



January 23, 2025

Nancy Marconi
Registrar
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Toronto ON
M4P 1E4

Dear Ms. Marconi,

**RE: EB-2024-0199 Vulnerability Assessment and System Hardening Project
Feedback Comments of CCMBC**

In its letter of December 17, 2024, the OEB invited interested stakeholders to provide written feedback on the draft Vulnerability Assessment (VA) Report and VA Toolkit by January 23, 2025. The following are the feedback comments of the Coalition of Concerned Manufacturers and Businesses of Canada (CCMBC).

As stated in its July 4, 2024 letter of intervention, the interest of the CCMBC is the impact on its members of potential increases in electricity distribution rates that may result from this project. The vulnerability assessment methodology that will be standardized could be used by electricity distributors to justify excessive spending on system hardening. CCMBC is concerned that this initiative and could result in significant increases in electricity rates that would place additional cost burdens on Ontario manufacturers and other businesses at a time that they may be facing potential US tariffs that would damage their competitiveness.

The EB-2024-0199 VA and System Hardening (SH) Project (VASH Project) was initiated by the OEB on June 27, 2024 in response to the October, 21, 2022, letter from the Todd Smith, Ontario Minister of Energy at that time.¹

“As the pace of the electrification of the economy increases and extreme weather events as a result of climate change impact our businesses and communities, there will be pressure on local distribution companies (LDCs) to continue to provide high levels of reliability and resiliency to their customers, be responsive to changing consumer expectations and new government mandates, and to do it all at an affordable price. This

¹ Letter from Todd Smith, Minister of Energy to Richard Dicerri, Chair OEB, October 21, 2022

year, Ontario experienced two extreme weather events, which affected LDC infrastructure across Eastern Ontario. ...As our climate changes, the OEB will have an important role to play in ensuring LDCs are preparing their distribution infrastructure for these kinds of events.”

It seems that two extreme weather events in 2022 have convinced Minister Smith, that that Ontario’s climate is changing and that the probability of severe weather events is increasing. The Minister presented no statistical evidence that would justify these conclusions. CCMBC submits that the Minister should not base potentially very costly initiatives on two weather events in 2022. CCMBC believes that the need for the VASH project has not been proven. Having said that, CCMBC recognizes that the OEB is required to proceed with this project to deal with the directive in the Minister’s letter.

Since this project must go ahead, the objective of CCMBC is that the project has as low a cost impact as possible on the distributors and on the rates paid by Ontario manufacturers and businesses. CCMBC commends OEB Staff for putting together a report and a toolkit that may allow electricity distributors to meet Minister’s directive while not significantly impacting rates.

Respectfully submitted on behalf of CCMBC.

Tom Ladanyi
TL Energy Regulatory Consultants Inc.

cc. Zubin Panchal (OEB Staff)
Catherine Swift (CCMBC)