCs

NTPDL continues to monitor outage trends especially those related to equipment failure, vegetation management and foreign interference as they tend to be the cause of roughly two-thirds of the outages experienced by our customers.
Asset Management

• Distribution System Plan Implementation Progress

NTPDL completed a draft of its Distribution System Plan ("DSP"). The Draft was posted on NTPDL’s website for public review from February 22, 2016 to April 30, 2016. A survey was accessible from the webpage to provide for customer feedback on the DSP. Customer feedback generally agreed with NTPDL’s position that the DSP was prudent, met customer expectations and provided value. The review resulted in no change to the programs in the DSP, and as such, the DSP was finalized and submitted to the OEB in May 2016.

NTPDL has reported 99% completion of the DSP at December 31, 2015 herein with the understanding that the measure refers to the percentage represented on a project management progress view of the drafting of the DSP document itself, and does not reflect implementation.

Cost Control

• Efficiency Assessment

The total costs for Ontario local electricity distribution companies are evaluated by the Pacific Economics Group LLC on behalf of the OEB to produce a single efficiency ranking. 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, NTPDL maintained its Group 2 position, meaning that actual costs were 10 to 25% below its predicted costs. Group 2 is considered “better than average efficiency” – in other words, NTPDL’s costs are lower than the average cost range for distributors in the Province of Ontario. In 2015, 51% (36 distributors) of the Ontario distributors were ranked as “average efficiency”; 28% were ranked as “more efficient”; 21% were ranked as “least efficient. NTPDL strives to maintain its overall efficiency position to remain within Group 2, and management expects their efficiency performance will not decline.

• Total Cost per Customer

Total cost per customer is calculated as the sum of the company’s capital and operating costs and dividing this cost figure by the total number of customers that NTPDL serves. The cost performance result for 2015 is $579/customer which is a 2.3% increase over 2014.

NTPDL’s Total Cost per Customer has increased on average by 2.1% per annum over the period 2011 through 2015. Similar to most distributors in the Province, NTPDL has experienced increases in its total costs required to deliver quality and reliable services to customers. In 2015 NTPDL incurred considerable plant relocation cost related to the VIVAnext Bus Rapid Transit (BRT) projects along Yonge Street. Province wide mandated programs, growth in wage and benefits costs for our employees, as well as investments in support systems and the relocation and renewal and growth of the distribution system, have all contributed to increased operating and capital costs. NTPDL will 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 our Distribution System Plan. NTPDL will continue to implement productivity and improvement initiatives to help offset some of the costs associated with future system improvement and enhancements. Customer engagement initiatives will continue in order to ensure customers have an opportunity to share their viewpoint on NTPDL’s capital spending plans.
• Total Cost per km of Line

This measure uses the same total cost that is used in the Cost per Customer calculation above. The Total cost is divided by the kilometers of line that NTPDL operates to serve its customers. NTPDL’s 2015 rate is $23,801 per km of line, a 2.0% increase over 2014. NTPDL has experienced a significant amount of plant relocation due to regional and municipal road projects especially the VIVAnext Bus Rapid Transit (BRT) projects along Yonge Street. Plant relocation consumes funds yet, in most cases, add no new km of line. As a result, cost per km of line has increased year over year with the increase in capital and operating costs. NTPDL continues to seek innovative solutions to help ensure cost/km of line remains competitive and within acceptable limits to our customers (i.e. no undergrounding of relocated lines unless paid for outside of rates).
Conservation & Demand Management

• Net Cumulative Energy Savings

NTPDL met 22.68% of its 2015 – 2020 Net Cumulative Energy Savings target as at the end of 2015. In 2015, 81% of the savings came from the business sector, 18% from the residential sector and 1% from the home assistance sector. This was achieved through the joint CDM plan delivered by CustomerFirst. CustomerFirst is a collaborative effort of a number of utilities, including NTPDL, to design and deliver cost effective conservation programs for their customers. All sectors and customer types are covered in the joint plan and customers will continue to have access to multiple province-wide, local and pilot programs through the 2016 – 2020 CDM target period.

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. In 2015, 1 request for a CIA related to renewable generation was received and completed on time.

• New Micro-embedded Generation Facilities Connected On Time

In 2015, NTPDL connected 44 new micro-embedded generation facilities (microFIT projects of less than 10 kW) all within the prescribed time frame of five business days (100%). The minimum acceptable performance level for this measure is 90% of the time. NTPDL’s workflow to connect these projects is very streamlined and transparent with our customers. NTPDL works closely with its customers and their contractors to tackle any connection issues to ensure the project is connected on time.
Financial Ratios

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

  The current ratio is a popular financial ratio used to test a company's liquidly and a rough measure of a company's health. The ratio is a measure of a company's ability to pay short term and long obligations (such as debt and accounts payables) with its somewhat liquid assets (such as cash inventory and accounts receivable). Thus the higher the current ratio, the more capable the company is of paying its financial obligations. Whereas a ratio under 1 indicates that a company's liabilities are greater than its assets and suggests that the company in question would be unable to pay off its financial obligations if they came due at that point.

  NTPDL's 2015 current ratio is 2.70 (five year average is 3.18) and is an indication of a strong current position. NTPDL's ratio has trended down in recent years due to the accumulation of the MIRS variances which are in a liability position. This variance account will be disposed of at the next Cost of Service hearing.

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

  Debt-to-Equity Ratio is a measure of a company's financial leverage and is the proportion of debt financing in a company relative to its equity. Whereas Debt could be defined the book or market value of interest-bearing financial liabilities such as debentures, loans, redeemable preference shares, bank overdrafts and finance lease and Equity is defined as the book value of share capital and reserves (i.e. equity section of the balance sheet) or the market value of equity shares (i.e. market capitalization.)

  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 high debt to equity ratio may indicate that an company may have difficulty generating sufficient cash flows to make its debt payments.

  NTPDL's 2015 debt to equity ratio is .74 and is lower than the OEB's ratio of 1.5 as stated above. NTPDL's lower ratio is due to the original deregulation parameters where the OEB debt to equity structure for establishing rates was 50% Debt, 50% Equity. Furthermore NTPDL's strong balance sheet and lower debt to equity ratio will help NTPDL endure any particular economic event that may occur in the future.

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

  NTPDL’s current OEB approved expected (deemed) regulatory return on equity was 9.66%. This was the decision from NTPDL’s last Cost of Service filing EB 2009-0269. The OEB allows a company to earn within +/- 3% of the expected return on equity. If a distributor is outside that +/- 3% range, it could trigger a regulatory review of the distributor’s revenues and costs structure.

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

  NTPDL’s regulatory return on equity for 2015 was 8.51%, which is well within the +/- 3% range allowed by the OEB. The average return over the past five years was 9.47% which is well within the OEB's +/- 3% range of NTDPL's deemed return on equity of 9.66%.
Note to Readers of 2015 Scorecard MD&A

The information provided by Newmarket-Tay Power Distribution Ltd. on its 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 Newmarket-Tay Power Distribution Ltd. regarding its 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.