Scorecard - Oakville Hydro Electricity Distribution Inc.

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>Customer Focus</td>
<td>Service Quality</td>
<td>New Residential/Small Business Services Connected on Time</td>
<td>96.60%</td>
<td>95.40%</td>
<td>90.70%</td>
<td>94.60%</td>
<td>81.20%</td>
<td>90.00%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></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>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Telephone Calls Answered On Time</td>
<td>83.70%</td>
<td>82.10%</td>
<td>81.50%</td>
<td>80.60%</td>
<td>72.80%</td>
<td>65.00%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Customer Satisfaction</td>
<td>First Contact Resolution</td>
<td>98.9%</td>
<td>99%</td>
<td>98.5%</td>
<td>98.6%</td>
<td>98.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Billing Accuracy</td>
<td>99.92%</td>
<td>99.91%</td>
<td>99.92%</td>
<td>99.92%</td>
<td>99.92%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customer Satisfaction Survey Results</td>
<td>93%</td>
<td>92%</td>
<td>92%</td>
<td>92%</td>
<td>92%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational Effectiveness</td>
<td>Safety</td>
<td>Level of Public Awareness</td>
<td>NI</td>
<td>C</td>
<td>NI</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td></td>
</tr>
<tr>
<td>Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.</td>
<td>Level of Compliance with Ontario Regulation 22/04</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.000</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety</td>
<td>Serious Electrical Incident Index</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>
<td></td>
</tr>
<tr>
<td></td>
<td>System Reliability</td>
<td>Average Number of Hours that Power to a Customer is Interrupted</td>
<td>0.81</td>
<td>0.69</td>
<td>0.46</td>
<td>0.48</td>
<td>0.50</td>
<td>0.63</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Average Number of Times that Power to a Customer is Interrupted</td>
<td>0.97</td>
<td>1.01</td>
<td>0.58</td>
<td>0.58</td>
<td>0.00</td>
<td>0.94</td>
<td></td>
</tr>
<tr>
<td>Asset Management</td>
<td>Distribution System Plan Implementation Progress</td>
<td>On Track</td>
<td>On Track</td>
<td>On Track</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost Control</td>
<td>Efficiency Assessment</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total Cost per Customer</td>
<td>$695</td>
<td>$730</td>
<td>$720</td>
<td>$732</td>
<td>$720</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total Cost per Km of Line</td>
<td>$29,135</td>
<td>$26,377</td>
<td>$26,116</td>
<td>$26,377</td>
<td>$26,324</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Policy Responsiveness</td>
<td>Conservation &amp; Demand Management</td>
<td>Net Cumulative Energy Savings</td>
<td>23.00%</td>
<td>42.41%</td>
<td>92.39 GWh</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distributors deliver on obligations mandated by government (e.g., in legislation and in regulatory requirements imposed further to Ministerial directives to the Board).</td>
<td>Connection of Renewable Generation</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></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>New Micro-embedded Generation Facilities Connected On Time</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Performance</td>
<td>Financial Ratios</td>
<td>Liquidity: Current Ratio (Current Assets/Current Liabilities)</td>
<td>1.83</td>
<td>1.80</td>
<td>1.59</td>
<td>1.53</td>
<td>1.48</td>
<td>90.00%</td>
<td></td>
</tr>
<tr>
<td>Financial viability is maintained; and savings from operational effectiveness are sustainable.</td>
<td>Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio</td>
<td>1.26</td>
<td>1.18</td>
<td>1.09</td>
<td>1.08</td>
<td>1.06</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Profitability: Regulatory</td>
<td>Deemed (included in rates)</td>
<td>9.85%</td>
<td>9.85%</td>
<td>9.36%</td>
<td>9.36%</td>
<td>9.36%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Return on Equity</td>
<td>Achieved</td>
<td>5.49%</td>
<td>6.03%</td>
<td>9.94%</td>
<td>9.35%</td>
<td>10.71%</td>
<td>90.00%</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.

Legend:
- **5-year trend**
  - **up**
  - **down**
  - **flat**
- **Current year**
  - **target met**
  - **target not met**
Oakville Hydro is pleased to report that it performed well in all performance target areas in 2016, exceeding industry standards in all measures where an industry standard has been established and meeting or exceeding all distributor based targets set by the OEB except for the measure related to new residential connections.

**Customer Focus:** Oakville Hydro strives to provide overall excellence in customer service quality and satisfaction. In 2016, Oakville Hydro exceeded the industry targets related to service quality and customer satisfaction. In addition, through Oakville Hydro’s annual customer satisfaction survey it continues to gather and react to valuable input from customers on their service expectations and overall satisfaction.

**Safety:** At Oakville Hydro, the safety of the public and our employees is our top priority. In 2016, we continued with our public safety awareness campaign through a variety of venues to educate the public on how to keep safe around electrical lines and equipment. This survey provided Oakville Hydro with insight into the areas in which there are opportunities to improve its public safety awareness campaign. The Electrical Safety Authority completed its annual audit of Regulation 22/04 and Oakville Hydro was fully compliant.

**System Reliability:** In 2016, Oakville residents were able to rely on the power being available 99.994% of the time.

**Asset Management and Cost Control:** In 2016, Oakville Hydro maintained its stretch factor ranking. Oakville Hydro was able to improve its results within its ranking, through continuous improvement efforts. This performance improvement, was met while still delivering on its planned infrastructure investment and asset maintenance program.

**Conservation and Demand Management:** Oakville Hydro’s Conservation and Demand Management programs continue to focus on all classes of customers in Oakville. Oakville Hydro successfully delivered a variety of programs to homes and businesses in Oakville, which resulted in a reduction of 39 GWh – 42% of its six-year target.

**Financial Performance:** Oakville Hydro’s financial ratios demonstrate that it can sustain the value of service that its customers demand, and has sufficient liquidity to operate throughout the year.

**Looking Forward:** Oakville Hydro’s primary goal is to provide safe and reliable electricity to residences and businesses in Oakville now, and into the future. In 2017, we will continue to invest in the maintenance of Oakville Hydro’s assets, increase engagement with customers and strive to continuously improve our scorecard results.
Service Quality

Journey to Customer Service Excellence

Oakville Hydro strives to “be the best in the eyes of our customers, employees and stakeholders.” In 2016, we continued our multi-year program to develop and implement our long-term ‘Journey to Customer Service Excellence’ program. It reflects a more profound understanding of our customers – not only their needs for ongoing delivery of services, but also their preferences on how they wish their relationship with Oakville Hydro to evolve.

New Residential/Small Business Services Connected on Time

In 2016, the Town of Oakville experienced significant growth. Oakville Hydro connected approximately 1,600 new services for residential and small business customer under 750 volts, an increase of more than 75% as compared to 2015. As an electricity distributor, Oakville Hydro is required to complete these connections within the five-day timeline prescribed by the OEB 90%, of the time. Despite the magnitude of this increase, Oakville Hydro was able to connect over 80% of these new customers within the five-day time frame required by the OEB.

Scheduled Appointments Met On Time

Oakville Hydro scheduled approximately 1,400 appointments with our customers in 2016 to complete requested work, read meters or reconnect services.

For the five-year period from 2012 through 2016, Oakville Hydro has consistently met 100% of its scheduled appointments, a significant accomplishment.
## Telephone Calls Answered On Time

In 2016, Oakville Hydro answered over 70,000 calls from its customers – that is more than 275 calls per day – an increase of 23% over last year as we assisted our customers with the transition to monthly billing as well as changes in electricity charges and other delivery rates. Our customers are important to us and we strive to provide them with personalized interaction with our customer care staff to address their needs.

Oakville Hydro cares about its customers and, despite this increase, more than 72% of the calls were answered within 30 seconds. That is well above the OEB’s requirement to answer 65% of the calls that it receives within 30 seconds. For the period 2012 through 2016, Oakville Hydro has consistently performed better than the industry standard.

### Serving You Better

We has improved our ability to be there when you need us through by introducing overflow Call Centre services, so that you can reach a live person at all times. This initiative helped us to serve you better, even during the hot summer months when calls increased and through our transition to monthly billing in September and October.

We also recognize that, with the fast-paced environment everyone lives in, we need to provide our customers with self-serve options so that they have enhanced ability to address their needs 24 hours a day, seven days a week. In 2016, we introduced:

- More online forms – allowing you to do business with us at your convenience
- Inter-Active Voice Response – giving you the ability to access your account balances and payment information.
First Contact Resolution

Oakville Hydro strives to resolve customer inquiries during the initial contact. If there is a need to call the customer back or to escalate the question or complaint, the event is logged. The measure for First Contact Resolution is then calculated as the number of customer contacts not resolved with the first contact, divided by the total number of customer contacts. In 2016, Oakville Hydro resolved 96.8% of its customer contacts on the first contact.

Billing Accuracy

Providing our customers with accurate and timely bills is imperative, and, since we started tracking our billing accuracy in 2014, we have achieved a score of 99.9% accuracy.

Customer Satisfaction Survey Results

Over the past five years, Oakville Hydro has conducted annual customer satisfaction surveys as we feel that it is important to hear from residences and businesses about what is important to them. These customer satisfaction surveys provide us with important information that helps us improve customer service. In our surveys, we ask our customers questions on a wide range of topics, including overall satisfaction with Oakville Hydro, reliability, trust, customer service, outages, billing and corporate image.

We also include questions that will allow us to gather information about our customer’s evolving expectations and needs. This data is incorporated into our planning process and helps us develop plans to improve customer satisfaction and meet the needs of our customers.

Oakville Hydro’s 2016 Customer Satisfaction Results contain a number of measures of customer satisfaction. In our 2016 Scorecard, we reported the number of customers that were “very or fairly satisfied with Oakville Hydro”. Oakville received a score of 92% on this measure compared with an average score of 89% nationally and 86% for other electricity distributors in Ontario. Oakville Hydro has consistently exceeded the average scores, both national and of other electricity distributors in Ontario.
Public Safety

Public Awareness of Electrical Safety

Electricity distributors are required to conduct public safety surveys every two years. In 2015, Oakville Hydro conducted its first public safety survey to measure the level of public safety awareness in Oakville.

Approximately 400 people aged of 18 or over were asked six questions that corresponded to the six most frequent incidents involving utility equipment over the past 10 years.

In 2015, Oakville Hydro achieved a score of 80%. In 2018, Oakville Hydro will report on its second public safety survey.

Our Commitment to Public Safety

Public Safety Videos

At Oakville Hydro, the safety of the public and our employees is our top concern. In 2015, we introduced a public safety awareness campaign to educate the public on how to keep safe around electrical lines and equipment. In 2016, we expanded our safety information to include public safety awareness videos to illustrate electrical safety. To view our videos, visit the safety section of our website at or press the Ctrl key and click on the photo to the left.

Social Media

Oakville Hydro also has an extensive social media calendar and places a strong emphasis on public safety. We use Twitter and Facebook extensively to post our own public safety content and re-post material posted by partner organizations, such as the ESA.
Powerline Safety Seminar

On May 17, 2016, Oakville Hydro co-hosted a Powerline Safety Awareness seminar for overhead and underground contractors in Halton Region. The event included key presentations from the Infrastructure Health and Safety Association (IHSA), Electrical Safety Authority (ESA) and other organizations as part of overall educational awareness when working near power facilities. Over 75 contractor resources attended this important information session.

Oakville Hydro continues to be an active participant in the ESA’s Community Powerline Safety Alliance. This ESA-sponsored group meets to discuss best practices and approaches for promoting powerline safety awareness within the communities the Alliance members serve. The CEA’s “Electricity the Invisible Killer” was also featured at this event and free copies of the DVD were distributed to participants courtesy of Oakville Hydro.

Oakville Hydro also provides public safety education to the public through community events and venues.

Compliance with Ontario Regulation 22/04

Ontario Regulation 22/04 - Electrical Distribution Safety establishes electrical safety requirements for the design, construction, and maintenance of electrical distribution systems owned by licensed electricity distributors. The regulation requires the approval of equipment, plans and specifications as well as the inspection of electrical equipment before it is put into service. Oakville Hydro engages an auditor to audit on its compliance with the regulation and to prepare an audit report on an annual basis.

Oakville Hydro is committed to ensuring that its distribution system is safe and that it complies with all electrical safety requirements. To that end, Oakville Hydro established a monthly process to monitor and review compliance with safety Ontario Regulation 22/04. In 2016, Oakville Hydro received a “Compliant” rating for the second consecutive year.

Serious Electrical Incident Index

The Serious Electrical Incident Index measures the number and rate of serious electrical incidents involving the public and occurring on Oakville Hydro’s distribution assets. Oakville Hydro’s first priority is safety. Oakville Hydro is proud of its record of not having any serious electrical incidents occurring on its distribution assets in the five-year period measured by the scorecard.
System Reliability

Keeping the Lights On

Oakville Hydro is committed to maintaining a safe, reliable, secure, and economically viable distribution system underpinned by well-managed and maintained infrastructure assets. We balance capital and maintenance costs to optimize our infrastructure assets throughout their lifecycle.

We realize that, more than ever, our customers expect a reliable electricity supply to power their electronic devices, appliances and electric vehicles. We continuously refine our asset management program to ensure that we meet reliability, demand, security and capacity requirements while ensuring long-term affordability and responsible stewardship of the distribution system.

In 2016, Oakville Hydro achieved an Index of Reliability ("IOR") of 0.99994. This means that our customer had power 99.994% of the time. This is reflected in our customer satisfaction score of A+ for Power Quality and Reliability!

Improving Reliability through Regular Maintenance

Tree Pruning

Oakville Hydro, in conjunction with the Town of Oakville’s Forestry team, has established a ‘best in class’ line clearance program for its territory. It meets both the Ontario Energy Board’s asset management expectations and aligns well with Electrical Safety Authority’s safety standards. We have maintained an effective three year cycle of vegetation management / line clearance across our system.

This is just one of the many maintenance programs in-place at Oakville Hydro to ensure that power is there when you need it.

![Oakville Hydro's UtilityPULSE Report Card](image)

![Hydro line tree pruning](image)
Increasing Reliability through Infrastructure Investment

In 2016, Oakville Hydro invested in an emergency standby transformer at our Glenorchy Municipal Transformer Station. For reliability, and to reduce equipment outage duration, one identical backup transformer was purchased and installed at the Glenorchy. This backup transformer was a significant investment in terms of the reliability of Oakville Hydro’s distribution system, and will help increase reliability in the event of transformer failure.

Reliability Measures

Oakville Hydro’s reliability measures are a clear indicator of the effectiveness of its asset management program. In 2016, Oakville Hydro ranked number two out of the nineteen electricity distributors with over 50,000 customers in Ontario in the OEB’s reliability measure of the average number of hours that power to a customer was interrupted and number four in the number of times that power to a customer was interrupted.

<table>
<thead>
<tr>
<th>Measure</th>
<th>2016 Result</th>
<th>Provincial Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average number of hours that power to a customer is interrupted</td>
<td>0.5</td>
<td>2</td>
</tr>
<tr>
<td>Average number of times that power to a customer is interrupted</td>
<td>0.9</td>
<td>4</td>
</tr>
</tbody>
</table>
How We Compare to Others

Oakville Hydro’s reliability statistics compare favourably to those of the other electricity distributors in Ontario, for both the average number of interruptions and the average number of hours of interruption.

In 2016, Oakville Hydro’s customers experienced, on average, 0.9 power interruptions.

Those customers who experienced a power outage were without power for, on average, 0.5 hours or 30 minutes.

Historical Performance

Oakville Hydro’s reliability measures have been relatively consistent for the five-year period 2012 to 2016.
Asset Management

Distribution System Plan Implementation Progress

- Oakville Hydro’s Distribution System Plan (“DSP”) outlines its forecasted infrastructure investments and distribution system maintenance activities for 2014 to 2018.

- These expenditures are required to maintain and expand the Oakville Hydro’s electricity system to serve its current and future customers.

- The “Distribution System Plan Implementation Progress” measure is intended to assess Oakville Hydro’s effectiveness at planning and implementing the DSP.

- Oakville Hydro measures the progress of its DSP implementation as the ratio of cumulative expenditures made over the five-year planning horizon as compared to the planned spending for the same period.

- As discussed previously, Oakville Hydro invested in a new transformer for our Glenorchy Municipal Transformer Station in 2016. We also invested $3.5 million dollars in renewing and expanding overhead and underground distribution system. Some of our major renewal and expansion projects were

- In 2016, (third year of the five-year planning horizon), Oakville Hydro incurred 93% of its planned costs. Distribution System Plans are often impacted by external factors that are beyond Oakville Hydro’s control. However, Oakville Hydro is on track to implement its DSP by the end of 2018.

To learn about how we are investing in our renewing and expanding our infrastructure in 2017, visit our website at www.oakvillehydro.com
Cost Control

Efficiency Assessment

Each year, the OEB directs a third party, the Pacific Economics Group, to evaluate the total costs for Ontario’s local electricity distribution companies to produce an 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 2016, Oakville Hydro improved its efficiency/stretch factor ranking within group 3. Oakville Hydro was able to achieve this performance improvement while delivering on its planned infrastructure investment and asset maintenance program. In Ontario, approximately 50% of LDCs are in ranked in group 3.

Total Cost per Customer

Total cost per customer is calculated as the sum of Oakville Hydro’s capital and operating costs divided by the total number of metered customers that it serves. Oakville Hydro’s Operating, Maintenance and Administration (OM&A) costs per customer related to electricity distribution was $248 – lower than the provincial average of $300 per customer, while its capital cost per customer of $472 was higher than the provincial average of $332 resulting in a total cost per customer of $720 which is slightly higher than the provincial average of $632.

The higher capital cost per customer reflects the desire to invest in our infrastructure in order to continue to deliver reliable electricity into the future and the difference in the timing of capital investment needs for other electricity distributors.

Oakville Hydro has experienced cost pressures associated with the delivery of reliable services to its customers. Inflationary pressures, as well as investments in new information systems technology and the renewal and growth of the distribution system, have all contributed to increased costs. Despite these pressures, Oakville Hydro was able to decrease its total cost per customer by 1.6% in 2016, as compared to 2015, through the implementation of cost containment and efficiency initiatives.

<table>
<thead>
<tr>
<th>Cost Per Customer</th>
<th>OM&amp;A</th>
<th>Capital</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oakville Hydro</td>
<td>$248</td>
<td>$472</td>
<td>$720</td>
</tr>
<tr>
<td>Provincial Average</td>
<td>$300</td>
<td>$332</td>
<td>$632</td>
</tr>
</tbody>
</table>
**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 kilometres of distribution lines that Oakville Hydro maintains and operates to serve its customers. Oakville Hydro’s operating cost per kilometres of $9,054 is lower than the provincial average of $13,944 per kilometre while its capital cost per kilometre of $17,270 is slightly higher than the provincial average of $15,462. However, Oakville Hydro’s total cost per kilometre is 9% lower than the provincial average.

<table>
<thead>
<tr>
<th>Cost Per km of Line</th>
<th>OM&amp;A</th>
<th>Capital</th>
<th>Total</th>
</tr>
</thead>
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<tr>
<td>Oakville Hydro</td>
<td>$9,054</td>
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<td>$13,944</td>
<td>$15,462</td>
<td>$28,945</td>
</tr>
</tbody>
</table>

**Overall Efficiency**

As shown in the following table, both Oakville Hydro’s cost per customer and cost per km of line decreased in 2016.

<table>
<thead>
<tr>
<th>Cost Control</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost Per Customer</td>
<td>$695</td>
<td>$730</td>
<td>$720</td>
<td>$732</td>
<td>$720</td>
<td></td>
</tr>
<tr>
<td>Total Cost Per km</td>
<td>$29,135</td>
<td>$26,377</td>
<td>$26,116</td>
<td>$26,730</td>
<td>$26,324</td>
<td></td>
</tr>
</tbody>
</table>
Net Cumulative Energy Savings
Oakville Hydro completed its second year of the Province’s six-year conservation framework. This framework, The Conservation First Framework, is designed to reduce electricity consumption in Ontario by seven terawatt-hours (TWh) or seven million gigawatt-hours (GWh) by December 31, 2020. Oakville Hydro has been assigned a target of 92.39 GWh over the six-year period.

Oakville Hydro is committed to energy conservation and to ensuring that existing and future CDM programs are a cost-effective resource in addressing the long-term energy requirements for customers, households, and businesses throughout Ontario. In 2016, Oakville Hydro had an exceptional year and achieved savings of approximately 39 GWh or 42.4% of its target savings towards its six-year conservation target of 92.39 GWh.

Promoting Conservation
Oakville Hydro’s focus is on targeting all of the Provincial and approved pilot programs to residences and businesses in Oakville in the quest to achieve its assigned conservation targets. In 2016, Oakville Hydro promoted electricity conservation through a number of initiatives, including:

- **Customer Booklet** - A quarterly customer booklet that features conservation coupons and tips, as well as information on customer service programs and electrical safety.

- **Annual Conservation Leadership Award** - In 2016, Oakville Hydro presented Denninger’s Foods of the World with its annual Conservation Leadership Award at the Oakville Chamber of Commerce’s Awards for Business Excellence with 650 other local businesses attending.

- **LED Street Lighting** - In 2016, the Town of Oakville achieved a reduction of 12,500 MWh through the conversion of 9,000 streetlights to LED street lighting. This represents the elimination of 550 Metric Tons of CO2 from being emitted as a result.
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 2016, Oakville Hydro completed 15 CIAs and each one was completed within the prescribed time limit.

New Micro-embedded Generation Facilities Connected on Time

In 2016, Oakville Hydro connected five new micro-embedded generation facilities (microFIT projects of less than 10 kW) all of which were connected within the prescribed time frame of five business days. The minimum acceptable performance level for this measure is 90% of the time.
Financial Ratios

Liquidity: Current Ratio (Current Assets/Current Liabilities)
As an indicator of financial health, a current ratio that is greater than one indicates that the company can pay its short-term debts and financial obligations. Companies with a ratio of greater than one are often referred to as being “liquid”. The higher the number, the more “liquid” and the larger the margin of safety to cover the company’s short-term debts and financial obligations. While Oakville Hydro’s current ratio has decreased slightly year over year, it continues to be indicative of a strong financial position.

Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio
The OEB uses a deemed capital structure of 60% debt, 40% equity for electricity distributors when establishing rates. This deemed capital mix is equal to a debt to equity ratio of 1.5 (60/40). A debt to equity ratio of more than 1.5 indicates that a distributor is more highly levered than the deemed capital structure. Since 2012, Oakville Hydro has maintained a debt to equity structure of less than 1.5 and it continues to be financially stable at 1.06 in 2016.

Profitability: Regulatory Return on Equity – Deemed (included in rates)
Oakville Hydro’s 2014 distribution rates were approved by the OEB through a cost of service application, which included an expected (deemed) regulatory return on equity of 9.36%. The OEB allows distributors 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
In 2016, Oakville Hydro achieved a regulatory return on equity of 10.71%, which is well within the OEB’s range of +/- 3%. Oakville Hydro reviews and evaluates its costs continually and, as a result, it has achieved its regulated rate of return again in 2016. Oakville Hydro is well positioned to meet the needs of the growing community and continue to provide the value of service that its customer expect.
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.