

**EB-2022-0019**

**Canadian Niagara Power Inc.**

**Application for electricity distribution rates and other charges effective January 1, 2023**

**VECC Interrogatories September 28, 2022**

VECC-1

Ref: Manager's Summary p. 13

CNPI recorded total costs of \$510,300 related to the December 11, 2021 storm and subsequent restoration efforts.

- a) Please provide a summary of CNPI's previous Z-factor storm claims and the amounts approved?
- b) How many hours after the first interruption was power restored to 90% of the customers impacted?
- c) Please confirm the total costs are outside of the base upon which rates were derived.

VECC-2

Ref: Manager's Summary p. 14 Table 5

Table 5 provides the summary of storm costs as follows:

**Table 5 – Summary of Storm Costs**

<b>Category</b>	<b>Amount</b>
Capital	\$318,800
O&M (Regular-Time Labour)	\$55,600
O&M (Recorded in Acct 1572)	\$135,900
<b>Total Storm Costs</b>	<b>\$510,300</b>

Ref: Manager's Summary p. 15

The evidence states "The costs are supported by invoicing from the various LDC's and contractors that assisted with restoration efforts, as well as timesheet and material charges to work orders created to track the costs of this specific storm event."

- a) Please provide a breakdown of the capital (\$318,000) and O&M costs recorded in Account 1572 (\$135,900) in terms of labour (regular), labour (overtime), materials, vehicles, LDC and Third-Party

Contractor costs, etc.

- b) Please discuss the nature of the LDC assistance CNPI received.
- c) Please discuss the nature of the Contractor assistance CNPI received for example Line Services, excavation & tree removal).
- d) Please clarify whether Burlington Hydro paid any premium amounts to its third-party contractors.
- e) Please provide a separate schedule (breakdown) of each Third Party Contractor invoice based on labour, materials, accommodations, meals, truck, other (provide explanation).
- f) Did CNPI assist any other LDCs with the storm? If yes, please provide details.
- g) Please provide a listing of major asset quantities replaced due to the storm.

VECC-3

- a) Please provide CNPI's annual Emergency Maintenance amounts budgeted and included in rates, compared to actual expenditures for the years 2017 to 2021.
- b) Please provide CNPI's annual capital demand response/storm amounts budgeted and included in rates, compared to actual expenditures for the years 2017 to 2021.

VECC-4

Ref: Manager's Summary p.16

CNPI undertakes regular vegetation management in order to mitigate tree-caused outages and damage from weather-related events.

- a) Please provide CNPI's annual vegetation management budget compared to actuals for the years 2017 to 2021.
- b) Please provide CNPI's vegetation management accomplishments (forecast compared to actuals) for the years 2017 to 2021.
- c) Please complete the following reliability data for the Tree Contact Cause Code:

Tree Contact	2017	2018	2019	2020	2021
# Interruptions					
# Customer Interruptions					
# Customer Interruption Hours					

## VECC-5

Ref: Schedule F Z-Factor MED Report

CNPI has a Business Continuity Plan that is designed to assist in the response to natural disasters, accidents, major outages, environmental disasters, municipal emergencies and cyber-attacks. For major outages, this plan covers responsibilities and procedures for all outage restoration and communication efforts, consolidates contact information for internal staff and key external agencies. CNPI indicates the scope of the outage did not invoke CNPI's Business Continuity Plan.

- a) Please explain why the scope of work of the outage did not invoke CNPI's Business Continuity Plan.
- b) Please discuss the Internal Plan used to guide the restoration of power and discuss any deviations from the Plan. Please provide a copy of the Plan.

## VECC-6

Ref: EB-2020-0008 OEB Decision p.17

In approved CNPI's 2019 storm costs, the OEB stated:

"However, the OEB notes that a programmatic approach to "storm-hardening" an LDC's service territory also falls within the realm of prudent utility practice. While no amount of storm-hardening could have fully offset the severity of the windstorm experienced by Canadian Niagara Power on October 31, 2019, a storm-hardened system could have mitigated the impact. The OEB finds it concerning that CNPI has not allocated sufficient O&MA dollars to better deal with outages and storm response, nor planned or budgeted for such weather events, "due to the infrequent and extreme nature of such events". The OEB would encourage Canadian Niagara Power to engage in better risk assessment and risk management particularly in light of the increasing severity of weather events in recent year."

Please discuss the steps CNPI has taken to respond to the OEB's comments including the allocation of budgets to respond to outages and storm response.