## Performance Outcomes

### Service Quality
- New Residential/Small Business Services Connected on Time: 100.00% - 100.00% - 100.00% - 100.00% - 100.00%
- Scheduled Appointments Met On Time: 100.00% - 97.20% - 98.40% - 100.00% - 100.00%
- Telephone Calls Answered On Time: 97.30% - 90.10% - 98.50% - 98.30% - 98.20%
- First Contact Resolution: 97% - 98%

### Customer Satisfaction
- Billing Accuracy: 99.88% - 72.09%
- Customer Satisfaction Survey Results: 76%

### Operational Effectiveness
- Level of Public Awareness: 82.00%
- Level of Compliance with Ontario Regulation 22/04: C - C - C - C - C
- Serious Electrical Incident Rate per 100, 1000 km of line: 0.000 - 0.000 - 0.000 - 0.000 - 0.000
- Average Number of Hours that Power to a Customer is Interrupted: 4.91 - 0.42 - 3.56 - 0.24 - 0.19
- Average Number of Times that Power to a Customer is Interrupted: 1.04 - 0.19 - 1.16 - 0.19 - 0.43

### System Reliability
- Distribution System Plan Implementation Progress: 67% - 74%

### Asset Management
- Efficiency Assessment: 4 - 5 - 5 - 5
- Total Cost per Customer: $617 - $746 - $820 - $784 - $820
- Total Cost per Km of Line: $33,528 - $41,149 - $50,545 - $48,824 - $51,251

### Public Policy Responsiveness
- Net Cumulative Energy Savings: 5.43%

### Financial Performance
- Liquidity: Current Ratio (Current Assets/Current Liabilities): 1.04 - 0.80 - 0.51 - 0.93 - 1.05
- Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio: 0.51 - 0.60 - 0.63 - 0.89 - 0.91
- Profitability: Regulatory Deemed (included in rates): 8.01% - 8.01% - 8.98% - 8.98% - 8.98%
- Return on Equity: Achieved: 17.62% - 10.79% - 9.40% - 14.84% - 6.91%

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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.

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[Legend: 5-year trend up down flat
Current year target met target not met]
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

In 2015 West Coast Huron Energy Inc exceeded all but one performance target. These will be discussed throughout this analysis.

West Coast Huron Energy Inc continues to focus on you, the customer. West Coast Huron Energy Inc makes every effort to engage its customers on a regular basis to ensure we are aware of your needs and that you are receiving the best value for your money. West Coast Huron Energy Inc remains committed to providing its customers with the most reliable service at the best possible cost.

In 2016, West Coast Huron Energy Inc will continue its efforts to improve its overall scorecard performance results as compared to prior years. This performance improvement is expected as a result of continued investment in both our infrastructure and in our response to your needs.

Service Quality

- New Residential/Small Business Services Connected on Time

In 2015, West Coast Huron Energy Inc connected 89 low-voltage (connections under 750 volts) residential and small business customers within the five-day timeline as prescribed by the Ontario Energy Board. This represents an increase of 27 new connections over 2014, which is driven primarily by a new subdivision on the east end of town as well as some new duplexes that were built. West Coast Huron Energy Inc. considers "New Services Connected on Time" as an important form of customer engagement as it is the utilities first opportunity to meet and/or exceed its customer’s expectations, which in turn affects the level of customer satisfaction within a utility’s territory. Consistent with prior years, West Coast Huron Energy Inc. connected 100% of these customers on time, which significantly exceeds the Ontario Energy Board’s mandated target of 90% for this measure. West Coast Huron Energy Inc. expects this trend to continue into the foreseeable future.

- Scheduled Appointments Met On Time

West Coast Huron Energy Inc. scheduled 1,945 appointments in 2015 to connect services, disconnect services, or otherwise complete work requested by its customers. This represents a decrease of 987 appointment over 2014, which is driven primarily by changes in what was considered an “appointment” for tracking purposes and no reflection on a decrease of scheduling appointments with customers. West Coast Huron Energy Inc. considers "Scheduled Appointments Met" as an important form of customer engagement as customer presence is required for all types of appointments. Consistent with prior years, met 100% of these
appointments on time, which significantly exceeds the Ontario Energy Board’s mandated target of 90% for this measure. West Coast Huron Energy Inc expects this trend to continue into the foreseeable future.

- **Telephone Calls Answered On Time**

In 2015, West Coast Huron Energy Inc. received 3,851 calls from its customers. This represents a slight decrease (865 calls) in the number of calls over 2014 (4,716 calls). The slight decrease in call volumes can be attributed to many customers contacting our office via email. West Coast Huron Energy Inc. considers “Telephone Calls” to be an important communication tool for identifying and responding to its customers’ needs and preferences. Consistent with prior years, a customer service representative answered 98% of these calls in 30 seconds or less, which significantly exceeds the Ontario Energy Board mandated target of 65% for this measure. West Coast Huron Energy Inc. expects this performance to continue into the foreseeable future.

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**Customer Satisfaction**

- **First Contact Resolution**

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

West Coast Huron Energy Inc. defines “First Contact Resolution” as the number of customer enquiries that are resolved by the first contact at the utility, resulting in the enquiry being escalated to an alternate contact at the utility, typically a supervisor or a manager. This includes all customer enquiries that are made to a customer service representative whether by telephone, letter, e-mail, or in person. West Coast Huron Energy Inc. considers the ability to address customer enquiries quickly and accurately to be an essential component of customer satisfaction. For the year 2015, West Coast Huron Energy Inc. received 4,028 enquiries from its customers, of which 98% were successfully resolved during first contact. West Coast Huron Energy Inc. expects this trend to continue for 2016.

- **Billing Accuracy**

Billing Accuracy is a new scorecard measure introduced by the Ontario Energy Board late in 2014, and is defined as the number of accurate bills issued expressed as a percentage of total bills issued. West Coast Huron Energy Inc. considers timely and accurate billing to be an essential component of customer satisfaction. As mentioned in last year’s Management Discussion and Analysis, West Coast Huron Energy Inc did see a decrease in this measure due the upgrade of our billing system. For the period from October 1, 2014 – December 31, 2014, West Coast Huron Energy Inc. achieved a billing accuracy of 99.88%. Unfortunately, in 2015 West Coast Huron Energy Inc. only achieved a billing accuracy of 72% due to some unexplainable errors that occurred during the transition. West Coast Huron Energy Inc sees 2015 as an oddity due to the change in the billing system and expects to meet the Ontario Energy Board’s target of 98% in 2016.

- **Customer Satisfaction Survey Results**

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

2015 Scorecard MD&A
In 2015, Redhead Media Solutions Inc conducted a telephone survey consisting of questions relating to the customers’ level of satisfaction with respect to reliability, cost effectiveness, value, customer satisfaction and safety measures. Ideally, 400 customers were to complete the survey but only 367 customers completed the telephone questionnaire and 79 were only partially completed, which was still acceptable. West Coast Huron Energy Inc received an overall satisfaction score of 76%. While this is a good score, West Coast Huron Inc recognizes that there are still some areas in need of improvement. With respect to the Customer Satisfaction portion of the survey, West Coast Huron Inc received an 89%. This is encouraging to see as customer service is very important to West Coast Huron Energy Inc. West Coast Huron Energy Inc also scored higher than the average with respect to Reliability and Price.

### Safety

- **Public Safety**

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

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

    Component A consists of a new statistical survey that gauges the public’s awareness of key electrical safety concepts related to electrical distribution equipment found in a utility’s territory. This telephone survey also provides a benchmark of the levels of awareness including identifying gaps where additional education and awareness efforts may be required. West Coast Huron Energy Inc scored an 82%. West Coast Huron Energy Inc will continue to educate customers on electrical safety.

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

    Component B consists of a utilities compliance with Ontario Regulation 22/04 - Electrical Distribution Safety. Ontario Regulation 22/04 establishes the safety requirements for the design, construction, and maintenance of electrical distribution systems, particularly in relation to the approvals and inspections required prior to putting electrical equipment into service. Over the past five years, West Coast Huron Energy Inc. was found to be compliant with Ontario Regulation 22/04 (Electrical Distribution Safety). This was achieved by our strong commitment to safety, and the adherence to company procedures & policies.

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

    Component C consists of the number of serious electrical incidents, including fatalities, which occur within a utility’s territory. In 2015, West Coast Huron Energy Inc. had zero fatalities and zero serious incidents within its territory. This trend is expected to continue as everyone’s safety is a major concern.
System Reliability

• Average Number of Hours that Power to a Customer is Interrupted

The average number of hours that power to a customer is interrupted is a measure of system reliability or the ability of a system to perform its required function. West Coast Huron Energy Inc. views reliability of electrical service as a high priority for its customers and constantly monitors its system for signs of reliability degradation. West Coast Huron Energy Inc. also regularly maintains its distribution system to ensure its level of reliability is kept as high as possible. The OEB typically requires a utility to keep its hours of interruption within the range of its historical performance, however, outside factors such as severe weather, defective equipment, or even regularly scheduled maintenance can greatly impact this measure. For 2015, West Coast Huron Energy Inc. achieved 0.19 hours of interrupted power, which is within the range of its historical performance for interrupted power and consistent with other measures over the five-year period between 2011 and 2015, save and except in 2011 due to the tornado. This trend of staying in our historical range is expected to continue into the foreseeable future.

• Average Number of Times that Power to a Customer is Interrupted

• The average number of times that power to a customer is interrupted is also a measure of system reliability and is also a high priority for West Coast Huron Energy Inc. As outlined above, the OEB also typically requires a utility to keep this measure within the range of its historical performance and outside factors can also greatly impact this measure. West Coast Huron Energy Inc. experienced interrupted power 0.43 times during 2015, which is within the range of its historical performance for interrupted power and consistent with other measures over the five-year period between 2011 and 2015, save and except in 2011 due to the tornado. This trend is expected to continue into the foreseeable future.

Asset Management

• Distribution System Plan Implementation Progress

Distribution system plan implementation progress is a new performance measure instituted by the Ontario Energy Board beginning in 2013. As such, there is no defined target requirements to be met. The Distribution System Plan outlines West Coast Huron Energy Inc.'s forecasted capital expenditures, over the next five (5) years, which are required to maintain and expand the utility's electricity system to serve its current and future customers. The Distribution System Plan Implementation Progress measure is intended to assess West Coast Huron Energy Inc.'s effectiveness at planning and implementing these capital expenditures. Consistent with other new measures, utilities were given an opportunity to define this measure in the manner that best fits their organization. As a result, this measure may differ from other utilities in the Province.

West Coast Huron Energy Inc. defined this measure as the tracking of actual dollars spent on capital projects compared to the budgeted dollars to be spent on capital projects, expressed as a percentage. For 2015, West Coast Huron Energy Inc. spent 74% of the capital dollars budgeted for 2015. This percentage would have been higher but a planned capital project to be completed in 2015 was delayed. West Coast Huron Energy Inc will continue to plan, budget and monitor capital projects and dollars to be spent.
Cost Control

- Efficiency Assessment

On an annual basis, each utility in Ontario is assigned an efficiency ranking based on its performance. To determine a ranking, electricity distributors are divided into five groups based on the magnitude of the difference between their actual costs and predicted costs. For 2014, West Coast Huron Energy Inc. was placed in Group 5 in terms of efficiency. Group 5 is considered fair and is defined as having actual costs 25% above predicted costs. Overall, this has not changed as West Coast Huron Energy Inc. received a Group 5 efficiency ranking in 2013. Although West Coast Huron Energy Inc.'s forward looking goal is to advance to a "more efficient" group, management's expectation is that its efficiency performance will not decline in the foreseeable future.

- Total Cost per Customer

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

The total cost performance result for 2015 is $820/customer, which is a $36/customer increase over its 2014 result. 2013 and 2014, West Coast Huron Energy Inc.'s total cost per customer was $820/customer and $784/customer, respectively, which can be attributed to the rebuilding due to the tornado in 2011. Going forward, utility costs are expected to keep pace with economic fluctuations, however, West Coast Huron Energy Inc. will continue to implement productivity and efficiency improvements to help offset some of the costs associated with distribution system enhancements, while maintaining the reliability and quality of its distribution system.

- Total Cost per Km of Line

This measure uses the same total cost that is used in the Cost per Customer calculation above. Based on this, West Coast Huron Energy Inc.'s rate is $51,251 per km of line, which is a increase of $2,427 per Km of line over its 2014 rate. West Coast Huron Energy Inc.'s growth rate for its territory is considered to be relatively low. A low growth rate has reduced West Coast Huron Energy Inc.'s ability to fund future capital projects and operating costs. As a result, the cost per km of line is expected to slowly increase as capital and operating costs also increase. As we progress into the future, West Coast Huron Energy Inc. will continue to seek innovative solutions to help ensure cost/km of line remains competitive and within acceptable limits to our customers.

Conservation & Demand Management

- Net Cumulative Energy Savings

West Coast Huron Energy Inc. reached its energy saving target of 922.8 MWh at the end of 2015. West Coast Huron Energy Inc will continue to participate in the provincial Save On Energy programs and continue to develop and collaborate on customer/innovative programs to continue to be successful in the 2016-2020 Conservation First Framework, working towards achieving our target of 8,100.1 MWh by the end of year 2020.
Connection of Renewable Generation

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

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

  In 2015, West Coast Huron Energy Inc. did not complete any CIA’s due to West Coast Huron Energy Inc not having any renewable energy projects that are greater than 10kW. West Coast Huron Energy Inc. expects the trend for this measure to continue for the foreseeable future.

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

  Micro-embedded generation facilities consist of solar, wind, or other clean energy projects of less than 10 kW that are typically installed by homeowners, farms or small businesses. There were no new micro-embedded generation facilities connected in 2015. West Coast Huron Energy Inc.’s process for these projects is well documented and West Coast Huron Energy Inc. will work closely with its customers and their contractors to ensure the customer’s needs are met and/or exceeded. West Coast Huron Energy Inc. expects the trend for this measure to continue for the foreseeable future.

Financial Ratios

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

  As an indicator of financial health, a current ratio indicates a company’s ability to pay its short term debts and financial obligations. Typically, a current ratio between 1 and 1.5 is considered good. If the current ratio is below 1, then a company may have problems meeting its current financial obligations. If the current ratio is too high (higher than 1.5) then the company may be inefficient at using its current assets or its short-term financing facilities.

  West Coast Huron Energy Inc.’s current ratio increased from 0.93 in 2014 to 1.05 in 2015, which is indicative of a financially healthy organization. West Coast Huron Energy Inc.’s current ratio is expected to remain healthy into the foreseeable future.

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

  The debt to equity ratio is a financial ratio indicating the relative proportion of shareholders' equity and debt used to finance a company's assets. The Ontario Energy Board uses a capital structure of 60% debt and 40% equity (a debt to equity ratio of 60/40 or 1.5) when setting rates for an electricity utility. A high debt to equity ratio may indicate that an electricity distributor may have difficulty generating sufficient cash flows to make its debt payments, while a low debt-to-equity ratio may indicate that an electricity distributor is not taking advantage of the increased profits that may be had through increased financial debt.
In 2015, West Coast Huron Energy Inc.'s debt to equity ratio was 0.91, which is below the capital structure used by the Ontario Energy Board when setting rates. Over the last five years the utility has increased its use of debt to finance its capital projects resulting in an increasing trend reflected in this ratio. As the utility plans its future cash requirements for capital projects, it expects to continue to consider the use of debt as a means of financing.

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

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

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

West Coast Huron Energy Inc. achieved a ROE of 6.91% in 2015, which is in line with the +/-3% range allowed by the OEB (see above paragraph). In 2014, West Coast Huron Energy Inc’s ROE was 14.84% which was due to higher than forecasted revenue. West Coast Huron Energy Inc. is now at the OEB approved range and anticipates being within the expected OEB range for the future.
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.