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March 17, 2025

## NOTICE OF AMENDMENTS TO THE DISTRIBUTION SYSTEM CODE

# AMENDMENTS 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 final amendments to the *Distribution System Code* (DSC). The 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 amendments to the DSC come into force on May 5, 2025.

# A. Background

On December 16, 2024, the OEB issued a Notice of Proposal (December Notice) to amend the DSC in which the OEB proposed to establish minimum communication requirements for licensed electricity distributors regarding power interruptions caused by severe weather events. These amendments aim to provide customers with timely information to help them prepare for and stay safe during extended electrical service interruptions. The amendments cover the addition of definitions in Section 1.2, a replacement in Section 4.5.7 and the addition of Section 4.9 to Chapter 4 of the DSC. The amendments outline specific customer communication requirements for severe weather events, critical customers, and high-impact, low-frequency events (HILF).

As indicated in the December Notice, the proposed amendments were developed in response to the November 2023 <u>Letter of Direction</u>, where the OEB was asked to establish 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". The December 2024 <u>Letter of Direction</u> further emphasized the need for the OEB to "define resilience events and set expectations for timely communications for LDCs to communicate outages and expected return of service for customers during such events".

In the December Notice, the OEB proposed the following requirements to be added to the DSC:

- For severe weather events, distributors will be required to use its best efforts
  to alert customers of impending severe weather, make available to customers
  an Estimated Time of Restoration (ETR) within four hours of completing a
  damage assessment, promptly update ETRs when changes occur, and
  maintain at least one accessible communication channel.
- For critical customers, distributors will be required to maintain a list of critical customers and establish communication protocols specifically for such customers.
- For HILF events, distributors will be required to provide ETR updates to affected customers at intervals not exceeding six hours, starting from 48 hours after the event's onset and to conduct post-event surveys to evaluate and improve their communication strategies.

In response to the December Notice, the OEB received written comments from Hydro One Networks Inc., Hydro Ottawa Limited and Toronto Hydro Electric System Limited. A discussion of the comments and the OEB's response to them is set out in section B below.

Having considered the comments received, the OEB is now issuing final amendments to the DSC, with one minor change from the December proposed amendments to improve clarity in the definition of critical customers. A comparison version, showing the change relative to the amendments as proposed in the December Notice, is set out in Appendix A.

In adopting the proposed amendments, the OEB is guided by its objectives as set out in section 1 of the Act. The OEB believes these amendments will enhance the resilience and responsiveness of the distribution sector by ensuring customers receive timely and accurate communication during power interruptions caused by severe weather.

#### B. Stakeholder Comments

Stakeholders provided comments on three areas:

- Updating ETRs
- Definition of critical customers
- HILF definition and additional communication requirements for such events

The OEB appreciates the valuable input from all stakeholders. The comments are discussed below along with the OEB's responses to these comments.

# **Updating ETRs**

The proposed amendments require distributors to update the ETR whenever there is a change to the previously communicated ETR. For clarity, this includes any instance where the actual restoration is delayed beyond the most recent ETR provided to customers.

A distributor recommended replacing the phrase "shall update" with "shall use its best efforts to update" to account for circumstances beyond a distributor's control that may prevent timely updates. The distributor also noted that sending updates reflecting a minor change to the estimated restoration time may not be practical or beneficial to customers. As such, the distributor proposed that updates be required only if a potential delay is 30 minutes or more.

The OEB is not making any change in regard to the ETRs. The change suggested by the distributor would in the OEB's opinion introduce ambiguity and could lead to inconsistent communication practices among distributors. The DSC amendment requirement for updates with the inclusion of phrase "shall update" sets a clear and enforceable requirement, ensuring that customers receive timely and reliable information about power restoration. In the OEB's view, consistency is crucial for maintaining customer trust and supports informed decisions during power interruptions.

Regarding sending ETRs, the OEB is of the view that setting a specific threshold for the degree of change in the estimated restoration time is unnecessary. The OEB believes that customers will benefit from updates.

#### Definition of critical customers

Two distributors sought clarification about the proposed definition of critical customers, specifically the phrase "any other customers that are a priority for communications related to a severe weather event." Both distributors indicated that this wording could lead to subjective interpretations. One distributor proposed replacing it with "vulnerable customers who have agreed to receive

communications," while the other distributor requested clarification on the scope of this phrase.

The OEB agrees that this portion of the definition could lead to ambiguity. Given that the OEB's intent is to set out a minimum list of critical customers, "other customers" is unnecessary, as the distributors may include any that they consider appropriate. Therefore, the OEB will remove the phrase "as well as any other customers that are a priority for communications related to a severe weather event" from the final amendments to the DSC to eliminate ambiguity.

A distributor recommended adopting the existing definition of "priority customer loads" from the IESO's Ontario Electricity Emergency Plan, noting significant overlap between the proposed definition of critical customers and the IESO's definition. The distributor suggested revising the proposal to align with the IESO's terminology to reduce redundancy and potential confusion. The OEB notes that although the two definitions have similarities, the IESO definition is intended for system restoration planning following a provincial grid interruption, not for customer communication purposes. The OEB is therefore maintaining its current minimum list of critical customers in the DSC to ensure direct communication between these customers and distributors during widespread power interruptions caused by severe weather.

HILF definition and additional communication requirements for such events

A distributor expressed concerns about the additional communication requirements once an event is determined to be a HILF, noting that it is often impossible to determine whether an event qualifies as a HILF until weeks later, after all relevant data has been collected and analyzed.

For such events, the OEB required distributors to provide updates to the ETRs to customers at intervals not exceeding six hours. This requirement starts from 48 hours after the event's onset if 90% of affected customers have not yet been restored and continues until service is restored to all customers.

As explained in the December Notice, 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 OEB understands that during severe weather events, the daily SAIDI value may be an estimated value, and the OEB expects that distributors should be able to determine if an event is likely to meet HILF criteria once it has passed the 48-hour mark. The OEB acknowledges that the requirement in section 4.9.6(a) of the DSC is to be based on the best available information at the 48-hour mark.

A distributor recommended clarifying that an "update" may involve reconfirming the accuracy of existing ETRs. Specifically, they suggested rewording the phrase "makes updates to the estimated time of restoration..." to "updates or reconfirms the existing estimated time of restoration..." to reflect that updates might simply confirm ongoing accuracy without requiring changes. The OEB agrees that an update could involve confirming existing estimates but does not see a need to revise the wording in the final amendments, as the current wording does not state that an updated ETR must differ from the previous ETR.

A distributor, referencing the 2022 Derecho storm as an example, sought clarification on whether the 48-hour timeline serves as a deadline for issuing ETRs to all affected customers, even if a damage assessment is incomplete. The OEB emphasizes that 48 hours should be sufficient for distributors to issue initial ETRs. It is important for distributors to provide ETRs as early as possible to ensure customers receive timely information about the situation.

# C. Anticipated Costs and Benefits

The anticipated costs and benefits associated with the final DSC amendments are set out in the December Notice. Interested stakeholders should refer to that Notice for further information in that regard.

# D. Coming into Force

In the December Notice, the OEB proposed that the amendments to the DSC come into force three months after the date that the OEB publishes the final amendments on its website. No comments were made on the proposed implementation timeline. The amendments to the DSC will therefore come into force on May 5, 2025.

## E. Cost Awards

No comments were received from cost award eligible participants. As a result, there will be no cost awards related to these amendments to the DSC.

If you have any questions regarding the final amendments to the DSC described in this Notice, please contact <a href="mailto:lndustryRelations@oeb.ca">lndustryRelations@oeb.ca</a>. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Nancy Marconi Registrar

Attachments: Appendix A – Final Amendments to the Distribution System Code – Comparison version to the proposed amendments in the December Notice

# Appendix A

# Notice of Amendments to the Distribution System Code March 17, 2025 EB-2021-0307

# <u>Final Amendments to the Distribution System Code – Comparison Version to the Proposed Amendments in the December Notice</u>

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.