

LYNNE ANDERSON CHIEF COMMISSIONER | COMMISSAIRE EN CHEF

BY EMAIL

April 18, 2024

To: All Licensed Electricity Distributors

All Rate-Regulated Gas Distributors

All Licensed Transmitters

All Licensed Gas Marketers

All Licensed Electricity Retailers

All Licensed Unit Sub-Meter Providers

Independent Electricity System Operator

**Ontario Power Generation** 

All Other Interested Parties

Re: Chief Commissioner 2023-24 Year-End Update

With the closing of the 2023-24 fiscal year, and following on the letter issued by CEO Susanna Zagar earlier this month, I would like to take this opportunity to provide a year-end update on the OEB's adjudicative activities.

The OEB continues to enhance our adjudicative processes through the review of our regulatory policies, a focus on the timeliness of decisions and clarity of our procedural practices.

Twice per year we summarize our adjudicative performance by publishing the **Adjudicative Reporting Dashboard**. First posted publicly in 2021, the Dashboard was conceived following the publication of the OEB Modernization Review Panel report, just over five years ago. The energy sector we regulate asked for more transparency and certainty related to the timing of regulatory proceedings to inform future workplans. In response, and to demonstrate our accountability to the sector, we updated our metrics and enhanced our reporting. We continued to update performance standards last year with the issuance of new standards for Certificate of Public Convenience and Necessity,



Municipal Franchise Agreement, Storage and Well Drilling that became effective April 1, 2024.

The Dashboard has become a key source of information to keep the OEB accountable on adjudicative efficiency. It provides details of adjudicative activity and shows our achievement in meeting the performance standards we have set for ourselves. This year, the OEB has met those adjudicative performance standards.

For the period April 1, 2023, to March 31, 2024, I am pleased to report that:

- 288 decisions were issued.
- **90%** of panel decisions and **100%** of delegated decisions met or surpassed OEB performance standards for total cycle time.
- More than 90% of all decisions were issued more than 14 days in advance of the decision metric date.
- The OEB met its decision-writing timelines in all but two proceedings.
- On average, **40** key regulatory documents were issued each month.

Once again this year, a large number of those decisions were for licence renewals, reflecting the end of the 20-year licence terms for many distributors and transmitters. New expedited processes for licence renewals have resulted in favourable processing times.

In the past fiscal year, four panel decisions were issued after the total cycle time performance standard. When that happens, we diligently note the reasons, summarize them on our website with the dashboard and consider whether improvements should be made to our processes. Last year, reasons included the OEB granting extensions for various filings and, sometimes, the OEB determining that the complexity of the matter warranted additional process. While meeting the performance standard timelines is important, it cannot be at the expense of effective proceedings.

Beyond the Dashboard, I'd like to share several other important adjudicative activities taking place at the OEB.

We engaged with a **working group of very small electricity distributors** (those with fewer than 5,000 customers) and parties that participate in their rate applications. The working group reached consensus on a number of recommendations, which the OEB largely adopted at the end of March. Last week, we issued a letter to the sector about **Filing Requirements for Electricity Distribution Rate Applications for 2025 Rates**.



The letter announced, among other things, that we will be piloting a budget for intervenors participating in cost-of-service applications for utilities with fewer than 30,000 customers. This initiative is part of our work on the Intervenor Action Plan.

Also as part of the Intervenor Action Plan, the **OEB amended its Rules of Practice and Procedure**. The amendments reflect an issues list process that ensures the scope of proceedings is defined at an early stage, and greater clarity on the OEB's approach to filing evidence and expert evidence.

We furthered **our commitment to meaningful participation by Indigenous peoples in OEB proceedings.** In February, we began soliciting comments on the Indigenous consultation provisions in our Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Projects and Facilities in Ontario, and on participation by Indigenous groups in OEB hearings. The invitation to comment was sent to more than 140 Indigenous communities and organizations. In March, we met with representatives of those Indigenous communities that had requested meetings and reviewed comments received from several others. We anticipate being able to report back on this important work later this year and are very appreciative of the comments and feedback we have received to date.

In February, OEB staff issued a **Discussion Paper on the Evaluation of Policy on Utility Consolidations**. This paper made recommendations for consideration by stakeholders on the *Handbook to Electricity Distributor and Transmitter Consolidations*. The OEB has reviewed the comments and expects to issue a final version of a revised Handbook later this spring.

In September, the OEB made **changes to the form, content and publication of its Notices of Hearing**, and enhanced the methods for reaching consumers and other interested parties. The updated Notices increase consumer understanding, broaden awareness of OEB proceedings, and better align with changing demographics and preferred methods of engagement, while continuing to meet legal requirements.

Over the course of the fiscal year, we **refreshed the membership of the OEB's Adjudicative Modernization Committee** and conducted three meetings. Once again this year, members provided valuable insights into topics such as the Intervenor Framework, our Rules of Practice and Procedure, cloud computing arrangements, energy transition matters and our performance measurement framework.



This past year also saw the **return to in-person adjudicative events** following the COVID-19 pandemic. Amendments to the Rules of Practice and Procedure were made to provide greater clarity and transparency regarding the OEB's approach to determining the form of hearings, including a hybrid approach allowing both in-person and on-line participation. Information for anyone attending an in-person adjudicative event was posted on the OEB's website.

Finally, the Adjudicative Dashboard is slated to undergo a design refresh this fiscal year. The updated Dashboard will convey the same insightful and valuable information but in a format that is intended to be clearer and more visually accessible.

I would like to thank our dedicated team of OEB Commissioners and staff, without whom this valuable work could not happen. I also offer my gratitude to you, our stakeholders and participants, for your support and the trust that you continue to place in us.

Please do not hesitate to contact me with any comments or ideas you may have on how we can continue to improve adjudicative policies and procedures.

Sincerely,

Lynne Anderson Chief Commissioner, Ontario Energy Board

## **Additional Resources:**

- Adjudicative Reporting Dashboard
- Filing Requirements for Electricity Distribution Rate Applications for 2025 Rates
- Regulatory Efficiency for Very Small Utilities (<5,000 customers)</li>
- Intervenor Action Plan
- OEB Rules of Practice and Procedure
- February 7, 2024, letter to Indigenous communities and organizations
- Discussion Paper on the Evaluation of Policy on Utility Consolidations

