

# Scorecard - Chapleau Public Utilities Corporation

8/14/2024

Performance Outcomes	Performance Categories	Measures	2019	2020	2021	2022	2023	Trend	Target		
									Industry	Distributor	
<b>Customer Focus</b> Services are provided in a manner that responds to identified customer preferences.	Service Quality	New Residential/Small Business Services Connected on Time	100.00%	100.00%	100.00%	100.00%	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	97.90%	97.57%	99.16%	100.00%	100.00%	⬆	65.00%		
	Customer Satisfaction	First Contact Resolution	100	100	100	100	100				
		Billing Accuracy	100.00%	99.98%	99.99%	100.00%	99.99%	➡	98.00%		
		Customer Satisfaction Survey Results	93	93	93	93	93				
<b>Operational Effectiveness</b> Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.	Safety	Level of Public Awareness	79.00%	79.00%	78.00%	78.00%	78.00%				
		Level of Compliance with Ontario Regulation 22/04 <sup>1</sup>	C	C	C	C	C	➡		C	
		Serious Electrical Incident Index	Number of General Public Incidents	0	0	0	0	0	➡		0
	Rate per 10, 100, 1000 km of line		0.000	0.000	0.000	0.000	0.000	➡		0.000	
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted <sup>2</sup>	6.91	5.87	2.68	9.78	13.71	⬆		4.06	
		Average Number of Times that Power to a Customer is Interrupted <sup>2</sup>	2.56	2.33	1.14	1.31	3.09	⬆		1.45	
	Asset Management	Distribution System Plan Implementation Progress	Complete	Complete	On target	On Target	On Target				
	Cost Control	Efficiency Assessment	4	4	4	3	3				
		Total Cost per Customer <sup>3</sup>	\$864	\$858	\$781	\$862	\$1,003				
		Total Cost per Km of Line <sup>3</sup>	\$19,553	\$19,432	\$17,697	\$19,535	\$22,742				
<b>Public Policy Responsiveness</b> Distributors deliver on obligations mandated by government (e.g., in legislation and in regulatory requirements imposed further to Ministerial directives to the Board).	Connection of Renewable Generation	New Micro-embedded Generation Facilities Connected On Time							90.00%		
<b>Financial Performance</b> Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	3.04	3.54	3.11	3.91	3.89				
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.00	0.00	0.00	0.00	0.00				
		Profitability: Regulatory Return on Equity	Deemed (included in rates)	9.00%	8.98%	8.98%	8.98%	8.98%			
			Achieved	8.46%	3.57%	24.43%	12.99%	-3.61%			

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.

**Legend:**

**5-year trend**

⬆ up ⬇ down ➡ flat

**Current year**

🟢 target met 🟠 target not met

# Chapleau Public Utilities Limited

## 2023 Scorecard Management Discussion and Analysis (“2023 Scorecard MD&A”)

### Scorecard MD&A - General Overview

In 2023, Chapleau Hydro Inc. (“CPUC”) met or exceeded all but one area of its performance targets. The CPUC System Reliability was worse compared to last year mainly due to a scheduled outage for meter equipment replacement and to test & sample transformers at the station. CPUC continues to seek new control measures leading to improvements in all categories. CPUC assets have now been purchased by Hydro One and as of Aug 1, 2024, CPUC will be following Hydro One standards and will be part of their metrics.

### Service Quality

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

In 2023 CPUC connected 2 new low voltage services, of which 100% were connected to its system within the five-day timeline prescribed by the Ontario Energy Board (OEB). CPUC coordinates connection activities with local municipalities and other agencies to further enhance the coordination between municipal and electrical distribution construction activities.

- **Scheduled Appointments Met on Time**

In 2023, CPUC scheduled 55 appointments with its customers to complete work requested by customers, read meters, reconnect, or otherwise necessary to perform. The utility met 100% of these appointments on time, significantly exceeding the industry target of 90%. CPUC reported 2 appointments involving meeting a customer or the customer’s representative where the appointment date and time were completed resulting in 100%.

- **Telephone Calls Answered on Time**

In 2023 CPUC customer service received 449 calls from its customers. Agents answered calls in 30 seconds or less in all calls resulting in an achievement rate of 100%. This result significantly exceeds the OEB-mandated 65% target for timely call response.

## Customer Satisfaction

- **First Contact Resolution**

For Chapleau Public Utilities Corporation, First Contact Resolution was measured based on calls taken and emails received by customers. It is a measure to see how effective at satisfactorily addressing customer's complaints. The OEB has permitted distributors' discretion on how this measure is reported. Based on the 2023 Scorecard, CPUC resolved 100% of customer contact the first time & does not require referral to management for resolution.

- **Billing Accuracy**

Billing accuracy represents the number of customer invoices within the utility's control that were created without errors. For 2023, CPUC issued more than 14,849 bills and achieved a billing accuracy of 99.99%. This compares favourably to the prescribed OEB target of 98%.

CPUC continues to monitor its billing accuracy results and processes to identify opportunities for improvement.

- **Customer Satisfaction Survey Results**

Chapleau Public Utilities Corporation's last customer satisfaction survey was conducted in 2020 with a result of 93%. The utility has been purchased by Hydro One and as of Aug 1, 2024, CPUC's customers are part of Hydro One Networks customer base. Going forward they will be included in the Hydro One's customer satisfaction survey results.

## Safety

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

The intent of the Public Awareness Electrical Safety component of the public safety measure is to measure the awareness of critical electrical safety precautions among the public within the electricity distributor's service territory. It measures the effectiveness of distributors' activities in preventing electrical accidents. CPUC has a result of 78% for public awareness of electrical safety. CPUC uses Facebook, social media and our website to post safety information.

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

Ont. Reg. 22/04 establishes objective based electrical safety requirements for the design, construction and maintenance of electrical distribution system owned by the distributor. The regulation is monitored through an audit of compliance. Chapleau Public Utilities Corporation takes the safety of the public and employees paramount; Chapleau Public Utilities Corporation is pleased to have received a Compliant rating for 2023. Chapleau Public Utilities Corporation has been compliant since 2015.

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

Chapleau Public Utilities Corporation had no serious incidents to report for 2023. The utility has not had a serious electrical incident to report since reporting became mandatory. The 5-year incident rate of zero for the number of General Public incidents is a good illustration of the utility's commitment to safety.

## System Reliability

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

CPUC experienced an increase in the average number of hours that power to a customer was interrupted during 2023 compared to previous years. A total of 19 interruptions resulted in 27,653 customer hours. Factors which affected the distribution system performance involved;

- 1) August 2023: The majority of customer interruption hours (14,726) were as a result of a scheduled outage to replace station metering equipment and to conduct testing on station transformers. 4,075 interruption hours were a result of loss of supply.
- 2) November 2023: A loss of supply interruption resulted in 6,095 customer hours of interruption.

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

CPUC experienced an increase in the average number of interruptions during 2023 for the above reasons. The results reported show that the interruptions increased from to 9.78 (SAIDI) and 1.31 (SAIFI) in 2022 to 13.71 (SAIDI) and 3.09 (SAIFI) in 2023. The reasons for the decrease in performance are explained in the section above.

## Asset Management

- **Distribution System Plan Implementation Progress**

CPUC filed a Distribution System Plan (“DSP”) in its 2019 Cost of Service application.

## Cost Control

- **Efficiency Assessment**

CPUC evaluates the total costs for Ontario local electricity distribution companies on behalf of the OEB to produce a single efficiency ranking. CPUC has been placed in group 3.

- **Total Cost per Customer**

Total cost per customer is calculated as the sum of CPUC's capital and operating costs and dividing this cost figure by the total number of customers CPUC serves. The cost performance result in 2023 of \$1,003/customer is up from \$862/customer in 2022. CPUC notes that its cost per customer increased due to one-time PCB testing expenses incurred in 2023.

- **Total Cost per Km of Line RRR (2.1.5 utility characteristics)**

CPUC's 2023 rate per km of the line of \$22,742 represents an increase of \$3,207 from 2022 which was bit higher than a typical year. The reasons are the same as explained in the cost per customer above.

## Conservation & Demand Management

- **Net Annual Peak Demand Savings (Percent of target achieved) & Net Cumulative Energy Savings (Percent of target achieved)**
- As a result of the Minister of Energy, Northern Development and Mines' directive on March 20, 2020, the IESO's Conservation First Framework (CFF) was revoked. All electricity CDM activity for 2020 and 2021 will be centralized and administered by the IESO.
- As distributors are no longer working towards the former 2015-2021 CDM targets, reporting on CDM targets and results and no longer applicable.

## Connection of Renewable Generation

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

CPUC did not have any Fit projects in 2023 and, as such, did not need Connection Impact Assessments

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

CPUC did not connect MicroFit projects in 2023.

## Financial Ratios

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

CPUC's current liquidity rating of 3.89 decreased marginally from 3.91 in 2022, which is close to the indicator of good financial health.

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

Following Board policy, the utility uses a deemed capital structure of 60% debt and 40% equity for electricity distributors when establishing rates.

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

CPUC's 2023 distribution rates were rebased and approved by the OEB in 2019, including an expected (deemed) regulatory return on equity of 9.00%. The OEB allows a distributor to earn within +/- 3% of the expected return on equity.

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

CPUC's return for 2023 is at -3.61%, which fell outside the +/- 3% range. CPUC notes that even little fluctuations in revenues and expenses have the potential to cause significant variations in its actual ROE, given its revenue need of about one million dollars. CPUC further notes that the under earnings for 2023 amounts to -\$92K which is primarily attributable to higher one-time OM&A cost for PCB testing expenses incurred in 2023 which CPUC did not project in its 2019 COS.

## Note to Readers of 2023 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 several 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 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 judgment on the reporting date of the performance scorecard. It could be markedly different in the future.