

Scorecard - Chapleau Public Utilities Corporation

8/22/2022

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%	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	99.68%	96.52%	97.90%	97.57%	99.16%	⬆	65.00%		
	Customer Satisfaction	First Contact Resolution	100	100	100	100	100				
		Billing Accuracy	99.99%	99.99%	100.00%	99.98%	99.99%	➡	98.00%		
		Customer Satisfaction Survey Results	95	95	93	93	93				
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	79.00%	79.00%	79.00%	79.00%	78.00%				
		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	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 ²	0.94	12.51	6.91	5.87	2.68	⬇		4.06	
		Average Number of Times that Power to a Customer is Interrupted ²	0.69	4.49	2.56	2.33	1.14	⬇		1.45	
	Asset Management	Distribution System Plan Implementation Progress	75	Complete	Complete	Complete	On target				
	Cost Control	Efficiency Assessment	4	4	4	4	4				
		Total Cost per Customer ³	\$718	\$807	\$864	\$858	\$781				
		Total Cost per Km of Line ³	\$29,706	\$32,515	\$19,553	\$19,432	\$17,697				
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									
		New Micro-embedded Generation Facilities Connected On Time							90.00%		
Financial Performance Financial viability is maintained; and savings from operational effectiveness are sustainable.	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	1.95	2.90	3.04	3.54	3.11				
		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)	9.12%	9.12%	9.00%	8.98%	8.98%			
			Achieved	-1.99%	-9.19%	8.46%	3.57%	24.43%			

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 (“2020 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.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

- In 2021, Chapleau Public Utilities Corporation (CPUC) continued to be committed in providing quality service to its customers. Industry targets were met and/or exceeded. Five-year trending has been maintained and improved in the Service Quality and System Reliability Performance Categories.

Chapleau Public Utilities Corporation had staff turnover in 2021, with vacancies in the General Manager, Powerline Maintainer, and Customer and Billing Clerk positions for part of the year. Existing staff filled in and contractors were used to assist with capital improvements to the distribution system. Internal construction and maintenance targets were achieved.

The scorecard helps Chapleau Public Utilities Corporation operate effectively while continually seeking ways to improve productivity and focus on improvements.

The scorecard is designed to track and show CPUC’s performance results over time and help to clearly benchmark performance/improvement against other utilities and best practices. The scorecard includes traditional metrics for assessing services, such as financial performance and costs per customer. In addition, future performance results for 2024 and onward will include several new metrics that directly reflect the customer experience, safety and Distribution System Plan implementation to showcase the progress and Chapleau Public Utilities Corporation’s commitment to its customers. All of these metrics will be explained throughout this discussion and analysis.

Service Quality

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

Chapleau Public Utilities Corporation connected 11 new services in 2021 (up from 6 in 2020), all within the 5-day window provided in the Distribution System Plan regulations. CPUC has achieved 100% for new services connected on time since the scorecard reported was implemented back to 2009, continually above the industry target.

- **Scheduled Appointments Met on Time**

Chapleau Public Utilities Corporation had 47 appointments in 2021 (down from 78 in 2020) to complete work requested by customers, read meters, reconnects, meetings, locates, disconnects, and service upgrade connections, all during regular office hours. CPUC continues to meet 100% of these appointments on time exceeding the industry target of 90%.

- **Telephone Calls Answered on Time**

Chapleau Public Utilities Corporation recorded 358 incoming calls in 2021 (down from 494 in 2020). All but 3 calls were answered within 30 seconds, resulting in 99.16%, an increase from the previous year. These results significantly exceed the OEB mandated 65%. The CPUC has purchased a new phone system so that all calls are answered, re-directed or sent to voicemail. No customers will ever hear a busy signal.

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 2021 Scorecard, CPUC resolves 100% of customer contact the first time & does not require referral to management for resolution.

- **Billing Accuracy**

For the period of 2021, Chapleau Public Utilities Corporation issued 14,850 bills and achieved an accuracy of 99.99%. This is above the OEB target of 98%. CPUC continues to strive for high billing accuracy results and addressing complaints in a timely fashion while continuing its ongoing effort to recognize any issues that may arise.

- **Customer Satisfaction Survey Results**

Chapleau Public Utilities Corporation's last customer satisfaction survey was conducted in 2020 with a result of 93%. The utility used selected relevant questions from its survey to determine its overall results. Responses to the questions are assigned a range of numerical values which could range from 1-5. This range gives the weight of the responses. The weighted results are compared to the total response to arrive at an overall percentage therefore determining the total customer satisfaction result.

Customers indicated that they expect their utility to provide consistent and reliable service. To address customer preference, Chapleau Public Utilities Corporation will continue to effectively maintain its infrastructure and invest in reducing time loses and sustaining system reliability. Chapleau Public Utilities Corporation's strategy must be cost-effective and at the same time be sufficient to continue to balance distribution system reliability, efficiency and return on investment.

Safety

- **Public Safety**

Public Safety has 3 components A. B. C. which will be explained below. Chapleau Public Utilities Corporation has performed very well in all 3 components with 78% for public awareness, compliant with regulation 22/04 and zero public incidents or public contact with any electrical infrastructure.

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

The public awareness component is expected to measure the level of awareness of key electrical safety precautions among the public within the distributor's service territory. Distributors are expected to demonstrate this impact of their public education efforts by surveying adults residing in their territory. 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 2021. 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 2021. The utility has not had a serious electrical incident to report since reporting became mandatory. In 2015, the results are zero incidents per 10 km of line. The 5-year incident rate of “0” 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**

The reliability of supply is primarily measured by internationally accepted indices SAIDI and SAIFI as defined in the OEB’s Electricity Reporting & Record Keeping Requirements dated May 3, 2016. SAIDI or System Average Interruption Duration Index is the length of outage customers experience in the year on average expressed as hours per customer per year. SAIFI or System Average Interruption Frequency Index is the number of interruptions per year per customer. An interruption is considered sustained if it lasts for at least one minute.

Loss of supply (LOS) outages occur due to problems associated with assets owned by another party other than Chapleau Public Utilities Corporation or the bulk electricity supply system. Chapleau Public Utilities Corporation tracks SAIDI and SAIFI including and excluding LOS. Major Event Days, MED, are calculated using IEEE STD1366-2012 methodology. MED are then confirmed by assessing whether interruption was beyond the control of Chapleau Public Utilities Corporation (i.e. force majeure or LOS) and whether the interruption was unforeseeable, unpredictable, unpreventable, or unavoidable.

CPUC had 39 outages in 2021, (up from 30 in 2020) without loss of supply. The majority of outages (22) were due to scheduled outages, foreign interference resulted in 6 outages, with defective equipment outages down to 5 from 13 in 2020. Adverse weather was responsible for only 2 outages.

CPUC’s average number of hours interruption in 2021 was 2.68, down significantly from 5.87 in 2020. CPUC has been quick to respond to outages inside the utilities distribution system.

Scheduled outages are for system maintenance and improvements and are a yearly occurrence in order to have a safe, secure and reliable distribution system

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

Chapleau Public Utilities Corporation's average number of times power was interrupted in 2021 was 1.14, a decrease from 2020's 2.33 times. The drop in average number of times versus an increase in total outages can largely be attributed to scheduled outages that impact fewer numbers of customers when conducting capital and maintenance operations to the distribution system.

Chapleau Public Utilities Corporation will continue to monitor its assets with deficiency patrols along with infrared scans of the entire Distribution System along, including the substation.

CPUC recognizes the inconvenience of outages, but also the necessity in performing maintenance activities. Prevention efforts are ongoing including foreign interference deterrence and replacement of porcelain components with polymer.

Asset Management

- **Distribution System Plan Implementation Progress**

Chapleau Public Utilities Corporation's Distribution System Plan (DSP) was approved in June 2019. Implementation of the Distribution Plan started in 2019 working on like-for-like system renewal at an accelerated pace to address the continuing aging distribution system. The required system renewal plan conducts asset replacement while maintaining CPUC's reliable, safe, and secure service.

The planning horizon for this Distribution System Plan covers ten years with a five-year historical period of 2014 to 2018, where 2018 is the Bridge Year, and a five-year forecast period of 2019 to 2023, where 2019 was the test year.

The 2021 year represents the 3rd year of the DSP. Pole replacement represented most of the capital work in 2021, with transformer replacement completed as well. The DSP outlines CPUC's forecasted capital expenditures over the next 5 years, required to maintain and expand the distributor's electricity system to serve its current and future customers. The forecast plan is the required system renewal to plan appropriately asset replacements while maintaining Chapleau Public Utilities Corporation's reliable, safe, and secure service.

Cost Control

- **Efficiency Assessment**

Electricity distributors are evaluated by the Pacific Economic Group LLC (“PEG”) on behalf of the OEB to produce a single efficiency ranking. The ranking is based on a total cost approach taking into account the amount spent on capital and infrastructure reinvestments and the amount spent on operations, maintenance and administration. The LDC’s are divided into five groups based on the magnitude of the difference between their respective individual, actual and predicted costs.

In 2021, Chapleau Public Utilities Corporation remains in Group 4. A group 4 distributor is defined as having actual costs in excess of 10% to 25% above predicted costs. The group 4 rating was anticipated because of the investment in our distribution station and distribution system. CPUC has experienced an increase in its total cost required to deliver quality and reliability services to its customers. CPUC will continue working pro-actively with replacing assets and work towards improving its ranking to a more efficient group.

CPUC has been a member of the NEDBC buying group. This is a group of utilities that set contracts with suppliers in order to get the best price on pole line hardware as well as poles, transformers, wire and more. This has greatly decreased the cost of material for the small utilities like CPUC.

- **Total Cost per Customer**

Total cost per customer is calculated as the sum of Chapleau Public Utilities Corporation’s capital and operating costs and dividing this cost figure by the total number of customers that we serve. Managing costs is a responsibility taken seriously at Chapleau Public Utilities Corporation. The levels of spending are measured and prudently controlled so that customer rates are minimally affected. Similar to most distributors in the province, Chapleau Public Utilities Corporation has experienced increases in its total costs required to deliver quality and reliability service to customers. Chapleau Public Utilities Corporation has managed to keep its costs reasonable despite having to deliver a provincial wide program such as Time of Use metering (Smart Meters), growth in wages and benefit costs, investment in new information system technology and the renewal of the distribution system.

The cost per customer dropped in 2021, primarily due to the vacancies in 3 of 5 positions at CPUC. Higher than normal non-utility revenue was also realized from the supervision of a large construction project by a neighboring utility on shared poles that pass through CPUC’s service area.

- **Total Cost per Km of Line**

This measure uses the same total cost as used in the cost per customer calculation above. Total cost is divided by the kilometer of line in Chapleau Public Utilities Corporation's service territory.

CPUC has a decrease in cost per KM of line in 2021 at \$17,697 (down from \$19,432 in 2020). The total KM of line has not changed since 2020. The reasons for the decrease are due to the staff vacancies and non-utility revenue discussed in the Total Cost per Customer section.

Conservation & Demand Management

- **Net Cumulative Energy Savings**

Per Ministry direction and OEB revocation of the CDM provision in LDC's licenses; whereby LDCs are to discontinue the Conservation First Framework, Chapleau Public Utilities Corporation did not offer various Conservation & Demand Management (CDM) programs during 2020 and as such there are no measures to report.

Connection of Renewable Generation

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

Chapleau Public Utilities Corporation is and has been constrained to accept any renewable generation on its distribution system. This is something that is beyond our control because of Hydro One transmission constraints.

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

MicroFit applicants are those customers applying to generate electricity at a level less than or equal to 10 kW of electricity. Chapleau PUC has not connected any renewable generation.

Chapleau PUC has no Micro Fit generation connections because of Hydro One's transmission constraints.

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. Chapleau Public Utilities Corporation's current ratio went from 3.54 in 2020 to 3.11 in 2021, still showing the company in a strong healthy financial position.

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

Chapleau Public Utilities Corporation has no debt.

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

Chapleau Public Utilities Corporation's deemed profitability remains at 8.09% in 2021.

The OEB allows a distributor to earn +/-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 cost structure by the OEB.

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

The ROE continues to be positive for the 2021 as a result of the net and comprehensive income realized in 2021. Chapleau Public Utilities Corporation's profitability had a significant increase in 2021 at 24.43% (up from 3.57% in 2020). Staff vacancies and a rare non-utility revenue opportunity were the main contributing factors.

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.