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

Re: Phase 2 - Initiative to Develop Electricity Distribution System Reliability Standards, Board File No. EB-2010-0249

On November 23, 2011, the Ontario Energy Board (the "Board") issued a letter advising distributors that Board staff was moving forward with the consultations outlined by the Board, as Phase 2 of the reliability standards project. The letter included an invitation for interested parties to join the Reliability Data Working Group (the "RDWG"). On December 20, 2011, Oakville Hydro Electricity Distribution Inc. ("Oakville Hydro") nominated a staff member to the RDWG.

Written Comments

Current Board Definitions:

In its letter, Board staff identified a number of areas where there are inconsistencies in the manner in which distributors interpret the existing reliability indices and in the way they calculate results. Oakville Hydro agrees that the current definitions do not provide adequate guidance for distributors and suggests that the RDWG consider the definitions that the Canadian Electricity Association (the "CEA") has developed in order to improve comparability with distributors across Canada. The definitions should be prescriptive enough to ensure consistent understanding but should be adaptable to emerging technologies such as smart meters and the smart grid.

It is Oakville Hydro's opinion that, in defining a customer, consideration should be given to the impact of an outage on customers rather than the number of customer

accounts that were impacted. For example, should a single outage to a large recreational complex attended by thousands of individuals be considered to be worse than an outage impacting a small pocket of residential customers? On the other hand, is there any impact on customers if there is an outage where there is no service load required? Oakville Hydro suggests that the RDWG consider whether it is appropriate to assign a weighting factor to each customer type (e.g. critical loads such as hospitals, large industrial, large loads etc.) to better reflect the impact of an outage on a distributor's customers.

Normalized Reported Data

Oakville Hydro agrees with Board staff's view that the approaches used to normalized reported data by removing the impact of major events is not consistent. In Oakville Hydro's opinion, the definition of a major event should be more focused on customer impact. An outage to a small percentage of customers for an extended time-period of time may be perceived to be worse than a short outage impacting a large number of customers. BC Hydro defines a major even as an interruption equal to or great than 12 hours. Oakville Hydro suggests that the RDWG explore a more customer focused metric such as this.

Causes of Outages

Board staff has suggested that the Board consider requiring distributors to report their reliability statistics based solely on outages that are caused by factors that are within the control of the distributor. However, they have noted that there are concerns regarding the proper categorization of the cause of the outage.

It is Oakville Hydro's opinion that reporting by cause of outage should be at a high level and that, where possible, a more detailed breakdown such as the type of equipment that failed should be tracked by distributors for internal use. Reporting at a higher level will allow for more comparability between distributors as there is less judgement required and it recognizes that each distributor faces different challenges and that they manage their systems in the manner that best suits their circumstances.

Oakville Hydro suggests that the interruption cause codes should be clarified and that the definitions should be consistent with those of the CEA.

Although it may be difficult to track, Oakville Hydro believes that there is merit in measuring the impact of load shifting in response to an external request as this has a direct impact on a distributor's reliability statistics. For example, a shift in load restricts a distributor's ability to respond to an outage in its distribution system. In addition, in cases where a load shift increases the length of the line, the number of customers impacted is increased and more customers are affected than would have been the case if the load shift had not occurred.

It is Oakville Hydro's opinion that reporting should be on an annual basis but that targets and reporting for comparative purposes should be based on a three year rolling average. Oakville Hydro believes that this provides a better indication of a distributor's performance trend.

Worst Performing Circuit Measure

In Oakville Hydro's comments in Phase 1 of this proceeding, it indicated that it had begun to research more customer-focused metrics such as those used by BC Hydro. 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.

CELID>= 6 measures the one longest interruption per customer. In addition, this metric is used 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.

Oakville Hydro notes that there may be circumstances where the costs to improve the performance of a worst performing circuit may outweigh the benefits of doing so and suggests that a minimum service level be established.

Respectfully Submitted,

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