



October 29, 2010

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th floor
Toronto, ON M4P 1E4

Re: Comments EB-2010-0249
Initiative to Develop Electricity Reliability Standards

Dear Ms. Walli:

While we were unable to participate in the stakeholder conference associated with this initiative, we would nonetheless like to provide you with comments from our membership.

As you are aware, the Building Owners and Managers Association of the Greater Toronto Area ("BOMA Toronto") represents more than 400 companies serving the commercial real estate market. Member companies manage over 150 million square feet of industrial, commercial and institutional properties.

With respect to the survey of business customers undertaken for this initiative, we are concerned that while the conclusions drawn may represent a homogenized sample, they do not accurately represent the views of our constituency i.e. large commercial facilities in urban areas.

As you reported, the Pollara survey generally found that:

- *92% of business consumers reporting they are somewhat or very satisfied with the reliability of electricity supply.*
- *84% of business consumers are not willing to pay any more on their electricity bill in order to pay for improvements.*

This could be interpreted as the status quo being satisfactory, that a proper balance exists between system reliability and associated investments. Such an interpretation would be completely counter to the views of our members.

BOMA conducted a limited survey of its Board members, who collectively represent the majority of office towers in downtown Toronto. When asked 'How concerned are you about power outages', they responded with 'very concerned', with rating of 9 or 10 (on a scale of 1 to 10).

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With respect to the specific impacts of power outages, there was a consistent response of 'very concerned' to impacts of:

- Ability to meet customer needs
- Losing sales
- Security
- Safety

The 'loss of sales' and 'security' concerns were especially noted with large retail facilities. Owners noted that once business is closed, customers depart and do not return. Even when power is resumed, it takes time for business to build again.

When asked "how important is it that reliability be increased with additional expenditures on distribution system infrastructure", the clear response was 'very important', with ratings of 9 or 10.

Probing further as to whether increases in rates to support capital investment were acceptable, there was clear, though qualified, support. Members supported investments that could be directly identified as necessary to improve and maintain system reliability.

Commenting more generally on this initiative, we suggest it is important for the OEB to recognize the real costs that are incurred when system reliability is compromised. We can appreciate that different parties will have varying views on the cost/benefit of improved reliability. However we must emphasize that dense urban commercial centres, involving hundreds of thousands of workers, warrant specific consideration, with system reliability being immensely more critical than for the general customer base.

If seen fit, we would welcome a more comprehensive survey of our member base to further quantify these opinions. And of course we would be pleased to meet to further elaborate on these views.

Thank you for the opportunity to provide this input to the consultation.

Sincerely,



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