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December 16, 2024

NOTICE OF PROPOSAL TO AMEND A CODE

PROPOSED AMENDMENTS TO THE DISTRIBUTION SYSTEM CODE TO SET MINIMUM REQUIREMENTS FOR CUSTOMER COMMUNICATION REGARDING INTERRUPTIONS AND RESTORATION OF SERVICE FOLLOWING SEVERE WEATHER EVENTS

OEB FILE NO.: EB-2021-0307

To: All Licensed Electricity Distributors

All Participants in Consultation Process EB-2021-0307

All Other Interested Parties

The Ontario Energy Board (OEB) is giving notice under section 70.2 of the *Ontario Energy Board Act*, 1998 (Act) of proposed amendments to the *Distribution System Code* (DSC). The proposed amendments establish minimum requirements for licensed electricity distributors in communicating with customers when there are widespread power interruptions in a distributor's service area caused by severe weather (severe weather events). The purpose of these requirements is to provide customers with timely information to help them prepare for and stay safe during, extended electrical service interruptions.

A. Background

The November 2023 <u>Letter of Direction</u> asked the OEB to move ahead with the development and implementation of several recommendations contained in its <u>Improving Distribution Sector Resilience</u>, <u>Responsiveness and Cost Efficiency</u> <u>Report</u>. This includes establishing policies that will require distributors to "satisfy minimum targets for customer communication regarding interruptions and restoration of service following major weather events and measure and report on restoration of service following such events".

To support this work, the OEB tasked the <u>Reliability and Power Quality Review</u> working group (the Working Group) with providing advice regarding customer communication and restoration performance, building on the Working Group's existing focus on major event reporting and reliability performance measurement.

In July 2024, the OEB conducted a survey inviting all distributors to share information about their current practices in operations planning, system hardening, restoration performance and customer communications. Findings from the survey were summarized in a report titled <u>Distribution Sector Resilience and Responsiveness</u>. The OEB also conducted a <u>customer survey</u> in June 2024 to gain insights into customer experience and expectations regarding communications received from distributors before, during and after severe weather events.

With the information regarding distributors' current practices and customer expectations, the Working Group discussed proposed DSC amendments aimed at improving customer communications. The OEB appreciates the Working Group's valuable contributions to the development of these proposed amendments.

B. Proposed amendments to the DSC

This section details the proposed amendments to the DSC, including the OEB's rationale for the changes. Appendix A to this Notice contains the proposed amendments.

In proposing these amendments, the OEB is guided by its objectives as set out in section 1 of the Act. The OEB believes that the proposed amendments will protect customers' interests by keeping them informed and updated on power interruptions caused by severe weather, particularly in an era of an evolving climate challenges and the growing reliance on electricity. With this Notice, the OEB proposes to make the following amendments to the DSC:

- Establish minimum customer communication requirements for severe weather events.
- Establish additional communication requirements for critical customers about severe weather events.
- Establish minimum communication requirements for high-impact, low-frequency (HILF) events.

The OEB recognizes that keeping customers informed about interruptions caused by severe weather is more critical than ever, given the essential role of electricity in today's world. Effective communication enables customers to make informed decisions about their safety, operations, and contingency plans, helping to mitigate the challenges and uncertainties associated with service disruptions.

B.1 Establish minimum customer communication requirements for severe weather events

The customer survey revealed that more than 90% of customers emphasized the importance of being informed about restoration time. Over 60% of customers consider receiving alerts about potential severe weather events causing interruptions to be very important. Among the available communication methods, email and a distributor's website emerged as the most preferred communication methods for customers. The survey of distributors indicated that around 65% of distributors currently send weather-related alerts to customers, and approximately 90% distributors provide estimated time of restoration. Distributors noted that social media and distributors' websites were identified as the most commonly used communication methods.

To address customers' needs and promote consistency in distributors' practices, the OEB proposes amendments to section 4 of the DSC by adding a new section 4.9, to establish minimum requirements for distributors to:

- Make available to customers an estimated time of restoration (ETR) as quickly as possible and in any event no more than four hours after the completion of a damage assessment for a severe weather event.
- Update the ETR whenever there is a change to the previously provided estimate, which for clarity includes any instance where the actual restoration is delayed beyond the most recent estimate that was provided to customers.
- Use its best efforts to alert customers of impending severe weather that may cause a severe weather event.
- Maintain at least one method of communicating with customers at all times during a severe weather event, including at least one of the following: the distributor's website; the distributor's social media channel; email; text messaging; telephone line; or radio broadcast.

Providing timely communications about the estimated time for restoration allows customers to make informed decisions during power interruptions to support their safety and reduce inconvenience. The vast majority of customers responded to the survey ranked being informed of ETRs as either very important or important. When determining the timing for issuing an ETR, some customer representatives on the Working Group noted that a 4-hour timeframe after damage assessments may be too long. Distributor members of the Working Group indicated that they can typically issue ETRs much sooner under normal circumstances. However, for extreme weather events, restoration efforts can become significantly more complex and challenging to manage. In accordance with the survey, 69% of distributors can make an ETR available to customers within 4 hours of the completion of the damage

assessment. As a result, the OEB proposes that distributors issue an ETR as quickly as possible, with the 4-hour timeframe being the maximum allowance of time between a damage assessment related to the impact of a severe weather event and the first ETR.

Frequent updates can help mitigate the stress and disruption caused by power interruptions, especially during severe weather events when the situation can change rapidly. Providing ETR updates can enhance transparency and foster trust between distributors and their customers by demonstrating a commitment to keeping the public well-informed and prepared.

Both the results of the customer survey and feedback from customer representatives on the Working Group, indicated the value of getting alerts for severe weather. During the Working Group and through the survey of distributors, it was identified that while many distributors do provide alerts to their customers about impending severe weather events, these are done on a best-efforts basis given limited weather information that is available to predict when severe weather may cause widespread power interruptions. Given the limitations on available information, the OEB is proposing that distributors provide such alerts on a best-efforts basis.

The majority of customers who responded to the survey selected multiple communication channels for receiving information during a severe weather event, highlighting the importance of maintaining at least one communication channel accessible at all times. During the consultation, some Working Group members highlighted that severe weather conditions could impact certain communication channels due to power interruptions, as many communication methods also rely on electricity. Survey results indicate that distributors currently employ various communication methods, including outage maps, automated text messages, social media updates, and press releases. While the OEB does not intend to prescribe specific communication methods for distributors, it recognizes the importance of ensuring that customers can access information about power interruptions caused by severe weather events. The OEB believes that requiring distributors to maintain at least one accessible communication channel throughout the event is appropriate.

To ensure the consistent application of the proposed requirements, the OEB proposes to define "severe weather" as any weather condition that is extreme and poses a substantial risk to the reliability, safety, or operation of the distribution system. Such conditions include, but are not limited to, high winds, tornadoes, ice storms, blizzards, heavy rainfall, freezing rain, flooding, and lightning storms.

B.2 Establish additional communication requirements for critical customers related to severe weather events

In the distributor survey, approximately 60% of distributors indicated that they currently maintain a list of critical customers in their restoration plan, with several

having established expedited communication processes for these customers during power interruptions.

Based on these survey results and feedback from the Working Group, the OEB proposes requiring distributors to establish communication protocols for critical customers during severe weather events. The protocols shall at a minimum include an emergency phone number for the distributor's operations centre, control room or other designated emergency contact. This provision ensures that critical customers can directly communicate with the distributor in any emergency situation. In making these proposals, the OEB also considers it necessary to require distributors maintain a list of critical customers, at a minimum, including emergency services (police fire and ambulance services) stations, hospitals, water and wastewater treatment plants, designated emergency shelters, and municipal and provincial emergency operations centres as well as any other customers that are a priority for communications related to a severe weather event.

Some distributors expressed concerns that providing a dedicated phone number to a large number of customers, such as all emergency services, may not be feasible during widespread system interruptions. These distributors' reasoning was that a potentially high volume of calls could overwhelm the distributor's limited resources, hindering their ability to respond effectively to the customers and the event. The OEB recognizes the need to balance resource allocation, allowing distributors to prioritize restoration efforts while addressing emergency calls to ensure health and safety concerns. Furthermore, the OEB believes that distributors should have the capacity to respond to calls from critical facilities such as hospitals and water/wastewater treatment plants. Given their significant health and safety impacts, timely communication with these facilities is crucial to minimizing risks if their operations are interrupted. This requirement also ensures the critical customers have access to the information needed to make informed decisions about their operations, and contingency plans.

Some customer representatives noted that power interruptions can be critical for other types of customers, who should also have the ability to contact the distributor. The OEB understands that some distributors already include additional customer types in their list of critical customers. The OEB is supportive of distributors determining other customer types that should be included in their critical customer list. However, given the concerns of distributors about impact on resources the OEB is not proposing to expand the list of required critical customers beyond the identified services to the community at large which are necessary for health and safety.

B.3 Establish minimum communication requirements for high-impact, low-frequency events

The OEB proposes to establish minimum communication requirements for high-impact, low-frequency (HILF) events – a type of severe weather events

characterized by greater severity and prolonged disruption. Widespread power interruptions that last more than 48 hours can have significant impacts, including disruptions to critical services, compromised public safety, business / financial losses, and increased hardship for individuals and communities. The OEB proposes to amend the DSC to require distributors to enhance the communication to customers during HILF events. Specifically, distributors will be required to make updates to the ETRs available to customers at intervals not exceeding six hours, starting from 48 hours after the event's onset and continuing until service is restored to all customers. This requirement will keep customers informed and reassured about the status of the restoration process.

Through its analysis, the OEB has determined a HILF event should be defined as a severe weather event that meets the following criteria: (i) the daily System Average Interruption Duration Index (SAIDI) exceeds the distributor's Major Event Day threshold value, as calculated in accordance with IEEE Standard 1366; and (ii) more than 48 hours is required to restore service to at least 90% of affected customers. To determine whether a severe weather event is a HILF event, distributors will have to calculate daily SAIDI on a day-by-day basis for any interruptions that extend beyond a single day. This definition ensures that the proposed communication requirements only apply to severe and prolonged weather-related disruptions. The definition of HILF was presented to the Working Group for discussion and OEB staff noted that no significant concerns were raised by the members with the proposal.

While there were no significant concerns raised with the definition of HILF, some distributors questioned the need for frequent ETR updates, noting that repeated updates with unchanged ETRs might not interest customers. However, in the survey, 98% of customers would like to receive updates on ETRs during an event, especially during prolonged interruptions. Customer representatives in the Working Group also emphasized that even unchanged updates provide value by reaffirming that the distributor is actively working on resolving the interruption and that affected customers are not being overlooked. For example, if a customer receives an initial ETR on the first day indicating a 4-day restoration period, periodic updates confirming that the ETR remains unchanged can reassure the customer that progress is being made and the restoration timeline is on track. The six-hour interval is intended to balance customers' need for timely information with the effort required by distributors to provide updates.

While the distributor survey indicates that few distributors currently conduct targeted surveys following widespread power interruptions caused by severe weather, customer feedback becomes essential for continuous improvement. The OEB proposes to amend the DSC requiring distributors to conduct surveys to gather insights into the effectiveness of their communications throughout HILF events. Each distributor would determine the specific survey questions and methods used. This feedback loop ensures that distributors can refine and enhance their communication

strategies, ensuring they are better equipped to manage communications for future high-impact weather events. The OEB could require distributors to provide this information as part of their Major Event Response Reporting.

C. Anticipated Costs and Benefits

The OEB acknowledges that distributors may incur some costs to implement the proposed amendments. The extent of these costs is expected to vary among distributors, depending on their existing resources, current practices, and the scope of required system or procedural changes. Survey results indicate that over 60% of distributors already meet most of the proposed requirements, suggesting that for the majority, the incremental costs are not likely to be significant. The OEB believes that the benefits of the proposed amendments will outweigh any anticipated costs.

D. Coming into Force

The OEB recognizes that distributors will need some time to make necessary process and system changes to incorporate the requirements described in the Notice. The OEB is therefore proposing that the amendments to the DSC, as set out in Appendix A, will come into force three months after the date that the OEB publishes the final amendments by placing them on the OEB's website.

E. Invitation to Comment

The OEB invites comments from any interested stakeholder on the proposed amendments. Anyone interested in providing written comments on the proposed DSC amendments in Appendix A are invited to submit them to the Registrar by 4:45 p.m. on **January 17, 2025**.

Instructions for Submitting Comments

Stakeholders are responsible for ensuring that any documents they file with the OEB **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

Please quote file number, **EB-2021-0307** for all materials filed and submit them in a searchable/unrestricted PDF format with a digital signature through the <u>OEB's online</u> filing portal.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming convention and documentation submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u> <u>Document Guidelines</u> found on the <u>Filing Systems page</u> of the OEB's website.

- Stakeholders are encouraged to use RESS. Those who have not yet <u>setup an</u>
 <u>account</u> or require assistance using the online filing portal should contact
 <u>registrar@oeb.ca</u> for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the
 OEB's website for more information on how to <u>File documents online</u>. All
 participants shall download a copy of their submitted cost claim and serve it
 on all required parties as per the <u>Practice Direction on Cost Awards</u>.

This Notice, including the proposed DSC amendments in Appendix A, and all related written comments received by the OEB will be available for public viewing on the OEB's Reliability and Power Quality Review Engage with Us website.

F. Cost Awards

Cost awards will be available under section 30 of the Act to those who are eligible to receive them in relation to written comments provided on the proposed DSC amendments in this Notice. Any participant previously found eligible for an award of costs in the OEB's December 17, 2021 <u>Decision on Cost Eligibility</u> and January 10, 2022 <u>Supplemental Decision on Cost Eligibility</u> is eligible for an award of costs in relation to comments on these proposed DSC amendments and need not reapply.

Costs will be recovered from all rate-regulated licensed electricity distributors apportioned based on respective customer numbers.

Appendix B contains important information regarding cost awards for this Notice and comment process, including in relation to eligibility requests and objections.

If you have any questions regarding the proposed amendments to the Code described in this Notice, please contact lndustryRelations@oeb.ca. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Nancy Marconi Registrar

Attachments:

Appendix A - Proposed Amendments to the Distribution System Code – Comparison Version to the Current Code

Appendix B - Cost Awards

Appendix A

Notice of Proposed Amendments to the Distribution System Code December 16, 2024 EB-2021-0307

Proposed Amendments to the Distribution System Code

1. Section 1.2 of the Distribution System Code is amended by adding the following four definitions:

"critical customers" include, at a minimum, emergency services (police fire and ambulance services) stations, hospitals, water and wastewater treatment plants, designated emergency shelters, and municipal and provincial emergency operations centres as well as any other customers that are a priority for communications related to a severe weather event.

"high-impact low-frequency event" means a severe weather event that meets the following criteria: (i) the daily System Average Interruption Duration Index exceeds the distributor's Major Event Day threshold as calculated in accordance with IEEE Standard 1366; and (ii) more than 48 hours is required for the distributor to restore service to at least 90% of affected customers.

"severe weather" means any weather condition that is severe and poses a substantial risk to the reliability, safety, or operation of the distribution system. Such conditions include, but are not limited to, high winds, freezing rain, tornadoes, ice storms, blizzards, heavy rainfall, flooding, and lightning storms.

"severe weather event" means widespread interruptions in a distributor's service area caused by severe weather.

- 2. Section 4.5.7 of the Distribution System Code is amended by deleting the third bullet and replacing it with the following:
 - Identification of the location of distribution circuits for critical customers.
- 3. Chapter 4 of the Distribution System Code is amended by adding the following new section:

4.9 Communications Related to Severe Weather Events

- 4.9.1 A distributor shall use its best efforts to alert customers of impending severe weather that may cause a severe weather event.
- 4.9.2 A distributor shall make available to customers, through one of the means of communication identified in section 4.9.4, an estimated time of restoration of

- service as quickly as possible and in any event no more than 4 hours after completion of a damage assessment related to the impact of a severe weather event on the distributor's system.
- 4.9.3 A distributor shall update the estimated time of restoration whenever there is a change to the previously provided estimate, which for clarity includes any instance where the actual restoration is delayed beyond the most recent estimate that was provided to customers.
- 4.9.4 A distributor shall maintain at least one method of communicating with customers at all times during a severe weather event, including at least one of the following: the distributor's website; the distributor's social media channel; email; text messaging; telephone line; or radio broadcast.

4.9.5 A distributor shall:

- (a) maintain a list of critical customers for the purposes of section 4.5.7 and for communications related to severe weather events; and
- (b) establish communication protocols specifically for critical customers related to severe weather events that must, at a minimum, include an emergency phone number for the distributor's operations centre, control room or other designated emergency contact.
- 4.9.6 In the case of a high-impact low-frequency event, a distributor shall in addition to the requirements set out in sections 4.9.1 to 4.9.5:
 - (a) make updates to the estimated time of restoration available to affected customers at intervals not exceeding six hours, starting from 48 hours after the event's onset and continuing until service is restored to all customers.; and
 - (b) conduct a customer survey to evaluate the effectiveness of the distributor's communications during the high-impact low-frequency event and revise its communications approach as warranted based on the results of the survey. The survey shall:
 - be completed within 60 days after service has been restored to all customers; and
 - include questions to assess customer satisfaction with the nature and timing of the information provided during the high-impact low-frequency event and to gather feedback on areas for improvement.

Appendix B

Notice of Proposed Amendments to the Distribution System Code December 16, 2024 EB-2021-0307

Cost Awards

Cost Award Eligibility

The OEB will determine eligibility for cost awards in accordance with its Practice Direction on Cost Awards. Any participant in this process intending to request cost awards (and that has not already been determined eligible for cost awards in the OEB's December 17, 2021 <u>Decision on Cost Eligibility</u> and January 10, 2022 <u>Supplemental Decision on Cost Eligibility</u>) must file a written submission with the OEB by **December 20, 2024**, identifying the nature of their interest in this process and the grounds on which they are eligible for cost awards (addressing the OEB's cost eligibility criteria in section 3 of the OEB's <u>Practice Direction on Cost Awards</u>). An explanation of any other funding to which the participant has access must also be provided, as should the name and credentials of any lawyer, analyst or consultant that the person intends to retain, if known. All requests for cost eligibility will be posted on the OEB website.

Licensed electricity distributors will be provided with an opportunity to object to any of the requests for cost award eligibility. If an electricity distributor has any objections to any of the cost eligibility requests, those objections must be filed with the OEB by **December 27, 2024**. Any objections will be posted on the OEB website. The OEB will then make a final determination on the cost eligibility of the requesting participants.

Eligible Activities

Cost awards will be available in relation to providing comments on the proposed DSC amendments in Appendix A, to a maximum of 4 hours.

Cost Awards

The OEB will apply the principles in section 5 of its Practice Direction on Cost Awards, when determining the amount of the cost awards. The maximum hourly rates in the OEB's Cost Awards Tariff will also be applied. The OEB expects that groups representing the same interests or same type of participant will make every effort to communicate and co-ordinate their participation in this process. Cost awards are made available on a per eligible participant basis, regardless of the number of professional advisors that an eligible participant may wish to retain.

The OEB will use the process in section 12 of its Practice Direction on Cost Awards to implement the payment of the cost awards; i.e., the OEB will act as a clearing house for all cost award payments in this process. For more information on this process, please see the OEB's Practice Direction on Cost Awards and October 27, 2005 letter regarding the rationale for the OEB acting as a clearing house for the cost award payments. These documents can be found on the OEB website at www.oeb.ca on the "Rules, Codes, Procedures & Forms" webpage.