

**OSHAWA PUC NETWORKS INC.**

**Undertaking J1.3**

To provide a description of 20 proposed metrics.

**Response:**

**Proposed DSP Effectiveness Metric**

OPUCN proposes the following metric as a Distribution System Plan (“DSP”) effectiveness measure for the 2015 to 2019 period. This performance improvement measure will help gauge the effectiveness of the proposed distribution system investment plan for the period, and is based on the following outage data:

	<b>Actual Outages</b>				
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015*</b>
<b>Equipment Failure - Porcelain Insulator Equipment</b>	29	30	20	18	43
<b>Foreign Interference - Animal Contact</b>	83	66	56	43	28
<b>Sub-Total</b>	112	96	76	61	71
<b>Total System Outages</b>	181	215	148	176	164
<b>% of Sub Total Component to total</b>	62%	45%	51%	35%	43%

\* Actual YTD May prorated to Year End - calculated as follows (Jan - May)\*12/5.

**Target                      62**

The two OEB cause codes being measured are - Equipment Failures and Foreign Interference Outages. The specific root cause sub-component of each category being proposed is porcelain insulator equipment and animal contacts. The target of 62 outages/year is based on a 20 % reduction of the 36 month average as shown below using the 2012, 2013, and 2014 historical data:

$$\text{Target} = ( ( 96 + 76 + 61 ) / 3 ) \times 80\% = 62$$

Annual performance for 2019 will be calculated as follows:

$$\text{Target} = ( ( 2017 + 2018 + 2019 ) / 3 ) < 62$$

OPUCN also proposes the following metrics:

- Maintaining current reported performance on each of the OEB Scorecard metrics, as reflected on OPUCN's current scorecard (below).
- Maintaining OEB service quality requirements (SQRs) at least at the level achieved in 2014. (Both 2014 and 2015 YTD measurements are shown below.)

Scorecard - Oshawa PUC Networks Inc.

6/4/2015

Performance Outcomes	Performance Categories	Measures	2010	2011	2012	2013	2014	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	92.30%	91.00%	91.00%	97.60%	95.60%	↑	90.00%	
		Scheduled Appointments Met On Time	99.10%	99.90%	99.90%	98.90%	100.00%	↑	90.00%	
		Telephone Calls Answered On Time	59.20%	71.30%	71.30%	71.50%	72.00%	↑	65.00%	
	Customer Satisfaction	First Contact Resolution					4 calls			
		Billing Accuracy					99.88%	↔	98.00%	
		Customer Satisfaction Survey Results					93% 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	0.62	1.88	1.27	6.86	1.34	↑		at least within 0.62 - 6.86
		Average Number of Times that Power to a Customer is Interrupted	0.61	1.66	1.08	2.39	1.19	↑		at least within 0.61 - 2.39
	Asset Management	Distribution System Plan Implementation Progress								submitted to OEB
	Cost Control	Efficiency Assessment			2	2				
		Total Cost per Customer <sup>1</sup>	\$473	\$500	\$510	\$505				
	Total Cost per Km of Line <sup>1</sup>	\$26,116	\$26,901	\$27,330	\$27,050					
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) <sup>2</sup>		11.00%	12.00%	21.10%				12.52MW
		Net Cumulative Energy Savings (Percent of target achieved)		19.00%	42.00%	63.80%				52.24GWh
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time	100.00%	100.00%	100.00%	100.00%				
		New Micro-embedded Generation Facilities Connected On Time				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)	2.70	2.16	1.71	1.19	0.84			
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	0.92	0.84	0.80	0.77	0.78			
		Profitability: Regulatory Return on Equity		Deemed (included in rates)	9.66%	9.42%	9.42%	9.42%		
		Achieved	12.40%	10.18%	6.47%	6.46%				

Notes:

- 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.
- 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

**SQR's Annual 2014 and May Year-to-Date:**

<b>Service Quality Metric</b>	<b>Description</b>	<b>OEB Approved Standard</b>	<b>As of 2015 May YTD</b>	<b>2014 Annual Results</b>
<b>Connection of New Services - Low Voltage (LV)</b>	The percentage of new low voltage (<750 volts) connection requests where the connection is made within 5 working days of all applicable service conditions being satisfied.	at least 90% on a yearly basis	96.84%	95.60%
<b>Connection of New Services - High Voltage (HV)</b>	The percentage of new high voltage (>=750 volts) connection requests where the connection is made within 10 working days of all applicable service conditions being satisfied.	at least 90% on a yearly basis	None reported	None reported
<b>Appointment Scheduling</b>	The percentage of appointments scheduled according to the standards stated in section 7.3 of the Distribution System Code	at least 90% on a yearly basis	100.00%	100.00%
<b>Appointments Met</b>	The percentage of appointments involving meeting a customer or the customer's representative where the appointment date and time is met.	at least 90% on a yearly basis	100.00%	100.00%
<b>Rescheduling a missed appointment</b>	The percentage of appointments rescheduled in the event that an appointment is missed or going to be missed	100% on a yearly basis	None reported	100.00%
<b>Telephone Accessibility</b>	The percentage of qualified incoming calls to the utility that are answered in person within 30 seconds	at least 65% on a yearly basis	70.79%	72.00%
<b>Telephone Call Abandon Rate</b>	The percentage of qualified incoming telephone calls that are abandoned before they are answered	10% or less on a yearly basis	2.57%	1.90%
<b>Written Responses to Enquiries</b>	The percentage of written responses provided within 10 days to qualified enquiries	at least 80% on a yearly basis	99.87%	100.00%
<b>Emergency Response Urban</b>	The percentage of emergency (fire, police, ambulance) calls where a qualified service person is on site within 60 minutes of the call.	at least 80% on a yearly basis	100.00%	100.00%

<b>Service Quality Metric</b>	<b>Description</b>	<b>OEB Approved Standard</b>	<b>As of 2015 May YTD</b>	<b>2014 Annual Results</b>
<b>Emergency Response Rural</b>	The percentage of emergency (fire, police, ambulance) calls where a qualified service person is on site within 120 minutes of the call.	at least 80% on a yearly basis	None reported	100.00%
<b>Reconnection Performance Standard</b>	The number of customers disconnected for non-payment who were reconnected completed in two days	at least 85% on a yearly basis	100.00%	100.00%
<b>Micro-embedded generation facilities</b>	The percentage of new micro-embedded generation facilities connected to its distribution system within 5 business days.	at least 90% on a yearly basis	100.00%	100.00%