

# **Auditor Debrief**

**November 9, 2012**

# Disclaimer

- The information in this presentation was prepared as discussion points for the auditor meeting. In some cases more information may be required to understand the issue fully as discussed during the meeting. For more information please contact [martin.post@electricalsafety.on.ca](mailto:martin.post@electricalsafety.on.ca) or [jason.hrycyshyn@electricalsafety.on.ca](mailto:jason.hrycyshyn@electricalsafety.on.ca)

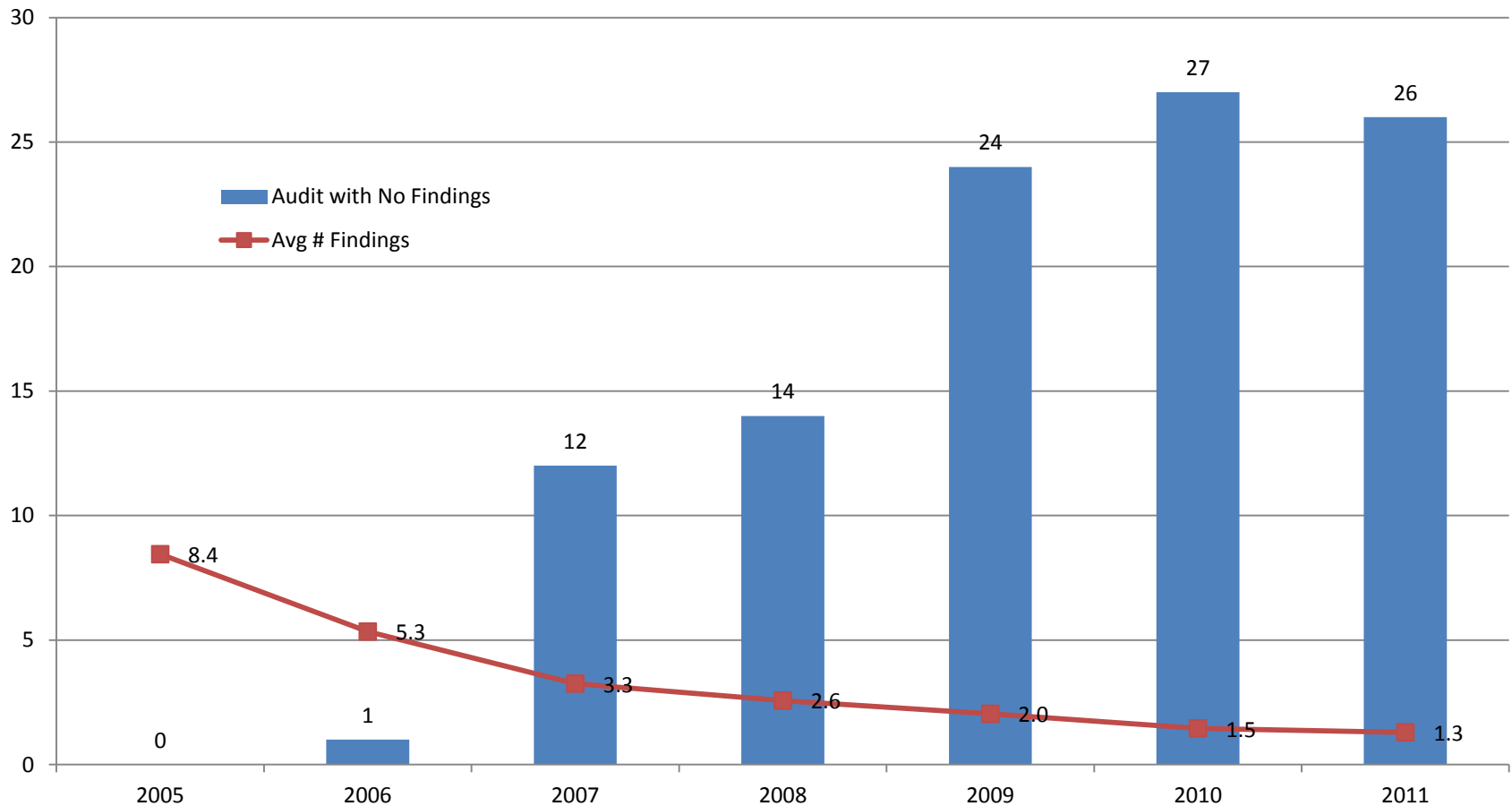
# **AGENDA**

1. Review of 2011 Audit results
2. 2012 Questions & Issues
3. Auditor Viewpoint
4. Focus of 2012 audits
5. Other Information
  - a) Bulletins
  - b) Other Issues
  - c) USF Standards
  - d) Administration
    1. ESA Comments
    2. LDC Mergers

# Summary of Audit Findings for 2011

- 26 LDCs - Full Compliance
- 47 LDCs - Needs Improvement only
- 27 LDCs with only one Needs Improvement ('09-10,'10-17) and 11 LDCs with more than two Needs Improvements ('09-23,'10-14)
- 2 LDCs had 1 Non-compliance
- 3 LDCs had 2 or more Non-compliances

# Summary of Audit Findings Life to Date



# Common audit findings

## Section 6 – Equipment Approvals

- Process for approving equipment returned from field or refurbished
  - No process documented for approving equipment for re-use from field or refurbished/repaired.
  - Some equipment is returned to inventory without approval/ approval records not documented
  - The documented procedures/policies should be updated to reflect current practice
- Approved equipment list
  - Unapproved equipment used
  - Not maintained / updated
  - Controls to ensure that only approved equipment is purchased
  - Legacy equipment in inventory not on approved list.

# Common audit findings

## Section 7 - Design

- Third Party designs with conditional/partial certificates of approval
- Temporary Services design standard for connecting between customer meter bases not available or not final
- Incomplete plans
  - Missing guying, anchoring, etc
  - Plans missing references to approved standards
  - Outdated standards used in construction or referenced on plans

# Common audit findings

## **Section 8 – Construction Inspection and sign-off**

- Maintenance schedules (section 4)
  - Documentation incomplete;
  - No schedule for some equipment
- Incomplete/missing Records of Inspection and/or Certificate
- Work energized in stages
  - Need Record of Inspection & Certificate at each stage of energization
  - Policy in place but not understood or followed consistently
- Third Party attachers not providing records or long lag.
- New staff need CVP training to be deemed qualified/competent



# Auditor Question

Q. Can you issue a needs improvement based on a requirement of the guideline or does it have to be anchored in the regulation?

A. The guideline is meant to be an interpretation of the Regulation. The examples contained in it are not the only way to comply, so some judgement is required. There should be a tie-in back to the Regulation. If unsure, document for ESA to review.

# Auditor Question

- Q. Is the transformer required to be re-inspected, tested and re-approved (no undue hazard for equipment sign off) prior to being re-used in a new installation?
- A. From 2.7.6 – The equipment may be inspected by a competent person and if that person decides no testing or maintenance is necessary then confirmation that there is no undue hazard may be recorded and the equipment may return to inventory as approved equipment. Once back in inventory it may be treated as another other approved piece of equipment. If after the inspection by a competent person they decide more work needs to be done prior to returning the equipment to inventory then that work needs to take place and be appropriately recorded.
- Q. Basically, is the re-use requirements listed in the guideline under 2.7.6 apply to existing equipment that has been in service before the regulation and has never been approved or does it also apply to already approved equipment that is being re-used?
- A. This rule would apply to all equipment.

# Auditor Question

- Q. There is a growing trend among LDC's to maintain electronic records. This creates some difficulty for the auditors. I have found myself looking over peoples' shoulders staring from a distance at small print on a computer screen. The auditor is at the LDC's mercy since the LDC will show us only what they want to show us. We can't search their records on our own since we are usually unfamiliar with their programming. It is sometimes difficult to decide whether the records are complete and the data is often presented in a format that only the LDC can decipher. How best to approach this issue?
- A. The auditors should be able to access any records required to assess the compliance of the LDC for the audit. If they are not able to confirm compliance, this should be noted in the audit report. ESA expects that the required records are made accessible, otherwise we can consider requesting them be made available to ESA as the Regulation permits.

# Auditor Question

- Q. A number of LDC's send out equipment (usually transformers and reclosers) for repairs, testing and/or refurbishment. Equipment is returned to the LDC with a test report signed by a P.Eng. Sometimes, different equipment is returned to the LDC. **Some repair organizations and LDC's consider the equipment as new. However the tests shown in the reports do not come close to meeting the requirements of the equipment standards.** I have advised LDC's that returned equipment should not be considered new and should be approved for re-use by a competent person. Comments?
- A. The equipment may be assessed under the requirements of 2.7.6. If the LDC wishes to consider the equipment as new then the equipment approval chart in the Technical Guideline (2.1.3) is recognized direction that may be used and the requirements met.

# Auditor Question

- Q. Many third party attachers are slow to provide certificates of inspection for completed work. Months may pass before confirmation is received by the LDC's. What is considered a reasonable length of time?
- A. It is expected that the LDCs manage this process. Reasonable should be determined by the LDC to ensure that they are maintaining the safety and integrity of their distribution system and also complying with audit record availability.

# Auditor Question

- Q. Most LDCs provide CVP training and refresher training. Some LDCs require that only supervisors and lead hands sign off on work and therefore may not promptly provide training for other field personnel. Should all field staff receive training, those listed as qualified in the CVP or only those who have sign off responsibilities?
- A. If they are listed in the CVP, it is assumed that they are qualified or competent and have sign-off responsibility, therefore must have training in the CVP.

# Auditor Question

- Q. I normally take the Powerline Person as "competent" after they have fully taken and successfully completed the 4-Level MEARIE Powerline Technician course facilitated by Hydro One. Smaller LDCs with very limited human resources would say that their Powerline Apprentice who are already at Level 4 could have gained knowledge, training and experience thus can sign the CVP form and when accompanied by a more knowledgeable person (foreperson) Do you agree?... I ask ..If accompanied by more knowledgeable person why would that more person not sign? and I normally get no response.
- A. Positions that are listed as journey-man/person or line-man/person are not considered apprentice unless it is specified as such. If they are listed as competent or qualified on the CVP, then they are approved. In some cases, apprentices have been approved as qualified for some work sign-off.

# Bulletins published

## Safety Bulletins

- DSB 05-12 Meter, Smart Meter and meter base Study
- DSB 04-12 UPDATE - S&C Electric Canada Ltd Product Bulletin
- DSB 03-12 Guy Insulator Placement - Additional Information
- DSB 02-12 Insulator Class Recommendation
- DSB 01-12 Voltage Conversion and OESC Requirements

## Information Bulletins

- DIB-13-12 Distribution System Control Component Setting & Reg 22-04 Requirements
- DIB-12-12 Introduction of Utility General Inspections
- DIB-11-12 Certificates of Deviation Approval
- DIB-10-12 Attacher Developed Plans - Work Instructions and LDC Review
- DIB-08-12 Pole - Soil Tamping
- DIB-07-12 DDI Process Updates
- DIB-06-12 Meter Base Mounted Transfer Devices
- DIB-05-12 Distributor Owned Wood Poles Approval
- DIB-04-12 Connection Authorizations
- DIB-03-12 Guidelines: Trimming Trees Around Powerlines & Planting Under or Around Powerlines & Electrical Equipment
- DIB-01-12 Interconnection of electric power production sources - OESC Requirements



# Other Issues

## **Solar Panels Installed on LDC poles**

ESA's position is that solar panels and other distributed generation are considered a third party attachment under Regulation 22/04. Generation is not part of the distribution system.

### References:

- ESA Bulletin DSB-08/07
- OEB Board File No. EB-2009-0411
- OESC Section 2-000 Scope

# Other Issues

## **DAS Networks on LDC poles**

The OEB recently ruled that DAS network attachments are to be considered the same as other third party attachments. It also found that DAS networks are not confined the traditional “communication space”.

ESA believes that safety is of the utmost importance and where the installation of antennae on power lines are planned to be installed, that they must meet the requirements set out in enacted legislation, including Ontario Regulation 22/04 and the OESC.

# ESA Comments

## Full Compliance

- If an item (or items) are repeated from previous year's audit then the Regulation section should be marked as non-compliant.
- If several needs-improvements are identified for one Regulation section, then the Section can be noted as non-compliant.

# ESA comments

- Please stick to the Regulation – some comments not relevant, although may be value added to LDC (e.g. quality of filing system)
- If value added observations are included please keep separate from compliance observations

# ESA comments

## Auditor Independence

- Auditors are reminded that independence is an important factor.
- Consulting or training activities for and LDC that is being audited shall be avoided
- When identifying compliance & needs improvement issues, take care not to tell them “how to fix it” or how to comply

# ESA comments

## Follow-up on Action Items

- If LDC is not compliant for the full year, try to identify when they became compliant in the Audit Report.

## Field Changes & CVP compliance

- Audit final work for evidence that proves field changes follow the CVP

# LDC Mergers

## Mergers and Acquisitions

- Where LDCs have merged or been acquired, auditors should determine whether “satellite” offices exist. Important that the “satellites” are following processes, etc. and are also fully compliant.

## Mergers and Acquisitions in 2011/12

- Middlesex Power and Chatham-Kent Hydro are now merged and renamed Entegrus Powerlines
- Dubreuil Forest Products is now Dubreuil Lumber Inc.

# USF Standards

- New certificate issued for USF Standards **October 15, 2011** for section 1-11. Does not include Section 12 - Underground Standards.
- Combination of new standards and revisions to previous standards
- Previous Certificate issued October 12, 2010 was revoked as of **March 15, 2012.**
- New submission for limited sections anticipated in December 2012 – same process to be followed.



# USF Standards

- Lag between new Certificate date and revocation date to allow for work-in-progress to be finished
- Projects already planned and standards assembled but not started yet using previous standards are acceptable
- Project plans started after revocation date must use standards covered by new certificate

- Any Questions?