

Scorecard - EnWin Utilities Ltd.

Performance Outcomes	Performance Categories	Measures	2012	2013	2014	2015	2016	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%	99.70%	100.00%	99.10%	100.00%		90.00%		
		Scheduled Appointments Met On Time	100.00%	100.00%	100.00%	100.00%	100.00%		90.00%		
		Telephone Calls Answered On Time	80.30%	82.20%	86.80%	75.50%	70.70%		65.00%		
	Customer Satisfaction	First Contact Resolution			97.93%	98.17%	97.93%				
		Billing Accuracy			99.86%	99.98%	99.99%		98.00%		
		Customer Satisfaction Survey Results			Good	Good	GOOD				
Operational Effectiveness Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.	Safety	Level of Public Awareness				83.00%	83.00%				
		Level of Compliance with Ontario Regulation 22/04 ¹	C	C	C	C	C			C	
		Serious Electrical Incident Index	Number of General Public Incidents	1	0	0	0	1			0
	Rate per 10, 100, 1000 km of line		0.850	0.000	0.000	0.000	0.898			0.119	
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted ²	0.80	0.80	0.81	1.06	0.64			1.17	
		Average Number of Times that Power to a Customer is Interrupted ²	1.72	2.06	1.85	1.88	1.47			2.03	
	Asset Management	Distribution System Plan Implementation Progress			-16%	96%	83%				
	Cost Control	Efficiency Assessment	4	4	4	4	4				
		Total Cost per Customer ³	\$705	\$652	\$683	\$699	\$707				
		Total Cost per Km of Line ³	\$52,058	\$48,500	\$51,189	\$54,728	\$55,668				
Public Policy Responsiveness Distributors deliver on obligations mandated by government (e.g., in legislation and in regulatory requirements imposed further to Ministerial directives to the Board).	Conservation & Demand Management	Net Cumulative Energy Savings ⁴				9.79%	30.97%			151.30 GWh	
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time	25.00%	50.00%	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)	1.15	1.18	1.27	1.44	1.60				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.67	0.58	0.56	0.50	0.39				
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	8.01%	8.01%	8.01%	8.01%	8.01%			
			Achieved	3.48%	13.04%	9.62%	6.88%	5.92%			

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 fixed 5-year (2010 to 2014) average distributor-specific target on the right. An upward arrow indicates decreasing reliability while downward indicates improving reliability.

3. A benchmarking analysis determines the total cost figures from the distributor's reported information.

4. The CDM measure is based on the new 2015-2020 Conservation First Framework.

Legend:

5-year trend up down flat

Current year target met target not met

2016 Scorecard Management Discussion and Analysis (“2016 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 2016 Scorecard MD&A:

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

Scorecard MD&A - General Overview

ENWIN’s 2016 scorecard results are very positive. *ENWIN* scored at or above industry targets (where such industry targets are established) in the performance categories of Service Quality, Customer Satisfaction, System Reliability and Connection of Renewable Generation.

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

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

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

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

Service Quality

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

In 2016, *ENWIN* connected 100% of its 821 eligible low-voltage residential and small business customers (those utilizing connections under 750 volts) to its system within the five-day timeline prescribed by the Ontario Energy Board (OEB). This result is well above the OEB-mandated threshold of 90%. *ENWIN's* successful result in this measure was achieved by performing daily checks for Electrical Safety Authority (“ESA”) Authorizations, providing instant notification to the Metering department when connections were ready, and by having a quick dispatch process for meter installers. *ENWIN's* commitment to achieving this requirement also included re-directing crews from other projects when the 5 day window could not be met by the regular service crews.

- **Scheduled Appointments Met On Time**

ENWIN achieved 100% of the scheduled appointments on time for the fifth consecutive year. This exceeds the industry target of 90% and includes 3,919 scheduled appointments met on time. Customer requests include meter reads, performing service spots, and other needs.

- **Telephone Calls Answered On Time**

ENWIN answered 70.70% of calls offered within 30 seconds or less. This percentage decreased slightly in 2016 compared to 2015 due primarily to an increase in call volume. The average ratio of calls received increased from 7,140 calls per CSR in 2015 to 7,520 calls per CSR throughout 2016. The majority of calls logged were related to credit inquiries, moving notifications, and hydro billing inquiries. *ENWIN* has once again exceeded the OEB mandated target of 65% and continues to work hard to answer calls.

Customer Satisfaction

- **First Contact Resolution**

ENWIN successfully resolved 97.93% of calls during the customer’s initial contact. *ENWIN* strives to serve customers in a friendly and professional manner within the first call. We use call monitoring tools to record and archive every call to allow us to evaluate our staff’s call handling. Any anomalies or customer escalations are reviewed when warranted. All customer interactions are logged in our CIS System, including any escalations. The results of our annual Customer Satisfaction Survey give us the opportunity to confirm what is working and what areas require improvement.

- **Billing Accuracy**

ENWIN's billing accuracy is 99.99% which exceeds the OEB-mandated 98% industry target. In 2016, *ENWIN* produced 1,062,812 bills to its customers. *ENWIN* routinely reviews its billing processes for compliance and continuous improvement opportunities. In addition, *ENWIN* offers customers an easy, convenient and environmentally friendly means to securely access and manage their usage data on-line on a daily, weekly or monthly basis through its “*ENWIN* Connect” web portal.

- **Customer Satisfaction Survey Results**

ENWIN has engaged a third party to conduct customer satisfaction surveys. Based on the “Customer Experience Performance Rating” (CEPr), the results indicate that a large majority of customers gave a good to excellent experience rating for dealing with *ENWIN* staff. Factors that are considered as part of the overall customer experience include delivery of accessible and consistent customer service, understanding customer expectations, providing timely issue resolution, providing effective communication(s) according to customer needs, demonstrating responsiveness, conducting problem analysis to prevent recurring issues, ease of engagement on issues, seeking customer feedback and following through on recommendations. The CEPr is only one element of the customer survey. The survey also gathers information on engagement, operational effectiveness and service quality through the eyes of the customer. All of the data gathered in the survey is evaluated and used to continuously improve *ENWIN's* customer experience.

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 and achieved an overall score of 83%. In addition, *ENWIN* maintained its previous levels of Public Service Announcement (PSA) broadcasting and participation in the local Children’s Safety Village programs. *ENWIN* will continue to support and provide education and training to our community on electrical safety through these initiatives.

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

ENWIN remains fully compliant with all sections of Ontario Regulation 22/04 (Electrical Distribution Safety). This continued achievement is reflective of *ENWIN's* strong commitment to safety, adherence to company procedures, policies and the elements of the regulation itself. Ontario Regulation 22/04 establishes objectives 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 inspection of construction before they are put into service. The Electrical Safety Authority

(ESA) performs Due Diligence Inspections (DDI) throughout the year to ensure utilities remain compliant with the objectives set out in Ontario Regulation 22/04. Both independent and Electrical Safety Authority (ESA) compliance audits yielded only a few opportunities for improvement which have subsequently been addressed.

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

EnWin experienced and reported one (1) Serious Electrical Incident, as defined in Ontario Regulation 22/04, for the time frame used for this measure (January 01, 2015 to December 31, 2015). Fortunately, there were no injuries to people as a result of the incident. This incident qualifies as a serious electrical incident because there was potential for injury, regardless that there were no personal injuries. The calculated rate of incidents per 1000 km of line is 0.898 for this period.

System Reliability

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

ENWIN continues to invest in infrastructure and new technologies to minimize customer downtime. *ENWIN*'s adjusted System Average Interruption Duration Index ("SAIDI", which is the average number of hours power is interrupted) for 2016 was 0.64 which is the lowest reported over the last 5 years, and significantly lower than the OEB calculated target 5-year average (1.17). The decrease from 2015 to 2016 (which had an adjusted SAIDI of 1.06) can be attributed to continued investment in infrastructure renewal and modernization, including automated switches which help reduce the average time that customers have their power interrupted. Location, timing and nature of the outages experienced will vary from year to year and will impact SAIDI levels. Additionally, 2016 saw the implementation of an Outage Management System ("OMS") which allows *ENWIN* to respond to outages more efficiently.

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

ENWIN's adjusted System Average Interruption Frequency Index ("SAIFI", which is the average number of times power is interrupted) for 2016 was 1.47 times, which has improved from 2015 (which had an adjusted SAIFI of 1.88) and compares favourably with the OEB calculated target 5-year average of 2.03. The relatively low frequency of interruption was a product of another mild summer storm period as well as *ENWIN*'s investments in renewing infrastructure at end of life and its ongoing maintenance programs such as tree trimming.

Asset Management

- **Distribution System Plan Implementation Progress**

Distribution System Plan (DSP) implementation progress is a performance measure instituted by the OEB starting in 2014. Consistent

with other new measures, utilities were given an opportunity to define it in the manner that best fits their organization. The DSP outlines *ENWIN's* forecasted capital expenditures, over the next five (5) years, required to maintain and expand the distributor's electricity system to serve its current and future customers. The "Distribution System Plan Implementation Progress" measure is intended to assess *ENWIN's* effectiveness at planning and implementing the DSP. DSP Investment Plan for 2016 was forecast at \$ 18.0M. Actual capital spend in 2016 was \$14.9M, which resulted in a reported Distribution System Plan Implementation Progress of 83%.

Cost Control

- **Efficiency Assessment**

The total costs for Ontario Local Electricity Distribution Companies are evaluated by the Pacific Economics Group LLC (PEG) on behalf of the OEB to produce a single efficiency ranking. The electricity distributors are divided into five cohort groups based on the magnitude of the difference between their respective individual actual and predicted costs. As reported in the PEG report for 2016, *ENWIN* has been placed in Group 4, where a Group 4 distributor is defined as having actual costs within 10% to 25% more than predicted by the PEG model for that distributor group.

ENWIN's efficiency performance has been improving year over year since 2014. The PEG methodology utilizes a three-year average; otherwise, *ENWIN* would have been measured in the Group 3 cohort in both 2015 and 2016.

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 2016 is \$707 per customer, which is only a 1.1% increase over 2015. It is important to note, when examined over 5 years, *ENWIN* has held relatively constant the total cost per customer despite inflationary pressures.

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

- **Total Cost per Km of Line**

This measure uses the same total cost that is used in the Total Cost per Customer calculation above. The total cost is divided by the kilometers of line that *ENWIN* operates to serve its customers. *ENWIN*'s 2016 result is \$55,668 per km of line, a 1.7% increase over 2015. *ENWIN*'s customer base has very limited growth while the commitment to reinvest remains. *ENWIN* continues to seek opportunities to realize efficiencies and innovation through the investment in new technologies and infrastructure at a low cost.

Conservation & Demand Management

- **Net Cumulative Energy Savings**

ENWIN continues to rely on its community partners and the strong relationships they've developed with both their customers and trade allies to succeed in achieving their 2015-2020 Conservation First Framework energy savings target. The 2016 program implementation year was a successful one, with *ENWIN* exceeding its annual energy savings milestone. At the end of 2016, *ENWIN* had achieved 31% of their 2015-2020 energy savings target through 33% of the program term. *ENWIN* continues to support the conservation efforts of its customers and remains committed to meeting their obligations to the Province and the ratepayers.

Connection of Renewable Generation

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

Electricity distributors are required to conduct Connection Impact Assessments (CIAs) within 60 days of receiving all required documentation. In 2016, *ENWIN* completed 100% of its 13 CIAs within the prescribed time limit, which is consistent with 2015 results. *ENWIN* developed and implemented measures to ensure CIAs are completed within the required timeframe by clearly defining requirements for proponents and by standardizing on both the format and technical components of our consultant's reports.

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

In 2016, *ENWIN* connected 133 MicroFIT generation facilities and 100% were done within the prescribed time frame of five (5) working days, consistent with the 2015 result. The minimum acceptable OEB-mandated industry performance level for this measure is to connect within the prescribed time frame 90% of the time. *ENWIN*'s successful result in this measure was achieved by performing daily checks for ESA Authorization, providing instant notification to our Metering department when connections are ready, and by having a quick dispatch process for meter installers. *ENWIN*'s commitment to achieving this requirement also includes re-direction of crews from other projects when the 5 day window cannot be met by the regular service crews.

Financial Ratios

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

ENWIN's current ratio in 2016 was 1.60 (1.44 in 2015). This continues to demonstrate the company's strong financial position and ability to meet the company's short term financial obligations. The improvement in the current ratio in 2016 is a result of an increase in cash and lower related party debt offset by increases in working capital due to timing of bill and payment cycles. The focus on liquidity and reduction of debt (where possible) 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 0.39 in 2016 (0.50 in 2015). This is one of the lowest debt to equity ratios when compared to other LDCs within the province of Ontario. The improvement in the year was as a result of paying down and refinancing some intercompany debt. Over the past few years, *ENWIN's* focus on operational efficiencies and productivity improvements has allowed the financial strength of the company to continue to grow while still being able to deliver safe and reliable electricity to its customers.

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

ENWIN's current distribution rates were approved by the OEB and included a deemed Regulatory Rate of Return on Equity ("ROE") of 8.01%. *ENWIN's* customers continue to benefit from one of the lowest ROE's within the industry in the province of Ontario.

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

ENWIN's Regulatory Return on Equity was 5.92% (6.88% in 2015) and is within the established range allowed by the OEB. *ENWIN's* attention to operational efficiencies and improvements continues to be the focus of the organization.

Note to Readers of 2016 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.