

Scorecard - EnWin Utilities Ltd.

Performance Outcomes	Performance Categories	Measures	2014	2015	2016	2017	2018	Trend	Target		
									Industry	Distributor	
<b>Customer Focus</b>  Services are provided in a manner that responds to identified customer preferences.	Service Quality	New Residential/Small Business Services Connected on Time	100.00%	99.10%	100.00%	100.00%	100.00%	↑	90.00%		
		Scheduled Appointments Met On Time	100.00%	100.00%	100.00%	99.76%	99.71%	↓	90.00%		
		Telephone Calls Answered On Time	86.80%	75.50%	70.70%	78.21%	76.93%	↓	65.00%		
	Customer Satisfaction	First Contact Resolution	97.93%	98.17%	97.93%	98.04 %	98.63%				
		Billing Accuracy	99.86%	99.98%	99.99%	99.99%	99.72%	↓	98.00%		
		Customer Satisfaction Survey Results	82%	85%	85%	84%	86%				
<b>Operational Effectiveness</b>  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%	82.00%				
		Level of Compliance with Ontario Regulation 22/04 <sup>1</sup>	C	C	C	C	C	→		C	
		Serious Electrical Incident Index	Number of General Public Incidents	0	0	1	2	0	→		2
			Rate per 10, 100, 1000 km of line	0.000	0.000	0.898	1.792	0.000	→		0.377
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted <sup>2</sup>	0.81	1.06	0.64	0.72	1.11	↓		1.17	
		Average Number of Times that Power to a Customer is Interrupted <sup>2</sup>	1.85	1.88	1.47	1.70	2.22	↓		2.03	
	Asset Management	Distribution System Plan Implementation Progress	-16%	96%	83%	81 %	97.3%				
	Cost Control	Efficiency Assessment	4	4	4	3	3				
		Total Cost per Customer <sup>3</sup>	\$683	\$699	\$707	\$707	\$717				
		Total Cost per Km of Line <sup>3</sup>	\$51,189	\$54,728	\$55,668	\$13,094	\$13,660				
<b>Public Policy Responsiveness</b>  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 <sup>4</sup>		9.79%	30.97%	53.52%	64.00%			151.30 GWh	
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time	100.00%	100.00%	100.00%		57.14%				
		New Micro-embedded Generation Facilities Connected On Time	100.00%	100.00%	100.00%	100.00%	100.00%	→	90.00%		
<b>Financial Performance</b>  Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	1.27	1.44	1.60	1.83	2.24				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.56	0.50	0.39	0.43	0.78				
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	8.01%	8.01%	8.01%	8.01%	8.01%			
			Achieved	9.62%	6.88%	5.92%	2.50%	4.35%			

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 2015-2020 Conservation First Framework. 2018 results are based on the IESO's unverified savings values contained in the March 2019 Participation and Cost Report.

**Legend:**

5-year trend  
 ↑ up   ↓ down   → flat

Current year  
 ● target met   ● target not met

## 2018 Scorecard Management Discussion and Analysis (“2018 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 2018 Scorecard MD&A:

[http://www.ontarioenergyboard.ca/OEB/ Documents/scorecard/Scorecard\\_Performance\\_Measure\\_Descriptions.pdf](http://www.ontarioenergyboard.ca/OEB/Documents/scorecard/Scorecard_Performance_Measure_Descriptions.pdf)

### Scorecard MD&A - General Overview

ENWIN’s 2018 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 and Connection of Renewable Generation.

ENWIN has always maintained a strong focus on the safety and reliability of the electricity it supplies to customers. With an economy that relies heavily on manufacturing, this focus drives ENWIN’s 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 a high frequency and intensity of thunderstorms, and ENWIN’s service territory experiences the highest average number of days with lightning in Canada.<sup>1</sup> 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 Ontario Energy Board (OEB) calculated 5-year average target number of hours that power is interrupted is 1.17 hours per year, and the number of times that power is interrupted is 2.03 times per year. ENWIN’s actual 5-year averages in these categories are 0.87 hours per year and 1.82 times per year respectively, which are illustrative of ENWIN’s successful ongoing efforts to maintain system reliability.

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.

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<sup>1</sup> <https://www.canada.ca/en/environment-climate-change/services/lightning/statistics/activity-canadian-cities.html>

## Service Quality

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

In 2018, ENWIN connected 100% of its 701 eligible low-voltage residential and small business customers (those utilizing connections under 750 volts) to its system within the 5-day timeline prescribed by the 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 Electrical Safety Authority (ESA) Authorization, providing instant notification to the 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-day 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 2018, ENWIN met its appointment targets for 3,112 appointments scheduled for an overall result of 99.71% of appointments met on time. This result exceeds the OEB industry target set at 90% of appointments met.

- **Telephone Calls Answered On Time**

In 2018, ENWIN answered 76.93% of calls offered within 30 seconds or less. For the period 2014 through 2018, ENWIN has consistently provided a high level of service to its customers and exceeded the OEB mandated target of 65%. The majority of calls received from customers continue to be related to credit inquiries, moving notifications, and hydro billing inquiries. ENWIN has a focus on providing a great customer experience while not increasing staff complement.

## Customer Satisfaction

- **First Contact Resolution**

ENWIN successfully resolved 98.63% of calls during the customer's initial contact. ENWIN strives to serve customers in a friendly and professional manner within the first call. ENWIN uses call monitoring tools to record and archive every call, and any anomalies or customer escalations are reviewed when warranted. All customer interactions are logged in the Customer Information System (CIS), including any escalations.

- **Billing Accuracy**

ENWIN's billing accuracy is 99.72%, which exceeds the OEB-mandated 98% industry target. In 2018, ENWIN produced 1,026,074 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 web portal.

- **Customer Satisfaction Survey Results**

ENWIN utilizes a third party to conduct customer satisfaction surveys. In an effort to provide customers with a more quantitative comparator with previous years, ENWIN now reports the “Customer Experience Performance Rating” (CEPr) for its customer satisfaction scorecard metric. 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 communications 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.

In 2018, ENWIN achieved a CEPr rating of 86%, which is above the National average of 84% and above the Ontario average of 83% based on others surveyed by ENWIN’s third party surveyor. ENWIN's customer satisfaction continues to improve over the years with historical CEPr ratings of 84% in 2017, 85% in 2016 and 2015, and 82% in 2014.

ENWIN values feedback from its customers and has committed to conducting annual customer satisfaction surveys starting in 2018 which exceeds the OEB requirement of every two years. ENWIN reviews all of the data gathered in the survey to help drive decision making and to continuously improve ENWIN’s customer experience. In 2018, ENWIN also extended the survey to include large commercial customers and achieved a CEPr rating of 88%, which is above the third party surveyor database average of 86%.

## 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) through radio broadcasting on electrical safety topics, participation in the local Children’s Safety Village programs and “power play” safety messages at local hockey games. ENWIN will continue to support and provide education and training to the 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 ESA performs Due Diligence Inspections throughout the year to ensure utilities remain compliant with the objectives set out in Ontario Regulation 22/04.

The independent compliance audit concluded that ENWIN has developed and implemented key processes and guidelines relevant to the Ontario Regulation 22/04 and recommended that ENWIN continue to maintain these processes and guidelines. The Due Diligence Inspections performed by ESA show that there were zero non-compliance or needs improvement issues identified.

In summary, ENWIN has successfully completed its 2018 ESA audit cycle, obtaining full compliance with Regulation 22/04.

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

ENWIN did not experience any Serious Electrical Incidents, as defined in Ontario Regulation 22/04, for the time frame used for this measure (January 1, 2017 to December 31, 2017). The calculated rate of incidents per 1000 km of line is zero for this period. In an ongoing effort to prevent incidents, ENWIN continues its aggressive public safety messages through radio, television, 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 is committed to restoring power as soon as possible through continued investments in system automation and modernization. ENWIN's adjusted System Average Interruption Duration Index ("SAIDI", which is the average number of hours power to a customer is interrupted) for 2018 was 1.11 hours (1 hour and 7 minutes). This is an increase from the 2017 adjusted SAIDI value of 0.72 hours (43 minutes) and is higher than the 5-year historical average target value of 0.87 hours (52 minutes). In 2018, ENWIN experienced an increased number of severe weather events, and as a result, customer hours of outage due to adverse weather was nearly 6 times higher than in 2017. These weather related events cause extended outages when they occur and leave lasting effects on distribution assets, which may lead to equipment failure in the future. ENWIN continues to focus on improved asset management practices, storm hardening, and overall system reliability in order to combat the effects of severe weather.

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

ENWIN takes measures to ensure that the number of outages experienced by customers are as low as possible. In 2018, ENWIN's adjusted System Average Interruption Frequency Index ("SAIFI", which is the average number of times power is interrupted) was 2.22 interruptions. This figure has increased from the 2017 SAIFI value of 1.7 interruptions and is higher than the 5-year historical average target value of 1.82 interruptions. This rise can be attributed to an increase in adverse weather events in ENWIN's service area; in contrast to 2017, ENWIN experienced more than twice as many adverse weather events in 2018. ENWIN continues to invest in maintenance programs such as tree trimming to help mitigate the number of outages experienced.

## 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. The DSP Investment Plan for 2018 was forecast at \$17M. The actual capital spend was \$16.5M, which is largely consistent with the DSP forecast and resulted in an implementation progress of 97%.

## Cost Control

- **Efficiency Assessment**

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 2018, ENWIN maintained its position in the Group 3 cohort, which is indicative of excellent 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 2018 is \$717 per customer, which is only a 1.4% increase from the prior year. It is important to note, when examined over 5 years, ENWIN has held a relatively stable 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 2018 total cost per kilometer of line is \$13,660, which is 4.3% more than the prior year result. The 76% decrease in 2017 compared to prior years was primarily due to a change in methodology by ENWIN which, as permitted by the reporting definition, first accounted for the presence of the utility's significant secondary (lower-voltage) distribution network. This change in methodology makes ENWIN comparable with other Local Distribution Companies (LDCs) which have previously made this change.

## Conservation & Demand Management

- **Net Cumulative Energy Savings**

On March 21, 2019, the Minister of Energy directed the Independent Electricity System Operator (IESO) to immediately discontinue the 2015-2020 Conservation First Framework (CFF). The IESO has since notified LDCs that they will no longer be providing verified results reporting. As such, ENWIN's 2018 net cumulative energy savings are unverified. 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 its 2015-2020 CFF energy savings target. The 2018 program implementation year was a successful one, with ENWIN achieving 9.67 GWh of energy savings, or 6.4% of its 2015-2020 CFF energy savings target. At the end of 2018, ENWIN achieved 64% of the energy savings target through 67% of the Framework term. Additionally, ENWIN was able to secure enough participation through the Save on Energy programs to meet and exceed its energy savings target, when accounting for both achieved and expected energy savings.

## 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. ENWIN has developed and implemented measures to ensure CIAs are completed within the required timeframe by clearly defining requirements for proponents and by standardizing both the format and technical components of its consultant's reports. In 2018, ENWIN received 7 requests to complete CIAs, 4 of which were completed on time. The remaining 3 CIAs were delayed due to processing issues at the company ENWIN uses to perform CIAs.

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

In 2018, ENWIN connected 105 Micro-embedded generation facilities and 100% were done within the prescribed time frame of five working days, consistent with the 2017 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 the 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 five day window cannot be met by the regular service crews.

## Financial Ratios

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

ENWIN's current ratio was 2.24 in 2018 (1.83 in 2017). This metric 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 an increase in cash along with lower current liabilities as compared to the prior year. Cash on hand was higher than expected because of Conservation & Demand Management (CDM) funding that was received near the end of the year. Those CDM funds will be distributed to customers as projects are completed during 2019. The lower current liability balance compared to the previous year was due to the timing of when payments were made. Overall, 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 0.78 in 2018 (0.43 in 2017). The increase during the year was a result of a capital restructuring. The debt to equity ratio is still among the lowest 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 regulated 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 regulated return on equity improved compared to the prior year but was still below the deemed level which is not uncommon for utilities that are in between Cost of Service years. The improvement in the regulated return on equity was due to lower operating expense levels along with a one-time income tax recovery. ENWIN anticipates that after the Cost of Service process is completed for rates effective January 1, 2020, the regulated return on equity should return to target levels.

## Note to Readers of 2018 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.