



CONFIDENTIAL

January 6, 2015

Paul Kahnert
44 Pilgrim Drive
Markham ON
L6C 1T9

Dear Mr. Kahnert,

Re: File #12046-13278

I am writing to notify you that the Ombudsman, Fiona Crean, has commenced an investigation on her own motion against the Toronto Hydro Corporation.

Pursuant to sections 172(1) and 173(2) of the *City of Toronto Act*, the investigation will be conducted in private and any disclosure will only be made in order to establish grounds for the conclusions and any recommendations that the Ombudsman may make.

Notice of the Ombudsman's intent to investigate the following complaint has been provided to the President and Chief Executive Officer of Toronto Hydro Corporation copied to the City Manager. The complaint concerns Toronto Hydro's preparedness and response to emergencies.

The investigation will examine Toronto Hydro's emergency policies and procedures and how issues surrounding emergencies are facilitated and resolved to provide appropriate service. A review will also be conducted on how Toronto Hydro has implemented the recommendations flowing from the December 2013 ice storm. *The ombudsman has taken no position with respect to the issues raised in this investigation.*

The investigator assigned, Shoshanna Levitt, will contact you shortly. She will provide you with regular updates as to the status of the investigation. Should you have any questions, please do not hesitate to contact her at 416-392-7094.

Yours sincerely,

Kwame Addo
Director, Investigations & Conflict Resolution



October 15, 2015

Paul Kahnert
44 Pilgrim Drive
Markham, Ontario
L6C 1T9

Dear Mr. Kahnert,

Re: File No. 12046-13273

Further to our meeting on September 11, 2015, I am writing to inform you about the status of my investigation into Toronto Hydro's emergency response process.

My office met with you initially in late 2014 to hear your complaints about Toronto Hydro. Upon a thorough review of the information you provided and the issues you complained of, on January 6, 2015, my office launched an investigation to examine Toronto Hydro's emergency response, including whether its response is consistent with the company's emergency policies and procedures.

My office looked into emergencies declared by Toronto Hydro between January 30, 2014 and April 15, 2015. The December 2013 ice storm was not included within the scope of the investigation since Toronto Hydro's response to this event was evaluated in a separate review – one that was before City Council and that it has remained seized of – and which I therefore am precluded from examining. To be clear, I also did not look into employee health and safety, hydro-electric infrastructure maintenance, or Toronto Hydro's human resource practices because each of these areas more appropriately belong to other authorities to examine.

During the course of our investigation, Toronto Hydro has been undergoing an organizational transition to bring its emergency management practices and performance in line with industry norms and leading practices. This came in response to recommendations made by the Independent Review Panel *Report on the Response of Toronto Hydro-Electric System Limited to the December 2013 Ice Storm*, as well as recommendations and directions from Toronto City Council in July 2014.

Our investigation has been extensive, and complicated given the evolution of Toronto Hydro's grid emergency protocols and processes. We have reviewed over 17 binders of materials and carried out interviews with individuals responsible for emergency planning, preparedness, response and restoration, including senior management, staff, complainants, and stakeholders such as utility regulators, union representatives, and industry advocates. We conducted a site visit to Toronto Hydro's Commissioners Street

facility and toured its Control/Trouble Room, as well as the Dispatch, Call Centre and Customer Care areas.

During our investigation, it became apparent that some of the measures Toronto Hydro had recently undertaken in response to the Independent Review Panel Report, as well as the additional initiatives it will implement moving forward, might go a distance in addressing the issues we identified.

Specifically, Toronto Hydro recently introduced improvements that are designed to allow staff greater capacity to perform damage assessment and to respond to customer concerns. They include:

- Creating a new damage assessment process and training additional damage assessors (improvements to damage assessment and restoration planning);
- Training additional dispatchers, enhancing the outage map to more accurately inform customers of outage status and other pertinent information, and increasing capacity (people and technology) to handle large call volumes (communications enhancements);
- Enhancing the Outage Management System to support damage assessment and expanding mobile platforms to better pinpoint and diagnose trouble spots and to develop more accurate restoration times earlier in the restoration cycle (information systems and technology improvements); and,
- Expanding the incident level scales and the emergency activation criteria used to determine the magnitude of an incident in order to address incidents of all levels more effectively and to come in line with industry leading practice, and, instituting emergency response roles for all employees (enhancements to emergency planning and preparedness).

Toronto Hydro initiated a Grid Emergency Management Team (GEM) in September 2014 that is tasked to implement many of the Independent Review Panel's recommendations relating to damage assessment, estimated time of restoration and external communications.

I understand the GEM team will be performing its work in three phases. Phase I, which was completed in July 2015, involved updating, creating and documenting the roles, processes and tools needed to improve grid emergency preparedness, response and customer communications. The final two phases are underway and focus on updating the Grid Emergency Response Plan to incorporate all Phase I developments, and delivering additional training programs and exercises. I understand the team aims to further automate the damage assessment information collection and global estimated time of restoration generation processes in Phase III of the project which will commence in 2016.

We are told the GEM team will become a permanent grid emergency management department at Toronto Hydro and will be responsible for, among other things, grid

emergency response preparedness and grid emergency plan maintenance. Toronto Hydro has advised that the Plan will be used to support internal emergency preparedness training and exercises, and that it will be updated annually (and more frequently, if needed) to reflect lessons learned from incident responses. The GEM team will also be responsible for communications and stakeholder management, as well as emergency management coordination with the City and regulators.

Given the recent organizational developments, and the changes occurring as a result of the implementation of the Independent Review Panel's recommendations, I have decided to discontinue my investigation at this time.

I am guardedly optimistic that the proposed organizational reforms and the new grid emergency management scheme will lead to a more effective and efficient emergency response by Toronto Hydro, and ultimately, improvement in the service experienced by Toronto Hydro customers during an emergency. However, this area continues to be a work-in-progress and therefore this office intends to monitor Toronto Hydro's ongoing progress closely.

As a result, I have recommended the following measures:

1. That Toronto Hydro, no later than **January 31, 2016**, provide my Office with an update on Phase II of the Grid Emergency Management Project, including, its progress on updating the Grid Emergency Response Plan, and the additional emergency training programs and exercises it has delivered;
2. That Toronto Hydro, commencing **March 31, 2016**, and every quarter thereafter (June 30, September 30, etc.) until the Project is complete, provide updates on Phase III of the Project, including enhancements made to the current operating systems and automation of the damage assessment information collection and global ETR generation processes.

If you continue to be dissatisfied with Toronto Hydro's emergency response planning once it has completed its Grid Emergency Management Project and implemented my recommendations, please feel free to contact my office again and we will determine at that time what assistance, if any, we are able to provide.

Although I understand your disappointment in the outcome of this matter at this point, I hope you will understand my reasons.

Thank you, Paul, for contacting us and for your patience and cooperation throughout this investigation.

Yours sincerely,



Fiona Crean
Ombudsman