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October 29, 2010

Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 2300 Yonge Street, Suite 2700 Toronto, Ontario M4P 1E4

Re: Initiative to Develop Electricity Distribution System Reliability Standards, Board File No. EB-2010-0249

The current Distribution System Reliability Standards are well established and consistent with many other regulatory regimes throughout the world. However, it is Oakville Hydro's opinion that current standards could be improved by normalizing results to exclude severe events and measuring on a 5-year average rather than a 3-year average.

Oakville Hydro has also begun to research more customer-focused metrics and suggests that BC Hydro is a jurisdiction that merits further attention. BC Hydro has introduced metrics to measure both the frequency and the duration of interruptions, Percentage of Customers Experiencing Four or More Interruptions (CEMI>3) and Customers Experiencing Longest Interruption Duration – Greater Than or Equal to Six Hours (CELID>=6).

CEMI>3 exposes worst frequency performing circuits. This metric was chosen based on utility experience that, in general, customers are dissatisfied with power reliability when they have had more than three outages per year. This new measure was first implemented by BC Hydro in 2007 but has been tracked and reported since 2005. The metrics are applied equally to all four regions, nine areas, and forty-nine districts that form BC Hydro's distribution system. BC Hydro's fiscal 2009 target was 9%.

CELID>= 6 measures the one longest interruption per customer. This measure has

been tracked and reported by BC Hydro since 2005. In addition, BC Hydro also

uses longest interruption duration metrics to measure major events and to identify

circuits that fall below minimum service levels. CELID>= 12 hours is used as a

proxy for major storm and CELID>=20 is used to define a minimum performance

target to identify circuits that need additional justification for delivering minimum

service levels.

In 2009, BC Hydro discontinued the use of CELID as a corporate measure.

However, the BC Hydro Strategic Asset Management group continues to use CEMI

and CELID as a project trigger and is recommending that it be re-instated as a

corporate measure and target.

If new types of Distribution System Reliability Standards are to be considered, the

implementation must be straightforward and simple to implement. If performance

targets are set, they should be set for each individual distributor. Oakville Hydro

recommends that the Board establish a working group to investigate alternative

reliability measures and that current standards be improved by normalizing results

to exclude severe events and measuring on a 5-year average rather than a 3-year

average.

Respectfully Submitted,

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