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## EPCOR Proposal - Additional Information

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### **Recommendation:**

That the January 24, 2017, Financial and Corporate Services report CR\_4246 be received for information.

### **Report Summary**

This report provides responses to Council's request for more information (as outlined in part 3 of the motion) as it relates to the current EPCOR Proposal on the applicability of grants from the provincial and federal governments, a comparison of the 2005 EPCOR proposal to the current proposal, and a long-term comparative outlook on rates for the Drainage Utility.

### **Previous Council/Committee Action**

At the November 8, 2016 City Council meeting, the following motion was passed:

1. That the non-statutory public hearing for the EPCOR proposal be scheduled for the January 24, 2017, City Council meeting from 1:30 p.m. to 9:30 p.m.

### **EPCOR Proposal - Results of Independent Assessment**

2. That the November 8, 2016, Financial and Corporate Services report CR\_3800, be referred to the January 24, 2017, City Council meeting, from 1:30 p.m. to 9:30 p.m., for the purposes of discussing the report and related matters.

### **EPCOR Proposal – Additional Information**

3. That further clarification and information be brought to the non-statutory public hearing regarding:
  - provincial and federal grants and conversations with other orders of government regarding these grants and the order of magnitude of the investment in City owned assets that support flood mitigation;
  - analysis of the material differences between the EPCOR proposal and the proposal in 2005 referred to in the November 8, 2016, Financial and Corporate Services report CR\_3800;
  - a comparative outlook on rates, longer term, assuming a ramp up (e.g. 50 years and twice the spend) of capital spending to deal with flood

mitigation and adaptation. This should be based on current case policies, e.g. EPCOR ROE and the City using targets for debt to equity ratio and cash balance using the Utility fiscal policy approach.

### Report

#### 1. Grants

In report CR\_3800 *EPCOR Proposal for Drainage - Results of the Independent Analysis*, presented at the November 8, 2016, Council meeting, it was noted that many federal and provincial grant funding program parameters are unclear or silent regarding municipal corporations receiving either grant funding or ownership of municipal infrastructure constructed using grant funds. In order to obtain further clarification and information concerning the applicability of grants, Administration consulted with federal and provincial grant providers for an interpretation of current funding guidelines and how these existing parameters may extend to future funding opportunities to support flood mitigation works should the City's drainage assets be transferred to EPCOR.

### Current Drainage Utility Funding Programs

The Drainage Utility is currently receiving \$16.4 million from the Alberta Community Resilience Program and \$30.3 million from the New Building Canada Fund – Provincial-Territorial Infrastructure Component for storm relief and conveyance improvements.

As noted in the November 8 Council report CR\_3800, the Alberta Community Resilience Program guidelines indicate that funding is directed at municipalities only, and that works funded under the program must be owned, operated and maintained by municipalities. The grant provider has confirmed that Municipally Controlled Corporations (MCCs) would not be eligible to receive Alberta Community Resilience Program funding on its own. It was also confirmed that the existing Memorandum of Agreement would continue to be between the City of Edmonton and Alberta Environment and Parks. A legal opinion to assess whether a potential transfer of Alberta Community Resilience Program funded stormwater assets to EPCOR would impact the Memorandum of Agreement has been requested by the provincial program administrators.

The New Building Canada Fund guidelines' definition of eligible recipient includes "a public sector body that is established by or under provincial or territorial statute or by regulation or is wholly owned by a province, territory, municipal or regional government." Based on this definition, officials at Infrastructure Canada are of the opinion that MCCs such as EPCOR, would likely be an eligible recipient. Infrastructure Canada further advised that it typically seeks to sign Contribution Agreements with the asset owner who is overseeing construction of the project approved for federal funds. This suggests that EPCOR could enter into a Contribution Agreement directly with the federal government if ownership of drainage assets were transferred to EPCOR and EPCOR had oversight of project construction.

### **Other Grant Funding Programs**

The City also receives grants it has traditionally directed to tax-funded programs rather than its utilities. These grants include the provincial Municipal Sustainability Initiative and the federal Gas Tax Fund, which are both administered by Alberta Municipal Affairs.

Based on program guidelines, only municipalities are eligible to receive Municipal Sustainability Initiative and Gas Tax Fund allocations. Municipalities, however, can contribute funds to other eligible entities, such as "controlled corporations" for activities and assets that provide a municipal service or benefit, and that do not limit public access. Since EPCOR is a controlled corporation of the City (as defined in Section 1(2) of the *Municipal Government Act*), EPCOR would be an eligible recipient should the City choose to contribute its funds from the Municipal Sustainability Initiative and Gas Tax Fund to EPCOR for eligible projects, including infrastructure related to flood mitigation.

### **Future Grant Funding Programs**

Investment in green infrastructure continues to be a key priority for both orders of government. As such, the federal government's 2016 Fall Economic Statement announced plans to invest \$21.9 billion over the next 11 years for green initiatives that support greenhouse gas emissions reductions, greater climate change adaptation and resilience, as well as provide clean air and safe water. Climate change initiatives are also in the province's current five-year capital plan, which includes \$595 million budgeted specifically for water and wastewater grants, and \$2.2 billion earmarked for green funding under Alberta's Climate Leadership Plan.

In terms of EPCOR's eligibility for this new funding, federal and provincial officials have advised that they are currently not in a position to provide any guidance on funding programs related to these initiatives, as these programs continue to be under development and terms and conditions are yet to be defined. The City and EPCOR would need to continue to work with grant providers to ensure that future grants directed at flood mitigation can be accessed by EPCOR directly or, as appropriate, through the City on behalf of EPCOR. This ongoing dialogue to advance and influence the City's and EPCOR's interests is particularly important given the dynamic and evolving nature of governments, policies, principles and program objectives that make grants and funding parameters subject to change.

### **Implications of Grant Funding**

To summarize, EPCOR is eligible under existing programs, such as the New Building Canada Fund, Gas Tax Fund and Municipal Sustainability Initiative. This suggests that should the transfer occur, EPCOR would likely be able to access future grants.

In the event that EPCOR is not eligible for other grants, the City would still be able to utilize these grants for flood mitigation projects involving assets that would remain with the City, or for other green civic priorities that meet program parameters. For example, the City could continue to apply for grants under the Alberta Community Resilience Program to build new dry ponds, which would remain under City ownership under the EPCOR proposal.

Despite the considerable level of spending on green initiatives expected by governments in the coming years, there will be strong demand for this funding from municipalities across Canada and Alberta. As a result, the amount of grant funding for long-term flood mitigation in the City of Edmonton is likely to be limited and well below the significant amount of investment required.

Another important consideration is that the Drainage Utility's flood mitigation work is a commitment that will span many decades, and the assets - paid for by grants and not reflected in the Utility's rate base - would eventually need to be renewed and/or replaced. Grants, which are typically one-time programs, cannot be relied on as a long-term sustainable funding source to pay for these future expenditures. For these reasons, the City may be better served to fund Utility infrastructure through utility rates and to use grants for non-utility City priorities.

On a final point, it is important to note that under standard utility accounting and regulatory practice, regulated utilities utilize any grant funding (or contributions from developers) to reduce the capital cost of utility infrastructure. As a result, the full benefit of all capital contributions such as grants, would benefit ratepayers through lower rates (with no benefit to the utility).

2. Differences Between the 2005 EPCOR Proposal and the 2016 EPCOR Proposal

Council also requested an analysis of the material differences between the current EPCOR Proposal and the previous 2005 proposal.

Key differences are summarized in the table below:

Item	2016	2005
<b>Proposal Highlights</b>		
<b>What is Being Proposed for Transfer?</b>	<ul style="list-style-type: none"> <li>Transfer of the sanitary and stormwater collection system to EPCOR Utilities Inc. (Gold Bar was transferred to EPCOR in 2009)</li> </ul>	<ul style="list-style-type: none"> <li>Transfer of the sanitary and stormwater collection system and Gold Bar and combined with EPCOR Water Services Inc. (EWSI)</li> </ul>
<b>Principles</b>	<ul style="list-style-type: none"> <li>Eight principles were identified:                             <ol style="list-style-type: none"> <li>The public's interests must be a top priority</li> <li>There must be value for the taxpayers and ratepayers</li> <li>Provide a net advantage to the City and maintain or enhance the City's long-term financial sustainability</li> <li>EPCOR's existing electricity, water, and other business operations will be maintained</li> <li>City Council will remain as regulator of drainage rates through a Performance Based Regulation (PBR), similar to water</li> <li>Utility customers must not be negatively impacted: EPCOR to maintain no more than the rate increases required to support the service and quality metrics in the</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>Four principles or critical objectives were identified:                             <ol style="list-style-type: none"> <li>Meet City of Edmonton citizen need at the household level</li> <li>Maximize cash flow to the shareholders</li> <li>Maximize stakeholder relationships and buy-in</li> <li>Minimize practical impediments</li> </ol> </li> </ul>

## EPCOR Proposal - Additional Information

	<p>current Drainage Services Utility plan</p> <p>7. Ensure ongoing effective asset management practices and continued commitment to current Council priorities for flood mitigation</p> <p>8. All staff impacted by the proposal will be treated respectfully and their employment statuses will be maintained</p>		
<b>Transition Payment</b>	<ul style="list-style-type: none"> <li>Up to \$75 M as necessary to keep City whole for stranded costs (current estimate \$29 M)</li> </ul>	<ul style="list-style-type: none"> <li>None proposed - commitment to keep City whole for stranded costs</li> </ul>	
<b>EPCOR Dividend</b>	<ul style="list-style-type: none"> <li>Increase by \$20 Million (not including wastewater treatment)</li> </ul>	<ul style="list-style-type: none"> <li>Increase by \$9 Million (including wastewater treatment)</li> </ul>	
<b>Operating Cost Efficiencies</b>	<ul style="list-style-type: none"> <li>1% per year increasing to 5% by 2021</li> <li>0.25% per year after 2021 under PBR</li> <li>Reviewed and confirmed by Grant Thornton as being reasonable</li> </ul>	<ul style="list-style-type: none"> <li>No explicit assumption - percentage savings is viewed as a range and the lower range of 2.5% to 3% may be achievable.</li> <li>Reviewed only at a high level and not confirmed by consultant.</li> </ul>	
<b>Capital Cost Efficiencies</b>	<ul style="list-style-type: none"> <li>10% per year</li> <li>Reviewed and confirmed by Grant Thornton as being reasonable</li> </ul>	<ul style="list-style-type: none"> <li>No explicit assumption - percentage savings is viewed as a range of 0% to 5% - and</li> <li>Reviewed only at a high level and not confirmed by consultant.</li> </ul>	
<b>Customer Rates</b>	<ul style="list-style-type: none"> <li>3% rate increase for five years</li> </ul>	<ul style="list-style-type: none"> <li>No rate commitment</li> </ul>	
<b>Employees</b>	<ul style="list-style-type: none"> <li>EPCOR guarantees no layoffs</li> </ul>	<ul style="list-style-type: none"> <li>EPCOR guarantees no layoffs</li> </ul>	
<b>New Neighbourhood Planning</b>	<ul style="list-style-type: none"> <li>Stays with the City</li> </ul>	<ul style="list-style-type: none"> <li>Transferred to EPCOR</li> </ul>	
<b>Independent Assessment</b>			
<b>Recommendation</b>	<ul style="list-style-type: none"> <li>Grant Thornton LLP conducted an independent assessment of the financial and non-financial aspects of the proposal.</li> <li>It was concluded that the EPCOR proposal has "strong merit. Among all ownership alternatives analyzed, the EPCOR proposal appears to have potential for the greatest positive impacts on the City,</li> </ul>	<ul style="list-style-type: none"> <li>Pricewaterhouse Coopers LLP conducted a study on three operating models (Drainage to EPCOR; EPCOR Water Services Inc. to City; Environmental Utility)</li> <li>"Moving Drainage to EPCOR best meets Council's criteria for service delivery." No definitive conclusion was reached as to whether the EPCOR proposal provides a net advantage</li> </ul>	

## EPCOR Proposal - Additional Information

	taxpayers and ratepayers.”	to the Status Quo.
<b>Risks</b>	<ul style="list-style-type: none"> <li>Some risk on legal liability, grant funding and property taxes that can be mitigated.</li> </ul>	<ul style="list-style-type: none"> <li>Identified some risks in the development planning processes, local improvements, and grant funding with mitigation strategies.</li> </ul>
<b>Other Differences</b>		
<b>City / Drainage Differences</b>	<ul style="list-style-type: none"> <li>Annual capital spend of \$200 M in 2017.</li> <li>Utility is facing significantly higher capital expenditures for flood mitigation and life cycle replacement of drainage assets.</li> <li>City adopted amended Utility Fiscal Policy in 2014 to mitigate rate increases while keeping utility financially sustainable.</li> </ul>	<ul style="list-style-type: none"> <li>Annual capital spend of \$61 M in 2005</li> </ul>
<b>EPCOR Differences</b>	<ul style="list-style-type: none"> <li>EPCOR is now 20 years old</li> <li>EPCOR divested power generation in 2009.</li> <li>City Transferred Gold Bar to EPCOR in 2009.</li> <li>EPCOR acquired water and wastewater utilities in Arizona and New Mexico in 2010 and 2012.</li> <li>EPCOR won the contract to design, build, finance and operate the new Regina Wastewater treatment plant in 2014.</li> <li>EPCOR is entering its fourth water Performance Based Regulation (PBR)</li> </ul>	<ul style="list-style-type: none"> <li>EPCOR was 9 years old</li> <li>EPCOR was primarily a power generation, transmission and distribution company with water operations in the City of Edmonton.</li> <li>EPCOR was in its first PBR term</li> </ul>

### 3. Comparative Outlook on Rates

Council also requested that there be a comparison on the long-term outlook on rates, assuming a ramp up (e.g. 50 years and twice the spend) of capital spending to deal with flood mitigation and adaptation. This should be based on current rate-making policies, e.g. EPCOR cost of service / PBR the City using targets for debt to equity ratio and cash balance using the approved Utility fiscal policy.

To address the request, Administration asked the consultant, Grant Thornton LLP, to

provide another independent review of the analysis on rates. Overall, Grant Thornton concluded that “EPCOR’s proposal to transfer Drainage continues to have the potential to yield net benefits to the City, taxpayers, and ratepayers...EPCOR appears to have a more favourable outlook on rates across the 10 year forecast period, under scenarios which include the current City capital budget forecast as well as the scenario which assumes a ramp up of capital spending.” The full analysis is found in Attachment 1.

### **Metrics, Targets and Outcomes**

Drainage Utility’s 2017-18 business plan measures - which are aligned to the 2015-24 Aspirational Drainage Master Plan - are included in [Attachment 2](#).

### **Attachments**

1. Grant Thornton’s Comparative Outlook on Rates
2. Drainage Utility’s 2017-18 Business Plan Measures

### **Others Reviewing this Report**

- R. G. Klassen, Deputy City Manager, Sustainable Development
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services
- C. Campbell, Deputy City Manager, Communications and Engagement
- D. Jones, Deputy City Manager, City Operations

Drainage Utility Performance Measures from the 2017 Utility Rate Filing

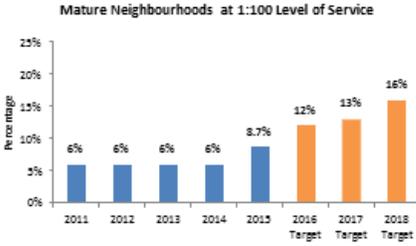
Operational Performance

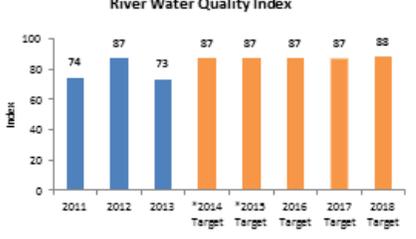
The 5 performance goals below align with the Revised 2016-2018 Utility Services Business Plan. For the purposes of this report, the headings “Metrics, Targets, Outcomes” are equivalent to the following columns:

**Metrics:** Branch Performance Measures and Results Targets  
**Targets:** Branch Strategic Direction  
**Outcomes:** Branch Strategic Direction

Corporate Goals	Branch Performance Measures	Results & Targets	Branch Strategic Direction														
<b>Goal: A Healthy Community Well Served</b>																	
 	Percentage of emergencies responded to within 2 hours	<p style="text-align: center;"><b>Emergencies responded to within 2 hours</b></p> <table border="1"> <caption>Emergencies responded to within 2 hours</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>84%</td> </tr> <tr> <td>2016 Target</td> <td>85%</td> </tr> <tr> <td>2017 Target</td> <td>86%</td> </tr> <tr> <td>2018 Target</td> <td>87%</td> </tr> </tbody> </table>	Year	Percentage	2015	84%	2016 Target	85%	2017 Target	86%	2018 Target	87%	Utility Services responds to Council’s vision and our community’s changing needs through active engagement and collaboration. We provide a high level of customer satisfaction by delivering timely, seamless and uninterrupted service.				
	Year	Percentage															
2015	84%																
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Number of Blocked Mainline Sewers per 100 KM	<p style="text-align: center;"><b>Blocked Mainline Sewers per 100 km</b></p> <table border="1"> <caption>Blocked Mainline Sewers per 100 km</caption> <thead> <tr> <th>Year</th> <th>Number / 100 km</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>2.7</td> </tr> <tr> <td>2013</td> <td>2.4</td> </tr> <tr> <td>2014</td> <td>2.3</td> </tr> <tr> <td>2015</td> <td>1.3</td> </tr> <tr> <td>2016 Target</td> <td>2.5</td> </tr> <tr> <td>2017 Target</td> <td>2.4</td> </tr> <tr> <td>2018 Target</td> <td>2.4</td> </tr> </tbody> </table>	Year	Number / 100 km	2012	2.7	2013	2.4	2014	2.3	2015	1.3	2016 Target	2.5	2017 Target	2.4	2018 Target	2.4
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# EPCOR Proposal - Additional Information

	<p>Percentage of mature neighbourhoods at 1:100 level of service</p>	<p><b>Mature Neighbourhoods at 1:100 Level of Service</b></p> 	
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Corporate Goals	Branch Performance Measures	Results & Targets	Branch Strategic Direction
<b>Goal: Environmental Stewardship</b>			
	<p>Edmonton Watershed Contaminant Reduction Index Score (five-year rolling average)</p>	<p><b>Edmonton Watershed Contaminant Index Score</b></p> 	<p>Utility Services is committed to preserving and protecting our environment and biodiversity through continuous improvement, regulatory compliance, and pollution prevention.</p>
	<p>River Water Quality Index</p> <p><i>*2014-2015 Index available from AEP at a later time</i></p>	<p><b>River Water Quality Index</b></p> 	
	<p>Kg of Total Loading – TSS (five-year rolling average)</p>	<p><b>Loading - Total Suspended Solids (TSS)</b></p> 	

Corporate Goals	Branch Performance Measures	Results & Targets	Branch Strategic Direction																		
<b>Goal: Sustainable Infrastructure</b>																					
	<p>Percent of Land Development Applications reviewed on time</p>	<p style="text-align: center;"><b>Land Development Applications Reviewed on Time</b></p>  <table border="1"> <caption>Land Development Applications Reviewed on Time</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>47.8%</td> </tr> <tr> <td>2013</td> <td>28.3%</td> </tr> <tr> <td>2014</td> <td>46.3%</td> </tr> <tr> <td>2015</td> <td>55.0%</td> </tr> <tr> <td>2016 Target</td> <td>65.0%</td> </tr> <tr> <td>2017 Target</td> <td>80.0%</td> </tr> <tr> <td>2018 Target</td> <td>80.0%</td> </tr> </tbody> </table>	Year	Percentage	2012	47.8%	2013	28.3%	2014	46.3%	2015	55.0%	2016 Target	65.0%	2017 Target	80.0%	2018 Target	80.0%	<p>Utility Services is committed to optimized and integrated asset management through effective planning and sustainable funding.</p>		
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<p>Pipe Capacity Rating</p> <p><i>*A Measure of the overall pipe system to handle flow without service disruption, i.e., flooding or backup.</i></p>	<p style="text-align: center;"><b>Pipe Capacity Rating (2/B Rating or Better)</b></p>  <table border="1"> <caption>Pipe Capacity Rating (2/B Rating or Better)</caption> <thead> <tr> <th>Year</th> <th>Sanitary</th> <th>Stormwater</th> <th>Combined Sewer Overflow</th> </tr> </thead> <tbody> <tr> <td>2013</td> <td>96%</td> <td>50%</td> <td>80%</td> </tr> <tr> <td>2016 Target</td> <td>96%</td> <td>50%</td> <td>80%</td> </tr> <tr> <td>2017 Target</td> <td>96%</td> <td>50%</td> <td>80%</td> </tr> <tr> <td>2018 Target</td> <td>96%</td> <td>50%</td> <td>80%</td> </tr> </tbody> </table>	Year	Sanitary	Stormwater	Combined Sewer Overflow	2013	96%	50%	80%	2016 Target	96%	50%	80%	2017 Target	96%	50%	80%	2018 Target	96%	50%	80%
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<p>Percentage of infrastructure at or above the minimum level of condition rating</p>	<p><b>Infrastructure at or above the Minimum Level of Condition Rating</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>2012</td><td>90.3%</td></tr> <tr><td>2013</td><td>90.9%</td></tr> <tr><td>2014</td><td>90.8%</td></tr> <tr><td>2015</td><td>90.8%</td></tr> <tr><td>2016 Target</td><td>90.0%</td></tr> <tr><td>2017 Target</td><td>90.0%</td></tr> <tr><td>2018 Target</td><td>90.0%</td></tr> </tbody> </table>	Year	Percentage	2012	90.3%	2013	90.9%	2014	90.8%	2015	90.8%	2016 Target	90.0%	2017 Target	90.0%	2018 Target	90.0%			
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<p>Percentage capital (as rehabilitation) re-invested compared to total system replacement value</p>	<p><b>Capital (as rehabilitation) Reinvested Compared to Total System Replacement Value</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>2011</td><td>0.29%</td></tr> <tr><td>2012</td><td>0.32%</td></tr> <tr><td>2013</td><td>0.29%</td></tr> <tr><td>2014</td><td>0.35%</td></tr> <tr><td>2015</td><td>0.45%</td></tr> <tr><td>2016 Target</td><td>0.55%</td></tr> <tr><td>2017 Target</td><td>0.70%</td></tr> <tr><td>2018 Target</td><td>0.81%</td></tr> </tbody> </table>	Year	Percentage	2011	0.29%	2012	0.32%	2013	0.29%	2014	0.35%	2015	0.45%	2016 Target	0.55%	2017 Target	0.70%	2018 Target	0.81%	
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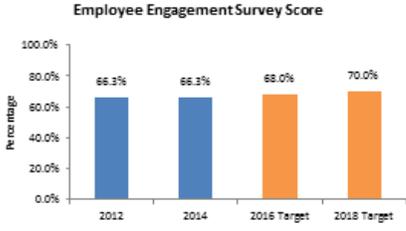
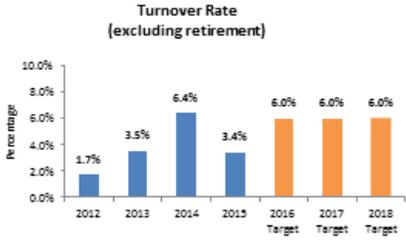
Corporate Goals	Branch Performance Measures	Results & Targets	Branch Strategic Direction																
<b>Goal: Fiscal Sustainability</b>																			
	<p>Annual Net Income</p>	<p><b>Annual Net Income Drainage Utility</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>\$ in Millions</th> </tr> </thead> <tbody> <tr><td>2012</td><td>\$36.8</td></tr> <tr><td>2013</td><td>\$34.6</td></tr> <tr><td>2014</td><td>\$50.4</td></tr> <tr><td>2015</td><td>\$43.3</td></tr> <tr><td>2016 Target</td><td>\$39.0</td></tr> <tr><td>2017 Target</td><td>\$44.7</td></tr> <tr><td>2018 Target</td><td>\$46.1</td></tr> </tbody> </table>	Year	\$ in Millions	2012	\$36.8	2013	\$34.6	2014	\$50.4	2015	\$43.3	2016 Target	\$39.0	2017 Target	\$44.7	2018 Target	\$46.1	<p>Utility Services strives for rates that are fair, equitable and provide value.</p>
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<p>Percentage Rate Increase</p>	<p><b>Rate Increase Drainage Utility</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>2012</td><td>23.3%</td></tr> <tr><td>2013</td><td>7.5%</td></tr> <tr><td>2014</td><td>7.8%</td></tr> <tr><td>2015</td><td>3.2%</td></tr> <tr><td>2016 Target</td><td>3.1%</td></tr> <tr><td>2017 Target</td><td>3.0%</td></tr> <tr><td>2018 Target</td><td>3.7%</td></tr> </tbody> </table>	Year	Percentage	2012	23.3%	2013	7.5%	2014	7.8%	2015	3.2%	2016 Target	3.1%	2017 Target	3.0%	2018 Target	3.7%	
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<p>Corporate Goals</p>	<p>Branch Performance Measures</p>	<p>Results &amp; Targets</p>	<p>Branch Strategic Direction</p>
<p>Goal: Organizational Effectiveness</p>			

# EPCOR Proposal - Additional Information

	<b>Employee Engagement Survey Score</b>	 <p><b>Employee Engagement Survey Score</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>66.3%</td> </tr> <tr> <td>2014</td> <td>66.3%</td> </tr> <tr> <td>2016 Target</td> <td>68.0%</td> </tr> <tr> <td>2018 Target</td> <td>70.0%</td> </tr> </tbody> </table>	Year	Score	2012	66.3%	2014	66.3%	2016 Target	68.0%	2018 Target	70.0%	Utility Services fosters a culture of innovation and a strong sense of purpose, through a commitment to people, and optimizing systems and resources.				
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 <b>Preserve and sustain Edmonton's environment</b>	 <b>Improve Edmonton's livability</b>	 <b>Ensure Edmonton's financial sustainability</b>
 <b>Transform Edmonton's urban form</b>	 <b>Diversify Edmonton's economy</b>	 <b>Shift Edmonton's transportation mode</b>