



Ontario
Energy
Board

2021-2022

Financial Statements

FINANCIAL STATEMENTS

MARCH 31, 2022

MANAGEMENT’S RESPONSIBILITY

The Ontario Energy Board’s Board of Directors are responsible for the integrity and fair presentation of the financial statements and other information presented in the annual report. The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. The preparation of financial statements necessarily involves the use of management’s judgment and best estimates, particularly when transactions affecting the current accounting period cannot be determined with certainty until future periods.

The Ontario Energy Board maintains systems of internal accounting controls designed to provide reasonable assurance that reliable financial information is available on a timely basis and that the Ontario Energy Board’s assets and liabilities are adequately accounted for and assets safeguarded.

The financial statements have been reviewed and approved by the Ontario Energy Board’s Board of Directors. In addition the financial statements have been audited by the Auditor General of Ontario, whose report follows.



Ian Malpass
Vice President, Finance and Information Technology
June 23, 2022



Independent Auditor's Report

To the Ontario Energy Board

Opinion

I have audited the financial statements of the Ontario Energy Board (OEB), which comprise the statement of financial position as at March 31, 2022, and the statements of operations and net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the OEB as at March 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the OEB in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is responsible for assessing the OEB's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the OEB either intends to cease operations, or has no realistic alternative but to do so.

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Those charged with governance are responsible for overseeing the OEB's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OEB's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the OEB's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the OEB to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Toronto, Ontario
June 23, 2022

Bonnie Lysyk, MBA, FCPA, FCA, LPA
Auditor General

STATEMENT OF FINANCIAL POSITION

AS OF MARCH 31, 2022

	2022	2021
ASSETS		
Current Assets:		
Cash (note 9)	\$ 13,988,685	\$ 19,982,692
Accounts receivable (note 9)	1,595,740	991,565
Regulatory process costs to be assessed (note 9)	1,318,974	1,465,030
Deposits and prepaid expenses	455,367	478,956
Total Current Assets	17,358,766	22,918,243
Non-current Assets:		
Capital Assets (note 5)	4,265,312	3,829,693
Total Non-current Assets	4,265,312	3,829,693
TOTAL ASSETS	\$ 21,624,078	\$ 26,747,936
LIABILITIES		
Current Liabilities:		
Deferred revenue (note 3b)	\$ 1,180,266	\$ 3,649,635
Accounts payable and accrued liabilities	7,551,730	7,314,750
Total Current Liabilities	8,731,996	10,964,385
Non-current Liabilities:		
Deferred revenue related to capital assets (note 3c)	4,265,312	3,829,693
Pension liability (note 6b)	53,936	130,420
Total Non-current Liabilities	4,319,248	3,960,113
TOTAL LIABILITIES	\$ 13,051,244	\$ 14,924,498
Operating Reserve (note 4)	\$ 7,014,000	\$ 8,514,000
Net Assets:		
Internally Restricted Net Assets (note 7)	1,558,834	3,309,438
TOTAL LIABILITIES, RESERVE AND NET ASSETS	\$ 21,624,078	\$ 26,747,936

Commitments and Contingencies (note 8 & 11)
See accompanying notes to Financial Statements.

On behalf of the Board of Directors:

Richard Dicerni
Chair of the OEB Board of Directors

STATEMENT OF OPERATIONS AND NET ASSETS

YEAR ENDED MARCH 31, 2022

	2022	2021
REVENUES		
Recovery of Costs:		
General cost recovery (note 3a)	\$ 41,937,888	\$ 40,313,129
Regulatory process costs	2,346,370	2,245,334
Amortization of deferred revenue related to capital assets (note 3c)	1,145,817	915,183
Total Revenues from Recovery of Costs	45,430,075	43,473,646
Other Revenues:		
Licence fees	427,600	422,500
Administrative penalties and interest (note 7)	249,396	282,421
Miscellaneous income	136,665	15,277
Interest income (note 9)	95,235	105,121
Total Other Revenues	908,896	825,319
TOTAL REVENUES	\$ 46,338,971	\$ 44,298,965
EXPENSES		
Salaries and benefits	34,792,615	33,481,049
Premises	3,557,007	3,458,589
Consulting and professional	3,549,290	3,498,383
Information technology	1,237,315	1,180,020
Publications, media and advertising	991,736	1,045,379
Meetings, training and travel	467,118	151,784
Office and administration	348,677	286,157
Amortization of capital assets paid by OEB	1,145,817	915,183
TOTAL EXPENSES FROM OPERATIONS	\$ 46,089,575	\$ 44,016,544
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	\$ 249,396	\$ 282,421
Funding for Low-Income Energy Assistance Program (note 7)	(2,000,000)	-
(DEFICIENCY)/EXCESS OF REVENUE OVER EXPENSES	\$ (1,750,604)	\$ 282,421
Net Assets, beginning of period	3,309,438	3,027,017
NET ASSETS, end of period (note 7)	\$ 1,558,834	\$ 3,309,438

See accompanying notes to Financial Statements.

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2022

	2022	2021
Net inflow (outflow) of cash related to the following activities:		
OPERATING		
Assessment billed	\$ 39,549,955	\$ 41,238,496
Regulatory process costs revenue	2,346,370	2,245,334
Other revenues	908,896	825,319
Expenses from operations	(46,089,575)	(44,016,544)
Funding for Low-Income Energy Assistance Program	(2,000,000)	-
	(5,284,354)	292,605
Adjustment for Non-cash Expenses:		
Amortization of capital assets paid by OEB	1,145,817	915,183
	1,145,817	915,183
Changes in Non-cash Working Capital:		
Accounts receivable	(604,175)	(437,355)
Regulatory process costs to be assessed	146,056	1,047,228
Deposits and prepaid expenses	23,589	146,581
Accounts payable and accrued liabilities	236,980	668,151
Pension liability	(76,484)	10,417
	(274,034)	1,435,022
Net Cash from Operating Activities	(4,412,571)	2,642,810
CAPITAL		
Capital asset purchases	(1,581,436)	(1,558,354)
Net Cash Used in Capital Activities	(1,581,436)	(1,558,354)
NET CHANGE IN CASH	(5,994,007)	1,084,456
Cash, beginning of period	19,982,692	18,898,236
Cash, end of period	\$ 13,988,685	\$ 19,982,692

See accompanying notes to Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2022

1. NATURE OF THE CORPORATION

The Ontario Energy Board (the “OEB”) is the regulator of Ontario’s natural gas and electricity industries and provides independent adjudicative decision making. The OEB also deals with energy matters referred to it by the Minister of Energy and the Minister of Northern Development, Mines, Natural Resources and Forestry.

Pursuant to the *Ontario Energy Board Act, 1998* (the “OEB Act”), the OEB was continued as a corporation without share capital, empowered to fully recover its costs from natural gas and electricity industry participants.

As an agent of Her Majesty in right of Ontario, the OEB is exempted from federal and provincial income taxes under the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of financial statement preparation

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PS), which constitutes generally accepted accounting principles for government not-for-profit organizations in Canada. The OEB has elected to use the standards for government not-for-profit organizations that include sections PS 4200 to PS 4270, which reflect the significant accounting policies.

b) Revenue recognition

Revenues received in the fiscal year (FY) 2022 that relate to subsequent years are not recognized as revenue and are deferred. Recognition of revenue is matched to the expenses of the OEB as follows:

- General cost recovery under section 26 of the OEB Act related to the expenses of the OEB is recognized as revenue to the extent that the total expenses are in excess of regulatory process costs (section 30 and section 79.2), amortization of deferred revenue related to capital assets and other revenues. When revenue is assessed in excess of actual cost in a current year, it is deferred and recognized in the following fiscal year and referred to as a true-up (note 3b).

- Regulatory process costs (section 30 and section 79.2 of the *OEB Act*) are recognized as revenue when related expenses are incurred.
 - Section 30 costs are regulatory process costs incurred in relation to specific proceedings and consultation processes. They are recovered from regulated entities through the cost award decisions made by the OEB in respect of those proceedings and processes. Some proceedings and consultation processes span several financial years. The OEB funds such proceedings and consultations through its operating reserve until the costs are finally recovered under section 30 of the *Ontario Energy Board Act, 1998*.
 - Section 79.2 costs are regulatory process costs related to the administration of the Ontario Electricity Support Program (OESP). Section 79.2, together with Ontario Regulation 14/18 made under the OEB Act, enables the OEB to recover its OESP administration costs from the Independent Electricity System Operator (IESO).
- Deferred revenue related to capital assets is recognized as revenue on the same basis that the underlying capital assets are amortized. Revenue related to capital asset expenditures is deferred because they have been billed in advance (note 3c).
- Revenue from administrative penalties assessed against market participants under section 112.5 of the OEB Act is recognized in the year the OEB accepts an assurance of voluntary compliance or issues the enforcement order for the amount identified, provided that the order is not under appeal and collection is reasonably assured. If the order is appealed, revenue will be recognized in the year in which all rights of appeal are exhausted and the order becomes final. Revenue from administrative penalties is not used to reduce the costs under section 26, 30 and 79.2 of the OEB Act, but used to support activities relating to consumer education, outreach and other activities in the public interest. Both administrative penalties and their related expenses are reflected in the Statement of Operations and Net Assets and are reflected as internally restricted net assets, which are summarized in note 7 of the financial statements.
- Other revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

c) Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization is calculated on a straight-line basis over the estimated useful lives of the assets, beginning in the fiscal year following the acquisition, as follows:

Office furniture and equipment	5 - 10 years
Computer software	3 or 5 years
Computer equipment	3 or 5 years
Audio visual equipment	3 years
Leasehold improvements	remainder of lease term

d) Financial instruments

The OEB's financial instruments are cash, accounts receivable, regulatory process costs to be assessed, accounts payable and accrued liabilities. Financial instruments are recorded at fair value at initial recognition and are subsequently measured at amortized cost. All financial assets are tested annually for impairment. In the event there are impairment of financial assets, the losses are recorded at the Statement of Operations and Net Assets.

e) Use of estimates

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards (PS) requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and recoveries for the year. Items requiring the use of significant estimates include pension liability, accounts payable and accrued liabilities and useful life of capital assets. Actual amounts could differ from these estimates.

f) Employee pension plans

The OEB's full-time employees participate in the Public Service Pension Plan (PSPP), which is a defined benefit pension plan for employees of the Province and many provincial agencies. The Province of Ontario, which is the sole sponsor of the PSPP, determines the OEB's annual payments to the Plan. Since the OEB is not a sponsor of the pension plan, gains and losses arising from statutory actuarial funding valuations are not assets or obligations of the OEB, as the sponsor is responsible for ensuring that the pension plan is financially viable. The OEB's expense is limited to the required contributions to the Plan as described in note 6a.

The OEB also manages a supplementary unfunded pension plan for a former Chair as described in note 6b. The OEB accrues its obligations and the related cost under this supplemental unfunded pension plan. The actuarial liability and the current service cost are determined by independent actuaries using the projected benefit method, prorated on management's best estimate assumptions.

3. INDUSTRY ASSESSMENTS

During FY 2022, the natural gas and electricity industry participants were assessed estimated costs for FY 2022 based on budgeted amounts. Amounts assessed in excess of actual costs are a true-up and are reported as current deferred revenue. The calculations of the general cost recovery, true-up and deferred revenue are outlined in the following tables.

a) General cost recovery

	FY 2022	FY 2021
Salaries and benefits	\$ 34,792,615	\$ 33,481,049
Premises	3,557,007	3,458,589
Consulting and professional	3,549,290	3,498,383
Information technology	1,237,315	1,180,020
Publications, media and advertising	991,736	1,045,379
Meetings, training and travel	467,118	151,784
Office and administration	348,677	286,157
Amortization of capital assets paid by the OEB	1,145,817	915,183
Total expenses from operations	46,089,575	44,016,544
Regulatory process costs, amortization of deferred revenue related to capital assets and other revenues excluding administration penalties and interest	(4,151,687)	(3,703,415)
General cost recovery	\$ 41,937,888	\$ 40,313,129

b) Current deferred revenue (True-up)

	FY 2022	FY 2021
General cost recovery (note 3a)	\$ 41,937,888	\$ 40,313,129
Capital expenditures paid by the OEB	1,581,436	1,558,354
Operating reserve adjustment (note 4)	(1,500,000)	-
Total assessment (actual)	42,019,324	41,871,483
Total assessment (budget)	43,199,590	45,521,118
Current deferred revenue (True-up)	\$ 1,180,266	\$ 3,649,635

c) Deferred revenue related to capital assets

Capital asset expenditures are included in the cost assessment in the year of capital acquisition and deferred into revenue on the same basis as the underlying capital assets. The following table shows capital asset expenditures billed in advance and will be recognized into revenue in future periods:

	FY 2022	FY 2021
Deferred revenue related to capital assets, beginning of period	\$ 3,829,693	\$ 3,186,522
Add: capital expenditures included in cost assessment	1,581,436	1,558,354
Less: amortization of deferred revenue related to capital assets	(1,145,817)	(915,183)
Deferred revenue related to capital assets, end of period	\$ 4,265,312	\$ 3,829,693

4. OPERATING RESERVE

As a self-financing entity, the OEB maintains a Board approved operating reserve, which can be adjusted on an annual basis. The primary objective of maintaining this reserve is to fund the OEB's operations in the event of revenue shortfalls or unanticipated expenditures. It is to be used for cash flow management and to support working capital requirements.

The operating reserve at the end of the fiscal year is 16% (2021 – 19%) of the annual budget. The Board of Directors has approved reductions to its operating reserve to 8% (approximately \$3,500,000) by FY 2024.

	FY 2022		FY 2021	
Operating reserve, beginning of the year	\$	8,514,000	\$	8,514,000
Adjustment to the operating reserve		(1,500,000)		-
Operating reserve, end of the year	\$	7,014,000	\$	8,514,000

The OEB is not subject to any externally imposed reserve requirements.

5. CAPITAL ASSETS

	Cost	Accumulated amortization	Net book value FY 2022	Net book value FY 2021
Office furniture and equipment	\$ 2,555,166	\$ 2,438,243	\$ 116,923	\$ 103,108
Computer equipment	3,482,322	2,916,461	565,861	609,104
Computer software	10,889,096	7,520,266	3,368,830	2,812,886
Audio visual equipment	255,709	193,633	62,076	111,841
Leasehold improvements paid by the OEB	1,824,197	1,672,575	151,622	192,754
Leasehold improvements paid by the landlord	3,540,400	3,540,400	-	-
Total	\$ 22,546,890	\$ 18,281,578	\$ 4,265,312	\$ 3,829,693

6. EMPLOYEE FUTURE BENEFITS

- a) The OEB's contribution to the Public Service Pension Plan (PSPP) for FY 2022 was \$2,219,837 (2021 - \$2,110,949) and is included in salaries and benefits costs on the Statement of Operations and Net Assets.
- b) The OEB has an unfunded supplemental pension plan for a former Chair. The significant actuarial assumptions adopted at March 31, 2022 included a discount rate of 2.75% (2021 – 1.75%). The OEB conducts an annual actuarial valuation for accounting purposes at the fiscal year end. The OEB's pension expense, included in salaries and benefits costs on the Statement of Operations and Net Assets, is shown below:

Components of Net Periodic Pension Cost	FY 2022	FY 2021
Current service costs	\$ -	\$ -
Interest costs	2,133	2,214
Actuarial (gain)/loss	(61,558)	26,799
Net periodic pension cost recognized	\$ (59,425)	\$ 29,013

The total benefit obligation and the accrued benefit liability included on the Statement of Financial Position, is shown below:

Change in Accrued Benefit Obligation	FY 2022	FY 2021
Accrued benefit obligation, beginning of the year	\$ 130,420	\$ 120,003
Current service costs	-	-
Interest costs	2,133	2,214
Benefits paid	(17,059)	(18,596)
Actuarial (gain)/loss	(61,558)	26,799
Accrued benefit obligation, end of the year	\$ 53,936	\$ 130,420

- c) The OEB is not responsible for the cost of employee post-retirement and non-pension benefits. These costs are the responsibility of the Province of Ontario, a related party.

7. INTERNALLY RESTRICTED NET ASSETS

The internally restricted net assets at March 31, 2022 represent revenue from administrative penalties assessed against individual market participants under section 112.5 of the *OEB Act*. According to the OEB Cost Assessment Model, revenue from administrative penalties will not be used to reduce payments under the general assessment. Revenue from administrative penalties plus any related interest revenue is internally restricted to support activities relating to consumer education, outreach and other activities in the public interest.

During FY 2022, in response to the ongoing COVID-19 pandemic, the OEB has utilized a portion of the internally restricted net assets towards an initiative for the public interest. The OEB provided \$2,000,000 in funding to local distribution companies to use towards the Low-Income Energy Assistance Program (LEAP).

The changes in internally restricted net assets are as follows:

	FY 2022	FY 2021
Balance, beginning of the year	\$ 3,309,438	\$ 3,027,017
Administrative penalties issued in the year	235,200	263,500
Interest revenue from administrative penalties	14,196	18,921
Funding for Low-Income Energy Assistance Program	(2,000,000)	-
Balance, end of the year	\$ 1,558,834	\$ 3,309,438

8. OPERATING LEASE COMMITMENTS AND DEFERRED RENT INDUCEMENT

The OEB's current office space lease commitment ends on December 31, 2024. The minimum base rental payments in aggregate are as follows:

FY 2023	\$ 1,721,556
FY 2024	1,868,158
FY 2025 – 9 months	1,483,582
Total	\$ 5,073,296

OEB is committed to pay its proportionate share of realty taxes and operating expenses for the premises, which amounted to \$1,771,352 during FY 2022 (2021 - \$1,865,731).

9. FINANCIAL INSTRUMENT AND RISK MANAGEMENT

Interest rate risk:

The OEB's financial assets and liabilities are not exposed to significant interest rate risk. The average interest rate on cash balance was 0.62% (2021 – 0.60%).

A 25 basis point change in the interest rate would impact the OEB's operating surplus by \$44,583 (2021 - \$51,750).

Currency risk:

The OEB's exposure to currency risk is minimal as few transactions are in currencies other than Canadian dollars.

Credit risk:

Accounts Receivable

The OEB has minimal credit risk exposure in regard to accounts receivable due to high historical collection rates. The accounts receivable aging is summarized below:

March 31, 2022	Current	+30 Days	+60 Days	+90 Days	Total
Regulatory process costs	\$ 675,040	\$ 37,310	\$ 62,703	\$ -	\$ 775,053
General cost recovery	7,545	-	3,826	800	12,171
HST recovery	797,658	-	-	-	797,658
Interest receivable	10,858	-	-	-	10,858
Total	\$ 1,491,101	\$ 37,310	\$ 66,529	\$ 800	\$ 1,595,740

March 31, 2021	Current	+30 Days	+60 Days	+90 Days	Total
Regulatory process costs	\$ 418,110	\$ 127,570	\$ 1,726	\$ 395	\$ 547,801
General cost recovery	1,610	-	-	8,000	9,610
Admin Penalty	12,000	-	-	-	12,000
HST recovery	419,126	-	-	-	419,126
Interest receivable	11,423	-	-	-	11,423
Allowance for Doubtful Accounts	-	-	-	(8,395)	(8,395)
Total	\$ 862,269	\$ 127,570	\$ 1,726	\$ -	\$ 991,565

Regulatory process costs to be assessed

The OEB also has minimal credit risk exposure in regard to the \$1,318,974 (2021 - \$1,465,030) of regulatory process costs to be assessed due to high historical collection rates. Included in these costs is \$595,924 (2021 - \$334,556) to be collected from related parties.

Regulatory process costs to be assessed are costs incurred by the OEB which will be invoiced in a future fiscal year after March 31, 2022.

Liquidity risk:

The OEB's exposure to liquidity risk is minimal as the OEB has a sufficient cash balance to settle all current liabilities. As of March 31, 2022, the OEB had a cash balance of \$13,988,685 (2021 - \$19,982,692) to settle current liabilities of \$8,731,996 (2021 - \$10,964,385).

10. RELATED PARTY TRANSACTIONS

The Province of Ontario is a related party as it is the controlling entity of the OEB. All related party transactions have been recorded at their exchange amounts, which is the amount of consideration established and agreed to by the related party.

Under the *OEB Act*, the OEB recovers its costs from various regulated entities, which include the following related parties:

- Independent Electricity System Operator, Ontario Power Generation, Hydro One, Ontario Electricity Financial Corporation totalled \$12,370,479 (2021 - \$11,878,193) and is recorded in General cost recovery and Regulatory process costs on the Statement of Operations and Net Assets.

The OEB occasionally enters into secondment arrangements with staff from other government entities to benefit from understanding the perspectives of others in the sector:

- Ministry of Energy recovered salaries of seconded staff which amounted to \$255,488 (2021 - \$130,948) and is included in Salaries and Benefits on the Statement of Operations and Net Assets.
- Independent Electricity System Operator recovered salaries of seconded staff which amounted to \$133,694 (2021 - \$0) and is included in Salaries and Benefits on the Statement of Operation and Net Assets.

In addition, the OEB has entered into transactions with other related parties as follows:

- Of the \$2,000,000 in funding for the Low-Income Energy Assistance Program; \$289,604 was paid to Hydro One, a related party.
- Ministry of Government and Consumer Services recovered data communication and records storages services of \$50,132 (2021 - \$62,945) and which are included in Information technology and Office & administration on the Statement of Operation and Net Assets.

Related party transactions pertaining to employee future benefits are disclosed in note 6.

11. CONTINGENCIES

Contingencies refer to possible legal claims that have been made against the OEB, the ultimate outcome of which cannot be predicted with certainty. Management does not expect that the outcome of the claims against the OEB will have a material and adverse effect on its financial results and does not believe any provisions for losses are necessary at this time. No amounts have been recognized in the accounts for claims made against the OEB. Any settlements will be accounted for at the time of settlement.



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