



January 14, 2022

Ontario Energy Board
Attn: Registrar
Reliability and Power Quality Consultation

Submitted via email

Re: AMPCO Submission - Reliability and Power Quality Consultation (EB-2021-0307)

AMPCO is the voice of industrial power users in Ontario. Our mission is industrial electricity rates that are competitive and fair.

Attached are AMPCO's comments on the general subject of the Reliability and Power Quality Consultation that has been initiated. AMPCO appreciates the opportunity to provide such feedback.

Best Regards,

A handwritten signature in blue ink, appearing to read "Colin Anderson".

Colin Anderson
President

Reliability and Power Quality Consultation

Submission of the Association of Major Power Consumers in Ontario (AMPCO)

INTRODUCTION

AMPCO provides Ontario industries with effective advocacy on critical electricity policies, timely market analysis and expertise on regulatory matters that affect their bottom line. It is the forum of choice for major power consumers who recognize that their business success depends on an affordable and reliable electricity system.

This submission is in relation to the general subject of Reliability and Power Quality. AMPCO's members are major power consumers, responsible for approximately 15 TWh of annual load in the province. A robust and affordable energy supply is critical to the success of their businesses, which is why AMPCO has an interest in this engagement.

AMPCO appreciates the opportunity to provide feedback.

AMPCO GENERAL COMMENTS ON CONSULTATION STRUCTURE

Structure as Proposed by OEB:

From the letter distributed by the OEB on November 30, 2021, the potential issues to be considered as part of this consultation are as follows:

- Do stakeholders have a view on the approach, including prioritization, to addressing the identified issues? What is the best approach to develop solutions to the issues identified? What issues or concerns can be addressed in parallel and what issues or concerns shall be tackled in sequence?
- Do stakeholders have any specific concerns or issues that have not been identified?

The specific categories and questions posed by OEB Staff are:

A. Utility Accountability

- What type of improvements to transmission and/or distribution reporting and/or performance expectations should be considered to increase utilities' responsibilities for loss of supply events? What are stakeholders' views on the appropriate form of incentives to drive reliability performance?
- Should the OEB revise its Major Event reporting requirements to achieve a common understanding among distributors regarding the type of outages and events that should be reported under the Major Event category? Should the OEB review the effectiveness of outage restorations?
- What is the best approach to ensure consistent outage cause reporting across the sector?

B. Monitor Utility Performance

- What would be required to ensure successful distributor reliability benchmarking across the sector?
- Should the OEB establish reporting requirements to monitor utility performance in relation to momentary outages and power quality issues? What type of power quality issues should be and can be reported and monitored?

C. Customer Specific Reliability

- Should the OEB develop customer-focused reliability measures that can provide greater transparency on the level of service individual customers are receiving? Along with creating customer-focused reliability standards, should the OEB consider consequences when reliability performance expectations are not met? (e.g., customer compensation when reliability falls below acceptable level)?

D. Utility Planning

- How should reliability data be enhanced to support effective utility planning and rate setting? Are there any established methodologies to quantify the value, from a reliability perspective, added by transmission and/or distribution investments?

Modified Structure as Proposed by AMPCO:

AMPCO generally agrees with the issues highlighted in the Board's November 30, 2021 letter to stakeholders.

However, with reference to the materials provided by the Board, AMPCO believes a slightly different general structure may be more useful. Instead of the four categories set out above, a general division of Transmission versus Distribution could be used as a primary differentiator.

After that, the following approach could be used:

Transmission and Distribution (separately):

- Utility Performance and Reporting - combine the major elements of A and B above to address how a utility is performing from a reliability perspective and how that performance can best be reported. See detailed comment below for additional discussion on Power Quality.
- Customer Specific Reliability - as per C above.
- (*New Category*) Need for Improvement - If utility performance is inadequate (adequacy assessment criteria TBD) what actions should be taken?

Transmission and Distribution (jointly):

- Utility Planning - As per D above (as required by the Regulator).

ADDITIONAL DETAILED COMMENTS

1. Overall Need for Reporting Consistency (SAIFI, SAIDI, Outages, etc.)

There needs to be general consistency in reporting reliability metrics from utility to utility to facilitate meaningful performance comparisons. The OEB's November 30, 2021 letter sets out a number of examples of this existing inconsistency:

- There may be a significant gap in reporting between transmitters, host distributors and embedded distributors in terms of delivery point/loss of supply outages.
- Distributors have very different interpretations of what constitutes a "Major Event", which affects overall reliability performance scores.

- OEB staff’s assessment of historical outage data has also suggested that there are inconsistent approaches between distributors in terms of reporting outages. The interpretation of all cause codes and potential sub-cause codes should be reviewed and confirmed by the OEB in consultation with utilities and stakeholders to ensure consistent outage cause reporting across the sector.

2. Customer Specific Reliability

AMPCO supports the Board in developing customer-focused reliability measures to provide greater transparency on the level of service individual customers are receiving. AMPCO would like this item addressed broadly so as to be inclusive with regard to the specific standards as well as the potential for consequences when reliability performance expectations are not met.

3. Utility Planning

AMPCO sees merit in considering how to quantify the value of planned distribution and transmission investments from a reliability and power quality perspective. This could help to standardize approaches that are brought forward for consideration by individual utilities (or at least to include some consistent elements).

4. Power Quality

Power quality is an area of general concern for AMPCO members. Notwithstanding that the Ontario Market Rules, the Transmission System Code and Transmission Connection Agreements all set out various parameters regarding the physical characteristics of the power injected into the Ontario grid, it remains a question in AMPCO’s mind as to whether the change in supply mix over the last 10 to 15 years

has been evaluated from a reliability, and specifically a power quality, perspective. Some AMPCO Members are now experiencing more transient power issues than they did previously, with increasing damage to sensitive equipment - further increasing their electricity costs. The relationship to changes in supply mix may be one of correlation or causality, or neither.

This area requires investigation to mitigate the impacts that are already being felt, as well as to preclude the possibility of additional impacts as a result of further supply mix changes that could occur as a result of current Resource Adequacy activities. AMPCO recommends investigating this issue to reduce the current power quality impacts on industrial operations and to ensure that existing undesirable effects are not unintentionally amplified as a result of future system changes. The OEB should establish reporting requirements to monitor momentary outages and other relevant power quality metrics to ensure consistent reporting of data across utilities.