

Scorecard - EnWin Utilities Ltd.

Performance Outcomes	Performance Categories	Measures	2013	2014	2015	2016	2017	Trend	Target		
									Industry	Distributor	
Customer Focus Services are provided in a manner that responds to identified customer preferences.	Service Quality	New Residential/Small Business Services Connected on Time	99.70%	100.00%	99.10%	100.00%	100.00%	↑	90.00%		
		Scheduled Appointments Met On Time	100.00%	100.00%	100.00%	100.00%	99.76%	↓	90.00%		
		Telephone Calls Answered On Time	82.20%	86.80%	75.50%	70.70%	78.21%	↓	65.00%		
	Customer Satisfaction	First Contact Resolution			97.93%	98.17%	97.93%	98.04 %			
		Billing Accuracy			99.86%	99.98%	99.99%	99.99%	↑	98.00%	
		Customer Satisfaction Survey Results			Good	Good	GOOD	Good			
Operational Effectiveness Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.	Safety	Level of Public Awareness			83.00%	83.00%	82.00%				
		Level of Compliance with Ontario Regulation 22/04 ¹	C	C	C	C	C	→		C	
		Serious Electrical Incident Index	Number of General Public Incidents	0	0	0	1	2	↑		0
	Rate per 10, 100, 1000 km of line		0.000	0.000	0.000	0.898	1.792	↑		0.245	
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted ²	0.80	0.81	1.06	0.64	0.72	↓		1.17	
		Average Number of Times that Power to a Customer is Interrupted ²	2.06	1.85	1.88	1.47	1.70	↓		2.03	
	Asset Management	Distribution System Plan Implementation Progress		-16%	96%	83%	81 %				
	Cost Control	Efficiency Assessment	4	4	4	4	3				
		Total Cost per Customer ³	\$652	\$683	\$699	\$707	\$707				
		Total Cost per Km of Line ³	\$48,500	\$51,189	\$54,728	\$55,668	\$13,094				
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).	Conservation & Demand Management	Net Cumulative Energy Savings ⁴			9.79%	30.97%	53.52%			151.30 GWh	
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time	50.00%	100.00%	100.00%	100.00%					
		New Micro-embedded Generation Facilities Connected On Time		100.00%	100.00%	100.00%	100.00%	→	90.00%		
Financial Performance Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	1.18	1.27	1.44	1.60	1.83				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.58	0.56	0.50	0.39	0.43				
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	8.01%	8.01%	8.01%	8.01%	8.01%			
			Achieved	13.04%	9.62%	6.88%	5.92%	2.50%			

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 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

2017 Scorecard Management Discussion and Analysis (“2017 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 2017 Scorecard MD&A:

<http://www.ontarioenergyboard.ca/OEB/ Documents/scorecard/Scorecard Performance Measure Descriptions.pdf>

Scorecard MD&A - General Overview

ENWIN’s 2017 scorecard results are very positive. ENWIN scored at or above industry targets (where such industry targets are established) in the performance categories of Service Quality, Customer Satisfaction, System Reliability and Connection of Renewable Generation.

ENWIN has always maintained a strong focus on the safety and reliability of the electricity we supply to customers. With an economy that relies heavily on manufacturing, ENWIN’s focus on providing a high level of reliability for its customers drives our capital and maintenance spending profiles.

No distribution system can deliver 100% reliable electrical service. From time to time, customers will experience an electrical service interruption. Electrical distribution systems are outdoors and subject to sun, wind, rain, lightning, ice, falling tree branches, vehicle accidents, animal contact, excavations (on underground lines) and natural aging. Generally, the more difficult the environment, the more difficult it is to maintain reliable electrical service. The Windsor region has the highest frequency and intensity of thunderstorms in all of Canada, and ENWIN’s service territory experiences the highest average number of days with lightning in Canada. As well, climate change has resulted in more frequent and more severe storms, as evidenced in the last few years by three tornados in Windsor and Essex County. A higher degree of reliability in any electrical distribution system results in higher costs. ENWIN, like all electricity distributors, faces a balancing act between keeping costs as low as possible and keeping reliability at acceptable levels.

For most customers, the key test of system reliability is “**Do the lights stay on?**” ENWIN tries to minimize both the number of outages that customers experience and the length of time the power is out. ENWIN’s OEB calculated target 5-year average number of hours that power is interrupted is 1.17 hours per year, and number of times that power is interrupted is 2.03 times per year.

ENWIN continues to focus on providing quality customer service, controlling costs and increasing efficiencies in order to deliver reliable power to customers at affordable rates.

Service Quality

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

In 2017, ENWIN connected 100% of its 698 eligible low-voltage residential and small business customers (those utilizing connections under 750 volts) to its system within the five-day timeline prescribed by the Ontario Energy Board (OEB). This result is well above the OEB-mandated threshold of 90%. ENWIN's successful result in this measure was achieved by performing daily checks for ESA Authorization, providing instant notification to our Metering department when connections are ready, and by having a quick dispatch process for meter installers. ENWIN's commitment to achieving this requirement also includes pulling crews from other projects when the 5 days window cannot be met by the regular service crews.

- **Scheduled Appointments Met On Time**

When an appointment is either requested by a customer with ENWIN or requested by ENWIN with a customer, ENWIN must schedule the appointment during regular hours of operation, within a 4-hour time window, and an ENWIN representative must arrive for the appointment within the scheduled timeframe. In 2017, ENWIN met its appointment targets for 3,339 appointments scheduled for an overall result of 99.76% of appointments met on time. This result exceeds the OEB industry target for this measure of 90% of appointments met.

- **Telephone Calls Answered On Time**

ENWIN answered 78.21% of calls offered within 30 seconds or less. This percentage increased in 2017 compared to 2016 due primarily to a decrease in call volume. The average ratio of calls received decreased from 7,520 calls per CSR in 2016 to 6,640 calls per CSR throughout 2017. The majority of calls logged continue to be related to credit inquiries, moving notifications, and hydro billing inquiries. ENWIN has once again exceeded the OEB mandated target of 65% and continues to work hard to answer calls while not increasing staff complement.

Customer Satisfaction

- **First Contact Resolution**

ENWIN successfully resolved 98.04% of calls during the customer's initial contact. ENWIN strives to serve customers in a friendly and professional manner within the first call. We use call monitoring tools to record and archive every call to allow us to evaluate our staff's call handling. Any anomalies or customer escalations are reviewed when warranted. All customer interactions are logged in our CIS System, including any escalations.

- **Billing Accuracy**

ENWIN's billing accuracy is 99.99% which exceeds the OEB-mandated 98% industry target. In 2017, ENWIN produced 1,060,341 bills to its customers. ENWIN routinely reviews its billing processes for compliance and continuous improvement opportunities. In addition, ENWIN continues to offer customers an easy, convenient and environmentally friendly means to securely access and manage their usage data on-line on a daily, weekly or monthly basis through its "ENWIN Connect" web portal.

- **Customer Satisfaction Survey Results**

ENWIN has engaged a third party to conduct customer satisfaction surveys. ENWIN achieved a “Customer Experience Performance Rating” (CEPr) of 84% in 2017, which is above the National average of 83% and the Ontario average of 81% based on others surveyed by UtilityPulse. Factors that are considered as part of the overall customer experience include delivery of accessible and consistent customer service, understanding customer expectations, providing timely issue resolution, providing effective communication(s) according to customer needs, demonstrating responsiveness, conducting problem analysis to prevent recurring issues, ease of engagement on issues, seeking customer feedback and following through on recommendations. The CEPr is only one element of the customer survey. The survey also gathers information on engagement, operational effectiveness and service quality through the eyes of the customer. ENWIN reviews all of the data gathered in the survey to help drive decision making and to continuously improve ENWIN’s customer experience. In 2017, information gathered on the importance of various online features to our customers has helped us identify the need to upgrade ENWIN’s online customer portal in 2018.

Safety

- **Public Safety**

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

ENWIN engaged a third party to conduct a survey of customer perception and overall electrical safety awareness in 2018 and achieved an overall score of 82%. In addition, ENWIN maintained its previous levels of Public Service Announcements (PSA) broadcasting and participation in the local Children’s Safety Village programs. ENWIN will continue to support and provide education and training to our community on electrical safety through these initiatives.

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

ENWIN remains fully compliant with all sections of Ontario Regulation 22/04 (Electrical Distribution Safety). This continued achievement is reflective of ENWIN’s strong commitment to safety, adherence to company procedures, policies and the elements of the regulation itself. Ontario Regulation 22/04 establishes objective-based electrical safety requirements for design, construction and maintenance of electrical distribution systems owned by licensed distributors. Specifically, the regulation requires the approval of equipment, plans, specifications and the inspection of construction before it is put into service. The Electrical Safety Authority (ESA) performs Due Diligence Inspections (DDI) throughout the year to ensure utilities remain compliant with the objectives set out in Ontario Regulation 22/04. Both independent and Electrical Safety Authority (ESA) compliance audits yielded only a few opportunities for improvement which have all subsequently been addressed.

In summary, ENWIN has successfully completed its 2017 ESA audit cycle, obtaining full compliance with Regulation 22/04, with no ‘non-compliance’ or ‘needs improvement’ identified.

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

ENWIN experienced and reported 2 (two) Serious Electrical Incidents, as defined in Ontario Regulation 22/04, for the time frame used for this measure (January 01, 2016 to December 31, 2016). Fortunately, there were no injuries to people as a result of these incidents. These incidents qualify as serious electrical incidents because there was potential for injury, regardless that there were no personal injuries. The calculated rate of incidents per 1000km of line is 1.792 for this period. In an ongoing effort to prevent incidents, ENWIN continues its aggressive public safety messages through radio, television and online advertising, bill inserts, brochures, banners, media releases, taglines, Website challenge, YouTube videos, Twitter messaging and public events.

System Reliability

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

ENWIN continues to invest in infrastructure and new technologies to minimize customer downtime. ENWIN's adjusted System Average Interruption Duration Index ("SAIDI", which is the average number of hours power is interrupted) for 2017 was 0.72 and while it was a slight increase from the previous year, the five year history (2013-2017) shows a downward trend. Additionally, it is still much lower than the OEB calculated target 5-year average (1.17). The increase experienced in 2017 from 2016 (which had an adjusted SAIDI of 0.64) is attributable to the location, timing and nature of the outages experienced as compared to the prior year. ENWIN's investment in infrastructure renewal and modernization, including automated switches, helps reduce the average time that customers have their power interrupted.

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

ENWIN's adjusted System Average Interruption Frequency Index ("SAIFI", which is the average number of times power is interrupted) for 2017 was 1.70, which has increased slightly from 2016 but still compares favorably with the OEB calculated target 5-year average of 2.03. The relatively low frequency of interruption was despite the March 8, 2017 windstorm which was reported by our neighbouring utility, DTE, as the second most impactful storm in their history. The good result was also due to ENWIN's investments in renewing infrastructure at end of life and its ongoing maintenance programs such as tree trimming.

Asset Management

- **Distribution System Plan Implementation Progress**

Distribution System Plan (DSP) implementation progress is a performance measure instituted by the OEB starting in 2014. The DSP prepared by ENWIN in 2014 outlined ENWIN's forecasted capital expenditures, over the next five (5) years, required to maintain and expand the distributor's electricity system to serve its current and future customers. The "Distribution System Plan Implementation Progress" measure is intended to assess ENWIN's effectiveness at planning and implementing the DSP. DSP Investment Plan for 2017 was forecast at \$34.5M and included the construction of a new TS Station and new feeders in the West end of the City to adequately serve existing customers in the area, at an estimated cost of \$16.5M. However, due to "behind the meter generation" installed or in the process of installation, by two major customers and under consideration by at least 2 other major customers, this

investment was deemed unnecessary and cancelled. The move to behind the meter generation was funded by the IESO-funded conservation program and was not anticipated when the DSP was prepared. The adjusted forecast, removing this item, results in a forecast of \$18.0M. The actual capital spend was \$14.6M, resulting in progress to the other elements of the DSP of 81%.

Cost Control

- **Efficiency Assessment**

The total costs for Ontario Local Electricity Distribution Companies are evaluated by the Pacific Economics Group LLC (PEG) on behalf of the OEB to produce a single efficiency ranking. The electricity distributors are divided into five cohort groups based on the magnitude of the difference between their respective individual actual and predicted costs. ENWIN's efficiency performance has been improving year over year since 2014. The PEG methodology utilizes a three-year average; and in 2017, ENWIN has transitioned from the Group 4 cohort in 2016 to the Group 3 cohort in 2017, which is indicative of improved cost performance results. ENWIN is replacing assets proactively along a carefully managed timeframe in a manner that balances system risks and customer rate impacts.

- **Total Cost per Customer**

Total cost per customer is calculated by the PEG methodology, as the sum of ENWIN's capital and operating costs divided by the total number of customers that ENWIN serves. The cost performance result for 2017 is \$707 per customer, which has been held constant from 2016. It is important to note, when examined over 5 years, ENWIN has held relatively constant the total cost per customer despite inflationary pressures.

ENWIN's cost per customer is comparable to other distributors serving built-out, established communities, and to distributors serving energy-intensive customers. ENWIN is committed to infrastructure reinvestment in order to meet its customer's expectations for reliability with a reasonable cost. While ENWIN's load base has eroded since peaking in 2006, ENWIN continues to invest in replacement of its infrastructure as that infrastructure reaches end-of-life. This investment is to ensure that ENWIN's customers continue to have the reliable electrical service they currently enjoy.

- **Total Cost per Km of Line**

This measure uses the same total cost that is used in the Total Cost per Customer calculation above. The total cost is divided by the kilometers of line that ENWIN operates to serve its customers.

ENWIN's 2017 total cost per kilometer of line is \$13,094, which is 76% less than the prior year result primarily due to a change in methodology by ENWIN which, for the first time in 2017 and as permitted by the reporting definition, accounts for the presence of the utility's significant secondary (lower-voltage) distribution network. This change in methodology makes ENWIN comparable with other LDC's which have previously made this change.

Conservation & Demand Management

- **Net Cumulative Energy Savings**

ENWIN continues to rely on its community partners and the strong relationships they've developed with both their customers and trade allies to succeed in achieving their 2015-2020 Conservation First Framework ("CFF") energy savings target. The 2017 program implementation year was a successful one, with ENWIN achieving 26.9 GWh of energy savings, or 17.8% of their 2015-2020 CFF energy savings target. At the end of 2017, ENWIN had achieved 54% of their 2015-2020 energy savings target through 50% of the program term. ENWIN continues to support the conservation efforts of its customers and remains committed to meeting their obligations to the Province and the ratepayers.

Connection of Renewable Generation

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

Electricity distributors are required to conduct Connection Impact Assessments (CIAs) within 60 days of receiving all required documentation. In 2017, ENWIN did not receive any requests to perform CIAs. ENWIN developed and implemented measures to ensure CIAs are completed within the required timeframe by clearly defining requirements for proponents and by standardizing on both the format and technical components of our consultant's reports.

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

In 2017, ENWIN connected 93 MicroFIT generation facilities and 100% were done within the prescribed time frame of five (5) working days, consistent with the 2016 result. The minimum acceptable OEB-mandated industry performance level for this measure is to connect within the prescribed time frame 90% of the time. ENWIN's successful result in this measure was achieved by performing daily checks for ESA Authorization, providing instant notification to our Metering department when connections are ready, and by having a quick dispatch process for meter installers. ENWIN's commitment to achieving this requirement also includes pulling crews from other projects when the 5 days window cannot be met by the regular service crews.

Financial Ratios

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

ENWIN's current ratio was 1.83 in 2017 (1.60 in 2016). This continues to demonstrate the company's strong financial position and ability to meet the company's short term financial obligations. The improvement in the current ratio during the year was a result of a decline in the amounts owing in short term liabilities at year end compared to the prior year. The focus on liquidity and reduction of debt is contributing to this strong liquidity ratio.

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

ENWIN's debt to equity ratio was 0.43 in 2017 (0.39 in 2016). This is one of the lowest debt to equity ratios when compared to other

LDCs of similar size within the province of Ontario. This low debt to equity ratio has been achieved through financial practices targeting liquidity and financial stability to ensure resources are available to continue future investment in new infrastructure.

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

ENWIN's current distribution rates were approved by the OEB and included a deemed regulatory rate of return on equity ("ROE") of 8.01%. ENWIN's customers continue to benefit from one of the lowest deemed ROE's within the industry in Ontario.

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

ENWIN's actual regulatory return on equity declined relative to 2016 which is not uncommon in between Cost of Service years. ENWIN is planning a Cost of Service filing and once that is completed, the regulated return on equity should return to target levels.

Note to Readers of 2017 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.