

Scorecard - Hydro Ottawa Limited

9/16/2015

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	100.00%	100.00%	100.00%	100.00%	100.00%		90.00%	
		Scheduled Appointments Met On Time	100.00%	97.30%	97.40%	97.40%	98.30%		90.00%	
		Telephone Calls Answered On Time	82.10%	82.90%	82.50%	82.20%	80.30%		65.00%	
	Customer Satisfaction	First Contact Resolution				85.2%	84.1%			
		Billing Accuracy				99.6%	99.61%		98.00%	
		Customer Satisfaction Survey Results				90%	83%			
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 [measure to be determined]								
		Level of Compliance with Ontario Regulation 22/04	NI	NI	C	C	C			C
	Serious Electrical Incident Index	Number of General Public Incidents		1	0	1	0	1		0
		Rate per 10, 100, 1000 km of line		0.186	0.000	0.178	0.000	0.182		0.076
	System Reliability	Average Number of Hours that Power to a Customer is Interrupted		1.05	2.44	1.31	1.64	1.59		at least within 1.05 - 2.44
		Average Number of Times that Power to a Customer is Interrupted		0.77	1.40	1.13	1.36	0.86		at least within 0.77 - 1.40
	Asset Management	Distribution System Plan Implementation Progress					105%	94%		
	Cost Control	Efficiency Assessment				3	3	3		
Total Cost per Customer ¹		\$536	\$529	\$569	\$579	\$623				
Total Cost per Km of Line ¹		\$29,776	\$28,793	\$31,107	\$33,222	\$36,169				
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			14.13%	28.85%	45.57%	70.53%		85.26MW
		Net Cumulative Energy Savings (Percent of target achieved)			37.74%	65.64%	88.69%	110.71%		374.73GWh
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time		100.00%	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)		1.45	1.43	1.18	1.07	0.86		
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio		1.22	1.32	1.37	1.64	1.65		
		Profitability: Regulatory Return on Equity			Deemed (included in rates)	8.57%	9.42%	9.42%	9.42%	
					Achieved	7.86%	9.41%	7.80%	8.06%	

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 include any persisting peak demand savings from the previous years.

Legend: up down flat
 target met target not met

Appendix A – 2014 Scorecard Management Discussion and Analysis (“2014 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 2014 Scorecard MD&A:

http://www.ontarioenergyboard.ca/OEB/Documents/scorecard/Scorecard_Performance_Measure_Descriptions.pdf

Scorecard MD&A – General Overview

Hydro Ottawa’s four strategic objectives are (a) to deliver customer value; (b) to create sustainable growth; (c) to achieve performance excellence; and (d) to contribute to the well-being of the community. Hydro Ottawa fundamentally believes that delivering customer value is at the core of its mission and that through the activities and initiatives it undertakes, Hydro Ottawa can create sustainable growth, achieve performance and contribute to the community of Ottawa, and as a result the customer will derive long-term-value. These corporate objectives are consistent with the four performance outcomes set out in the Ontario Energy Board’s Renewed Regulatory Framework, namely (a) Customer Focus – that services are provided in a manner that responds to identified customer preferences; (b) Operational Effectiveness – that continuous improvement in productivity and cost performance is achieved and utilities deliver on system reliability and quality objectives; (c) Public Policy Responsiveness – that utilities deliver on obligations mandated by government; and (d) Financial Performance – that financial viability is maintained and savings from operational efficiencies are sustainable.

In 2014, Hydro Ottawa exceeded all performance targets with the exception of Component C of the Public Safety measure and Net Annual Peak Demand Savings. This can be attributed to Hydro Ottawa’s typically low number of public safety incidents, coupled with the fact that the calculated target for this measure is rounded to the nearest integer value, which will likely continue to be zero. Because Hydro Ottawa’s total kilometers of distribution line is not likely to change dramatically in the near term, it will take only one incident per year to put Hydro Ottawa over its specified target. Hydro Ottawa makes a continual and concerted effort to maintain its stellar reputation for safety-conscientiousness.

Of significant note is Hydro Ottawa’s overall improvement in system reliability. This is a result of Hydro Ottawa’s continual focus on providing a safe and reliable electricity distribution service to meet the needs and expectations of its customers. Through an ever-improving inspection, testing, and project prioritization process, Hydro Ottawa continues to make smart investments in its distribution system to improve reliability. This includes adding automated switches and enhancing the communications equipment used to monitor the network. These investments help the company to identify the causes of power outages more quickly and/or restore power outages remotely, thereby reducing their duration.

In 2015, Hydro Ottawa expects to improve its overall scorecard performance results as compared to prior years. Performance improvements are expected as a result of enhanced system reliability due to the company’s significant investment in its distribution system infrastructure, along with ongoing customer engagement and responsiveness to customer feedback.

Service Quality

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

In 2014, Hydro Ottawa connected 100% of the 4976 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 is consistent with the previous year and above the OEB-mandated threshold of 90%.

- **Scheduled Appointments Met On Time**

Hydro Ottawa scheduled 3,167 appointments with its customers in 2014 to complete work requested by customers, read meters, reconnect, or conduct work. Consistent with the prior year, the utility met 98.3% of these appointments on time, which significantly exceeds the industry target of 90%.

- **Telephone Calls Answered On Time**

In 2014, Hydro Ottawa customer contact centre agents received over 323,000 calls from its customers – nearly 1,300 calls per business day. An agent answered 80.3% of these calls within 30 seconds or less. This result significantly exceeds the OEB-mandated 65% target for timely call response. Year over year, the 2014 result represents a 1.9% decrease from 2013 results of 82.2%, driven primarily by an increase in the number of calls. This call volume increase is mainly attributed to switching from bi-monthly billing to monthly billing. The majority of increased call volumes occurred during the transition to monthly billing in March, gradually stabilized to more normal volumes in July.

Customer Satisfaction

- **First Contact Resolution**

For Hydro Ottawa, First Contact Resolution was measured based on monthly telephone surveys conducted by a third party service provider. During the period of January 1, 2014 to December 31, 2014, Hydro Ottawa sampled a two-day volume of all inbound customer telephone calls to its call centre monthly. Hydro Ottawa's third party service provider contacted, on average, 1,150 customers from the sample each month to respond to a six-question survey regarding their inbound service call experience and resolution. Typically, the survey is conducted within 48 hours of the customer's call. A response rate of between 5 and 10% was experienced, which is above-average for surveys of this nature.

Of the 1,303 customers who responded to the survey from January 1, 2014 to December 2014, 1,096 customers indicated that their issue was resolved on the first call to Hydro Ottawa. This equates to the reported First Contact Resolution figure of 84.1%. Hydro Ottawa continues to rely on these customer satisfaction survey results to monitor and identify customer service improvement opportunities.

- **Billing Accuracy**

Where an issued bill is subsequently re-issued because of inaccurate customer, meter reading, or rate information, that bill is considered an inaccurate bill. The percentage of bills accurately issued is calculated by subtracting the number of inaccurate bills issued for the year from the total number of bills issued for the year and dividing that number by the total number of bills issued for the year. In 2014, Hydro Ottawa achieved a billing accuracy of 99.61%. The 2014 results include an 84% increase in billing volume due to the transition from bi-monthly to monthly billing frequency. Hydro Ottawa's billing accuracy figure remains favourably above the Ontario Energy Board prescribed target of 98%.

- **Customer Satisfaction Survey Results**

For over a decade, Hydro Ottawa has engaged a third party to conduct customer satisfaction surveys. These customer satisfaction surveys provide information that supports discussion on customer service improvements and offerings at all levels and departments within Hydro Ottawa.

The survey questions are concerned with a wide variety of relevant topics, including overall satisfaction with Hydro Ottawa, reliability, customer service, outages, billing, cost of electricity and corporate image. Hydro Ottawa makes use of this information to gain insight into customer expectations and needs, and to further develop customer engagement activities.

Feedback from these surveys is incorporated into Hydro Ottawa's planning process and ultimately forms the basis of plans which address customer needs and increase service offerings. A final report is produced which confirms customer satisfaction levels and identifies areas for improvement. Customer satisfaction surveys also help to identify the most effective means of communication with customers.

Hydro Ottawa's Customer Satisfaction Survey Result for the 2014 Scorecard encompasses a number of customer satisfaction concerns. Ultimately, 83% of customers surveyed indicated that they were very or fairly satisfied with Hydro Ottawa. This figure is consistent with the provincial customer satisfaction level of 83%. The decrease in customer satisfaction from 2013, where Hydro Ottawa obtained 90%, is mainly attributed to the conversion to monthly billing and a new customer information and billing system.

Safety

- **Public Safety**

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

Helping customers understand the importance of staying safe and using electricity wisely is a priority for Hydro Ottawa. Hydro Ottawa works to continuously enhance public awareness of electrical safety through three primary vehicles: the Hydro Ottawa website and related social media tools, Hydro Ottawa's well-established student education program, and hazard-specific education campaigns such as Hydro Ottawa's annual promotion and support of Dig Safe Month.

The Hydro Ottawa website provides electrical safety information to the public in a variety of subject areas including safety inside the home, outside the home, during tree trimming, during electrical emergencies, and safety tips for students. Hydro Ottawa works closely with elementary schools in its service territory to connect with students from kindergarten to Grade 8 and deliver important lessons about electricity safety and conservation. Hydro Ottawa's goal is for students to become ambassadors, sharing information and starting discussions with their parents, friends and neighbours to create a culture of electricity safety and conservation that will not only provide them with valuable life-long skills, but also benefit our community. Since 2005, more than 1,300 presentations have been delivered to 161,135 students in 195 elementary schools in our community. Hydro Ottawa, as a member of the Ontario Regional Common Ground Alliance (ORCGA) actively participates in Dig Safe Month in April of each year. This month is dedicated to raising awareness of safe digging practices across the province to improve safety and reduce damages to underground equipment. The ORCGA and its members encourage homeowners and contractors to call for locates before they dig to prevent injuries, property damage and electrical outages. Hydro Ottawa raises public awareness of Dig Safe Month through its website, local community newspapers and on Twitter and Facebook.

The 2014 Electrical Safety Authority audit report of Hydro Ottawa's compliance with Regulation 22/04 highlighted that "...the distributor continued to have genuine interest in improving health and safety at Hydro Ottawa. Efforts have been made to demonstrate concern and commitment for the health and safety of workers and the public. The distributor continued to be active in their community, promoting conservation and demand management, educating children and youth about electricity safety, helping to mitigate the impact of energy costs for those in need, and making other contributions to the quality of life in Ottawa."

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

Over the past three years, Hydro Ottawa has been found to be compliant with Ontario Regulation 22/04 (Electrical Distribution Safety) through its successful completion of, and response to Due Diligence Inspections, Public Safety Concerns, Compliance Investigations and annual audits conducted by the Electrical Safety Authority. Ontario Regulation 22/04 establishes objective based electrical safety requirements for the design, construction, and maintenance of electrical distribution systems owned by licensed distributors. These audits are comprehensive reviews of the processes, standards and guidelines used by Hydro Ottawa to design, construct, install, use, maintain, repair, extend, connect and disconnect the electrical installation and equipment forming the distribution system to avoid or reduce the possibility of electrical hazards. Hydro Ottawa's repeat success in these compliance audits and supporting activities is achieved by its strong commitment to employee and public safety, and adherence to company procedures & policies.

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

Under Regulation 22/04, Hydro Ottawa is required to report all serious electrical incidents of which they become aware to the Electrical Safety Authority. Under the Regulation, "serious electrical incident" means (a) any electrical contact that caused death or critical injury to a person, (b) any inadvertent contact with any part of a distribution system operating at 750 volts or above that caused or had the potential to cause death or critical injury to a person, or (c) any fire or explosion in any part of a distribution system operating at 750 volts or above that caused or had the potential to cause death or critical injury to a person, except a fire or explosion caused by lightning strike.

Hydro Ottawa reported ten (10) electrical incidents involving the public to the ESA in 2014, with six (6) of these involving contact with Hydro Ottawa overhead infrastructure. The other four (4) involved contact with customer-owned underground infrastructure. All six incidents involving Hydro Ottawa infrastructure resulted from homeowners, or

contractors working for others, contacting overhead lines with equipment or materials. None of the ten (10) reported incidents resulted in injury; however a total of one (1) of these incidents was deemed to have the potential to be a serious electrical incident because it occurred in a public space. This resulted in a rate of 0.182 incidents per 1,000 km of line for 2014. Hydro Ottawa's 2014 Serious Electrical Incident Index target was set at 0.076, so Hydro Ottawa did not meet the target for 2014.

Historically, the number of serious electrical incidents involving the general public in the City of Ottawa has been very low due in part to Hydro Ottawa's public education initiatives outlined under Component A above. The number of incidents is expected to continue to be low, and coupled with the fact that the total kilometres of Hydro Ottawa distribution line is not likely to change dramatically in the near term, it will take only one incident per year to put Hydro Ottawa over its specified target (since the calculated target is rounded to the nearest integer value which will likely continue to be zero). As such, Hydro Ottawa will continue with all of its education and compliance activities outlined under Components A and B above in an effort to prevent any serious electrical incidents involving our customers, and the general public in our service territory from occurring.

System Reliability

Hydro Ottawa continually assesses the distribution system's service reliability. Where issues are found, the appropriate actions are identified to address these concerns. Service reliability is integral to all work undertaken as part of system planning and asset management.

Maintenance, inspection and testing of existing assets will continue to be essential to ensure equipment operates as expected and to identify failures before they occur. Consideration of new ways of operating to reduce system susceptibility to storm damage and foreign interference is vital. In addition, investing in grid technologies will benefit reliability by reducing restoration times and aid in predicting system faults. Hydro Ottawa's objective is to improve its system reliability performance indicators from year to year.

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

Hydro Ottawa's reliability performance in 2014 has improved from previous years. In 2014, Hydro Ottawa experienced two significant weather events which impacted its reliability metric: a severe lightning storm in September 2014, and a severe wind storm in November 2014. The September lightning storm affected approximately 27,000 customers for a combined total of approximately 105,000 customer hours. The November wind storm affected approximately 13,000 customers for a combined total of approximately 55,000 customer hours. If these severe weather events are not considered, Hydro Ottawa's average number of hours that power to a customer was interrupted would be 1.1 rather than 1.59. With the 2014 severe weather events excluded, Hydro Ottawa's system reliability has been steadily improving when analyzed over the past five year period.

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

The average number of times that power to a Hydro Ottawa customer was interrupted in 2014 was 0.86, which is within Hydro Ottawa's target range of 0.77 to 1.40. The frequency of outages to Hydro Ottawa customers has decreased slightly in recent years.

Asset Management

- **Distribution System Plan Implementation Progress**

Distribution system plan implementation progress is a new performance measure prescribed by the Ontario Energy Board that began in 2013. Consistent with other measures, utilities were provided an opportunity to define the measure in the manner that best fits their organization. The Distribution System Plan (“DSP”) outlines Hydro Ottawa’s forecasted capital expenditures over the next five (5) years required to maintain and expand its system to serve current and future Hydro Ottawa customers. The “Distribution System Plan Implementation Progress” measure is intended to assess HOL’s effectiveness at planning and implementing the DSP.

Hydro Ottawa measures the progress of its DSP implementation as a ratio of actual total capital expenditures made in a calendar year over the total amount of planned capital expenditures for that calendar year in the System Renewal and System Service investment categories, excluding unplanned asset failures (plant failure), system access, and general plant investments.

The 2014 figure indicates that Hydro Ottawa completed 94% of its planned project spending. The actual work completed in 2014 was a record amount for Hydro Ottawa, however not all planned work was completed due to delays on projects involving third parties and other circumstances beyond Hydro Ottawa’s control. In addition to the planned project spending, Hydro Ottawa also completed a large amount of unplanned asset failure replacements in 2014, reducing the ability to complete planned projects. If unplanned asset failure was included in the measure, Hydro Ottawa would have exceeded its planned project spending by 1%.

Cost Control

- **Efficiency Assessment**

The total costs for Ontario local electricity distribution companies are evaluated by the Pacific Economics Group LLC on behalf of the OEB to produce a single efficiency ranking. The electricity distributors are divided into five groups based on the magnitude of the difference between their respective individual actual and predicted costs. In 2014, for the second year in a row, Hydro Ottawa was placed in Group 3, where a Group 3 distributor is defined as having actual costs within +/- 10 percent of predicted costs. Group 3 is considered “average efficiency.” Therefore, Hydro Ottawa’s ranking of 3 is indicative of a utility operating within the average cost range for distributors in the Province of Ontario. In 2014, 45% of Ontario distributors were ranked as “average efficiency”; 29% were ranked as “more efficient”; 26% were ranked as “least efficient”. While Hydro Ottawa will continually strive to advance into the “more efficient” group, Hydro Ottawa’s expectation is that efficiency performance will not decline.

- **Total Cost per Customer**

Total cost per customer is evaluated by the Pacific Economics Group LLC on behalf of the OEB, and is calculated as the sum of Hydro Ottawa’s capital and operating costs, divided by the total number of customers that Hydro Ottawa serves. Hydro Ottawa’s 2014 cost performance result is \$623 per customer, which is a 7.6% increase over 2013.

Similar to most distributors in the province, Hydro Ottawa has experienced increases in its total costs required to deliver quality and reliable services to customers. Province-wide programs, investments in new information systems technology, and the renewal and growth of the distribution system are some of the contributing factors to increasing operating and capital costs.

Among Hydro Ottawa's priorities is to continue delivering the electricity that its customers depend on, reliably and efficiently. With aging infrastructure and a growing city, significant investments must be made to achieve this goal. Hydro Ottawa continues to make long-term investments to support future growth by expanding electricity service into new developments, upgrading older equipment, maintaining poles, transformers, overhead wires, underground cables and the infrastructure needed to operate the electricity network in its service territory.

Hydro Ottawa will continue to replace distribution assets proactively along a carefully managed timeframe in a manner that balances system risks and customer rate impacts. As demonstrated in Hydro Ottawa's 2016 Custom Incentive Regulation rate application, Hydro Ottawa plans to continue to implement productivity and improvement initiatives to help offset some of the costs associated with future system enhancements. Customer engagement initiatives will continue in order to ensure customers have an opportunity to share their viewpoints on Hydro Ottawa's capital spending plans and impacts.

- **Total Cost per Km of Line**

Total cost per km of line is evaluated by the Pacific Economics Group LLC on behalf of the OEB and cost is calculated in the same manner as the above metric. The total cost is divided by the kilometers of line that Hydro Ottawa operates within its service territory to serve its customers. Hydro Ottawa's total cost per km of line has been steadily increasing since 2011 at a rate of 6% to 9% per year.

Hydro Ottawa notes that this measure, as calculated by the Pacific Economics group, does not account for its unique service territory. Hydro Ottawa's foremost uniqueness is its physical size; comprised of a geographically diverse area with significant population dispersion, Hydro Ottawa's mix of urban and rural service territory totals 1,104km². Hydro Ottawa's territory is also one of the largest in the province in terms of customers served.

Hydro Ottawa's distribution system is an even mix of overhead and underground wires. While underground wires are less likely to be damaged by storms or other environmental factors, they are much more expensive to build and maintain. And, if there is a power outage, it often takes longer to locate and repair the problem, compared to overhead wires. As the City of Ottawa's population continues to grow and existing neighbourhoods become denser, additional investments are often required on the existing distribution network. The network is also expanding to accommodate new suburban subdivisions, downtown redevelopment projects and Ottawa's Light Rail Transit. At the same time, Hydro Ottawa's assets are aging. Large segments of the network were constructed in the 1960s, 70s and 80s. As most electrical infrastructure has a lifespan of around 50 years, a considerable number of components are approaching or have exceeded their anticipated end-of-life. While continued maintenance has prolonged the life of these assets, infrastructure investments are required to continue to deliver electricity reliably and safely.

Conservation & Demand Management

- **Net Annual Peak Demand Savings (Percent of target achieved)**

Hydro Ottawa achieved 70.53% of its net annual peak demand savings target at the end of 2014. The prime candidates for demand savings programs are large industrial and manufacturing customers. The Ottawa region has a very light industrial and manufacturing base, so the opportunities for significant demand savings in Ottawa are minimal. However, Hydro Ottawa is continuing to offer a number of provincial initiatives to further reduce the peak demand requirements for the service territory.

- **Net Cumulative Energy Savings (Percent of target achieved)**

Hydro Ottawa has exceeded its four-year net cumulative energy savings target, achieving 110.7% by the end of 2014. Hydro Ottawa's accomplishment was a result of its successful delivery of province-wide conservation programs and its strong participation by both residential and commercial customers. There were a number of programs that contributed to these results, including the Retrofit Program offered to larger Commercial customers, the Small Business Lighting Program and the Fridge and Freezer Pick up Program and Residential Coupon Programs.

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 a complete formal submission for non-system expansion or enhancement projects, or within the 90 days if expansion or enhancement is required. In 2014, Hydro Ottawa completed 19 CIAs and all were done within the prescribed time limit. In 2013, Hydro Ottawa completed 4 CIAs, all within the prescribed time limit.

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

Generation facilities which are less than 10 kW are considered Micro-embedded generation facilities. In 2014, Hydro Ottawa connected 39 new micro-embedded generation facilities 100% of the time within five business days. The Ontario Energy Board prescribes that these facilities be connected within five business days at least 90% of the time, therefore Hydro Ottawa is well above the prescribed requirement. Hydro Ottawa's workflow to connect these projects is transparent and streamlined, as Hydro Ottawa consistently works closely with its customers and contractors to address any connection issues to ensure the project is connected on time.

Financial Ratios

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

Hydro Ottawa's 2014 current ratio of 0.86 decreased from 1.07 in 2013. The change is explained by a decrease in the unbilled revenue component of current assets resulting from the implementation of monthly billing. There was also an increase in current liabilities relating to investments in capital infrastructure.

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

Hydro Ottawa's 2014 Leverage ratio of 1.65 is materially in line with 1.64 in 2013. Hydro Ottawa's total debt increased to support the large distribution capital investments. Retained earnings increased proportionately from increased earnings. Hydro Ottawa's strong financial position is further supported by the credit rating of "A" (stable) as of December 2014.

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

Hydro Ottawa's current distribution rates were approved by the Ontario Energy Board and include an expected (deemed) regulatory return on equity of 9.42%.

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

Hydro Ottawa's 2014 Regulatory Return on Equity was 8.06%. Hydro Ottawa's return below the deemed rate of 9.42% is mainly due to the continued capital investments not funded until rates are rebased and approved by the Ontario Energy board for 2016.

Note to Readers of 2014 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.