

ANNEXE 1

**SOMMAIRE EXÉCUTIF
DU RAPPORT DE COPE**

VOLET SERVICES À LA CLIENTÈLE

Committee on Corporate Performance and Productivity Evaluation (COPE)

2001

Industry Evaluation

Customer Service

Business Unit

EXECUTIVE SUMMARY



Canadian Electricity Association
Association canadienne de l'électricité

September 2002



2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit

ACKNOWLEDGEMENTS

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Aquila Networks (AB)
Aquila Networks (BC)
B.C. Hydro
City of Saskatoon
Enersource Hydro Mississauga
Hydro One
Hydro-Québec

Hydro Ottawa
Manitoba Hydro
New Brunswick Power
Nova Scotia Power
SaskPower
Toronto Hydro
Winnipeg Hydro

* NB: Previously UtiliCorp Networks Canada

PLEASE NOTE:

COPE versus CEA Composite

The graphs in this report refer to a COPE or CEA composite. Some Key Performance Indicators used in the COPE program are derived from other CEA programs. The COPE Composite values for the Key Performance Indicators represent the composite of those utilities participating in the COPE program. The CEA Composite represents the composite of those utilities participating in the CEA program.

Trending Data versus Present Year's Data

Companies providing data to a given indicator may vary from year to year, typically this is the result of new members joining the program. Due to this, trend line Composite calculations may be impacted by participation and not represent accurately an industry trend.

To address this, some indicators show two different results for the data. The first result, for sake of consistency, uses the same calculation baseline from year to year, and provides a better understanding of the indicator's historical trend and is represented graphically as a trend line. The second result shows the Composite Index achieved when all participants (both old and new) are included in the 2001 program and represented graphically as one point in year 2001. In some cases, these two results are significantly different.

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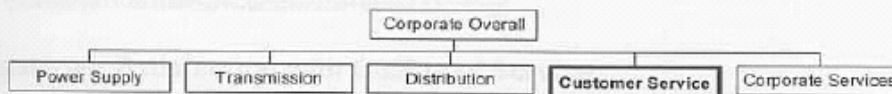
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INTRODUCTION

This report provides information on the Canadian Utility Composite Performance and Productivity results. The information is based on data received from the participating utilities for the year ended December 31, 2001 (March 31, 2002 for utilities with March year ends).

In 1995, the Committee on Corporate Performance and Productivity Evaluation (COPE) undertook an extensive strategic review. The database designed in the early 1980s was driven out of regulatory structure and reporting to regulatory bodies. The industry focus in the 1990s had shifted to "business performance." The result was a new vision, mission, and a redesigned database. The "unbundled" database allows for participation in any combination of business units. The new database provides a "balanced scorecard approach" of key performance measures for each of its business units.



The objectives of COPE are:

- ⇒ To establish a common basis for inter-utility performance measurement.
- ⇒ To maintain and update common definitions and terms used in performance measurement consistent with Canadian and USA utility practices
- ⇒ To establish a framework for the integration of performance information collection and measurement to minimize costs for CEA and Utilities.
- ⇒ To provide guidance in the collection, use and application of the information for the benefit of individual utilities' performance achievement

This report provides a summarized version of the Customer Service Business Unit Key Performance Measures. It contains performance measures from the perspectives of customer, employee, and stakeholder. (Note: measures for the perspectives of environment and regulator are still under development).



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2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit

CUSTOMER SERVICE BALANCED SCORECARD

	KPI's
Customers	<p>Revenue per Industrial Energy Delivered (\$ / MWh) Revenue per Commercial Energy Delivered (\$ / MWh) Revenue per Residential Energy Delivered (\$ / MWh) Annual Residential Rate Change (%) Annual General Rate Change (%) SAIDI (Hours) (*1998 Composite data excludes ice storm) SAIFI (*1998 Composite data excludes ice storm) SAIFI Momentary</p> <p>Telephone Accessibility - Average time to answer (seconds) Telephone Accessibility - Calls abandonment rate (%) Telephone Accessibility - Company Standard -Actual Result (% of time company met its standard)</p> <p>Appointments met (%) (afternoon or morning appointment) Customer Satisfaction with Frequency of Outages Customer Satisfaction with Duration of Outages</p> <p>Non-Export Revenue per Non-Export Energy Delivered - (I, C, R & SL) (\$/MWh) Customer Satisfaction with Quality of Service</p> <p>Call Centre - Average Number of Billing Calls per Customer Account Call Centre - Average Number of Customer Account Modification Calls per Customer Account Call Centre - Average Number of Outage Calls per Customer Account Call Centre - Average Number of Marketing Calls per Customer Account Call Centre - Average Number of Collection Calls per Customer Account Call Centre - Average Number of Other type Calls per Customer Account Call Centre - Average Number of Calls per Customer Account (All types of calls) Call Centre - Average Talk Time per Billing type call Call Centre - Average Talk Time per Customer Account Modification type call Call Centre - Average Talk Time per Outage type call Call Centre - Average Talk Time per Marketing type call Call Centre - Average Talk Time per Collection type call Call Centre - Average Talk Time per Other type call Call Centre - Average Talk Time per All types of calls Call Centre - Average Handling Time per Billing type call (Talk & Wrap-up Time) Call Centre - Average Handling Time per Customer Account Modification type call (Talk & Wrap-up Time) Call Centre - Average Handling Time per Outage type call (Talk & Wrap-up Time) Call Centre - Average Handling Time per Marketing type call (Talk & Wrap-up Time) Call Centre - Average Handling Time per Collection type call (Talk & Wrap-up Time) Call Centre - Average Handling Time per Other type call (Talk & Wrap-up Time) Call Centre - Average Handling Time per All types of calls (Talk & Wrap-up Time)</p>

2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit



Employees	Energy Delivered per FTE (MWh / FTE) Labour Cost per Energy Delivered (\$ / MWh) Accident Severity Rate (Days lost / 200 000 hours worked) All Injury Frequency Rate (total injuries / 200,000 hours worked) Disabling Injury Frequency Rate (Disabling injuries / 200 000 hours worked) Training Hours per FTE Total Customers per FTE Call Centre - Labour Cost per Call Offered (\$000) Call Centre - Calls per Employee Call Centre - Management FTE per Total FTE (\$000/FTE) Meter Reading - Labour Cost per read (\$000) Meter Read per FTE (Internal) Meter Read per FTE (Total)
Shareholders	Net Income per Revenue (%) Debt Equity Ratio Interest Coverage Ratio Return on Average Common Equity (%) Revenue Growth Rate (%) EBIT Growth Rate (%) Non-Export Energy Delivered Growth Rate (%) Cash Flow per Revenue (%) Return on Assets (%) Capital Cost per Customer (Total) (\$000/customer) OM&A Expense per Customer (Total) (\$000/customer) Call Centre - Total Cost per Call Answered (\$000) Call Centre - Total Cost per Call Offered (\$000) Meter Reading - Total Cost per read (\$000) Meter Reading - Total Cost per Customer Account (\$000) Billing Cost per Customer Account (\$000/customer) Payment Cost per Customer Account (\$000/customer)
Environment	See CEA Environmental Commitment & Responsibility Program (ECR).
Regulators	Presently addressed by Customers category above.

Although the COPE database provides information on all the balanced scorecard measures above, this report only provides analysis on the **Performance Measures** in bold. These measures are deemed to be significant industry measures by the participants of COPE.

2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit



CUSTOMER SERVICE BUSINESS UNIT

MISSION

The two primary processes that make up this business unit are the development, marketing and selling of energy related products and services and the management of franchise customer relations. This business unit purchases power, and arranges transportation for all aspects of the energy portfolio including beyond the end-use meter services for all domestic customers, excluding wheeling.

MAJOR FUNCTIONS

The functions, which comprise this business unit, are as follows:

- all Market Assessment activities;
- the development and design of marketing programs;
- the management of the domestic sales force;
- the implementation of advertising promotions ;
- managing all customer contact including the call centre ;
- all rates and pricing activities;
- the construction and maintenance of the Customer Information System;
- the processing of all customer billings;
- all meter reading activities to the point of input of the data into the Meter Reading System;
- the processing of customer payments;
- the processing of adjustments to customer accounts; and
- the maintenance of customer profile information.



2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit

CUSTOMER SERVICE BUSINESS UNIT

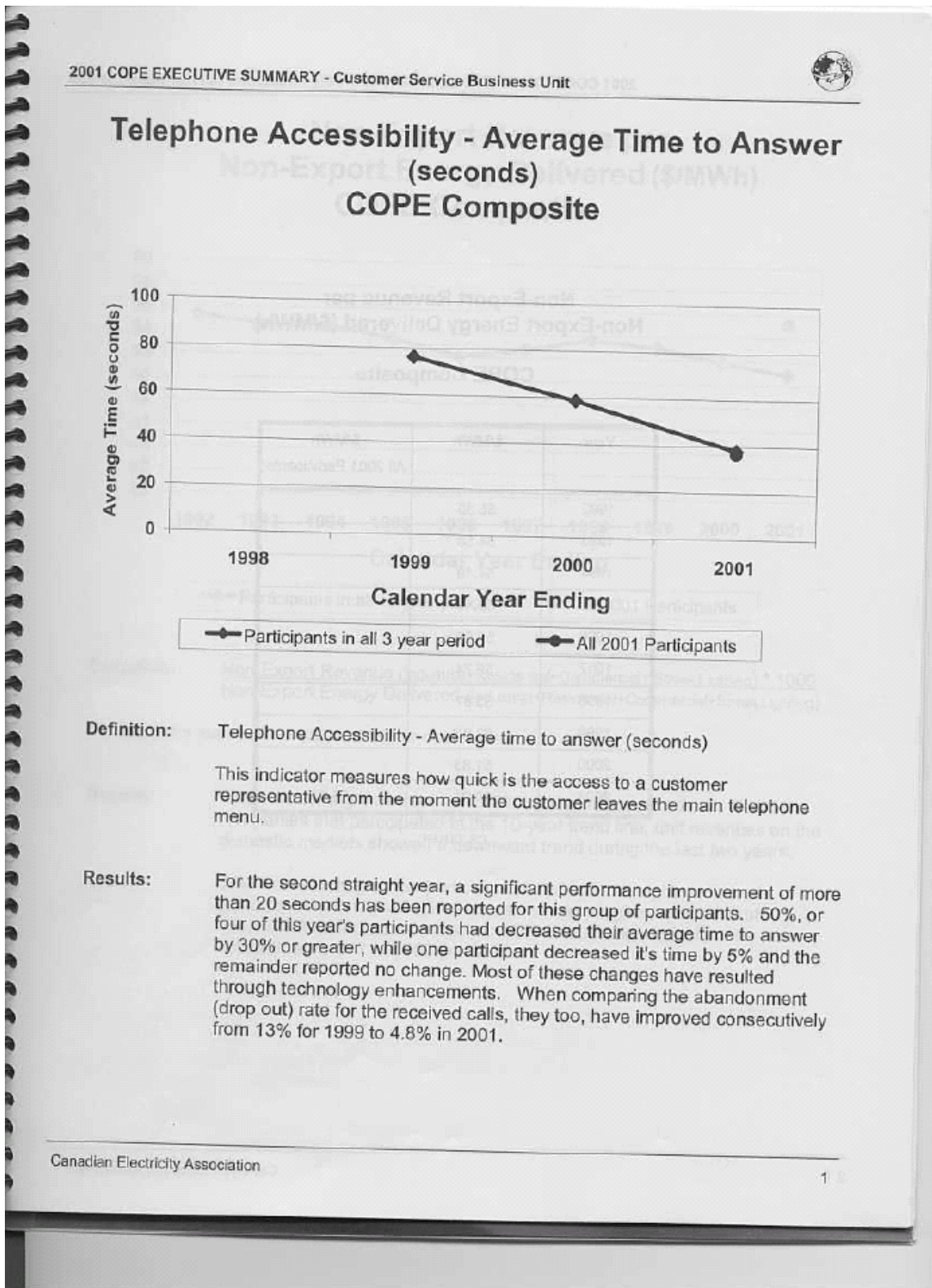
The primary process that makes up the business unit is the development, marketing and selling of energy related products and services and the management of business customer relations. The business unit purchases power and manages transportation for all domestic and international customers. The business unit also manages services for all domestic and international customers.

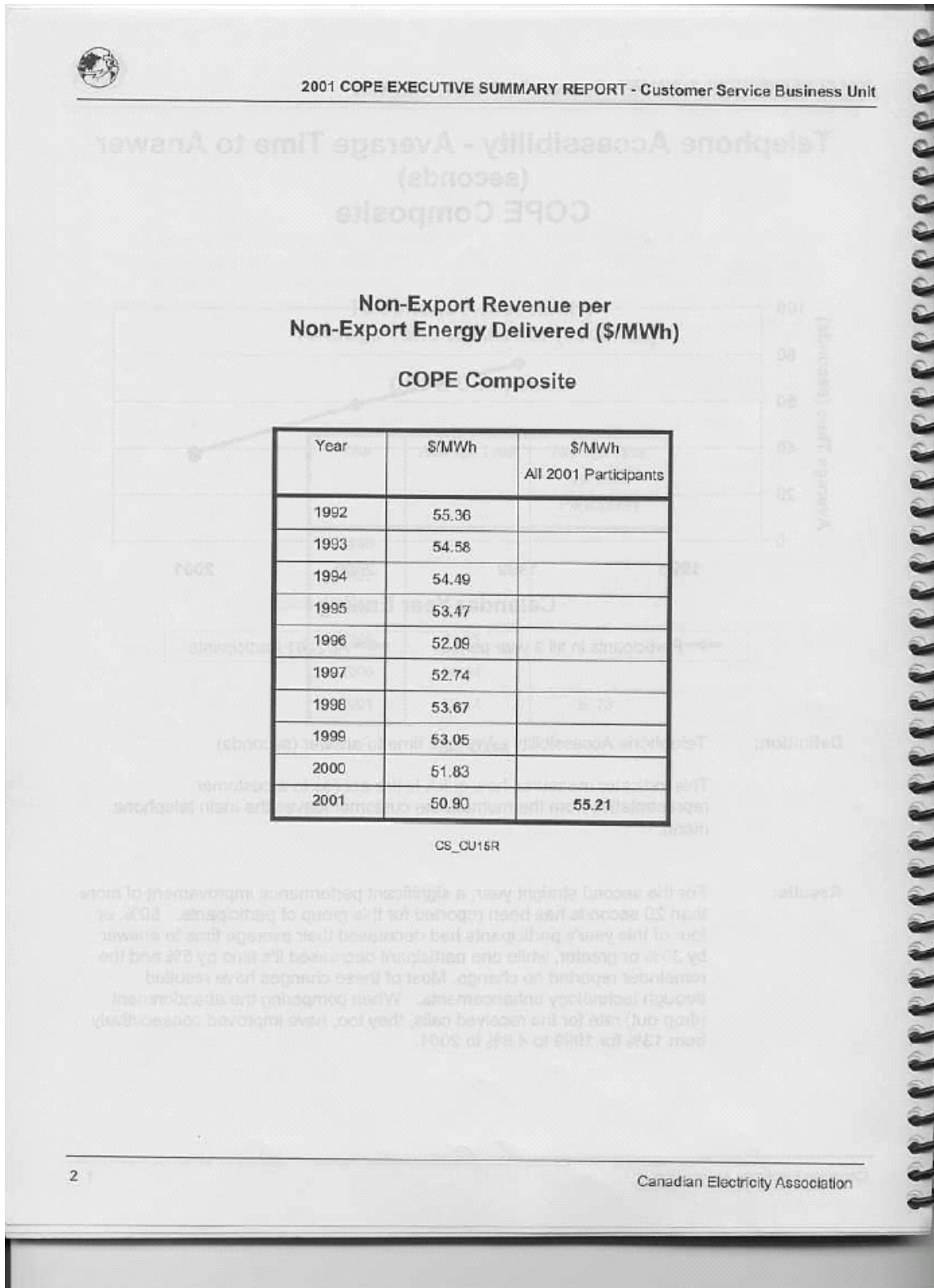
**Telephone Accessibility -
Average Time to Answer (seconds)**

COPE Composite

Year	Average Time	Average Time All 2001 Participants
1996		
1997		
1998		
1999	76.25	
2000	58.64	
2001	38.14	36.73

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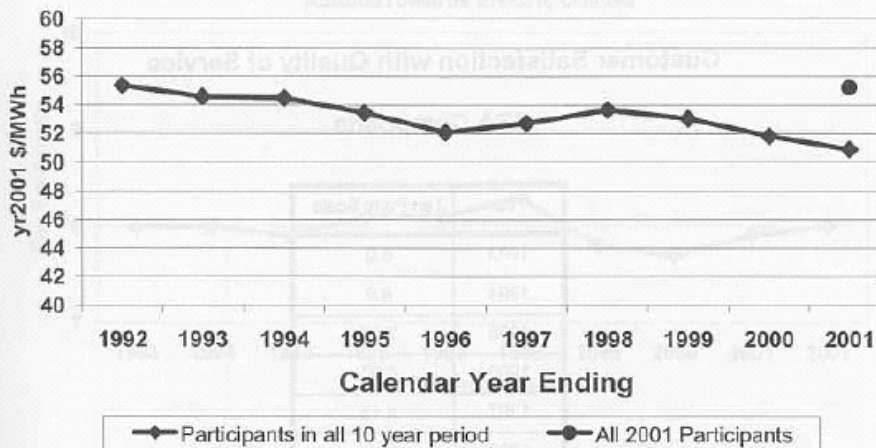




2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit



**Customer Non-Export Revenue per Service
Non-Export Energy Delivered (\$/MWh)
COPE Composite**

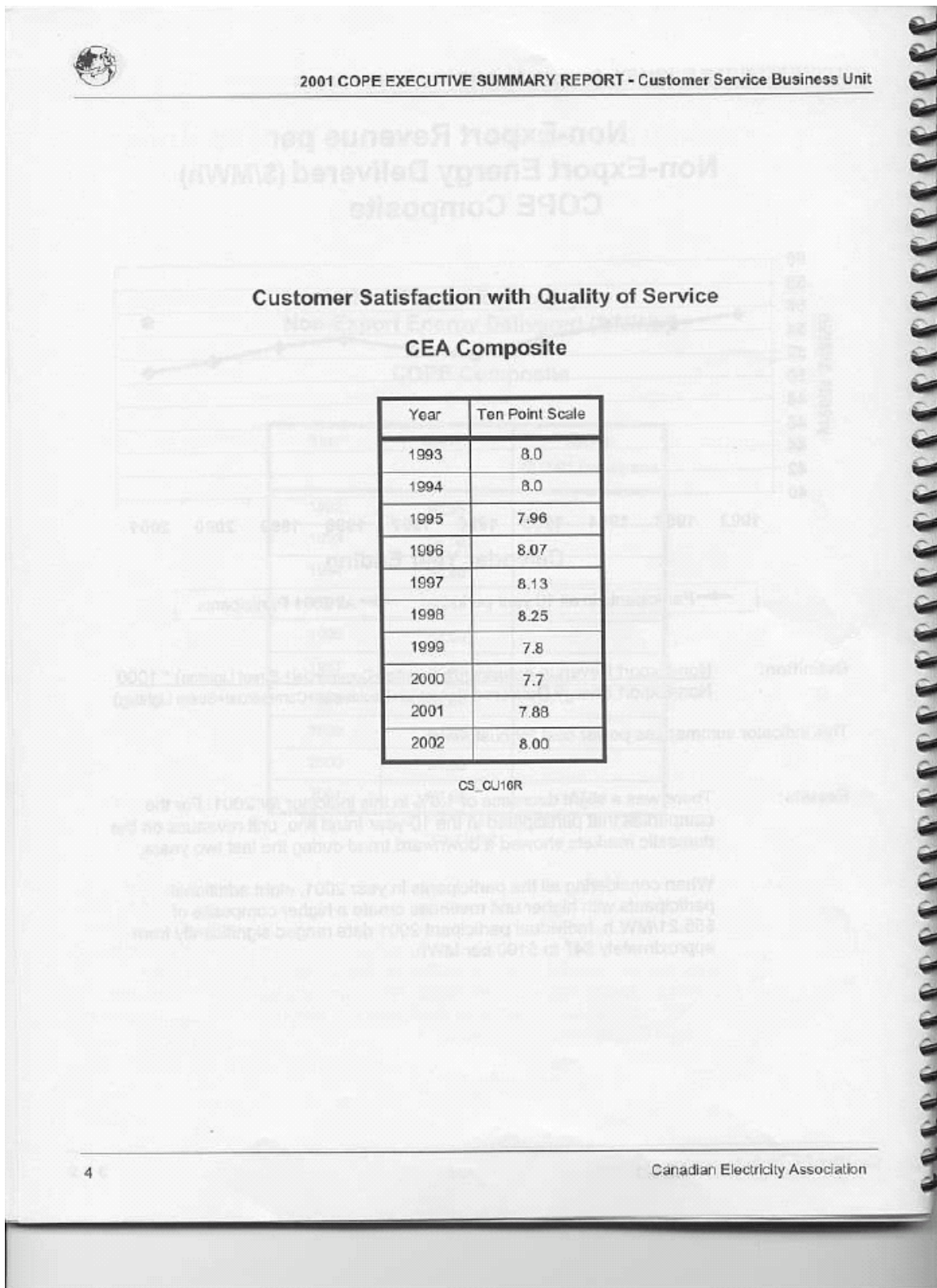


Definition:
$$\frac{\text{Non-Export Revenue (Industrial+Residential+Commercial+ Street Lighting)} \times 1000}{\text{Non-Export Energy Delivered (Industrial+Residential+Commercial+Street Lighting)}}$$

This indicator summarizes power cost for customers.

Results: There was a slight decrease of 1.8% in this indicator for 2001. For the companies that participated in the 10-year trend line, unit revenues on the domestic markets showed a downward trend during the last two years.

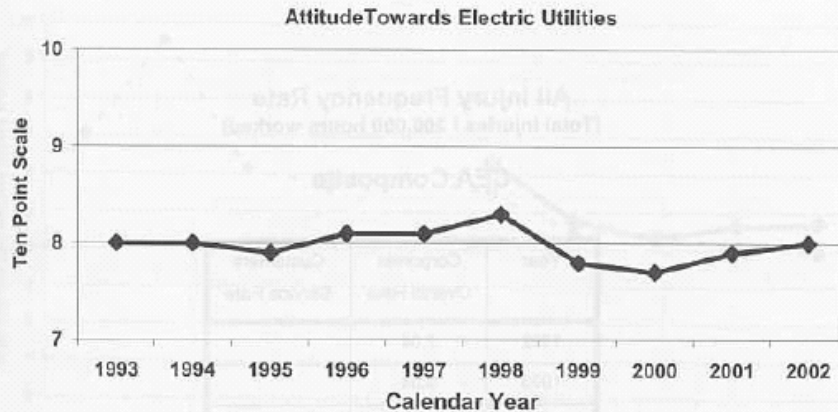
When considering all the participants in year 2001, eight additional participants with higher unit revenues create a higher composite of \$55.21/MW.h. Individual participant 2001 data ranged significantly from approximately \$47 to \$100 per MWh.



2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit



Customer Satisfaction with Quality of Service CEA Composite

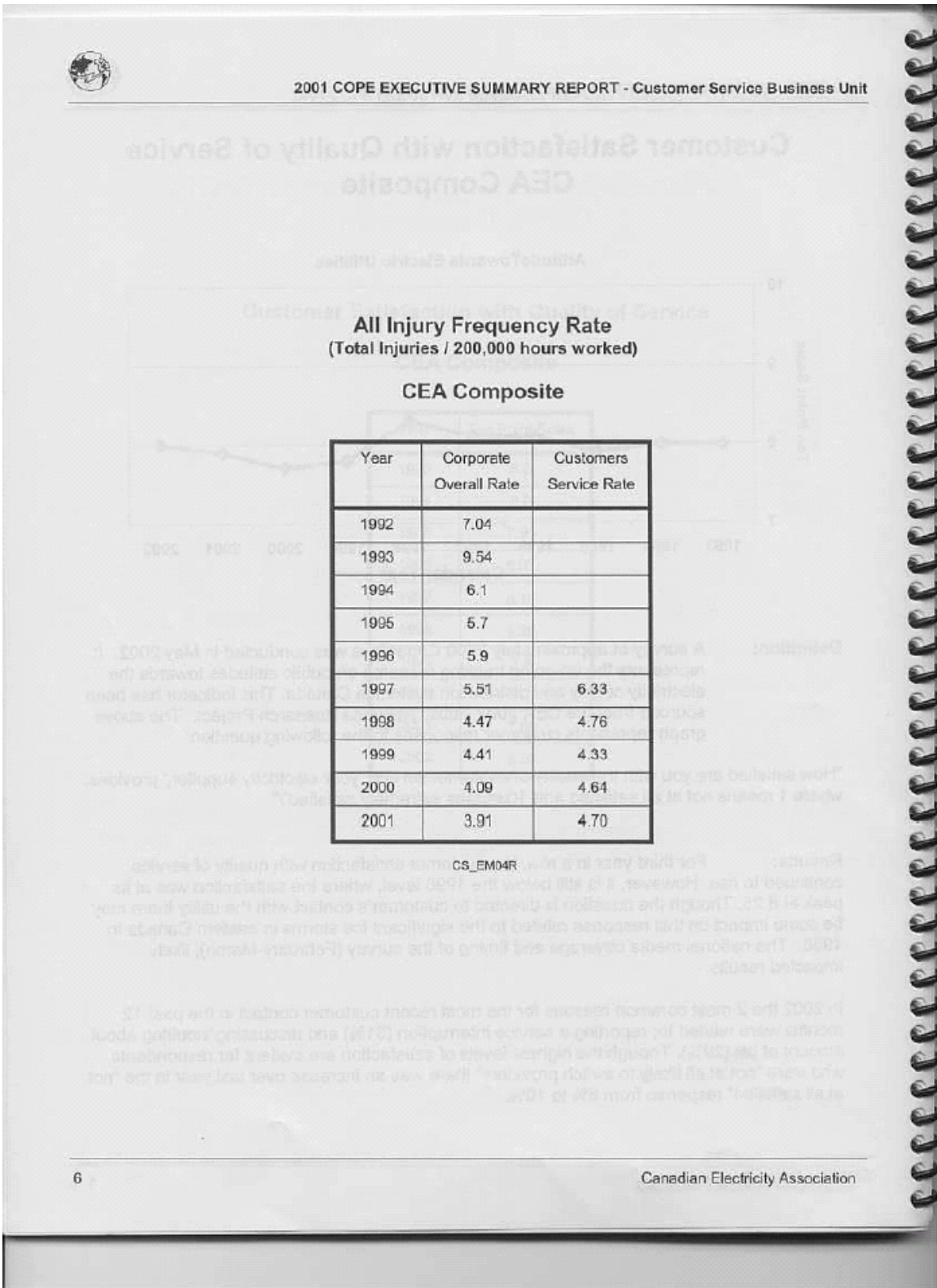


Definition: A survey of approximately 2600 Canadians was conducted in May 2002. It represents the on-going tracking research on public attitudes towards the electricity supply and distribution system in Canada. This indicator has been sourced from the CEA 2002 Public Attitudes Research Project. The above graph represents customer responses to the following question:

"How satisfied are you with the quality of customer service 'your electricity supplier,' provides, where 1 means not at all satisfied and 10 means extremely satisfied?"

Results: For third year in a row, the customer satisfaction with quality of service continued to rise. However, it is still below the 1998 level, where the satisfaction was at its peak at 8.25. Though the question is directed to customer's contact with the utility there may be some impact on this response related to the significant ice storms in eastern Canada in 1998. The national media coverage and timing of the survey (February-March), likely impacted results.

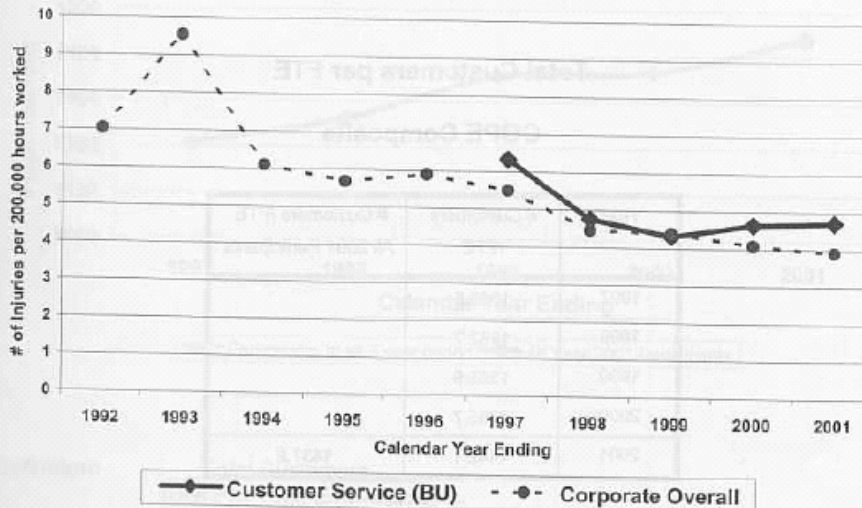
In 2002 the 2 most common reasons for the most recent customer contact in the past 12 months were related to; reporting a service interruption (31%) and discussing/inquiring about amount of bill (29%). Though the highest levels of satisfaction are evident for respondents who were "not at all likely to switch providers" there was an increase over last year in the "not at all satisfied" response from 8% to 10%.



2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit



All Injury Frequency Rate (Total Injuries / 200,000 hours worked) CEA Composite



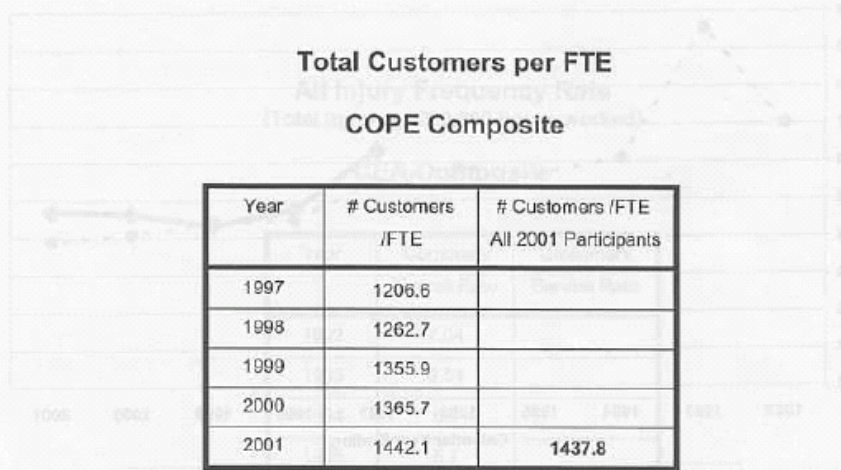
Definition:
$$\frac{(\text{Disabling Injuries} + \text{Medical Aid Injuries}) \times 200,000}{\text{Exposure Hours (Hours Worked)}}$$

This graph demonstrates the frequency of medical aid injuries, disabling injuries and fatalities compared to the number of employee exposure hours in a calendar year. As well as providing the annual Business Unit (BU) CEA Composite, the Corporate Overall CEA Composite is included for comparison purposes. This indicator is sourced from the CEA 2001 Annual Accident Statistics Report (43 electric utilities, 28 of which reported Customer Service BU data).

Results: The All Injury Frequency Rate for the Customer Service BU rose slightly (1.3%) over last year. It is recognized that this indicator is directly impacted by the relative risk of accidents associated with the hours that employees work. This relative risk differs depending on the type of tasks an employee undertakes. (meter reader/line personnel vs. office worker). As a result, the seriousness of the accidents (severity) also needs to be investigated in order to assess safety performance. The Customer Service BU Severity Rate improved significantly over last year (39%).

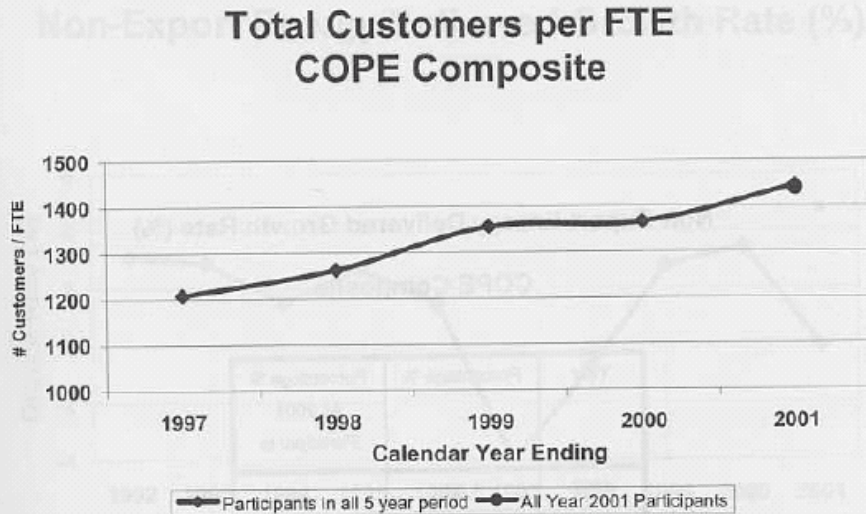


2001 COPE EXECUTIVE SUMMARY REPORT - Customer Service Business Unit



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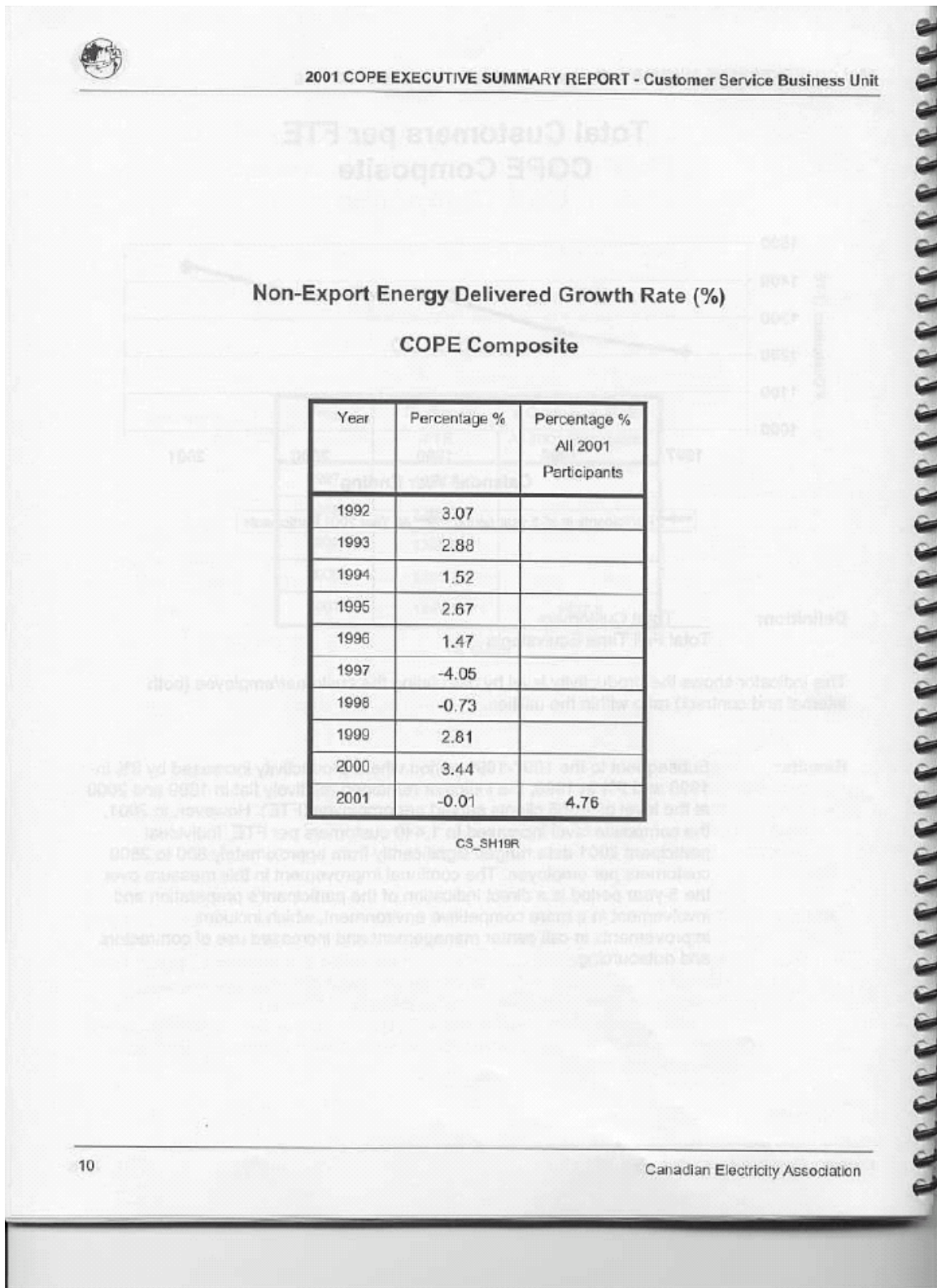
2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit



Definition:
$$\frac{\text{Total Customers}}{\text{Total Full Time Equivalents}}$$

This indicator shows the productivity level by calculating the customer/employee (both internal and contract) ratio within the utilities.

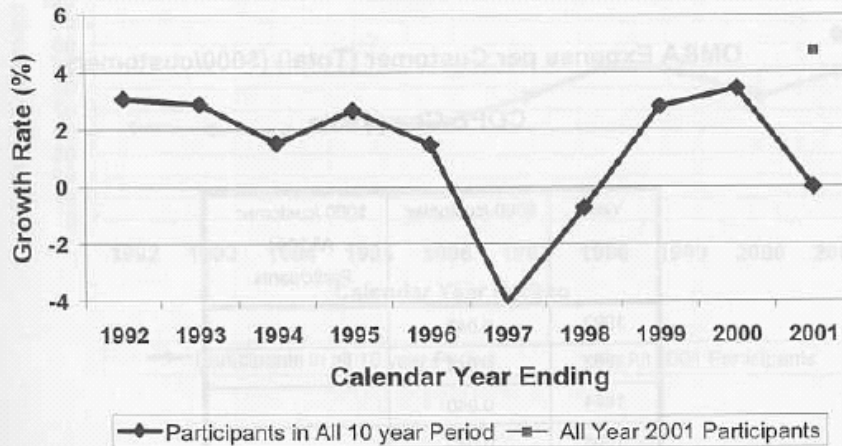
Results: Subsequent to the 1997-1999 period where productivity increased by 6% in 1998 and 9% in 1999, the indicator remained relatively flat in 1999 and 2000 at the level of 1,365 clients served per employee (FTE). However, in 2001, the composite level increased to 1,440 customers per FTE. Individual participant 2001 data ranged significantly from approximately 800 to 2800 customers per employee. The continual improvement in this measure over the 5-year period is a direct indication of the participant's preparation and involvement in a more competitive environment, which includes improvements in call center management and increased use of contractors and outsourcing.



2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit



Non-Export Energy Delivered Growth Rate (%) COPE Composite

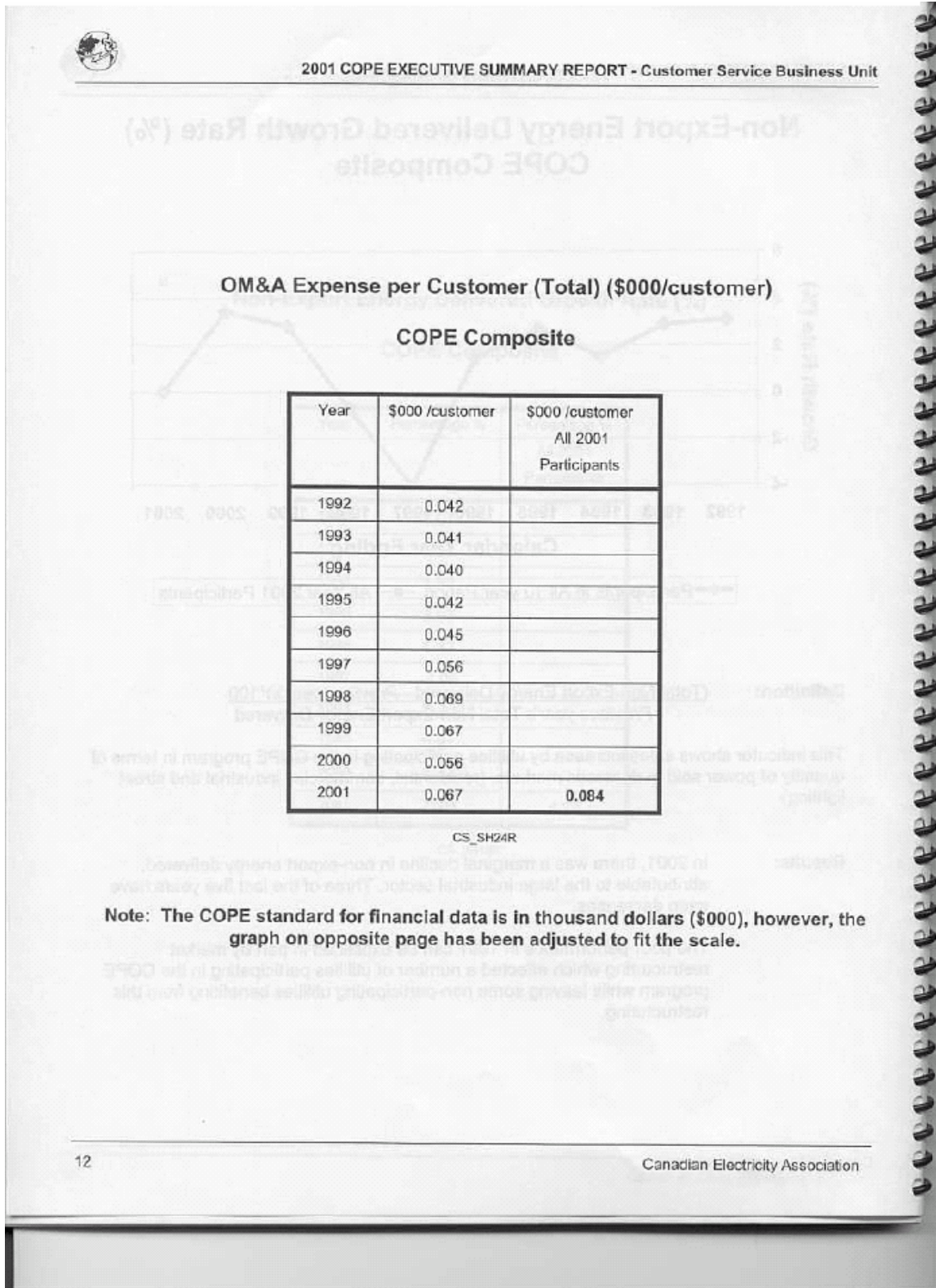


Definition:
$$\frac{(\text{Total Non-Export Energy Delivered} - \text{Previous year's}) \times 100}{\text{Previous year's Total Non-Export Energy Delivered}}$$

This indicator shows sales increase by utilities participating in the COPE program in terms of quantity of power sold in domestic markets. (residential, commercial, industrial and street lighting)

Results: In 2001, there was a marginal decline in non-export energy delivered, attributable to the large industrial sector. Three of the last five years have seen decreases.

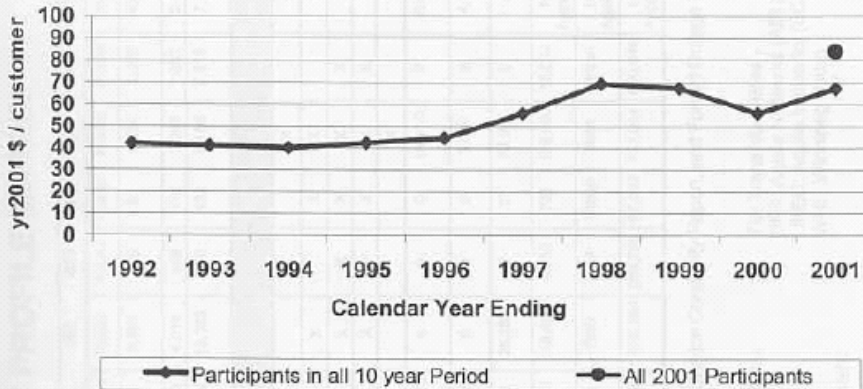
The poor performance in 1997 can be explained in part by market restructuring which affected a number of utilities participating in the COPE program while leaving some non-participating utilities benefiting from this restructuring.



2001 COPE EXECUTIVE SUMMARY - Customer Service Business Unit



OM&A Expense per Customer (Total) (\$/customer) COPE Composite



Definition:
$$\frac{\text{Operations \& Maintenance Cost (\$000)}}{\text{Total Customers}}$$

This indicator measures utilities overall efficiency for activities directly linked to customer services. As a supplement to the "number of customers per FTE", this indicator shows cost price by customer of activities linked to customer service management. It is expressed as customer service costs per customer served.

Results: This indicator increased by 20% in 2001, returning to the 1999 level, but below the high point of 1998. This was driven in 2001 by an increase in costs of 25% with a corresponding increase in customer growth of only 2%. The overall trend reflects a decrease in productivity.

2001 COPE EXECUTIVE SUMMARY REPORT - Customer Service Business Unit

APPENDIX A

Customer Service Cost per Customer (Total)

Year	Customer Service Cost per Customer (Total)
1997	85
1998	75
1999	85
2000	75
2001	85

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Canadian Electricity Association

2001 COPE - COMPOSITE REPORT for Customer Service Business Unit

2001 OVERALL COMPANY PROFILE MATRIX

	BC		EHM		ENX		HQ		LH		MH		NB		NLH		NSP		HO		OTT		SK		SP		TH		TU		UNA		UNBC		WH		
	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private			
Ownership	6,311	1,118	1,453	42,578	30	1,379	1,319	357	839	3,465	558	89	1,126	2,062	4,927	2,16	142	129																			
Revenues (\$000,000)	5,908	308	1,274	20,655	264	5,024	2,620	1,047	1,600	4,815	469	115	2,286	1,903	2,655	705	371	551																			
Employees	14,348	624	877	67,399	269	8,671	5,400	1,633	3,649	13,335	649	133	5,126	2,019	7,673	1,277	474	290																			
Gross Fixed Assets (\$000,000)																																					
Business Unit Operations:																																					
Power Supply	X			X		X	X	X	X																												
Transmission	X			X		X	X	X	X																												
Distribution	X			X		X	X	X	X																												
Customer Service	X			X		X	X	X	X																												
Other Utility				X		X																															
% Generation Split: H/FIN	92/8/0	0	0	96/4/3	0	98/2/0	23/60/17	70/30/0	17/83/0	0	0	0	19/61/0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Installed Capacity (MW)	11,048	0	0	31,172	0	5,175	3,769	1,486	2,183	0	0	0	3,030	0	4,476	0	205	145																			
Transmission Circuit Length (km)	18,025	0	279	38,819	0	17,676	6,665	3,649	5,171	28,367	0	37	12,941	0	11,546	0	1,731	825																			
Distribution Circuit Length (km)	54,451	4,919	6,022	106,300	2,463	76,352	26,316	3,554	24,353	118,450	4,760	735	439,460	18,564	Not Applicable	93,135	5,081	1,206																			
Urban/Rural	Both	Urban	Urban	Both	Urban	Both	Both	Rural	Both	Both	Both	Urban	Both	Urban	Not Applicable	Both	Bath	Urban																			
Customers Served	1,616,715	183,582	344,782	3,557,291	131,832	405,599	358,440	35,088	449,692	1,090,264	258,755	57,002	432,064	660,946	Not Applicable	371,500	88,221	93,200																			

Data Sources: COPE database, company annual reports and various CEA programs (i.e. Service Continuity Report, and Forced Outage Performance of Transmission Equipment)

- BC: BC Hydro
- EHM: Enersource Hydro Mississauga
- ENX: ENMAX
- HQ: Hydro-Québec
- LH: London Hydro
- MH: Manitoba Hydro
- NB: New Brunswick Power
- NLH: Newfoundland & Labrador Hydro
- NSP: Nova Scotia Power
- HO: Hydro One
- OTT: Hydro Ottawa
- SK: City of Saskatoon Electric System
- SP: SaskPower
- TH: Toronto Hydro
- TU: TransAlta Utilities
- UNA: Aquila Networks (AB) (previously UtiliCorp)
- UNBC: Aquila Networks (BC) (previously UtiliCorp)
- WH: Winnipeg Hydro

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