



CANADIAN NIAGARA POWER INC.

A FORTIS ONTARIO
Company

CANADIAN NIAGARA POWER INC. TRANSMISSION

CUSTOMER DELIVERY POINT PERFORMANCE STANDARDS

Revision dated March 1, 2026



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1 Introduction

Canadian Niagara Power Inc. (“CNPI”) Transmission (“Tx”) has prepared this Customer Delivery Point Performance Standard (“CDPPS”) in accordance with the Transmission System Code, Section 4.5 Performance Standards.

2 Aspects of CNPI Tx’s Transmission System

Description of CNPI Tx’s transmission system Customer Delivery Points:

- The CNPI transmission system has only two¹ Customer Delivery Points (CDPs).
- The Customer Delivery Points are owned and operated by CNPI’s transmission business unit (“CNPI Tx”).
- Both CDPs are supplied by CNPI Tx’s radial 115kV transmission system.
- CNPI Tx’s 115 kV transmission system is an extension to Hydro One Networks Inc.’s (“HONI”) 115 kV transmission system with the common point of coupling at HONI’s transmission station in Niagara Falls, Canada.²
- Both CDPs serve the same customer: the portion of CNPI’s distribution business unit (“CNPI Dx”) serving the Fort Erie service territory. Either Delivery Point can supply all customers in the Fort Erie service territory if one of the delivery points is out of service.
- Both Customer Delivery Points are single-circuit supply, with a line length of less than forty (40) kilometers.
- Both Customer Delivery Points are part of the “Southwest Ontario” Broader Reliability Region and “Niagara” Regional Planning Region for regional planning purposes per the IESO’s website.

These aspects of CNPI Tx’s transmission system influence the CDPPS; specifically:

¹ As of March 1, 2026.

² In certain circumstances, CNPI Tx’s 115 kV transmission system can also be supplied from the National Grid 115 kV system in New York, following disconnection from the IESO-controlled grid.



- I. CNPI Tx's transmission system is a radial extension of HONI's transmission system and therefore its performance can be highly dependent upon the performance of HONI's transmission system. For this reason, the performance targets will be set taking into consideration both the system performance of HONI's system, and also taking into account the total performance of the transmission systems of CNPI Tx and HONI with respect to CNPI's two CDPs.
- II. With only two CDPs there is very small sample to perform statistical analysis on historical results. Therefore, performance targets based purely on outage events 'internal' to CNPI Tx's system will be subject to a high degree of year-over-year volatility.
- III. At CNPI, a one-to-one relationship exists between the transmitter and the customer. A common management and operations team affords each party with an intimate understanding of the respective business units, i.e., transmitter and distributor.
- IV. As both CNPI CDPs have the ability to supply the entirety of the applicable distribution end-user customer base (Fort Erie distribution customers), the duration of end-use customer interruptions can be significantly shorter than the duration of an interruption on either CDP. For this reason, as long as CNPI has the ability to switch all affected customers of CNPI Dx from one CDP to the other, CNPI Tx will calculate outage duration from the beginning of the interruption on either CDP to the time that end use distribution customers are switched to the other CDP³, where applicable. This approach:
 - i) closely reflects the reliability experience of CNPI Dx and its customers;
 - ii) avoids greater variability in CNPI TX's reliability history through the exclusion of outage durations that have no impact on distribution end-use customer reliability experience; and
 - iii) Acknowledges the ability of CNPI Tx and CNPI Dx to closely coordinate outage restoration and planned work in order to minimize the outages experienced by distribution end-use customers.

³ The frequency of outages will not be reduced in these situations, including as applicable, in the case of a momentary outage, consistent with RRR requirements.

3 Performance Targets

CNPI Tx uses the performance targets in this section to establish threshold levels of acceptable performance before an evaluation of the affected CDP is mandated. CNPI Tx may choose to conduct a performance review when actual values are still within these target values, but any CDP performance outside of these thresholds will require an evaluation.

The values in sections 3.1 and 3.2 define the performance targets to identify when a CDP is an 'Outlier'. That is, whenever the short-term performance at a CDP becomes worse than a particular threshold value.

Section 4 of this document outlines when and how CNPI Tx determines when the long-term reliability performance of a CDP might also trigger an evaluation.

3.1 CNPI Tx Targets for Individual Outlier Determination

As detailed in Section 2 of this CDPPS, CNPI Tx's transmission system is relatively small with only two CDPs serving a single customer.

CNPI Tx has set individual performance targets for each of its two existing CDP's based on the most recent 10-year historical average performance (2016-2025) to ensure that a reliability investigation is triggered whenever the performance of either CDP in two consecutive years falls below the 2016-2025 average level of performance.

As outlined in the OEB's RRR, the targets and performance for individual outliers will be calculated inclusive of momentary outages (frequency) and loss of supply events from HONI. Outage duration will be calculated consistent with section 2, IV above. A customer does not need to wait 2 consecutive years to initiate a transmitter review.

3.2 CNPI Tx Group Targets for Outlier Determination

For this section, CNPI Tx will use HONI’s CDPPS and associated triggers where applicable to measure the aggregate outage performance of both systems with respect to CNPI Tx’s two CDPs. Table 1 shown below details CNPI Tx’s delivery point performance targets based on the length and configuration (multi-circuit vs. single-circuit) associated with the delivery point.

- (1) These values are based on HONI thresholds outlined in HONI CDPPS,. The inclusion of CNPI Tx’s performance into HONI’s much larger system average performance would have a negligible impact on the resulting targets.
- (2) For CNPI Tx’s two existing CDPs (as of February 2026), the individual performance targets resulting from the methodology described in Section 3.1 are more stringent than the proposed group targets. As a result, the practical implication of the group targets is that the customer(s) served by any new CNPI Tx CDP are not exposed to aggregate reliability performance inclusive of all outages (including those caused by HONI) worse than any other similar CDP in Ontario before triggering an evaluation of that CDP.
- (3) CNPI Tx has adopted the Hydro One methodology following on a review of CNPI Tx’s 10-year data from 2016–2025, which indicated comparable results, considering CNPI Tx’s limited data set.

Table 1: Group Delivery Point Performance Targets based on Line Length and Configuration

	Multi-Circuit Supplied DPs	Single -Circuit Supplied DPs			
Supply Circuit Length (L in km)	N/A	L≤40	40<L≤90	90<L≤150	150<L
DP Frequency of Interruptions (Outages/year)	1	2	5	7	9
DP Interruption Duration (minutes/year)	58	200	300	380	854

As with the HONI CDPPS, these statistics include all momentary and sustained interruptions caused by forced outages. There were no exclusions for extraordinary events in the 2016-2025 data.

Given that CNPI Tx’s transmission system is an extension to HONI’s transmission system, CNPI Tx’s actual delivery point statistics will be calculated inclusive of outages directly attributable to HONI. CNPI Tx will focus on outages attributable to CNPI Tx and will coordinate with HONI to address concerns which may arise from outages attributable to HONI.

4 Performance Standards to Identify “Outliers”

On a regular basis, the Minimum Standard of Performance from both subsections of Section 3 of this document will be used to identify if either of the two Customer Delivery Points should be classified as an “Outlier” due to performance exceeding a minimum threshold in two consecutive years.

If either or both of the Customer Delivery Points is deemed to be an “Outlier”, CNPI Tx will initiate suitable technical and financial evaluations to address performance, identify the root cause or causes, and determine the prudent course of action to achieve the minimum standard of performance.

Since certain interruptions that impact the CNPI Tx transmission system are expected to originate from the HONI transmission system, CNPI Tx will work with HONI to identify and implement a suitable solution.

Interruptions related to customer equipment issues will be excluded from outlier determination.

5 Remedial Costs to Address Performance “Outliers”

As specified by the Transmission System Code, CNPI Tx shall not attribute any costs associated with network investments to any customer.

CNPI Tx will cover any remedial costs for initial and financial evaluations.

In addition, CNPI Tx will cover the remedial costs, including appropriate asset maintenance costs which include on-going maintenance and asset replacement to restore/sustain the inherent reliability performance of the existing assets to what was designed originally.

These expenditures are made on an ongoing basis consistent with good utility practices. No customer financial/capital contribution is required for these normal maintenance and sustainment expenditures.

6 New Delivery Points

It is possible that new customers or new CDPs may be added to CNPI Tx’s transmission system. For new CDPs, there will be limited historical information available to inform the individual minimum performance standard. Consistent with the OEB’s letter of November 27, 2025, the following approach will apply:

Group minimum standard: The applicable group standard referenced in section 3.2 applies immediately based on the corresponding band that applies to the new delivery point.

Individual minimum standard: For the first 4 years after being placed in-service, the applicable Group minimum standard applies. A temporary standard is then created after the delivery point has been in-service for 5 calendar years based on the customer's own data. The standard is then finalized after 10 calendar years.

7 Power Quality

CNPI Tx owns and operates a limited portion of transmission assets that connect two delivery points in Fort Erie to the provincial transmission system. CNPI Dx is the sole load customer connected to CNPI's transmission system, and both transmission and distribution functions are operated by the same personnel within the same corporate entity.

In accordance with the OEB's expectations for transmitters to address power quality within their Transmitter Standards Document, CNPI has adopted a streamlined, fit-for-purpose approach that reflects this unique configuration. Because CNPI Transmission has no external transmission customers, traditional power quality education, engagement, and customer awareness activities intended for industrial or distributor customers served by independent transmitters are not required. Internal coordination between transmission and distribution functions within CNPI ensures ongoing monitoring, assessment, and operational management of power quality.

Power quality concerns affecting end-use customers are addressed through CNPI Distribution's Conditions of Service, which set out obligations, communication processes, and investigation procedures related to voltage quality, disturbances, and customer complaints. CNPI Tx will continue to monitor system performance, outage data, and any power quality indicators consistent with applicable OEB reporting requirements.

If CNPI Tx connects a new transmission delivery point for a customer other than CNPI Dx, CNPI will update this section to include a more detailed power quality framework, including customer-facing materials, engagement processes, and any additional standards necessary to meet OEB expectations that may be established or refined through TSC amendments.