

BY EMAIL and WEB POSTING

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December 17, 2024

TO: All Rate-regulated Electricity Distributors

All Intervenors in Electricity Distribution Cost of Service Proceedings for 2024 and 2025 Rates

All participants of Vulnerability Assessment and System Hardening (VASH) Consultation (EB-2024-0199)

All Other Interested Parties

Re: Vulnerability Assessment and System Hardening Project Ontario Energy Board File Number: EB-2024-0199

The Ontario Energy Board (OEB) is issuing a draft version of the Vulnerability Assessment Report (VA Report) as a part of the OEB's Vulnerability Assessment and System Hardening (VASH) initiative. Included with the draft VA Report is the Vulnerability Assessment Toolkit (VA Toolkit) developed by Guidehouse, which includes resources designed to assist distributors in their preparation of VA analyses. The draft VA Report and VA Toolkit take into consideration feedback heard at the VASH stakeholder meetings.

Interested stakeholders are invited to provide written feedback on the draft VA Report and VA Toolkit by **January 23, 2025**. The draft VA Report and VA Toolkit are attached to this letter and available on Engage with Us <u>webpage</u>. Instructions for submitting written feedback and comments are in Appendix A to this letter.

The OEB will finalize the report once feedback is considered. Current plans contemplate the issuance of a consolidated OEB report in summer 2025 that will include VA expectations as well as those for system hardening components of the initiative, stakeholdering of which will commence in early 2025.

Background

The origins of the VASH project can be traced to the OEB's 2023 Improving Distribution Sector Resilience, Responsiveness and Cost Efficiency report, which was prepared in response to a request from the Minister of Energy. The OEB launched the VASH initiative in June 2024 and engaged industry stakeholders through three public stakeholder sessions focused on obtaining feedback on the VASH initiative and, more specifically, the vulnerability assessment components.

The OEB is proposing an approach to Vulnerability Assessment that provides two options: the Custom Option and the Generic Option.

- **Custom Option** Distributors can conduct a custom Vulnerability Assessment so long as they adhere to certain set out in the draft VA report
- Generic Option Distributors can use the Vulnerability Assessment Methodology and VA Toolkit developed by the OEB.

The OEB has proposed that distributors' vulnerability assessment and system hardening analyses will be required in rebasing applications filed in 2026 for determination of rates effective in 2027. The OEB recognizes that this timeline is sooner than requested by some stakeholders, but Commissioners will consider the amount of time that distributors have had to prepare the VASH-related aspects of their distribution system plans.

As a means of supporting distributors in their initial preparation of a vulnerability assessment, the OEB is considering an option to acquire, on a one-time basis, a suitable dataset from Canadian Centre for Climate Services on expected extreme weather conditions in Ontario. Stakeholders are invited to comment on the merits of this proposal, the feasibility of which is still being investigated.

Cost award matters

Cost awards will be available to eligible participants, as determined in the <u>decision</u> on cost awards published on July 18, 2024 (amended on July 19, 2024), to a maximum of four (4) hours for review and comment on the draft VA Report and VA Toolkit.

When determining the amount of cost awards, the OEB will apply the principles set out in Section 5 of its *Practice Direction on Cost Awards*. Maximum hourly rates set out in

the Cost Awards Tariff will also be applied. The OEB expects that groups representing the same interests or class of persons will make every effort to communicate and coordinate their participation in this process. In accordance with Section 12 of its *Practice Direction on Cost Awards*, the OEB will act as a clearing house for all payments of cost awards in this process. From more information on this process, please see the OEB's <u>Practice Direction on Cost Awards</u>.

Any questions relating to this letter should be directed to Zubin Panchal at zubin.panchal@oeb.ca, 416-440-8113, or the toll-free number 1-888-632-6273.

Yours truly,

Theodore Antonopoulos Vice President Major Applications

Attachment(s):

- (i) Draft Vulnerability Assessment Report
- (ii) Draft Vulnerability Assessment Toolkit

Appendix A – How to File Materials

All written materials sent to the OEB in response to this letter will be placed on the public record and posted on the OEB's website.

If the written materials are from a private citizen (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), the OEB will remove any personal (i.e., not business) contact information (e.g., address, phone number and e-mail address) before placing the materials on the public record and posting the materials on the OEB's website. However, your name and the entire content of your materials will be placed on the public record and posted on the OEB's website. If the written materials are from a person acting in a professional or business capacity, all information in the written materials will be publicly available.

Stakeholders are responsible for ensuring that any documents they file with the OEB **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

Please quote file number, **EB-2024-0199** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the OEB's <u>online</u> filing portal.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u> <u>Document Guidelines</u> found on the <u>File documents online page</u> on the OEB's website.
- Stakeholders are encouraged to use RESS. Those who have not yet <u>set up an account</u> or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the <u>File documents online page</u> of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the <u>Practice Direction on Cost Awards</u>.

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll-free)