## Performance Outcomes

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</thead>
<tbody>
<tr>
<td><strong>Customer Focus</strong></td>
<td>New Residential/Small Business Services Connected on Time</td>
<td>93.10%</td>
<td>98.10%</td>
<td>98.10%</td>
<td>97.80%</td>
<td>99.50%</td>
<td>90.00%</td>
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<tr>
<td></td>
<td>Scheduled Appointments Met On Time</td>
<td>98.70%</td>
<td>99.60%</td>
<td>98.80%</td>
<td>99.70%</td>
<td>94.70%</td>
<td>90.00%</td>
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<tr>
<td></td>
<td>Telephone Calls Answered On Time</td>
<td>77.20%</td>
<td>69.20%</td>
<td>68.30%</td>
<td>71.00%</td>
<td>78.40%</td>
<td>65.00%</td>
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<tr>
<td><strong>Service Quality</strong></td>
<td>First Contact Resolution</td>
<td></td>
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<tr>
<td></td>
<td>Billing Accuracy</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Customer Satisfaction Survey Results</td>
<td>91%</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>Customer Satisfaction</strong></td>
<td>Level of Public Awareness</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Level of Compliance with Ontario Regulation 22/04</td>
<td>Ni</td>
<td>Ni</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td></td>
</tr>
<tr>
<td><strong>Operational Effectiveness</strong></td>
<td>Serious Electrical Incident Index</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of General Public Incidents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rate per 100, 1000 km of line</td>
<td>0.000</td>
<td>0.135</td>
<td>0.134</td>
<td>0.132</td>
<td>0.132</td>
<td>0.075</td>
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<tr>
<td><strong>System Reliability</strong></td>
<td>Average Number of Hours that Power to a Customer is Interrupted  ²</td>
<td>1.05</td>
<td>1.04</td>
<td>9.77</td>
<td>1.41</td>
<td>1.93</td>
<td></td>
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<tr>
<td></td>
<td>Average Number of Times that Power to a Customer is Interrupted  ²</td>
<td>1.00</td>
<td>1.53</td>
<td>2.24</td>
<td>1.66</td>
<td>1.42</td>
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<tr>
<td><strong>Asset Management</strong></td>
<td>Distribution System Plan Implementation Progress</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Efficiency Assessment</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td></td>
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<tr>
<td><strong>Cost Control</strong></td>
<td>Total Cost per Customer  ³</td>
<td>$614</td>
<td>$645</td>
<td>$653</td>
<td>$688</td>
<td>$723</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total Cost per Km of Line  ³</td>
<td>$27,494</td>
<td>$29,405</td>
<td>$29,912</td>
<td>$31,980</td>
<td>$33,839</td>
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<tr>
<td><strong>Public Policy Responsiveness</strong></td>
<td>Net Cumulative Energy Savings  ⁴</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></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></td>
</tr>
<tr>
<td></td>
<td>New Micro-embedded Generation Facilities Connected On Time</td>
<td>93.83%</td>
<td>93.57%</td>
<td>87.50%</td>
<td></td>
<td>90.50%</td>
<td></td>
</tr>
<tr>
<td><strong>Financial Performance</strong></td>
<td>Liquidity: Current Ratio (Current Assets/Current Liabilities)</td>
<td>0.91</td>
<td>1.19</td>
<td>0.77</td>
<td>1.02</td>
<td>0.80</td>
<td></td>
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<tr>
<td></td>
<td>Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio</td>
<td>1.30</td>
<td>1.32</td>
<td>1.39</td>
<td>1.46</td>
<td>1.50</td>
<td></td>
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<tr>
<td></td>
<td>Profitability: Regulatory Deemed (included in rates)</td>
<td>8.01%</td>
<td>8.01%</td>
<td>8.93%</td>
<td>8.93%</td>
<td>8.93%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Return on Equity Achieved</td>
<td>10.09%</td>
<td>8.55%</td>
<td>9.98%</td>
<td>9.49%</td>
<td>6.65%</td>
<td></td>
</tr>
<tr>
<td><strong>Conservation &amp; Demand Management</strong></td>
<td>Net Cumulative Energy Savings  ⁴</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5-year trend</td>
<td>1.05</td>
<td>1.04</td>
<td>9.77</td>
<td>1.41</td>
<td>1.93</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Current year</td>
<td>1.00</td>
<td>1.53</td>
<td>2.24</td>
<td>1.66</td>
<td>1.42</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Target</td>
<td></td>
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</tbody>
</table>

### Performance Categories

**Customer Focus**
- Services are provided in a manner that responds to identified customer preferences.

**Service Quality**
- New Residential/Small Business Services Connected on Time
- Scheduled Appointments Met On Time
- Telephone Calls Answered On Time
- First Contact Resolution
- Billing Accuracy
- Customer Satisfaction Survey Results

**Customer Satisfaction**
- Level of Public Awareness
- Customer Satisfaction

**Operational Effectiveness**
- Continuous improvement in productivity and cost performance is achieved, and distributors deliver on system reliability and quality objectives.
- New Residential/Small Business Services Connected on Time
- Scheduled Appointments Met On Time
- Telephone Calls Answered On Time
- First Contact Resolution
- Billing Accuracy
- Customer Satisfaction Survey Results

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

**Asset Management**
- Distribution System Plan Implementation Progress
- Efficiency Assessment
- Total Cost per Customer
- Total Cost per Km of Line

**Cost Control**
- Total Cost per Customer
- Total Cost per Km of Line

**Public Policy Responsiveness**
- Distributors deliver on obligations mandated by government (e.g., in legislation and in regulatory requirements imposed further to Ministerial directives to the Board).

**Financial Performance**
- Financial viability is maintained; and savings from operational effectiveness are sustainable.

**Conservation & Demand Management**
- Net Cumulative Energy Savings

**Connection of Renewable Generation**
- Renewable Generation Connection Impact Assessments Completed On Time
- New Micro-embedded Generation Facilities Connected On Time

**Financial Ratios**
- Liquidity: Current Ratio (Current Assets/Current Liabilities)
- Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio
- Profitability: Regulatory Deemed (included in rates)
- Return on Equity Achieved

### Notes
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.
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**

PowerStream’s management is pleased with the 2015 scorecard results over all four perspectives: customers, operational effectiveness, public policy responsiveness and financial performance.

We are especially pleased with the excellent results related to customer experience, where the performance metrics all exceeded industry standards and the overall customer satisfaction level was 90.5%, which represents an increase from 2014. This is rewarding because these results were achieved while a new billing system was being implemented and the Customer Service Department was in a period of significant change. We also undertook a Public Awareness of Electrical Safety survey for the first time in 2015 and PowerStream’s overall result on this survey was 78%. PowerStream has a strong commitment to public safety which is demonstrated through a number of initiatives undertaken by the utility each year. These include public awareness campaigns regarding powerline safety and digging, among others.

Overall, PowerStream’s 2015 reliability improved considerably upon its three-year average. Customers experienced fewer outages and performance improved 11% from 2014 levels. PowerStream continues to enhance its systems in order to pursue higher performance levels and to be able to respond more quickly to outages and therefore accelerate restoration times. PowerStream continues to replace assets that are nearing end-of-life to ensure a more reliable and hardened system.

From a financial perspective, PowerStream staff seeks to achieve the return on equity allowed by the Ontario Energy Board. This was the case in 2015 and in previous years.

**Service Quality**

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

In 2015, PowerStream exceeded the previous year’s connection rates and continued to be well above the OEB mandated five day window at 99.5%. PowerStream connected just slightly more than 9,000 new services and fewer than 50 missed the OEB required five day window. PowerStream continues to make the connection of new services a high priority, while maintaining best industry practices to
ensure a safe work environment. New detailed process documentation after the successful implementation of a new billing system is proving to be beneficial for all stakeholders and allows for quicker responses to any anomalies that may occur.

- **Scheduled Appointments Met On Time**

  Of 46,138 appointments scheduled in 2015, PowerStream met 94.7% of these appointments within the OEB approved timeframe. This represents a slight drop from 2014; however, any missed appointments were contacted prior to the appointments being missed and were re-scheduled within the required 24 hour window. Since the inception of the Scorecard, PowerStream has had very consistent year over year results for this metric and has been well above the industry target. PowerStream will strive to achieve a better result in 2016. PowerStream utilizes shared program resources to allow all interested internal groups to view updated and live appointment scheduling. This has proven effective in being able to manage our appointments and quickly engage customers where unforeseen circumstances occur.

- **Telephone Calls Answered On Time**

  In 2015 PowerStream's customer contact centre responded to more than 290,000 calls and exceeded the OEB-mandated target of 65% of calls answered in 30 seconds.

  Our online presence and commitment to meeting the needs of our customers is further demonstrated by the 24/7 corporate website service option that provides responses to the most common customer inquiries and self-service needs. These service offerings have grown consistently and continue to provide uncompromising quality and service excellence.

  **Customer Satisfaction**

  - **First Contact Resolution**

    For PowerStream, First Call Resolution (FCR) success or measurement is based on data collected by automated calls to our customers which are completed within seven days of the customer calling our contact centre. The customer sampling is prepared randomly and a third party service provider is issued a report of inbound customer telephone calls to the PowerStream contact centre. The service provider in turn contacts the customer via an automated questionnaire within seven days of their initial contact with our office to assess the ability of the Customer Service Representative to fulfill the request/need of the customer to completion.
For 2015 PowerStream FCR success was captured from January to May only as PowerStream needed to focus on the transition to the new Oracle Customer Information System and the customer experience for this major initiative. Our results for this time period were above 70%.

- **Billing Accuracy**

PowerStream maintained a high level of billing accuracy in 2015. A number of process improvements, parameters and quality checks have helped to ensure the accuracy of bills issued to customers. For the measurement period is January 1, 2015 to December 31, 2015, PowerStream issued 2,718,733 accurate bills. PowerStream continues to monitor and manage system enhancements carefully with attention to improving billing accuracy.

- **Customer Satisfaction Survey Results**

The 2015 Customer Satisfaction Study conducted by PowerStream included telephone and web-based surveys, focus groups and customer interviews. As in previous years, the study was administered by third party vendors, who also collected and analyzed responses and reported on the findings to PowerStream. The study gathers valuable input from customers on their service expectations and needs, and questions asked as a part of the surveys include satisfaction with PowerStream, customer service, outages and outage management, billing, online tools, customer communications, etc. The surveys also provide PowerStream with an overall Customer Satisfaction rating that can be benchmarked year after year. The findings from the survey results are utilized to make enhancements in processes, services and communications strategies throughout the organization. In 2015, PowerStream’s overall Customer Satisfaction rating was 90.5%, an increase from the 2014 rating of 88%. As a comparison, the Ontario LDC average for overall Customer Satisfaction in 2015 was 84.5%. Some examples of changes that have been made as a result of customer feedback in prior years include improvements in the outage notification system, online customer self-serve forms, and increased promotion of conservation related programs. PowerStream plans on continuing to use the survey results and customer feedback in order to ensure alignment of services provided with customer needs.

### Safety

- **Public Safety**

  - **Component A – Public Awareness of Electrical Safety**
PowerStream’s result for the Level of Public Awareness was 78% for 2015. For PowerStream, public safety involves both the general public as well as non-utility workers working around our overhead wires and equipment, underground cables and electrical stations. PowerStream has demonstrated a strong commitment to public safety through a number of initiatives and we have been honoured by the Electrical Safety Authority (ESA) as an Exceptional Electrical Safety Leader. We investigate incidents and report them to the ESA and Ministry of Labour to create additional public awareness. We provide electrical awareness training to a wide range of companies who work around our electrical distribution system and contractors that work directly for us. We have consistent powerline safety messaging targeted to consumers on PowerStream’s website, social media channels and through printed materials distributed at public events and ESA Powerline Safety Week construction site events. We also participate and sponsor organizations such as the Ontario Regional Common Grounds Alliance (ORCGA). We provide support for the Rob Ellis safety program which targets high schools, colleges and universities to promote young worker safety awareness. We augment this program with our own Elementary School Program educating young children and teachers on electrical safety and conservation.

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

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.

PowerStream was found to be fully compliant with the requirements as set out in Ontario Regulation 22/04 (Electrical Distribution Safety) for the past three years (2013, 2014 and 2015). This was achieved by PowerStream’s commitment to safety and adherence to company’s established policies and procedures

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

PowerStream communicates safety messaging regarding our electrical equipment to many audiences using diverse channels including, but not limited to, content on our website, bill insets, and media. Typical messages include “Call before you dig….” directed to the public and contractors. We also work with government Health and Safety agencies and industry safety associations to coordinate messaging. Our electrical distribution equipment is well marked with hazard stickers and nomenclature and is routinely inspected to ensure the integrity of the signage. Phone numbers for the public to call-in concerns are also located at all of our substations. Plant inspections are conducted as per the Distribution System Code requirements to ensure both the safety integrity of our equipment (such as locks installed at fences and pad mounted transformers and enclosures) as well as for quality assurance of the equipment.
PowerStream also reports all human-caused contacts – contractors and the public – on our equipment to the ESA to provide a broader understanding of the incidents experienced by the utility.

The Serious Incident Index target is a 30% reduction from the average over the past five year targets. PowerStream has seen small incremental improvement in the index from 2012-2015. In each year from 2012-2015 there was one serious electrical incident, while during the same period over 150 km of new line has been added to the overall distribution system.

### System Reliability

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

In 2015, PowerStream experienced a more normal year of system performance than in previous years, however still incurred several system disturbances that contributed to its total “outage duration” time. Of note were “human interference” incidents that impacted numerous customers such as an aircraft crash incident in New Tecumseth, and a crane contact incident in Vaughan. Other weather-caused outages included pole-fire incidents and summer storms. Overall, PowerStream improved considerably upon its three-year average and continued to pursue higher system performance levels and faster response to outage restoration.

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

PowerStream’s performance in this category improved on 2014 performance by 11%. System performance improved as past investments in plant created realized benefits. The frequency of severe weather events did again exceed normal patterns as conditions favorable to pole fires and thunderstorms caused higher than normal number of events in March and in the summer months.

### Asset Management

- **Distribution System Plan Implementation Progress**

The Distribution System Plan Implementation Progress measure is a performance measure instituted by the OEB starting in 2013. The metric to measure performance in this area has not yet been defined by the OEB, however, mandatory reporting begins with the 2014 Scorecard. Consistent with other new measures, until a metric is defined by the OEB, utilities have the opportunity to define the metric in a manner that best fits their organization. In advance of the OEB making it mandatory for utilities to report results against this measure, PowerStream both determined the metric we would use and reported results against this measure on our 2013-2015 Scorecard.
The metric that PowerStream chose as the measure that most effectively reflects our performance in System Plan Implementation Progress, is the ratio of actual total rate base capital expenditures made in a calendar year, over the total amount of planned rate base capital expenditures for that calendar year, exclusive of capital contributions. The 2015 year end results against this measure indicate that PowerStream completed 99.8% of its 2015 Capital Plan as of December 31, 2015.

The 2015 measure indicates that PowerStream was within 0.2% of its planned project spending, due to reduced spending in System Service projects (mainly deferred spending on the Vaughan TS4 project), and reduced spending in General Plant projects (mainly deferral of the Workforce Management project), offset by increased spending in System Access and System Renewal projects.

### Cost Control

**Efficiency Assessment**

The total costs for each of the Ontario local electricity distribution companies are evaluated by the Pacific Economics Group LLC on behalf of the OEB to produce a single efficiency ranking of Ontario's distributors. The efficiency ranking is then segmented into five groups. The electricity distributors are assigned to one of the five groups based on the magnitude of the difference between their respective individual actual and predicted costs. In 2015, as in previous years, PowerStream was placed in Group three, where a Group three distributor is defined as having actual costs within +/- 10 percent of predicted costs. Group three is considered “average efficiency” – in other words, PowerStream’s costs are within 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.

Despite the many cost pressures ahead, PowerStream expects to maintain its current performance against this efficiency measure.

**Total Cost per Customer**

Total cost per customer is calculated as the sum of PowerStream’s capital and operating costs, including certain adjustments to make the costs more comparable among distributors. This cost figure is then divided by the total number of customers that PowerStream serves. The cost performance result for 2015 is $723 per customer, which is a 5.1% increase over 2015.
Similar to most distributors in the Province, PowerStream has experienced increases in its capital and operating costs required to deliver reliable services to customers. For example, capital spending is impacted by the need to undertake higher levels of sustainment spending, as well as the investments in the renewal and growth of the distribution system to maintain reliability, while the need to trim trees more often and more vigorously so that they are clear of power lines contributed to increased operating cost.

- **Total Cost per Km of Line**

Total cost per Km of line is calculated as the sum of PowerStream’s capital and operating costs, including certain adjustments to make the costs more comparable between distributors. This cost figure is then divided by the total Km of line in PowerStream service territory. PowerStream’s Total Cost per Km of Line has increased on average by 5.4% per annum over the period 2011 through 2015.

PowerStream’s aging infrastructure increased the distribution system investments for the purposes of the replacing or refurbishing distribution assets, mainly, underground lines, and stations equipment.

PowerStream will continue to implement productivity and improvement initiatives to help offset some of the costs associated with future system improvement and enhancements. For example, PowerStream has undertaken a number of initiatives to drive productivity improvements - modernization of the customer information system, cable injection and in-house cable testing programs, to name a few.

### Conservation & Demand Management

- **Net Cumulative Energy Savings**

The 2015 results reported in the OEB Scorecard (76.5 GWh, or 14.29% of the six year cumulative target of 535.44 GWh) are based on the IESO’s formal evaluation of projects that were:

1. Completed in 2015; and
2. Paid by February 29, 2016 (the evaluation cut-off date).

A number of projects completed in 2015 however were paid after the February 29, 2016 cut-off date (due to longer timelines between project completion and project approval/payment) and as a result are not included in the OEB Scorecard results for 2015. PowerStream estimates that at least 12 GWh of additional net verified persisting energy savings may be attributed to 2015, as an adjustment to 2015 results, in future verified results reports from the IESO. This adjustment will bring 2015 net verified results to 88.5 GWh, or 16.5% of the six year cumulative target.
PowerStream has been and will continue to be a leader in CDM and is forecasting to achieve its overall energy target by the end of the Conservation First Framework. Significant achievements in 2015 include:

1. The first LDC to receive IESO Approval of its 2015 – 2020 CDM Plan.
2. IESO approval for delivery of two new local programs (Residential Home Energy Reports and Business Refrigeration Incentives)
3. Significantly exceeding the original 2015 target of 53.6 GWh. Based on very positive 2015 mid-year results and projections, PowerStream submitted an updated CDM Plan which was approved by the IESO in Q4 2015. The updated CDM Plan increased the original 2015 target from 53.6 GWh to 89.2 GWh.

**Connection of Renewable Generation**

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

Following the Appendix F of the Distribution System Code (DSC), a distributor performs an impact assessment of a proposed generation facility within a 60 day period. This is what is considered “On Time”.

Based on PowerStream’s records, the average time frame to complete Connection Impact Assessments (CIAs) in 2015 was 5.25 business days and 7.4 business days for revised CIAs, comparing to the 60 day period rule of the OEB.

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

In 2015, PowerStream connected 140 new micro-embedded generation facilities (microFIT projects of less than 10 kW) 87.50% of time within the prescribed time frame of five business days. The expected performance level is 90% within the prescribed time. The 2015 results are slightly below that due to the large volume (PowerStream connected more than double the number of microFIT projects in 2015 compared to 2014; 296 vs. 140) and the upgrade to PowerStream’s CIS.

The workflow to connect these projects is very streamlined and transparent with PowerStream’s customers. PowerStream works closely with its customers and their contractors to overcome any connection issues to ensure the project is connected on time.

The drop in this metric from 93.57% in 2014 to 87.5% in 2015 was caused by two main factors:
• PowerStream transitioned to a new Customer Information System in 2015. During the transition to the new platform, some projects did not meet the five business day requirement. PowerStream also connected more than double the number of microFIT projects in 2015 compared to 2014 (296 vs. 140). Due to this volume, some projects did not meet the five business day requirement.

• The transition to the new Customer Information System has been completed, thus it should not have any adverse impact on this Service Quality Requirement going forward. In addition, the microFIT volume has dropped since the pricing change on January 1st, 2016. The increased volume was ahead of this price change, and was managed with the large microFIT contractors servicing our customers.

### Financial Ratios

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

The current ratio expresses the extent to which the current liabilities (due to be settled within 12 months) are covered by current assets (expected to be realized within 12 months). Current ratio is a measure of the liquidity of a company at a certain date. 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.

PowerStream’s current ratio ranged from 0.77 in 2013 to 1.19 in 2012, currently it is at 0.80 for 2015. PowerStream’s target is to maintain the current ratio around 1.0 for future years.

#### 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). The debt to equity ratio measures the extent to which assets are financed by debt and equity in an entity. A debt to equity ratio of more than 1.5 indicates that a distributor is more highly levered than the deemed capital structure. A debt to equity ratio of less than 1.5 indicates that the distributor is less levered than the deemed capital structure.

PowerStream continues to maintain a debt to equity structure of 1.5 or below. The debt to equity ratio ranged from 1.30 in 2011 to 1.50 in 2015. The ratio closely approximates the deemed 60% to 40% capital mix as set out by the OEB. PowerStream’s strong financial position is further supported by the recent Standard & Poor’s Rating Services rating of "A" and a rating of "A" from DBRS.

#### Profitability: Regulatory Return on Equity – Deemed (included in rates)
PowerStream’s 2015 distribution rates include an expected (deemed) regulatory return on equity of 8.93%. The OEB allows 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.

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

PowerStream’s return achieved in 2015 was 6.65%, which is 2.28% below the deemed return of 8.93%, but still within the +/-3% range allowed by the OEB. The average return over the past 3 years was 8.71% which is also well within return included in PowerStream’s approved rates.

**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 judgement on the reporting date of the performance scorecard, and could be markedly different in the future.