

January 14th, 2021

Ms. Nancy Marconi Acting Registrar Ontario Energy Board 2300 Younge Street, 26th floor P.O. Box 2319 Toronto Ontario M4P 1E4

Regarding Reliability and Power Quality Review (EB-2021-0307)

The Canadian Electricity Association (CEA) is the National Voice of Electricity in Canada. Its members generate, transmit, and distribute electricity to industrial, commercial, and residential customers from coast to coast to coast. Electricity is a key economic, environmental, and social enabler essential to Canadian prosperity. Our electricity sector is among the most sustainable in the world, with more than 80% of electricity produced in Canada already non-emitting. Since 2005, the sector has reduced GHG emissions by almost 50% and will further do so as Canada's remaining coal-fired power plants are retired.

The CEA operates the Service Continuity Committee (SCC), a national committee comprised of 40 utilities in Canada from all provinces and territories. Each utility provides one or more reliability or performance management staff to participate in this reliability forum dedicated to the improvement and understanding of distribution system performance. The SCC has been reviewing distribution system performance operation since 1986, and the report for distribution performance has been produced for over 50 years.

We are writing to you to provide feedback pertaining to the OEB's Reliability and Power Quality Review (RPQR) (Case Number: EB-2021-0307).

CEA sees an opportunity to work with the OEB to provide a forum through the SCC for all Ontario utilities. Utilities can use the data, standards, and analytics already developed and recommended on a national level and actively participate and contribute into an enhanced reliability community of practice.

In 2015, the OEB adopted the use of the Major Event Determination Guide in Ontario for provincial utilities. Therefore, the OEB already recognizes the contribution of the SCC in matters of reliability and performance management. We will continue such efforts through our committee work and believe a consultation partnership would provide the expertise to develop mutually agreeable recommendations.

In addition, the OEB must consider the actual customer and the geography where those customers reside, not all customers are equal, and categorization of the customer base will be crucial in understanding customer needs and their perceived concerns. The OEB must engage the customer base to truly understand their concerns.

CEA also recognizes that introducing additional equipment, methodologies and procedures to accommodate analytical reporting for customer-specific measures or system performance metrics will incur additional costs that must be considered for rate applications. Any additional operating



expenses to meet the requirements of the OEB's final recommendation from the RPQR will result in increased costs to the utility and ultimately the customer.

Momentary outages were identified as an area of concern by the OEB staff. Tracking momentary outages for smaller utilities will be difficult as the equipment is not present. However, we must also recognize that many momentary outages are the result of the system design, in which specific equipment is operating briefly to prevent lengthier sustained outages that would have a greater adverse impact on the majority of customers.

In conclusion, we would like to address the potential of customer compensation when a utility falls below a defined reliability threshold. This is a significant area of concern for the SCC, as over 80% of outages are often outside the control of the utility. Such compensation structures do not address reliability corrections and are often seen as external intervention.

The OEB and CEA have an opportunity through the engagement of a national reliability and system performance body such as the Service Continuity Committee to develop recommendations that do not negatively impact the customer base by adding costs to the utilities; by developing definitions and methodologies that are agreeable to all Canadian utilities as the development of jurisdictional only measures will result in limited benchmarking opportunities for all Canadian utilities and limits latitudinal collaboration across the nation.

CEA welcomes the opportunity to work with the Ontario Energy Board during the RPQR over the coming months to develop a solution that meets the needs of all parties. We will follow-up with the OEB to discuss the matter further. If you have any immediate questions or concerns please feel free to contact Daniel Gent, CEA's Director of Risk, Reliability and Resiliency and Channa Perera, CEA's Vice President of Regulatory and Indigenous Affairs (gent@electricity.ca, to make any arrangements.

Sincerely,

Channa Perera

VP Regulatory and Indigenous Affairs Canadian Electricity Association

Phone: 613-230-9263 1500-275 Slater Street Ottawa, Ontario – K1P 5H9

CC: Francis Bradley, President and Chief Executive Officer – Canadian Electricity Association Susanna Zagar, Chief Executive Officer – Ontario Energy Board Harneet Panesar, Chief Operating Officer – Ontario Energy Board