Scorecard - Energy Plus Inc.

10/21/2020

Performance Outcomes	Performance Categories	Measures		2015	2016	2017	2018	2019	Trend	Target: Industry	Target: 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		100.00%	100.00%	100.00%	99.10%	97.19%		90.00%	
		Scheduled Appointments Met On Time		91.70%	100.00%	98.90%	99.94%	99.94%		90.00%	
		Telephone Calls Answered On Time		82.50%	71.50%	80.12%	88.89%	84.89%		65.00%	
	Customer Satisfaction	First Contact Resolution		99.99%	99.99%	99.7%	99.75%	99.55%			
		Billing Accuracy		99.99%	99.98%	99.99%	99.99%	99.99%		98.00%	
		Customer Satisfaction Survey Results		A	B	A	A	A			
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		85.00%	85.00%	82.00%	82.00%	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	0			0
			Rate per 10, 100, 1000 km of line	0.000	0.000	0.000	0.672	0.000			0.094
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted [2]		1.08	0.63	1.53	0.46	0.92			0.87
		Average Number of Times that Power to a Customer is Interrupted [2]		1.36	1.27	2.18	1.19	1.53			1.46
	Asset Management	Distribution System Plan Implementation Progress		Behind Plan	On Plan	On plan	ON Plan	On Plan			
	Cost Control	Efficiency Assessment		3	3	3	2	2			
		Total Cost per Customer [3]		$646	$639	$640	$662	$677			
		Total Cost per Km of Line [3]		$29,524	$23,739	$27,874	$28,689	$29,569			
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]		18.16%	90.66%	126.12%	144.00%	164.00%			100.96 GWh
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time		100.00%	80.00%	100.00%	100.00%	100.00%			
		New Micro-embedded Generation Facilities Connected On Time		100.00%	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)		2.10	1.99	1.58	1.45	0.60			
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio		1.10	1.10	1.06	1.01	0.99			
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	9.36%	9.36%	9.36%	9.36%	8.98%			
			Achieved	10.00%	9.49%	7.75%	8.68%	9.06%			

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 now discontinued 2015-2020 Conservation First Framework. 2019 results include savings reported to the IESO up until the end of February 2020.

Legend:
5-year trend: up, down, flat
Current year: target met, target not met

2019 Scorecard Management Discussion and Analysis (“2019 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 2019 Scorecard MD&A: **http://www.oeb.ca/OEB/_Documents/scorecard/Scorecard_Performance_Measure_Descriptions.pdf**

Scorecard MD&A - General Overview

Energy+ Inc. delivers electricity to approximately 67,000 customers in the City of Cambridge, Township of North Dumfries, the County of Brant and rural areas around the City of Brantford. Energy+’s mission is to deliver ideas, solutions and value-added services that benefit our customers, stakeholders and communities.[1]

2019 was a very successful year for Energy+ in terms of performance, and we are proud of the team’s achievements. In addition to meeting or exceeding the performance targets as set out by the Ontario Energy Board (“OEB”) for Service Quality, Customer Satisfaction, and Safety, Energy+ accomplished a number of key objectives aligned to our vision “Be the energy company most admired for its innovative people, reliable service, and outstanding performance”. The accomplishments include:

- Received the Electricity Distributions Association Customer Service Excellence Award by enhancing services to customers including improved 24/7/365 access and on-going communication during power outage events.
- Winner of The Spirit of Cambridge Award from the Cambridge Chamber of Commerce for outstanding leadership, commitment and generosity in helping to make Cambridge and the Township of North Dumfries better, more prosperous communities through corporate leadership and social responsibility.
- Achieving net income of $6.54MM, representing a regulated rate of return of 9.06% to our shareholders, the City of Cambridge and the Township of North Dumfries.
- Achieving a cost performance rating of Cohort II in the OEB’s benchmark analysis, resulting from Energy+’s cost performance being 12.8% lower than predicted costs and placing Energy+ in the top 40% of all distributors in the province.

[1] In January 2016, Cambridge and North Dumfries Hydro Inc. (“CND”) and Brant County Power Inc. (“BCP”) amalgamated pursuant to the provisions of the Business Corporations Act (Ontario), to continue as one corporation under the name Energy+ Inc. (“Energy+”). The comparative results included on the Scorecard for the years 2014 and 2015 are for the former CND only.

- Executing the capital expenditure investment plan, as outlined in the long-term Distribution System Capital Plan, which ensures the continued reliability of our distribution system.
- Sustaining an ‘A Stable’ corporate credit rating from Standard & Poor’s (“S&P”) Rating Services, demonstrating Energy+’s strong financial performance.
- Recipient of three awards for the Energy+ website, including the 2019 Platinum Hermes Creative Award, the 2019 dot.COMM Platinum Award, and 2019 Best Energy website.

Note to Readers of 2019 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.

COVID-19 Pandemic

In early 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian, Ontario and municipal governments, enacting emergency measures to combat the spread of the virus. The Canadian federal and provincial governments, as well as the Bank of Canada, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The success of these interventions is not currently determinable, and the full economic impacts of the outbreak are unknown and rapidly evolving.

The future impact of the outbreak is highly uncertain and cannot be predicted, and there is no assurance that the outbreak will not have a material adverse impact on the future results of the Corporation. It is unknown whether and how the Corporation may be affected if such an epidemic persists for an extended period of time.

The OEB has initiated a consultation with respect to the establishment of a deferral account relating to impacts arising from the COVID-19 emergency, including incremental costs and lost revenues as a result of the on-going COVID-19 emergency.

Service Quality

A core value for Energy+ and its employees is to be Customer Focused. Energy+ is committed to providing excellent services and solutions for our customers, both anticipating and responding to their needs. Energy+ proved its commitment to customer service by exceeding the industry standards in all three of the service quality measures.

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

In 2019, Energy+ connected 1,071 new services for our customers, with 97.19% of the connections completed within 5 working days. This compares to 778 new services and 99.10% of connections completed within 5 working days in 2018. Energy+ has consistently exceeded the OEB's guideline of 90% completion within 5 working days of the request being made.

- **Scheduled Appointments Met On Time**

Energy+ scheduled 1,590 appointments that involved meeting a customer or the customer's representative to complete work requested by customers. This was a decrease of 88 appointments compared to 1,678 in 2018. Energy+ met 99.94% of these appointments on time, which was consistent with the percentage of scheduled appointments met on time in 2018. Energy+ has consistently exceeded the industry target of 90%.

- **Telephone Calls Answered On Time**

Energy+ received 48,862 telephone calls in 2019, an average of 187 calls per day. This compares to 53,226 telephone calls in 2018. The monthly average number of calls answered in 2019 was 4,071; from a high of 5,208 answered in October to a low of 2,905 in December. In 2019, 84.89% of telephone calls were answered within 30 seconds, which is a decline from the 88.89% achieved in 2018. Energy+ has consistently exceeded the industry standard of 65% year over year. Telephone response times fluctuate based on a number of factors including: number of calls, weather related calls, high electricity bills due to extreme weather, available call centre resources, events in the news that drive calls to the call centre, regulatory and rate changes displayed on customer bills, and payment arrangements. All of these factors can result in an increase or a decrease in call volumes and increased or decreased time spent on each call with our customers. Energy+ is committed to providing continuous excellent customer service and this is one indication of achievement.

Customer Satisfaction

- **First Contact Resolution**

Energy+ measures First Contact Resolution as the percentage of customer calls answered whereby the customer's initial request has been satisfied by the Customer Service Representative, as the first point of contact. Customer telephone calls that are not satisfied with the first contact are elevated to a second point of contact for resolution. All customer calls are logged through our telephone software, which allows Energy+ to identify the calls that required a second point of contact.

Energy+ is pleased to report that in 2019, 99.55% of calls received by our Customer Care department were resolved by the first telephone contact, which was consistent with the 99.75% rate in 2018. The OEB does not provide for a specific measure for First Contact Resolution. The OEB plans to review information provided by electricity distributors over the next few years and implement a commonly defined measure for this area in the future. As a result, each electricity distributor may have different measurements of performance until such time as the OEB provides specific direction regarding the commonly defined measure.

- **Billing Accuracy**

The OEB has prescribed a measurement of billing accuracy that is defined as the number of accurate bills issued expressed as a percentage of total bills issued. For the year ended December 31, 2019, Energy+ issued 796,130 bills and achieved a billing accuracy of 99.99%, compared to 787,621 bills and a billing accuracy of 99.99% in 2018. This compared favourably to the prescribed OEB target of 98%.

- **Customer Satisfaction Survey Results**

Electricity distributors are required to measure, and report customer satisfaction results every other year at minimum. A standard survey has not been implemented for the industry and at this time the OEB is allowing electricity distributors discretion as to how they implement this measure. In consultation with electric utilities and other stakeholders, the OEB has been evaluating a Customer Satisfaction Survey to be used by all electricity distributors as the basis of measuring customer satisfaction, which would align to the OEB defined principles, namely; Power Quality and Reliability, Price, Billing and Payment, Customer Service Experience and Communications.

Energy+ has a formal policy and procedure in place that outlines the processes for seeking feedback from customers, methods used to gather customer feedback, and guidelines for how Energy+ responds to the information obtained from customers. Energy+ obtains customer feedback using various methods, including: (i) engaging the services of an external third party research organization; (ii) using internal survey tools; (iii) collecting and evaluating suggestions made by customers when they interact with employees; (iv) participating in community events; (v) meeting with customers directly; and (vi) obtaining feedback through various media channels including social media.

In 2019, Energy+ conducted a Customer Satisfaction Survey, using a third-party research organization, with a representative sample of residential and small commercial customers. The survey feedback was gathered through one-on-one telephone interviews and questions aligned with the OEB defined principles, namely: Power Quality and Reliability; Price, Billing and Payment; Customer Service Experience and Communications.

Energy+ achieved a satisfaction score of “A”, with approximately 88% of customers responding that they were very satisfied or somewhat satisfied with the services provided by Energy+. The results indicated high levels of customer satisfaction with the services provided by Energy+ and the results were an improvement over the score of 80% from the survey for the 2017-2018 reporting period. Energy+ believes that the improvement in customer satisfaction levels can, in part, be attributed to the implementation of an online Outage Map and extended System Control Room services across the service territory. The survey also provided the opportunity to give feedback on areas that the customer believed Energy+ could change or make improvements upon. Delivering reasonable electricity distribution rates, improved communication and ensuring reliable day-to-day electrical service were identified as the most significant customer priorities.

Energy+ is committed to customer engagement and satisfaction and will continue to communicate and solicit feedback from our customers to ensure we are achieving our mission of delivering solutions and value-added services to our customers.

Safety

Public safety, and the health and safety of our employees is a core value. Energy+ is dedicated to pursuing excellence in safety and wellness and takes responsibility for our personal safety, the safety of each other and the safety of our customers and communities. We continuously work to strengthen our safety culture. Our employees and contractors are trained and equipped for the hazards that may be encountered while performing their duties. We encourage and promote safety and wellness at work, at home, and in the communities we serve.

- **Public Safety**

The public safety measures were implemented by the OEB in 2014, based upon recommendations provided by the Electrical Safety Association ("ESA"), the agency overseeing electrical safety and inspections in Ontario. The public safety measure includes three components: (i) Public Awareness of Electrical Safety; (ii) Compliance with Ontario Regulation 22/04; and (iii) Serious Electrical Incident Index.

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

The public safety measure is intended to measure the level of awareness of key electrical safety precautions among the public within the electricity distributor's service territory. It measures the degree of effectiveness for distributor's activities on preventing electrical accidents and is based upon a biennial survey (i.e. every second year) developed by the ESA in consultation with electricity distributors and the Electricity Distributors Association. Included in the survey are six core measurement questions which correspond to the six most frequent accidents involving utility equipment in Ontario over the last decade: (1) Likelihood to "call before your dig"; (2) Impact of touching a powerline; (3) Proximity to overhead powerline; (4) Danger of tampering with electrical equipment; (5) Proximity to downed powerline; and (6) Actions taken when a vehicle comes in contact with wires.

Energy+ achieved a Public Safety Awareness Index Score of 82% in its biennial survey performed in 2019, which is consistent with the result from the previous survey conducted in 2017. The overall result of the survey indicates that the majority of the public continue to have a good knowledge or have received information pertaining to the six core measurement questions within the survey.

Going forward, Energy+ will focus its public safety awareness messages to improve awareness on minimum distance requirements for downed powerlines, and the legal requirement to 'call before digging'. Energy+ will look for opportunities to enhance future education materials that target these safety concerns.

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

Energy+ is fully compliant with Ontario Regulation 22/04 ("OR 22/04"), the regulation that dictates the safe design, construction, and maintenance of electrical distribution systems owned by licensed distributors. Specifically, the regulation requires the approval of equipment, plans, specifications, and inspections of construction before the electrical distribution system components are placed into service. Energy+ is committed to ensuring a safe workplace and compliance with all applicable regulations. Energy+ has appropriate systems, processes, and procedures in place for ensuring that work is carried out in accordance and in compliance with OR 22/04.

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

The Serious Electrical Incident Index measures the number and rate of serious electrical incidents occurring across a distributor's assets per 1,000 kms of line. Section 12 of Ontario Regulation 22/04 defines a serious electrical incident as:

a) any electrical contact that caused death or critical injury to a person;
b) any inadvertent contact with any part of a distribution system operating at 750 volts or above that caused or had the potential to cause death or critical injury to a person; or
c) any fire or explosion in any part of a distribution system operating at 750 volts or above that caused or had the potential to cause death or critical injury to a person, except a fire or explosion caused by lightning strike.

Energy+ experienced zero serious electrical incidents in the 2019 reporting period, consistent with the target of zero incidents.

System Reliability

Yearly fluctuations in system reliability performance measures can result from variations in weather, such as lightning, excessive snowfalls, and ice storms, as well as defective equipment, foreign interference such as animal contacts, and motor vehicle accidents.

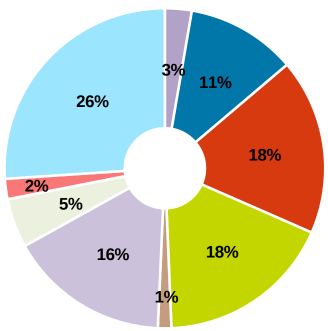
In December 2015, the OEB issued the "*Report of the Board: Electricity Distribution System Reliability: Major Events, Reporting on Major Events and Customer Specific Measures*". As a result, the OEB made amendments to the reporting requirements in relation to the definition of a Major Event, and the computation of the system reliability measures to exclude Major Events for purposes of the Scorecard. The System Reliability measures for the historical year 2015 has been adjusted to exclude the impact of Major Events.

A Major Event is defined as an event that is beyond the control of the distributor and is (a) unforeseeable; (b) unpredictable; (c) unpreventable; or (d) unavoidable. Such events disrupt normal business operations and occur so infrequently that it would be uneconomical to take them into account when designing and operating the distribution system. Such events cause exceptional and/or extensive damage to assets, they take significantly longer than usual to repair, and they affect a substantial number of customers.

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

This metric represents the average amount of time that electricity supply to a customer is interrupted per year, determined by dividing the total customer hours of all interruptions (excluding interruptions caused by upstream Loss of Supply events to the distributor and major events) divided by the average number of customers served.

Duration by Cause



	Cause of Interruption	Number of Customer Hours Interrupted: Non-Major Events	Number of Customer Hours Interrupted: Major Events
0	Unknown/Other	2,023	-
1	Scheduled Outage	8,309	-
2	Loss of Supply	13,320	-
3	Tree Contacts	13,314	-
4	Lightning	1,018	-
5	Defective Equipment	12,156	-
6	Adverse Weather	3,726	-
7	Adverse Environment	-	-
8	Human Element	1,534	-
9	Foreign Interference	19,514	-
	Sub-Totals	**74,913**	**-**

In 2019, the measure of Average Number of Hours that Power to a Customer is Interrupted was 0.92, or 0.05 higher than the target of 0.87 and a decline compared to the 0.46 experienced in 2018.

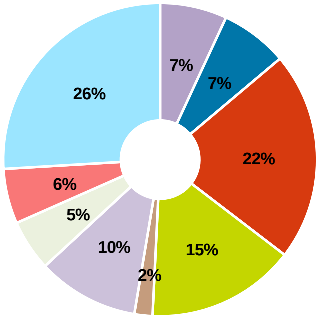
Approximately 26% of the interruptions were caused by foreign interference, 18% as a result of tree contacts, 16% due to defective equipment and 18% due to loss of supply.

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

This metric represents the average number of times that electricity supply to a customer is interrupted per year, determined by dividing the total number of interruptions (excluding interruptions caused by upstream Loss of Supply events to the distributor and major events) divided by the average
number of customers served.

In 2019, the measure of Average Number of Times that Power to a Customer is Interrupted was 1.53, which was slightly higher than the target of 1.46 and higher than the 1.19 reported in 2018.

Frequency by Cause



Cause of Interruption		Number of Customers Interrupted	
		Total Outages	Major Events
0	Unknown/Other	8,974	-
1	Scheduled Outage	9,016	-
2	Loss of Supply	28,020	-
3	Tree Contacts	19,962	-
4	Lightning	2,418	-
5	Defective Equipment	13,607	-
6	Adverse Weather	6,845	-
7	Adverse Environment	-	-
8	Human Element	7,372	-
9	Foreign Interference	33,714	-
	Sub-Totals	**129,928**	**-**

Loss of supply events occurring in 2019 included: (i) an equipment fire in July 2019 at the Preston Transformer station owned by Hydro One, resulting in a power interruption to 8,007 customers and 4,507 customer hours lost in Cambridge; and (ii) an event in June 2019 at the Powerline Transformer Station owned by Hydro One, resulting in a power interruption to 6,143 customers and 6,100 customer hours lost in Brant County.

In 2019, 74, or 14%, of the 545 total interruptions were caused by defective equipment. Energy+ has invested approximately $35.3MM from 2015 to 2019, or approximately 42% of gross capital expenditures, in the renewal of its distribution system. It will take some time to realize and fully evaluate improvements in reliability due to Energy+'s investment in replacing end of life assets.

Asset Management

- **Distribution System Plan Implementation Progress**

Distribution system plan implementation progress is a performance measure instituted by the OEB starting in 2013. Consistent with certain other measures, electricity distributors were given an opportunity by the OEB to define the measure in the manner that best fits their organization. The OEB may develop a standard in the future, based upon the methodologies that utilities use to define their measure.

Energy+ filed a long-term Distribution System Plan (“DSP”), as part of its 2019 Cost of Service Application, which was approved in August 2019. The DSP provides an overview of Energy+’s Asset Management Planning process, including detailed analysis of historical and planned capital expenditures. The long-term objective of the DSP is to ensure that the future distribution system is designed to deliver power at the quality and reliability levels required by customers and to minimize the lifetime cost by balancing preventative maintenance, life-extending refurbishment, and end of life replacement. The DSP includes expenditures that are required to maintain and expand the distributor’s electricity system to serve its current and future customers from 2018 to 2023. Energy+ completed an Asset Condition Assessment in 2017 to assist in the preparation of the DSP.

The “Distribution System Implementation Progress” measure is intended to assess Energy+’s effectiveness at planning and implementing its DSP. Energy+ currently measures the progress of its DSP implementation based on the percentage of actual capital expenditures incurred, compared to the amount of planned capital expenditures from the approved DSP for the period 2018 to 2023. The computation is performed on a cumulative basis over the term of the DSP. The percentage so determined is then converted based on the following scale:

>100% completed = Ahead of Plan **70% – 100% completed = On Plan** **<70% completed = Behind Plan**

Energy+ introduced incremental new measures in the 2019 DSP including % of “Flagged for Action” progress, km of line replaced (both underground and overhead infrastructure), new residential and commercial connections, and SCADA switch replacements. Energy+ plans to develop an index in 2020 to incorporate these additional measures as part of its overall assessment of the DSP Implementation Progress Measure.

Energy+ is currently “On Plan”, based on actual gross capital expenditures for 2018 and 2019 of $22.9MM or 93% of the 2018 and 2019 combined plan of $24.7MM.

Cost Control

- **Efficiency Assessment**

The total costs for Ontario local electricity distribution companies are evaluated by the Pacific Economics Group LLC on behalf of the OEB to produce a single efficiency ranking. The electricity distributors are divided into five groups based on the magnitude of the difference between their respective individual actual and predicted costs.

For 2019, Energy+ was assigned to Group 2 (above average efficiency), which is consistent with the assignment in 2018. Group 2 represents distributors with actual costs that are 10% to 25% below predicted costs. Distributors in Group 2 are considered to have above average efficiency, meaning that Energy+'s costs are below the average expected costs for distributors in the Province of Ontario. In 2019, 41% (24 distributors) were ranked as "more efficient", including Energy+; 49% (29 distributors) of the Ontario distributors were ranked as "average efficiency"; and 10% (6 distributors) were ranked as "least efficient".

Energy+'s vision "Be the energy company most admired for its innovative people, reliable service, and outstanding performance" is focused on achieving efficiencies and improving productivity, while providing value added services to our customers.

- **Total Cost per Customer**

Total cost per customer is calculated as the sum of Energy+'s capital and operating costs and dividing this cost figure by the total number of customers that Energy+ serves. The cost performance result for 2019 is $677 per customer, compared to $662 in 2018. This represents a 2.3% increase from 2018 to 2019 and reflects an annual growth rate of 1.2% since 2015. Based upon the Pacific Economic Groups benchmarking analysis, Energy+'s Total Cost per Customer in 2019 was 12.8% lower than predicted costs, compared to 13.1% lower in 2018.

- **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 kilometers of line that Energy+ operates to serve its customers. Energy+'s 2019 Total Cost per Km of Line rate is $29,569, an increase of 3.1% over the 2018 figure of $28,689.

Energy+ has experienced a low level of growth in its service territories over the past five years, both in terms of number of customers and kilometers of lines. As a result, cost per customer and cost per Km of line have increased year over year with the increase in operating and capital expenditures. Utilities with low growth rates with upward cost pressures experience higher increases in cost per customer and cost per Km of line as compared to utilities with higher growth rates that are able to fund capital renewal and operating costs through customer growth.

Conservation & Demand Management

The Conservation First Framework ("CFF") was introduced in March 2014 and was initially designed to reduce electricity consumption by 7,000 GWh across the Province of Ontario by December 31, 2020. As part of the CFF, Energy+'s net cumulative energy savings target was set at 100.96 GWh for the period 2015 to 2020.

On March 21, 2019, the Ministry of Energy, Northern Development and Mines directed the Independent Electricity System Operator ("IESO") to discontinue the CFF and to establish a scaled down Interim Framework for the balance of 2019 and 2020 that would be delivered centrally by the IESO. As a result of this Decision, Energy+ focused its efforts in 2019 on assisting customers with the transition of available programs to the IESO and overseeing the wind-down of existing approved projects with customers. In August 2020, the IESO announced that certain programs under the CFF will be extended to June 30, 2021 as a result of COVID-19.

- **Net Cumulative Energy Savings (Percent of target achieved)**

As of December 31, 2019, Energy+ achieved 164% of its net cumulative energy savings target.

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 authorization from the Electrical Safety Authority. In 2019, Energy+ completed 1 CIA or 100% within the timeframe, compared to 9 CIAs completed in 2018 within the timeframe.

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

In 2019, Energy+ connected 5 new micro-embedded generation facilities (MicroFIT projects of less than 10 kW) compared to 6 in 2018. 100% of the connections were completed 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 1 is considered good as it indicates that the company can pay its short-term debts and financial obligations. Companies with a ratio of greater than 1 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.

Energy+’s current ratio at the end of 2019 was 0.60, which was lower than 1. The lower current ratio was attributable to higher current liabilities at December 31, 2019, which included $35MM in debt scheduled to mature in November 2020. As the debt maturity is within 12 months, it is considered a current liability for purposes of computing the current ratio. In August 2020, Energy+ issued $55MM in long-term debt and utilized a portion of the proceeds to repay the $35MM in debt, with the balance of cash proceeds available to support the long-term capital expenditure program and general corporate purposes.

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

The OEB uses a deemed capital structure of 60% debt and 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. A high debt to equity ratio may indicate that an electricity distributor may have difficulty generating sufficient cash flows to make its debt payments. A debt to equity ratio of less than 1.5 indicates that the distributor is less levered than the deemed capital structure. A low debt-to-equity ratio may indicate that an electricity distributor is not taking advantage of the increased profits that financial leverage may bring.

Energy+'s debt to equity ratio was 0.99 in 2019, continuing the trend that began in 2016 of creating financial leverage for the organization. Energy+'s strong financial position is further supported by Standard & Poor's Rating Services rating of "A Stable".

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

Energy+'s 2019 distribution rates were approved by the OEB and include an expected (deemed) regulatory return on equity of 8.98%. The OEB allows a distributor 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**

Energy+'s return achieved in 2019 was 9.06%, compared to the deemed regulatory return on equity of 8.98% included in 2019 distribution rates.   Energy+'s return on equity is well within the +/- 3% range allowed by the OEB. The average return over the past three years was 8.50%.