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</thead>
<tbody>
<tr>
<td>Customer Focus</td>
<td>Service Quality</td>
<td>New Residential/Small Business Services Connected on Time</td>
<td>95.70%</td>
<td>93.10%</td>
<td>96.00%</td>
<td>94.40%</td>
<td>91.10%</td>
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<tr>
<td>Customer Focus</td>
<td>Service Quality</td>
<td>Scheduled Appointments Met 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>Customer Focus</td>
<td>Service Quality</td>
<td>Telephone Calls Answered On Time</td>
<td>84.60%</td>
<td>82.60%</td>
<td>78.20%</td>
<td>76.10%</td>
<td>75.70%</td>
<td>65.00%</td>
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<tr>
<td>Customer Focus</td>
<td>Customer Satisfaction</td>
<td>First Contact Resolution</td>
<td>99.9%</td>
<td>98.80%</td>
<td>99.20%</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Customer Focus</td>
<td>Customer Satisfaction</td>
<td>Billing Accuracy</td>
<td>99.92%</td>
<td>99.91%</td>
<td>99.81%</td>
<td></td>
<td></td>
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<tr>
<td>Customer Focus</td>
<td>Customer Satisfaction</td>
<td>Customer Satisfaction Survey Results</td>
<td>80.84%</td>
<td>79.59%</td>
<td>94%</td>
<td>85%</td>
<td></td>
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<tr>
<td>Operational Effectiveness</td>
<td>Safety</td>
<td>Level of Public Awareness</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Operational Effectiveness</td>
<td>Safety</td>
<td>Level of Compliance with Ontario Regulation 22/04</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NI</td>
<td>C</td>
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<tr>
<td>Operational Effectiveness</td>
<td>Safety</td>
<td>Serious Electrical Incident Index</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Operational Effectiveness</td>
<td>Safety</td>
<td>Number of General Public Incidents</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td></td>
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<tr>
<td>Operational Effectiveness</td>
<td>Safety</td>
<td>Rate per 100, 1000 km of line</td>
<td>0.000</td>
<td>0.000</td>
<td>0.978</td>
<td>0.000</td>
<td>0.000</td>
<td>0.137</td>
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<tr>
<td>System Reliability</td>
<td>System Reliability</td>
<td>Average Number of Hours that Power to a Customer is Interrupted</td>
<td>1.52</td>
<td>2.00</td>
<td>1.95</td>
<td>2.38</td>
<td>3.47</td>
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<tr>
<td>System Reliability</td>
<td>System Reliability</td>
<td>Average Number of Times that Power to a Customer is Interrupted</td>
<td>1.91</td>
<td>1.98</td>
<td>2.07</td>
<td>2.78</td>
<td>2.29</td>
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<tr>
<td>Asset Management</td>
<td>Asset Management</td>
<td>Distribution System Plan Implementation Progress</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cost Control</td>
<td>Efficiency Assessment</td>
<td></td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
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<tr>
<td>Cost Control</td>
<td>Efficiency Assessment</td>
<td>Total Cost per Customer</td>
<td>$679</td>
<td>$726</td>
<td>$749</td>
<td>$778</td>
<td>$796</td>
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<tr>
<td>Cost Control</td>
<td>Efficiency Assessment</td>
<td>Total Cost per Km of Line</td>
<td>$18,790</td>
<td>$20,275</td>
<td>$21,202</td>
<td>$21,726</td>
<td>$22,371</td>
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<tr>
<td>Cost Control</td>
<td>Efficiency Assessment</td>
<td>Net Cumulative Energy Savings</td>
<td>$22,371</td>
<td>12.30%</td>
<td></td>
<td>51.39%</td>
<td></td>
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<tr>
<td>Public Policy Responsiveness</td>
<td>Connection of Renewable Generation</td>
<td>Renewable Generation Connection Impact Assessments Completed On Time</td>
<td>0.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Public Policy Responsiveness</td>
<td>Connection of Renewable Generation</td>
<td>New Micro-embedded Generation Facilities Connected On Time</td>
<td>97.78%</td>
<td>95.65%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>90.00%</td>
<td></td>
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<tr>
<td>Financial Performance</td>
<td>Financial Ratios</td>
<td>Liquidity: Current Ratio (Current Assets/Current Liabilities)</td>
<td>0.33</td>
<td>0.34</td>
<td>0.33</td>
<td>0.35</td>
<td>0.33</td>
<td></td>
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<tr>
<td>Financial Performance</td>
<td>Financial Ratios</td>
<td>Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio</td>
<td>2.53</td>
<td>2.30</td>
<td>2.02</td>
<td>1.72</td>
<td>1.64</td>
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<tr>
<td>Financial Performance</td>
<td>Financial Ratios</td>
<td>Profitability: Regulatory Deemed (included in rates)</td>
<td>8.01%</td>
<td>8.93%</td>
<td>8.93%</td>
<td>8.93%</td>
<td>8.93%</td>
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<tr>
<td>Financial Performance</td>
<td>Financial Ratios</td>
<td>Return on Equity Achieved</td>
<td>9.42%</td>
<td>6.71%</td>
<td>8.31%</td>
<td>10.00%</td>
<td>8.97%</td>
<td></td>
</tr>
</tbody>
</table>

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.
Scorecard MD&A - General Overview

In 2016, CNPI continued to meet or exceed the majority of its performance targets.

In 2017, CNPI expects to continue to improve its overall scorecard performance results as compared to previous years. These performance improvements are expected as a result of enhanced system reliability due to CNPI's investment in its distribution system and continued responsiveness to customer feedback.

Service Quality

- New Residential/Small Business Services Connected on Time

In 2016, CNPI connected 91.1% of the 271 new eligible low-voltage residential and small business customers within the Ontario Energy Board's prescribed five day timeline. The 2016 total represents an increase of 219% over the 2015 volume of residential and small business connections. Since 2011, CNPI has consistently met the Ontario Energy Board's performance standard.

- Scheduled Appointments Met On Time

CNPI continues to exceed the Ontario Energy Board standard of meeting customers as requested within the prescribed timelines set out by the Ontario Energy Board.
• **Telephone Calls Answered On Time**

In 2016, customer service representatives answered 75.7% of its 44,492 calls within 30 seconds. This exceeds the Ontario Energy Board's mandated 65% target. 2016 results are slightly lower than previous years. 2016 call volumes were 12% (4,689 additional calls) higher than 2015, and longer call processing times due to the complexity of customer calls affected the call answering statistics. CNPI continues to offer and promote self-serve options and utilizes social media to engage and inform customers in an effort to offer customers additional channels to interact with the Company.

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**Customer Satisfaction**

• **First Contact Resolution**

CNPI measured First Contact Resolution by tracking the number of escalated calls as a percentage of total calls taken by the customer contact center. For this period, less than one percent of calls were escalated. Also, longer processing times directly align with high results in First Call Resolution. While calls may take longer to answer, the customer is able to resolve their issue or concern in one call over 99 per cent of the time.

• **Billing Accuracy**

For 2016, CNPI issued approximately 350,432 invoices and 99.81% were accurate. This is above the industry standard of 98%.

• **Customer Satisfaction Survey Results**

In 2015, CNPI moved to a new third party survey provider, UtilityPULSE, to be more consistent with other LDCs in the province. The survey size was expanded and general service customers were included in the telephone survey. The phone numbers were randomly selected and were stratified so that 85 per cent of the interview were conducted with residential customers and 15 per cent with general service customers. The 2016 satisfaction score of 85% is higher than the Ontario benchmark of 81%. The third party survey provider indicated that satisfaction results were lower across the province in 2016 as compared to prior years.

The survey provides useful information to better meet the needs of CNPI's customers and is incorporated into the distribution system plan, capital planning and overall company objectives.
Safety

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

  In 2015, UtilityPulse was also engaged to complete surveys in relation to “Public Awareness of Electrical Safety”. On completion of this survey, UtilityPulse generated a “Public Safety Awareness Index Score” for CNPI and other LDC’s. Province-wide scores ranged from 77% to 86%, with both average and median Index Scores of 82%. CNPI’s score of 81% suggests that members of the public are generally well-informed about the safety hazards associated with electrical distribution systems, but also that further education and engagement would be beneficial. This survey on “Public Awareness of Electrical Safety” is completed on a two-year cycle and will be completed again by CNPI in 2017.

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

  This component includes the results of an Annual Audit, Declaration of Compliance, Due Diligence Inspections, Public Safety Concerns and Compliance Investigations. All the elements are evaluated as a whole and determine the status of compliance (Non-Compliant, Needs Improvement, or Compliant).

  Results provided by ESA, CNPI's status for 2016 is Compliant.

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

  “Serious electrical incidents”, as defined by Regulation 22/04, make up Component C. The metric details the number of and rate of “serious electrical incidents” occurring on a distributor’s assets and is normalized per 10, 100 or 1,000 km of line (10km for total lines under 100km, 1000km for total lines over 1000km, and 100km for all the others).

  Results provided by ESA, CNPI had zero incidents in 2016.
System Reliability

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

CNPI’s customers experienced an increase in the average duration of electrical service disruptions in 2016 over previous years. There were two significant events that contributed to this decline in performance. The first event was due to an isolated but severe storm in a small portion of Gananoque on September 10th, causing three separate outages affecting over 1500 customers. For approximately 1000 customers, restoration times were in the range of 9.5 to 10 hours due to the nature of the damage. The second event was due to equipment failure outages on December 14th, affecting over 6000 customers in Port Colborne. The nature of these outages prevented successful restoration from an alternate supply.

In addition to these significant outages, CNPI was required to isolate one of its supply substations for a portion of 2016 in order to perform major maintenance work. During this time, any outages to 34.5 kV feeders in Fort Erie impacted a greater number of customers and limited the restoration options from the alternate station that would have normally been available.

CNPI continues to invest in grid modernization in order to gain visibility on the state of the distribution system and improve overall response and restoration times. Grid modernization initiatives include the deployment of automated devices and implementation of an outage management system. CNPI understands that reliability of electrical service is a high priority for its customers and continues to invest in replacement of end-of-life assets as well as vegetation management.

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

CNPI’s customers experienced a decrease in the average number of electrical service disruptions in 2016 over 2015, but an increase over the 5-year average. The December 14th Port Colborne outages described above contributed to the 2016 result, as some customers experience multiple outages resulting from the sequence of events attempting to restore power using an alternate supply. The substation maintenance in Fort Erie also negatively impacted the 2016 result.

CNPI has deployed several initiatives aimed at reducing the number of electrical service interruptions such as the vegetation management program and cyclical asset preventative maintenance programs.

CNPI reviews outage statistics on a monthly basis to identify areas of poor distribution system performance. This process indicates any trends in poor performance and identifies opportunities to improve reliability. CNPI also completes asset condition assessments to identify assets that present a risk of impacting system reliability. CNPI uses reliability indicators and asset condition assessment data as key drivers into the system planning process.
Asset Management

- Distribution System Plan Implementation Progress

CNPI completed its 2016 capital projects as planned. CNPI has also developed an Asset Management Plan and a Distribution System Plan in accordance with the OEB’s Chapter 5 Consolidated Distribution System Plan Filing Requirements. In April 2016, CNPI filed these plans as part of evidence to support its 2017 cost of service rate application.

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 Ontario Energy Board 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. The statistical model developed by Pacific Economics Group to predict a distributor's costs relies on a data set that includes all distributors in Ontario.

For 2015, CNPI was placed in Group 4 indicating that actual costs are within 25% of the costs predicted by the statistical model. CNPI’s total costs are reflective of its continued re-investment in its distribution system.

- Total Cost per Customer

The statistical model developed by Pacific Economics Group produces total capital and operating costs for each distributor that can be used for the purpose of comparing distributors. This amount is then divided by the total number of customers that CNPI serves to determine Total Cost per Customer. The cost performance result for 2016 is $796 per customer which is a 2.3% increase over 2015.

CNPI’s total cost per customer has increased on average by 1.9% per annum over the period 2011 through 2016. CNPI faces both inflationary cost increases, as well as cost increases associated with investments in programs for asset replacement, system improvement, and vegetation management that are sustainable in the long term. In contrast, CNPI’s customer count increased by less than 1.5% over the entire five year period, with a result that cost increases are not offset by customer growth.
• **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 total kilometers of line that CNPI operates to serve its customers. CNPI’s 2016 result is $22,371 per km of line, a 3% increase over 2015.

CNPI’s total cost per km of line has increased on average by 2.2% per annum over the period 2011 through 2016. Over the same period, CNPI’s total km of line has increased by only 3km, or less than 0.3%. As a result, changes in the cost per km result are simply reflective of changes in CNPI’s overall costs.

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**Conservation & Demand Management**

• **Net Cumulative Energy Savings**

On the basis of the IESO’s “Final 2016 Annual Verified Results Report” issued on June 30, 2017, CNPI achieved 51.39% of its Net Energy Savings target for the 2015 – 2020 timeframe. CNPI fully leveraged the suite of Independent Electricity System Operator (“IESO”) province-wide demand management programs and placed emphasis on supporting the conservation efforts of large commercial, industrial and institutional customers.

Much of this success can be attributed to the successful promotion of energy efficiency programs and strong participation by commercial customers in the Retrofit and Small Business Lighting Programs.

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**Connection of Renewable Generation**

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

CNPI did not receive any requests for renewable generation connections requiring Connection Impact Assessments in 2016.

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

In 2016, CNPI connected eighteen (18) new micro-embedded generation facilities (microFIT projects of less than 10 kW). All eighteen facilities were connected within the prescribed time frame of five business days. The minimum acceptable performance level for this
measure is 90% of the time. CNPI works closely with its customers and their contractors to make the connection process as streamlined and transparent as possible.

### Financial Ratios

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

  The Scorecard reports the current ratio for CNPI's segmented distribution business as 0.33 for 2016 (2015 0.35). CNPI however manages liquidity on a consolidated basis that includes both its transmission and distribution divisions. On this basis, the 2016 liquidity current ratio based on CNPI's audited financial statements is 1.04 (2015 1.48). Although the liquidity ratio has declined slightly over the prior year, going forward it is expected to, at a minimum, be held relatively constant. CNPI has consistently maintained a consolidated liquidity ratio greater than 1.0, which is an indication that CNPI is appropriately leveraged.

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

  The Scorecard reports the total debt to equity ratio for CNPI's segmented distribution business as 1.64 for 2016 (2015 1.72). CNPI however manages its capital structure on a consolidated basis that includes both its transmission and distribution divisions. On this basis, the 2016 leverage debt to equity ratio based on CNPI's audited financial statements is 1.16 (2015 1.28). CNPI's consolidated leverage ratio has decreased slightly over the past several years and going forward it is expected to be held relatively constant.

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

  CNPI's 2016 distribution rates were approved by the Ontario Energy Board as part of its 4th Generation Incentive Rate-Setting application. CNPI's last Cost of Service application was for rates effective January 1, 2013 and this included an expected (deemed) regulatory return on equity of 8.93%. The Ontario Energy Board allows a distributor to earn within +/- 3% of the expected return on equity.

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

  CNPI's return achieved in 2016 was 8.97% (2015 10.00%), which is within the +/- 3% range allowed by the Ontario Energy Board. CNPI achieved returns are lower in 2016 as compared to 2015 due to a $0.1 million (3.9%) decrease in adjusted regulated net income and a $5.6 million (7.1%) increase in rate base.
Note to Readers of 2016 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.