### Scorecard - Kingston Hydro Corporation

#### Performance Outcomes

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

**Service Quality**
- New Residential/Small Business Services Connected on Time
- Scheduled Appointments Met On Time
- Telephone Calls Answered On Time
- First Contact Resolution
- Billing Accuracy
- Customer Satisfaction Survey Results
- Customer Satisfaction Level of Compliance with Ontario Regulation 22/04
- Level of Public Awareness
- Average Number of Hours that Power to a Customer is Interrupted
- Average Number of Times that Power to a Customer is Interrupted
- Efficiency Assessment

**Operational Effectiveness**
- Safety
  - Level of Compliance with Ontario Regulation 22/04
  - Serious Electrical Incident Index
  - Average Number of Hours that Power to a Customer is Interrupted
  - Average Number of Times that Power to a Customer is Interrupted
- System Reliability

**Customer Satisfaction**
- Service Quality
- Operational Effectiveness
- System Reliability

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

**Service Quality**
- New Residential/Small Business Services Connected on Time
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- Safety
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  - Serious Electrical Incident Index
  - Average Number of Hours that Power to a Customer is Interrupted
  - Average Number of Times that Power to a Customer is Interrupted
- System Reliability

**Customer Satisfaction**
- Service Quality
- Operational Effectiveness
- System Reliability

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

<table>
<thead>
<tr>
<th>Measures</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Trend</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Residential/Small Business Services Connected on Time</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td></td>
<td>90.00%</td>
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<tr>
<td>Scheduled Appointments Met On Time</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>97.90%</td>
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<td>90.00%</td>
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<tr>
<td>Telephone Calls Answered On Time</td>
<td>66.90%</td>
<td>67.00%</td>
<td>65.80%</td>
<td>66.00%</td>
<td>66.76%</td>
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<td>65.00%</td>
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<tr>
<td>First Contact Resolution</td>
<td>98.32%</td>
<td>99.13%</td>
<td>98.86%</td>
<td>98.84%</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Billing Accuracy</td>
<td>99.74%</td>
<td>99.68%</td>
<td>99.75%</td>
<td>97.09%</td>
<td></td>
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<tr>
<td>Customer Satisfaction Survey Results</td>
<td>'A'</td>
<td>'A'</td>
<td>'A'</td>
<td>'A'</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Level of Public Awareness</td>
<td>80.00%</td>
<td>80.00%</td>
<td>79.00%</td>
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<tr>
<td>Average Number of Hours that Power to a Customer is Interrupted</td>
<td>1.03</td>
<td>0.97</td>
<td>0.93</td>
<td>1.32</td>
<td>1.40</td>
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<td>Average Number of Times that Power to a Customer is Interrupted</td>
<td>1.28</td>
<td>0.52</td>
<td>0.91</td>
<td>0.59</td>
<td>1.07</td>
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<td>0.95</td>
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<tr>
<td>Distribution System Plan Implementation Progress</td>
<td>On track</td>
<td>On track</td>
<td>On track</td>
<td>On track</td>
<td></td>
<td></td>
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<tr>
<td>Efficiency Assessment</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td></td>
<td></td>
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<tr>
<td>Total Cost per Customer</td>
<td>$517</td>
<td>$501</td>
<td>$522</td>
<td>$531</td>
<td>$538</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cost per Km of Line</td>
<td>$38,667</td>
<td>$38,384</td>
<td>$40,292</td>
<td>$43,652</td>
<td>$44,400</td>
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<tr>
<td>Net Cumulative Energy Savings</td>
<td>12.89%</td>
<td>23.40%</td>
<td>55.88%</td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Financial Ratios

**Liquidity:** Current Ratio (Current Assets/Current Liabilities)
- 2013: 1.10
- 2014: 1.13
- 2015: 1.67
- 2016: 1.10
- 2017: 1.84

**Leverage:** Total Debt (includes short-term and long-term debt) to Equity Ratio
- 2013: 1.42
- 2014: 1.35
- 2015: 1.21
- 2016: 1.36
- 2017: 1.41

**Profitability:** Regulatory Deemed (included in rates)
- 2013: 9.58%
- 2014: 9.58%
- 2015: 9.58%
- 2016: 9.19%
- 2017: 9.19%

### Performance Categories

**Operational Effectiveness**
- Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.

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

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

#### Financial Ratios

**Liquidity:** Current Ratio (Current Assets/Current Liabilities)
- 2013: 1.10
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- 2017: 9.19%

### Target

- **Industry**
- **Distributor**

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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 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.
Appendix A – 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

Kingston Hydro presents its scorecard for the year 2017. The scorecard measures how well Ontario’s electricity distributors are performing each year, with respect to customer focus, operational effectiveness, public policy responsiveness, and financial performance.

Utilities Kingston manages the assets of Kingston Hydro Corporation, along with municipal water, wastewater and gas utilities. This unique multi-utility model is a major contributor to Kingston Hydro’s strengths in customer service and efficiency. In 2017, Kingston Hydro continued to perform strongly against several of the performance targets for the measures set out by the Ontario Energy Board (OEB).

Utilities Kingston’s pride in delivering safe and reliable services is reflected in its customer satisfaction results. Of the 400 customers surveyed in 2017, 92 per cent say they are satisfied with the electrical services they receive from the utility. Utilities Kingston received an ‘A’ on the report card used to grade utility companies across the province, consistent with the first time this survey was conducted in 2014.

The results show customers are especially satisfied when it comes to Kingston Hydro delivering consistent and reliable electricity services and making safety a priority. The survey findings show how Utilities Kingston has scored as compared to the Ontario benchmarks:

- Credibility and trust rating – 88 per cent (Ontario benchmark 77 per cent)
- Customer satisfaction – 92 per cent (Ontario benchmark 84 per cent)
- Provides reliable electricity – 96 per cent (Ontario benchmark 89 per cent)
- Quickly restores power – 93 per cent (Ontario benchmark 85 per cent)
- Operates a cost effective electricity system – 75 per cent (Ontario benchmark 56 per cent)
- Provides good value – 72 per cent (Ontario benchmark 56 per cent)
- Report card score – ‘A’ (Ontario benchmark B)
Utilities Kingston is particularly proud of its achievements towards provincially-mandated targets in Conservation and Demand Management. The utility thanks its customers for their commitment and investment in saving water, energy and money. Ranked in the top half of Ontario’s 68 local distribution companies (LDC), Kingston Hydro is on track to exceed its targets by the end of 2020.

In the 2017 scorecard, Kingston Hydro did not meet performance targets for *Billing Accuracy*, *Number of General Public Incidents*, and *Average Number of Hours that Power to a Customer is Interrupted*.

*Billing Accuracy* was impacted due to a vendor issue in March, affecting the month of April. Utilities Kingston worked with the vendor to correct the issue, and their staff members have assured Utilities Kingston that mitigating factors, to prevent such future incidents, have been put in place.

Utilities Kingston experienced one *General Public Incident* when a pole line collapsed in July 2016 (as reflected in the 2017 scorecard). Luckily, while the pole collapse disrupted traffic and caused widespread power outages, no one was injured. A detailed third-party investigation followed, with the results posted publicly online. It was determined that this was an isolated incident, driven by a number of unrelated factors.

The increase in the *Average Number of Hours that Power to a Customer is Interrupted* can be attributed to motor vehicle accidents, and are outside of the control of the utility. Kingston Hydro continues to focus on capital replacement programs and the asset management plan, both of which can help prevent unplanned events and harden the system against adverse weather impacts and other unplanned events.

Utilities Kingston is committed to continually improve its service to customers. On behalf of Kingston Hydro, it continues to monitor performance, with a focus on safe, reliable and efficient services.

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**Service Quality**

- **New Residential/Small Business Services Connected on Time**
  Utilities must connect new service for the customer within five business days, 90 per cent of the time, unless the customer agrees to a later date. Kingston Hydro exceeded this target for the 107 new low voltage (less than 750 volts) services connected in 2017. As in previous years, 100 per cent of these services were connected within the target of five working days (from the time all required permits were issued).

- **Scheduled Appointments Met On Time**
  For appointments during the utility’s regular business hours, the utility must offer a window of time that is not more than four hours long, and must arrive within that window, 90 per cent of the time. Customers make appointments with Utilities Kingston, on behalf of Kingston Hydro, for a variety of reasons, including for meter changes, service upgrades, and utility locates. Utilities Kingston strives to
complete all requested appointments within five business days, and understands that being on time is important to deliver reliable customer service. In 2017, scheduled appointments were met on time, 100 per cent of the time, an increase from the 2016 result of 97.90 per cent. This well exceeds the target of 90 per cent. Of a total of 610 appointments, all were kept within the designated window.

- **Telephone Calls Answered On Time**
  - During regular call centre hours, the utility’s call centre staff must answer phone calls within 30 seconds of receiving the call directly, or having the call transferred to them, 65 per cent of the time.
  - In 2017, customer service representatives answered a total of 64,449 calls, down ~4 per cent from 2016 call volume.
  - 68.76 per cent of calls (44,315) were answered within 30 seconds, increased slightly from 2016 and exceeding the industry target of 65 per cent. The utility monitors this metric closely, as it understands that being able to reach a representative is important to customers.

**Customer Satisfaction**

- **First Contact Resolution**
  - Utilities should aim to address their customers’ needs as quickly as possible. Ideally, their concerns and issues are resolved the first time the customer contacts the utility.
  - For Utilities Kingston, this is a measure of the number of times a customer inquiry/request, related to their account, was handled by the first person to receive the contact.
  - 98.84 per cent of 45,621 contacts were answered without having to transfer to another staff member, consistent with the 2016 result of 98.86 per cent. This is closely monitored to ensure that front line staff members have the information and tools available so they can effectively address customer inquiries.

- **Billing Accuracy**
  - An important part of business is ensuring that customer bills are accurate. An accurate bill provides customers the right information, the first time.
  - For 2017, the Utilities Kingston issued 355,600 bills on behalf of Kingston Hydro Corporation, with a billing accuracy of 97.09 per cent, a decrease from 2016 and below the industry target of 98 per cent of all bills being accurate.
  - The standard for billing accuracy was not met specifically for April 2017. In that month, the utility experienced a large number of electric bill adjustments as a result of negative consumption pricing files received from our pricing vendor during the prior month. Once the correct pricing data for March was received, adjustments were made on customer accounts, which affected their April billing. In every other month of 2017, the billing accuracy measure was met.
• **Customer Satisfaction Survey Results**

  Utilities use different ways to determine how satisfied their customers are with the service they receive. Distributors are required to report their results every second year, at a minimum. Kingston Hydro last completed a survey result in early 2017 for the 2016 reporting year.

  An overall rating of ‘A’ was reported in 2016, consistent with the first time this survey was conducted in 2014.

  The next customer satisfaction survey will be carried out in 2019 for the 2018 reporting year.

**Safety**

• **Public Safety**

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

    In February 2018, a public awareness telephone survey was carried out among 400 members of the general public residing in Kingston Hydro’s distribution area. Kingston Hydro used the results from this survey for reporting on the 2017 year.

    The survey followed the requirements established in *Appendix B: Biannual Standardized Scorecard Public Awareness of Electrical Safety Telephone Questionnaire* published by the OEB on November 25, 2015.

    The survey yielded an overall Public Safety Awareness Index Score of 79 per cent, demonstrating that many people do have good knowledge or have received some information pertaining to the six core measurement questions. The score is slightly lower than the prior result of 80 per cent. However, a difference in index scores of 1-3 per cent is statistically the same (UtilityPULSE). The next Public Awareness of Electrical Safety Survey will be carried out in 2020.

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

    For the year 2017, as in previous years identified in the scorecard, Kingston Hydro complied with the *Ontario Electrical Distribution Safety Regulation 22/04*. This is substantiated through the annual independent *Audit of Compliance and Declaration of Compliance*, as well as the *Electrical Safety Authority Due Diligence Inspections (DDI) and Reports of Public Safety Concerns*.

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

    | Number of Incidents | km of Line | Rate Default Value | Serious Incident Index | Serious Incident Index |
    |---------------------|------------|-------------------|------------------------|------------------------|
    | 1                   | 356        | 100               | 0.000                  | 0.000                  |
The reporting period includes June of 2016, when Kingston Hydro had a serious electrical incident from a multiple pole collapse. Utilities Kingston worked with industry experts UTS Consultants Inc. to conduct an investigation as to why the hydro poles collapsed. The utility publicly released the third-party report, which identified at least seven separate factors that created a unique circumstance and contributed to the event.

### System Reliability

- **Average Number of Hours that Power to a Customer is Interrupted**
  Kingston Hydro tracks all electricity outages and strives to reduce the length of time that they affect customers. The average of 1.40 hours on the scorecard includes both planned interruptions necessary to conduct work safely (0.55 hours) and unplanned/emergency power disruptions (0.85 hours). With the planned interruptions average being identical to last year, the six per cent increase in the average power disruptions stems from an increase in emergency outages primarily involving vehicle accidents. While the utility did not meet the distributor target for this metric, it was outside of its control, due to this outside interference with the system.

- **Average Number of Times that Power to a Customer is Interrupted**
  The data published in the Scorecard for the 2017 measure is incorrect, as it includes momentary outages that are not to be included in this measure. The corrected score for this measure is 0.87, exceeding the target of 0.95. This is an improvement from the 2016 result of 1.32 (in that year, over one-third of the 1.32 hours were attributed to just two unplanned events.)

  A single incident with a 44 kV lightning arrestor accounts for almost one quarter of the customer interruptions for 2017.

### Asset Management

- **Distribution System Plan Implementation Progress**
  Kingston Hydro completed its Distribution System Plan (DSP) in 2015 as part of its 2016 Custom Incentive Rate-Setting (Custom IR) rate application submission to the OEB (EB-2015-0083). The DSP outlines the forecasted capital expenditures, from 2016 to 2020, required to maintain and expand Kingston Hydro’s electricity system to serve its current and future customers. The DSP also includes the supporting asset management rationale used to develop the annual forecasted capital expenditures.

  Total annual capital expenditures for 2017 remain “on track” with the Kingston Hydro DSP, with the variance of total actual expenditures versus total forecast of 2.69 per cent ($82,113). Throughout 2017, the DSP guided Kingston Hydro’s capital expenditures; however variances by investment category are to be expected due to the dynamic and ever-changing nature of competing investment priorities.
The following tables summarize these variances:

<table>
<thead>
<tr>
<th>2017</th>
<th>% Actual Total</th>
<th>% DSP Forecast Total</th>
<th>% Variance wrt Forecast Category</th>
<th>% Variance wrt Forecast Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Access</td>
<td>14.72</td>
<td>14.30</td>
<td>5.69</td>
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<tr>
<td>System Renewal</td>
<td>69.49</td>
<td>72.52</td>
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<td>-1.15</td>
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<tr>
<td>System Service</td>
<td>2.21</td>
<td>2.62</td>
<td>-13.66</td>
<td>-0.36</td>
</tr>
<tr>
<td>General Plant</td>
<td>13.58</td>
<td>10.56</td>
<td>32.08</td>
<td>3.39</td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
<td>100.00</td>
<td>2.69</td>
<td>2.69</td>
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</table>

<table>
<thead>
<tr>
<th>2017</th>
<th>Actual $</th>
<th>DSP Forecast $</th>
<th>Variance $</th>
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<tbody>
<tr>
<td>System Access</td>
<td>460,790</td>
<td>436,000</td>
<td>24,790</td>
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<tr>
<td>System Renewal</td>
<td>2,175,941</td>
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<td>-35,059</td>
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<tr>
<td>System Service</td>
<td>69,076</td>
<td>80,000</td>
<td>-10,924</td>
</tr>
<tr>
<td>General Plant</td>
<td>425,307</td>
<td>322,000</td>
<td>103,307</td>
</tr>
<tr>
<td>Total</td>
<td>3,131,113</td>
<td>3,049,000</td>
<td>82,113</td>
</tr>
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</table>

The General Plant variance of 32.08 per cent ($103,307) between the actual and forecast amount can be attributed to delay with delivery of a new vehicle purchase. When compared to the total DSP forecast amount, the variance in General Plant expenditures is 3.39 per cent.

The System Access and System Service variances of 5.69 per cent ($24,790) and -13.66 per cent (-$10,924), respectively, are attributed to evolving customer and third-party requests/obligations (e.g., new development, transformer upgrades, etc.), which are beyond the control of Kingston Hydro. When compared to the total DSP budget forecast amount, the variances in System Access and System Service expenditures are 0.81 per cent and -0.36 per cent respectively.
The majority of Kingston Hydro’s capital investment planning (69.49 per cent of total actual expenditures) continues to focus on System Renewal, which involves replacing and/or refurbishing system assets to extend the original service life of the asset and thereby maintain the ability of the electrical system to provide safe and reliable electrical service to customers. The System Renewal variance by investment category was -1.59 per cent (-$35,059). When compared to the total DSP budget forecast amount, the variance in System Renewal expenditures is -1.15 per cent.

Cost Control

- Efficiency Assessment
  - The utility must manage its costs successfully in order to help assure its customers they are receiving value for the cost of the service they receive. Utilities’ total costs are evaluated to produce a single efficiency ranking. Total costs for Ontario LDCs are evaluated by the Pacific Economics Group on behalf of the OEB to divide LDCs into five groups, depending on the difference between their predicted and their actual costs.
  
  - For the sixth consecutive year, in 2017, Kingston Hydro maintained an efficiency assessment of Group 3, meaning Kingston Hydro’s actual costs continue to be within +/-10 per cent of predicted costs. Group 3 is considered average efficiency.

  - Kingston Hydro’s costs in 2017 were 1.3 per cent higher than 2016. However, the total costs were 1.4 per cent lower than predicted for 2017.

  - For the three-year period 2015 through 2017, Kingston Hydro’s actual costs have been less than predicted by 7.4 per cent in total, or an average of 2.5 per cent compared to an average of 2.8 per cent for the industry.

  - Kingston Hydro continues to manage its expenditures to ensure efficiencies will be maintained at a minimum of Group 3.

- Total Cost per Customer

  Total cost per customer is the sum of all the capital and operating costs incurred by Kingston Hydro to provide service to its customers, divided by Kingston Hydro’s total number of customers.

  Kingston Hydro’s result for 2017 is $538 per customer, a 1.3 per cent increase over 2016. This follows a 1.7 per cent increase from 2016 over 2015. Since 2013, Kingston Hydro’s cost per customer has increased, on average, 1.0 per cent per year. The Ontario provincial average is $788 per customer, while the average of all LDCs in Ontario is $660 per customer.
Kingston Hydro's 2016 Custom Incentive Rate-setting (Custom IR) application has outlined capital and operating costs estimates for the 2016 through 2020 period.

- **Total Cost per Km of Line**

  Total cost per Km of line is the sum of all the capital and operating costs incurred by the Kingston Hydro to provide service to its customers, divided by Kingston Hydro’s total kilometres of line.

  Kingston Hydro’s result for 2017 is $44,400 per kilometre of line, a 1.9 per cent increase over 2016. These costs are expected to increase on a yearly basis as Kingston Hydro replaces old, fully-depreciated infrastructure with new infrastructure.

  Kingston Hydro’s 2016 Custom IR rate application has outlined capital and operating costs estimates for the 2016 through 2020 period.

- **Conservation & Demand Management**

  - **Net Cumulative Energy Savings (Percent of target achieved)**
    - Customers can reduce the amount of power they use through conservation efforts. A utility has targets, set by the OEB, at the request of the Government of Ontario, to help customers in these efforts.
    - The Independent Electricity System Operator (IESO) has approved Kingston Hydro’s 2015-2020 conservation plan, that details how the utility plans to implement programs that will help customers conserve.
    - Results published by the IESO confirm that, during 2017, Kingston Hydro achieved 9,589 MWh of annual savings persisting to 2020, up from 4,237 MWh of annual savings in 2016.
    - To date, Kingston Hydro has achieved 19,277 MWh of savings, or 55.88 per cent of its 2015-2020 provincially mandated electricity conservation target of 34.50 GWh.
Connection of Renewable Generation

- **Renewable Generation Connection Impact Assessments Completed on Time**
  Kingston Hydro did not receive any requests from customers for connection of renewable generation requiring a condition impact assessment in 2017.

- **New Micro-embedded Generation Facilities Connected On Time**
  In 2017, all 21 micro-embedded generation facilities were connected within the required timeframe.

Financial Ratios

- **Liquidity: Current Ratio (Current Assets/Current Liabilities)**
  A common way of measuring the financial health of a company is through financial ratios.
  This first ratio measures whether or not the utility has enough resources (assets) on hand at a particular point in time to pay the debts that could become due over the next 12 months. Kingston Hydro’s Current Ratio is at 1.84:1.00 (compared to 1.10:1.00 in 2016) as at December 31, 2017, indicating that for every $1.00 of short term liabilities due it has $1.84 of assets available to fund those payments.
  This ratio increased from 2016, as funds receivable that were previously shown in non-current receivables were due within the next year in 2017. This ratio for 2017 is consistent with 2015.

- **Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio**
  This measures the degree to which the utility is leveraging itself through its use of borrowed money.
  The OEB uses a deemed capital structure (debt:equity) of $1.50 to $1.00. This means that for $1.00 invested in infrastructure, the company’s deemed regulatory capital financing structure is 60 per cent funding with new debt and 40 per cent with available cash.
  Kingston Hydro’s debt:equity ratio is $1.41 to $1.00. This means that for every $1.00 the company has invested in assets, 59 per cent has been funded with debt and 41 per cent has been funded with cash. Over the 2016-2020 period, as the company continues to invest in infrastructure, Kingston Hydro expects this ratio to approach $1.50:1.00 as it borrows more money to finance capital infrastructure.
• **Profitability: Regulatory Return on Equity – Deemed (included in rates)**

Return on equity is the rate of return that the utility is allowed to earn through its distribution rates, as approved by the OEB. Kingston Hydro’s current approved deemed return on equity is 9.19 per cent, which was awarded in its latest cost of service proceeding for 2016 – 2020 rates.

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

This shows the utility’s actual return on equity earned each year for the period 2013 through 2017. Kingston Hydro achieved a return on equity of 7.82 per cent for 2017, up from 6.43 per cent for 2016. This return on equity is within 300 basis points of our deemed return on equity.
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.