

BY EMAIL AND WEB POSTING

December 18, 2024

To: All Licensed Electricity Distributors
All Participants in EB-2023-0003
All Other Interested Parties

Re: Update: Resiliency Initiatives Arising from the OEB's Report to the Minister of Energy - Improving Distribution Sector Resilience, Responsiveness and Cost Efficiency (Ontario Energy Board File No. EB-2023-0003)

The Ontario Energy Board (OEB) is pleased to provide an update on resiliency initiatives arising from its Report to the Minister of Energy - <u>Improving Distribution Sector Resilience</u>, <u>Responsiveness and Cost Efficiency</u>, June 29, 2023 (the Report).

These initiatives aim to support electricity distributors in anticipating and responding to adverse weather while ensuring they continue to deliver value for customers.

Vulnerability Assessment and System Hardening

On December 17, 2024, the OEB released its draft <u>Vulnerability Assessment Report</u> (VA Report) as part of its work on the <u>Vulnerability Assessment and System Hardening</u> project. This initiative aims to ensure local distribution companies are effectively preparing their infrastructure to withstand the impacts of extreme weather events driven by climate change.

The draft VA Report outlines a proposed vulnerability assessment methodology, developed by the OEB in consultation with stakeholders over several meetings during the summer and fall. This work was also supported by the OEB's consultant, Guidehouse.

The OEB has invited interested parties to review the draft and provide comments on its proposals. Comments are due by January 23, 2025. After comments have been received, the OEB expects to engage stakeholders on the development of the method for assessing the cost-effectiveness of system hardening investments, including the calculation of climate-based risk and how to evaluate adaptive actions.

These efforts reflect the OEB's commitment to better support electricity distributors in strengthening their infrastructure when cost-effective to do so and enhancing resilience to extreme weather conditions.

T 416-481-1967 1-888-632-6273

F 416-440-7656 OEB.ca

Reliability and Power Quality Review (RPQR)

On December 16, 2024, the OEB issued a <u>Notice of Proposal to Amend the Distribution System Code</u> (Notice) regarding minimum requirements for electricity distributors in communicating with customers about adverse weather events.

The OEB believes that proposed amendments will protect customers' interests by keeping them informed and updated on power interruptions caused by severe weather, particularly in an era of evolving climate challenges and growing reliance on electricity. The Notice also sets out a proposed definition for the term "high impact, low frequency event," a key metric for assessing and tracking resiliency within Ontario's distribution sector.

These proposals, developed by OEB staff and reviewed in consultation with the RPQR working group, have been presented for stakeholder review and comment by January 17, 2025.

Survey of Distributor Practices

On December 4, 2024, the OEB released the <u>Distribution Sector Resilience and Responsiveness</u> Report, prepared by ICF Consulting Canada, Inc., which summarizes key findings on current storm preparedness practices of Ontario distributors. The report reflects information gathered through a survey of distributors in May 2024 to assess current practices across four key areas: operations planning, system hardening, restoration performance and customer communications.

Insights gathered through this process and the final report itself have helped to inform the OEB's ongoing work regarding resilience in the electricity distribution sector. They will continue to support further efforts in 2025.

For More Information

The OEB's <u>Distribution Sector Resiliency</u>, <u>Responsiveness</u>, and <u>Cost Efficiency Hub</u> serves as a central resource for information on these initiatives.

Questions relating to this letter should be directed to Industry Relations via industryrelations@oeb.ca. The OEB's toll-free number is 1-888-632-6273.

C.	n	\sim	ra	\ <i>1</i>
. "		се	. —	ıv.
\sim		\sim		

Nancy Marconi Registrar