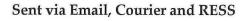
January 11, 2016



Connecting Today. Powering Tomorrow.

Independent Electricity System Operator

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

Dear Ms. Walli:

## Re: EB-2015-0182 Major Events and Customer Specific Measures

The Independent Electricity System Operator ("IESO") has reviewed the Board Report *Electricity Distribution System Reliability: Major Events, Reporting on Major Events and Customer Specific Measures*<sup>1</sup> and the related Board Report and Discussion Paper related to Board Initiative EB-2014-0189 System Reliability Performance Targets<sup>2</sup>.

The IESO is encouraged by the Board's objective to define performance targets or benchmarks for the purpose of measuring distributor operational effectiveness (productivity and cost performance) and continuous improvement objectives described in the <u>Report of the Board – A</u> <u>Renewed Regulatory Framework for Electricity Distributors</u>.

Two specific purposes of this initiative are of interest to the IESO:

- 1. To develop a definition of "Major Event" to normalize the distributor reliability data that is reported by distributors to the Board
- 2. To develop criteria and new reporting requirements that will be used to evaluate a distributor's response to a "Major Event"

These are relevant to the IESO because there may be overlap between events that affect the bulk electric system ("BES") and events that may meet the criteria to be a "Major Event" for the

1

http://www.ontarioenergyboard.ca/oeb/Industry/Regulatory%20Proceedings/Policy%20Initiatives%20an d%20Consultations/System%20Reliability%20Performance%20Targets

http://www.ontarioenergyboard.ca/oeb/Industry/Regulatory+Proceedings/Policy+Initiatives+and+Consul tations/System+Reliability+(EB-2015-0182)

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purpose of this initiative. As such, the IESO has the following comments for the Board to consider:

- It would be helpful if the proposed definition of "Major Event" was accompanied by examples of events that the OEB has qualified as a "Major Event". It may also be helpful if the proposed criteria included consideration of:
  - Number of customers affected relative to number distribution customers
  - Availability or accessibility of power sources during the event
  - Damaged or unavailable transmission and distribution system facilities during the event
  - o Repair and restoration complexity
  - Extent that outage impacts could have been mitigated
  - Declarations by governmental authorities, regulators, or the grid operator of an emergency state of operation
- The IESO recommends that the Board consider these factors when evaluating a distributor's response to a "Major Event":
  - o Mutual assistance agreements with other utilities
  - Ensuring essential services have backup facilities
  - o Use of distributed generation to move power to essential loads
  - o Accelerated vegetation management

The IESO appreciates the opportunity to provide its input to the Board in this initiative.

Yours truly,

Mancy Macr

Nancy Marconi Senior Manager, Regulatory Affairs

cc: Paul Gasparatto, Policy Advisor, Regulations and Liaison, OEB