

Scorecard - Energy Plus Inc.

Performance Outcomes	Performance Categories	Measures	2017	2018	2019	2020	2021	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	100.00%	99.10%	97.19%	95.94%	95.34%		90.00%		
		Scheduled Appointments Met On Time	98.90%	99.94%	99.94%	99.94%	99.94%		90.00%		
		Telephone Calls Answered On Time	80.12%	88.89%	84.89%	87.11%	84.44%		65.00%		
	Customer Satisfaction	First Contact Resolution	99.7	99.75	99.55%	99.60	99.65				
		Billing Accuracy	99.99%	99.99%	99.99%	99.99%	99.99%		98.00%		
		Customer Satisfaction Survey Results	A	A	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	82.00%	82.00%	82.00%	82.00%	84.00%				
		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	1	0	3	0			1
			Rate per 10, 100, 1000 km of line	0.000	0.672	0.000	1.970	0.000			0.370
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted ²	1.53	0.46	0.92	0.71	0.65			0.87	
		Average Number of Times that Power to a Customer is Interrupted ²	2.18	1.19	1.53	1.38	1.19			1.46	
	Asset Management	Distribution System Plan Implementation Progress	On plan	ON Plan	On Plan	80.6%	77.1%				
	Cost Control	Efficiency Assessment	3	2	2	2	2				
		Total Cost per Customer ³	\$640	\$662	\$677	\$657	\$677				
		Total Cost per Km of Line ³	\$27,874	\$28,689	\$29,569	\$28,895	\$29,990				
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).	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time ⁴	100.00%	100.00%	100.00%	100.00%	100.00%				
		New Micro-embedded Generation Facilities Connected On Time	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)	1.58	1.45	0.60	1.55	1.34				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	1.06	1.01	0.99	1.15	1.10				
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	9.36%	9.36%	8.98%	8.98%	8.98%			
			Achieved	7.75%	8.68%	9.06%	8.34%	8.30%			

1. Compliance with Ontario Regulation 22/04 assessed: Compliant (C); Needs Improvement (NI); or Non-Compliant (NC).
 2. 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. Value displayed for 2021 reflects data from the first quarter, as the filing requirement was subsequently removed from the Reporting and Record-keeping Requirements (RRR).

Legend:

5-year trend
 up down flat

Current year
 target met target not met

2021 Scorecard Management Discussion and Analysis (“2021 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 2021 Scorecard MD&A:

[http://www.oeb.ca/OEB/ Documents/scorecard/Scorecard Performance Measure Descriptions.pdf](http://www.oeb.ca/OEB/Documents/scorecard/Scorecard%20Performance%20Measure%20Descriptions.pdf)

Scorecard MD&A - General Overview

Effective May 2, 2022, Energy+ Inc. (“Energy+”) amalgamated with Brantford Power Inc. (“Brantford Power”) to form a corporation under the name GrandBridge Energy Inc.

This scorecard represents the performance measures for the former Energy+ (herein referred to as GrandBridge Energy or GrandBridge Energy (E+)) for the year ending December 31, 2021, as well as historical results for the preceding 4 years. Accordingly, since measures relate to the period before the merger, the Scorecard and MD&A have been prepared separately for the former Energy+ and former Brantford Power (herein referred to as GrandBridge Energy (BPI)).

We are pleased to provide the 2021 Performance Scorecard for GrandBridge Energy (E+). Please note that as a result of the legal amalgamation, future years’ performance Scorecards will be prepared only for GrandBridge Energy Inc.

Customers are encouraged to review the specific commentary on each of the reported performance categories outlined on the Scorecard in order to obtain further information on the particular measures. GrandBridge Energy welcomes any customer feedback regarding its 2021 Scorecard.

2021 was a successful year for GrandBridge Energy (E+) in terms of performance and despite the uncertainties caused by the COVID-19 pandemic GrandBridge Energy (E+) met or exceeded the performance targets as set out by the Ontario Energy Board (“OEB”) for Service Quality, and Customer Satisfaction, and 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”. GrandBridge Energy (E+) is proud of its performance and the team’s achievements, which include:

- Achieving net income of \$6.41MM, representing a regulated rate of return of 8.30% 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 GrandBridge Energy (E+)’s cost performance being 13.6% lower than predicted cost and placing GrandBridge Energy (E+) in the top 46% of all distributors in the province.
- Executing on a joint operations facility and shared services agreement with GrandBridge Energy (BPI) that will enable cost efficiencies and improve service quality in the Brant County service territory.
- 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 GrandBridge Energy (E+)’s strong financial performance.
- Completing due diligence on the amalgamation with GrandBridge Energy (BPI) and submission of a Merger, Amalgamations, Acquisitions and Divestitures (“MAADs”) Application to the OEB.

In response to the COVID-19 pandemic, GrandBridge Energy (E+) took action to support its customers, ensure the safety of its employees, and maintain its financial viability, including:

- Administering the COVID-19 Emergency Assistance Program (“CEAP”) which provided \$357,193 in funding to its Residential and Small Commercial customers throughout 2021.
- Provided socially distant work environments and personal protective equipment for the team to maintain the safety and reliability of the distribution system.
- Employed cost avoidance measures on capital and operating expenditures to strengthen liquidity and financial viability.

Looking ahead, the risks and uncertainty from COVID-19 will continue to be managed and GrandBridge Energy will focus efforts on achieving operating efficiencies and demonstrating continuous improvement in its performance measures.

The key objective in 2022 will be the developing of a strategic plan for GrandBridge Energy and preparing and executing on a merger integration plan. The merger integration will focus on the harmonization of policies, procedures and information systems, to enable synergy savings and better serve our customers.

Service Quality

A core value for GrandBridge Energy and its employees is to be Customer Focused. GrandBridge Energy is committed to providing excellent services and solutions for our customers, both anticipating and responding to their needs. GrandBridge Energy (E+) 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 2021, GrandBridge Energy (E+) connected 901 new services for our customers, with 95.34% of the connections completed within 5 working days. This compares to 715 new services and 95.94% of connections completed within 5 working days in 2020. GrandBridge Energy (E+) has consistently exceeded the OEB's guideline of 90% completion within 5 working days of the request being made.

- **Scheduled Appointments Met On Time**

GrandBridge Energy (E+) scheduled 1,768 appointments that involved meeting a customer or the customer's representative to complete work requested by customers. This was an increase of 28 appointments compared to 1,740 in 2020. GrandBridge Energy (E+) met 99.94% of these appointments on time, which was consistent with the percentage of scheduled appointments met on time in 2020. GrandBridge Energy (E+) has consistently exceeded the industry target of 90%.

- **Telephone Calls Answered On Time**

GrandBridge Energy (E+) received 45,321 telephone calls in 2021, an average of 180 calls per business day. This compares to 45,904 telephone calls in 2020. The monthly average number of calls received in 2021 was 3,777; from a high of 4,329 incoming calls in August to a low of 2,983 in December. In 2021, 84.44% of telephone calls were answered within 30 seconds, which is a decrease from the 87.11% achieved in 2020. GrandBridge Energy (E+) has consistently exceeded the industry standard of 65%.

Telephone response times fluctuate based on the number and duration of calls, as well as the customer care resources available for response. A number of factors can impact the number and length of calls, including high electricity bills due to extreme temperatures, major outages caused by weather events, news events that drive an increase in calls, regulatory and rate changes, and payment arrangements. GrandBridge Energy (E+) is committed to providing continuous excellent customer service and this is one indication of achievement.

Customer Satisfaction

- **First Contact Resolution**

GrandBridge Energy (E+) 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 GrandBridge Energy (E+) to identify the calls that required a second point of contact.

GrandBridge Energy (E+) is pleased to report that in 2021, 99.65% of calls received by our Customer Care department were resolved by the first telephone contact, which was consistent with 99.60% in 2020. 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. In 2021, GrandBridge Energy (E+) issued 816,538 bills and achieved a billing accuracy of 99.99%, compared to 806,776 bills and a billing accuracy of 99.99% in 2020. 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 a 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.

GrandBridge 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 GrandBridge Energy responds to the information obtained from customers. GrandBridge 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.

GrandBridge Energy (E+) conducted a bi-ennial Customer Satisfaction Survey of a representative sample of residential and small commercial customers during 2021 for the 2021-2022 reporting period. The survey feedback was gathered through one-on-one telephone interviews and questions aligned with the OEB defined principles.

GrandBridge Energy (E+) achieved a satisfaction score of “A”, with approximately 92% of customers responding that they were very satisfied or somewhat satisfied with the services provided by GrandBridge Energy (E+). The results indicated high levels of customer satisfaction with the services provided by GrandBridge Energy (E+) and the results were an improvement over the score of 88% from the survey for the 2019-2020 reporting period.

GrandBridge 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.

Public safety, and the health and safety of our employees is a core value. GrandBridge 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.

GrandBridge Energy (E+) achieved a Public Safety Awareness Index Score of 84% in its biennial survey performed in 2021 for the 2021-2022 reporting period. The results improved compared with the previous survey score of 82% for the 2019-2020 reporting period. 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, GrandBridge Energy will focus its public safety awareness messages to improve awareness on minimum distance requirements for overhead powerlines and downed powerlines, and the legal requirement to ‘call before digging’. GrandBridge Energy will look for opportunities to enhance future education materials that target these safety concerns.

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

GrandBridge Energy (E+) 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. GrandBridge Energy is committed to ensuring a safe workplace and compliance with all applicable regulations. GrandBridge 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.

GrandBridge Energy (E+) experienced zero serious electrical incidents in the 2021 reporting period, consistent with the internal GrandBridge Energy target of zero incidents.

The scorecard target of 0.37 incidents per 1,000 km of line is equivalent to 1 incident per year (for 1530 km of line). This target is established by the ESA through a consistent methodology for all distributors, and is based on the distributor’s historical performance.

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.

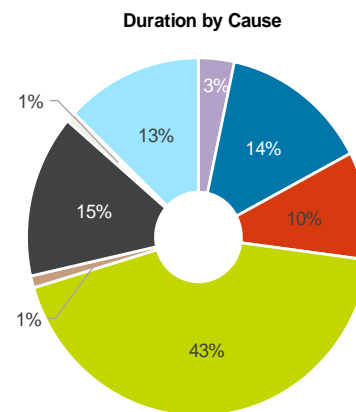
A Major Event is defined as an event that is beyond the control of the distributor and is (a) unforeseeable; (b) unpredictable; (c) unpreventable; or (d) unavoidable. Such events disrupt normal business operations and occur so infrequently that it would be uneconomical to take them into account when 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.

In 2021, the measure of Average Number of Hours that Power to a Customer is Interrupted was 0.65, an improvement compared to 0.71 reported in 2020. The result was lower than the target of 0.87.

GrandBridge Energy (E+) did not experience any Major Events in 2021.



Cause of Interruption	Number Customer-hours Interruptions	
	Non-major Events	Major Events
0 Unknown/Other	1,662	0
1 Scheduled Outage	6,863	0
2 Loss of Supply	4,832	0
3 Tree Contacts	21,403	0
4 Lightning	532	0
5 Defective Equipment	7,267	0
6 Adverse Weather	286	0
7 Adverse Environment	0	0
8 Human Element	157	0
9 Foreign Interference	6,356	0
Sub-Totals	49,359	0

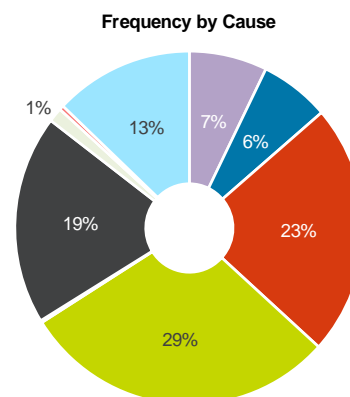
- **Average Number of Times that Power to a Customer is Interrupted**

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 2021, the measure of Average Number of Times that Power to a Customer is Interrupted was 1.19, which was lower than the target of 1.46. The 2020 measure was also lower than the 1.38 reported in 2021.

Tree Contacts contributed to 69 interruption events, or 16%, of the 444 total interruption events in 2021. These interruptions represented 43% of the overall customer interruption duration, and 29% of the overall interruption frequency. Approximately 52% of the tree contact interruptions in 2021 were a result of high wind conditions or thunderstorms which is difficult to mitigate through preventative maintenance. For the non-weather related tree contacts, GrandBridge Energy has planned for incremental tree trimming costs in 2022 for the GrandBridge Energy (E+) rate zone to support additional routes along higher risk areas of the service territory, which should result in tangible improvements to the system's reliability.

Defective Equipment also resulted in 69, or 16%, of the 444 total interruption events in 2021. GrandBridge Energy (E+) has invested approximately \$29.0MM from 2017 to 2021 in the renewal of its distribution system, or approximately 42% of gross distribution capital expenditures. It will take some time to realize and fully evaluate improvements in reliability due to GrandBridge Energy (E+)'s investment in replacing end of life assets.



Cause of Interruption	Number of Customer Interruptions	
	Non-major Events	Major Events
0 Unknown/Other	7,647	0
1 Scheduled Outage	6,831	0
2 Loss of Supply	24,395	0
3 Tree Contacts	31,011	0
4 Lightning	210	0
5 Defective Equipment	20,288	0
6 Adverse Weather	1,386	0
7 Adverse Environment	0	0
8 Human Element	429	0
9 Foreign Interference	13,643	0
Sub-Totals	105,840	0

- **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.

GrandBridge Energy (E+) 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 GrandBridge Energy (E+)’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 capital plan 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.

The “Distribution System Implementation Progress” measure is intended to assess GrandBridge Energy (E+)’s effectiveness at planning and implementing its DSP. In the 2019 Cost of Service Application, GrandBridge Energy (E+) introduced a more detailed set of DSP implementation metrics that have been utilized for the 2021 reporting year. These metrics highlight the results of key capital programs in addition to financial performance versus plan. The metrics and their weightings that form the index used for reporting and are summarized in the following table:

DSP Implementation Metrics	Target	Weight
Overall DSP Financial Progress vs. Plan	90% to 100%	50.0%
Flag For Action Plan Progress	90% to 100%	16.1%
Overhead Rebuild Progress	Cost: +/-10% km of line: 90% to 100%	11.3%
Underground Rebuild Progress	Cost: +/-10% km of cable: 90% to 100%	4.8%
Residential Lots Connections	Number: 465 per year Cost: +/- 10%	3.9%
Large Service Connections	Cost: +/-25%	11.7%
SCADA Switch Installations	Number: 100% Cost: \$80,000 per switch	2.3%
Total		100.0%

The DSP implementation progress has been measured on a cumulative basis against the 2018 to 2023 DSP. In 2021, GrandBridge Energy (E+) achieved an index score of 77.1%. The following table summarizes the results across each metric:

DSP Implementation Metrics	Result	Weight	Total	Notes
Overall DSP Financial Progress vs. Plan	82%	50%	41.2%	Cumulative net capital expenditures for 2018-2021 were \$45.8MM compared to \$55.6MM in the DSP (82%).
Flag For Action Plan Progress	54%	16%	8.6%	Flagged For Action asset replacements are behind schedule due to the slower pace of pole replacements and the deferral of underground rebuilds.
Overhead Rebuild Progress	78%	11%	8.8%	GrandBridge Energy (E+) rebuilt 34.1 km of overhead lines from 2018-2021 compared to a plan of 55.7 km (61%). The cost per km of line in that period was \$217K compared to a plan of \$205K (94%). GrandBridge Energy (E+) 's completed a lower number of overhead line rebuilds compared to plan due to higher System Access expenditures. GrandBridge Energy (E+) managed its overhead distribution risk through pole testing and spot pole replacements. Spending was also reduced due to the impacts of COVID-19. Energy+'s cost per km performance is ahead of plan.
Underground Rebuild Progress	45%	5%	2.2%	GrandBridge Energy (E+) rebuilt 1.6 km of underground lines from 2018-2021 compared to a plan of 17.1 km (9%). The cost per km of line in that period was \$572K compared to a plan of \$482K (81%). GrandBridge Energy (E+) performed testing on samples of its primary underground cables in 2018 and 2019, which identified that the cables were in good or fair condition. As a result, the renewal of these assets has been deferred. Underground primary cable testing was completed in 2021 and the results indicated that the assets are in fair/good condition.
Residential Lots Connections	97%	4%	3.8%	GrandBridge Energy (E+) has connected 815 Residential lots per year from 2018-2021 compared to a plan of 474 lots per year (100%). The cost per lot in that period was \$4,467 compared to a plan of \$4,000 per lot (95%). The GrandBridge Energy (E+) service area experienced stronger Residential growth than forecasted in the DSP, which was largely based on historical averages.
Large Service Connections	97%	12%	11.4%	GrandBridge Energy (E+) has incurred costs of \$5.6MM from 2018-2021 for large service connections, compared to a plan of \$4.1MM (97%). A large number of three-phase pad-mount and three-phase pole mount installations were completed in 2019 and 2020 to support customer connections.
SCADA Switch Installations	53%	2%	1.1%	GrandBridge Energy (E+) installed 2 SCADA Switches from 2018-2021 compared to a plan of 11 (18%). The cost per switch in that period was \$90K compared to a plan of \$80K per switch (88%). GrandBridge Energy (E+) 's capital prioritization and cost avoidance measures have reduced capacity for System Service investments.
Total			77.1%	

- **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 2021, GrandBridge Energy (E+) was assigned to Group 2 (above average efficiency), which is consistent with the assignment for 2020. 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 GrandBridge Energy (E+)’s costs are below the average expected costs for distributors in the Province of Ontario. In 2021, 49% (28 distributors) were ranked as “more efficient”, including GrandBridge Energy (E+); 40% (23 distributors) of the Ontario distributors were ranked as “average efficiency”; and 11% (6 distributors) were ranked as “least efficient”.

GrandBridge Energy (E+)’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 GrandBridge Energy (E+)’s capital and operating costs and dividing this cost figure by the total number of customers in the GrandBridge Energy (E+) rate zone. The cost performance result for 2021 is \$677 per customer, compared to \$657 in 2020. This represents a 3.0% increase from 2020 to 2021 and reflects an annual growth rate of 1.45% since 2017. Based upon the Pacific Economic Groups benchmarking analysis, GrandBridge Energy (E+)’s Total Cost per Customer in 2021 was 13.6% lower than predicted costs, compared to 14.4% lower in 2020.

- **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 GrandBridge Energy (E+) operates to serve its customers. GrandBridge Energy (E+)’s 2021 Total Cost per km of Line rate is \$29,990 an increase of 3.8% over the 2020 figure of \$28,895.

Connection of Renewable Generation

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

GrandBridge Energy (E+) was no longer required to report on Connection Impact Assessments (CIAs) in 2021.

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

GrandBridge Energy (E+) did not connect any micro-embedded generation facilities in 2021.

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. GrandBridge Energy (E+)’s current ratio of 1.34 at the end of 2021 continues to reflect a strong liquidity position.

- **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.

GrandBridge Energy (E+)’s debt to equity ratio was 1.10 in 2021 and is within a healthy range of 1.0-1.5. GrandBridge Energy (E+)’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)**

GrandBridge Energy (E+)’s 2021 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**

GrandBridge Energy (E+)’s return achieved in 2021 was 8.30%, compared to the deemed regulatory return on equity of 8.98% included in 2021 distribution rates. GrandBridge Energy (E+)’s return on equity is well within the +/- 3% range allowed by the OEB. The average return over the past three years was 8.57%.

Note to Readers of 2021 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.