

Scorecard - Westario Power Inc.

9/24/2014

Performance Outcomes	Performance Categories	Measures	2009	2010	2011	2012	2013	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	97.90%	96.90%	93.20%	92.00%	91.00%		90.00%	
		Scheduled Appointments Met On Time	100.00%	97.20%	99.40%	98.30%	97.10%		90.00%	
		Telephone Calls Answered On Time	88.70%	81.00%	92.20%	96.00%	75.10%		65.00%	
	Customer Satisfaction	First Contact Resolution								
		Billing Accuracy								
		Customer Satisfaction Survey Results							Generally Satisfied	
Operational Effectiveness Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.	Safety	Public Safety [measure to be determined]								
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted	0.74	1.15	1.44	0.83	2.64			at least within 0.74 - 1.44
		Average Number of Times that Power to a Customer is Interrupted	6.94	9.19	0.48	0.34	0.65			at least within 0.34 - 9.19
	Asset Management	Distribution System Plan Implementation Progress								
	Cost Control	Efficiency Assessment				3	3			
		Total Cost per Customer ¹	\$502	\$507	\$528	\$508	\$550			
		Total Cost per Km of Line ¹	\$25,014	\$21,667	\$22,838	\$22,269	\$24,220			
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 Annual Peak Demand Savings (Percent of target achieved) ²			9.00%	16.00%	11.20%			4.24MW
		Net Cumulative Energy Savings (Percent of target achieved)			30.00%	74.00%	93.90%			20.95GWh
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time				0.00%	0.00%			
		New Micro-embedded Generation Facilities Connected On Time					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)	1.43	2.02	1.39	1.33	1.37			
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.65	0.64	0.67	0.61	0.64			
		Profitability: Regulatory Return on Equity			Deemed (included in rates)	8.01%	8.01%	8.98%		
					Achieved	4.34%	7.83%	8.50%		

Notes:
 1. These figures were generated by the Board based on the total cost benchmarking analysis conducted by Pacific Economics Group Research, LLC and based on the distributor's annual reported information.
 2. The Conservation & Demand Management net annual peak demand savings do not include any persisting peak demand savings from the previous years.

Legend:

- up
- down
- flat
- target met
- target not met

Management Discussion and Analysis for Year 2013

Service Quality

The Company's positive service quality measures continue to be above the range specified by the Ontario Energy Board. Westario Power actively manages its resources to support its customers and the services provided in a safe, reliable and cost effective manner.

Customer Satisfaction

The annual customer satisfaction survey results indicate that 79% of the customers were generally satisfied with Westario Power; with only 4% completely dissatisfied. As the majority of those customers dissatisfied are so due to the increase in the total cost of their bill, the Company will continue to focus its efforts on efficiently managing the approximately 20% of the total bill that it controls while at the same time ensuring the safe, and reliable delivery of services.

Safety

There is no public safety measure to disclose as it has yet to be determined.

System Reliability

The frequency and duration of power outages are recorded through a combination of manual work orders, and customer phone calls. The average number of hours that power to a customer is interrupted increased to 2.64. While past experience reflected a high of 1.44; there was an increase in spring and winter storms, in particular the ice storm in December 2013 that severely affected 4 of our 15 service areas.

Asset Management

The Company has completed an Asset Management Plan which identifies the age and condition of the major components of the distribution system. The Asset Management Plan will be used as the foundation for the Distribution System Plan which will focus on the optimization of the distribution assets and the ability for Westario Power to meet the needs of its customers in a safe, efficient and reliable manner.

Cost Control

While the costs associated with the distribution system have increased (reflected in the cost per customer and cost per kilometer of line), this is largely due to the significant amount of re-investment by the Company into the distribution system. Westario Power expects to continue a high level of asset maintenance and replacement to ensure the continued safety and long term stability and reliability of the distribution system to its customers.

Conservation & Demand Management

As the Company nears its target for energy savings, this reflects its success through various conservation programs to help customers attain greater energy efficiency; translating into cost savings on their energy bills. Westario Power will continue to manage its resources in furthering customer energy conservation and efficiency, and educating customers on the positive impacts of energy conservation.

Connection of Renewable Generation

All renewable generation connection impact assessments (CIA's) have been completed within the regulatory framework's requirements for 2013. All new micro-embedded generation facilities were also connected within the regulatory framework's requirement. Westario Power continues to dedicate its resources to meet the needs of our customer base.

Financial Ratios

As reflected in the financial ratios, Westario Power continues to have a strong and stable financial position to deliver services to its customers ensuring that the fifteen communities served by Westario Power have a safe, reliable and sustainable delivery of electricity to meet their needs.