

Ministry of Energy

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MC-994-2022-271

April 1, 2022

Mr. Richard Dicerni
Chair
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Mr. Dicerni:

Thank you for submitting the Ontario Energy Board's (OEB) 2022-2025 Business Plan and Budget for my review.

This year's Business Plan looks to position the OEB to build on the OEB Modernization work to date and shows some initial steps in charting a course to implement the government's priorities as outlined in the Mandate Letter I sent to you on November 15, 2021. While I appreciate the efforts made by the OEB to develop this year's Business Plan, an important part of the OEB's modernization effort is to raise the bar and increase transparency with the sector it regulates and public it ultimately serves.

While I am approving this year's plan, I would like to note some areas in which I expect more information to be shared in future Business Plans, and through updates to stakeholders throughout the year:

- Greater detail about the OEB's key initiatives and continued efforts to publicly communicate timelines and progress. Keeping stakeholders apprised of the OEB's ongoing activities, expected next steps and timelines, and progress in key areas – particularly those time-sensitive priorities set out in the Mandate Letter (e.g., clear guidance to Local Distribution Companies on system investments to prepare for EV adoption and electrification; the government's proposed ultra-low overnight rate; the Class B dynamic pricing pilot; etc.) – will demonstrate to the sector and the public that the goals of OEB Modernization and the OEB's legislated objectives are being met.
- Increased specificity in the performance measurement framework to demonstrate how outcomes will be measured and how they advance the OEB's strategic goals. I acknowledge that the OEB has spent considerable time developing this framework and I look forward to seeing further enhancements in this space.

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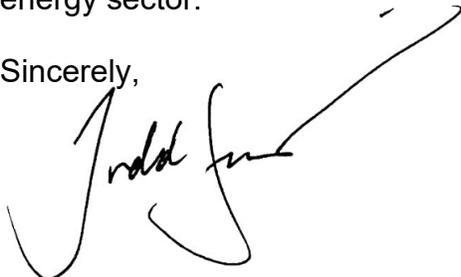
- Additional details on the OEB's efforts to mitigate risks identified in its risk assessment. Stakeholders would benefit from greater clarity and specificity on how the OEB intends to address identified risks.

I look forward to these enhancements in the 2023-2026 Business Plan, as the OEB continues toward its goal of becoming a top quartile regulator.

This letter constitutes my approval of the Business Plan, including the proposed 2022-2023 budget of \$48.6 million. I understand the Mandate Letter provided last fall sets an ambitious agenda for the OEB, and the additional staff capacity proposed in the business plan will help the organization deliver on it.

The OEB has shown significant improvement under the modernized governance structure, and I am confident that along with increased transparency this plan will demonstrate to the sector and the public that the OEB will continue to focus on outcomes that promote the interests of consumers and stability and sustainability of the energy sector.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Smith", with a long, sweeping horizontal stroke extending to the right.

Todd Smith
Minister

c: Susanna Zagar, CEO, Ontario Energy Board
David Donovan, Chief of Staff to the Minister of Energy
Stephen Rhodes, Deputy Minister of Energy