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**BUSINESS PLAN  
2022-2025**



**ONTARIO  
ENERGY  
BOARD**

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JOINT MESSAGE FROM  
OEB CHAIR  
& CEO



Supporting our province's post-pandemic economic recovery, the energy transition and the global move toward net-zero carbon emissions remain squarely in our focus. Our values - being accountable, transparent, driven and thoughtful - remain the bedrock on which we will execute this work.

With the publication of our 2022-23 to 2024-25 Business Plan (Plan), the OEB is ramping up our drive to become a top quartile regulator and reinforcing our commitment to our strategic themes of independence, accountability, certainty, effectiveness, efficiency and innovation.

This new, three-year Plan marks our second fiscal year under our modernization mandate, and reflects our determination to foster trust between the OEB and the entities we regulate and the people of Ontario, whom we serve. The three-year rolling Plan focuses on fiscal year 2022-23 and includes forward-looking budgets for 2023-24 and 2024-25. It also correlates with year two of the OEB's five-year Strategic Plan, published in 2021.

Since publishing our last Business Plan, we have made meaningful and deliberate changes to deepen stakeholder engagement, spur enterprise-wide innovation and live our commitment to diversity, equity and inclusion. We have structured our Executive Leadership Team to support our modernization, by hiring the new Chief Operating Officer and the creation and hiring of the Chief Corporate Services Officer & General Counsel role. Additionally, our independent Chief Commissioner is supported by a team of highly qualified independent Commissioners.

Our Board of Directors remains a strong and independent body. The Directors plus the Chair now oversee the management of the OEB's business and affairs, with the Chair accountable to the Minister of Energy. In addition to the Board of Directors, governance and oversight is provided by the Board of Directors Committees; the Adjudication Committee (which is required by legislation), and the more recently established Innovation Task Force, with a mandate to anticipate transformational change in the energy sector, and Finance and Risk Committee, reflecting the OEB's increased maturity.

Several themes will progress and dominate the work we do and the steps we take over the next three years. Supporting our province's post-pandemic economic recovery, the energy transition and the global move toward net-zero carbon emissions remain squarely in our focus. Our values - being accountable, transparent, driven and thoughtful - remain the bedrock on which we will execute this work.

We know that stakeholders are watching us keenly - and we welcome that. We have welcomed their input, participation, and collaboration as we address the needs of the sector during the evolution and redefinition of the energy marketplace.

We also acknowledge that there is much to be done and that expectations remain high. We accept the challenges we are facing and present this Plan to the Minister and Deputy Minister of Energy, to whom we are accountable, as the roadmap for the continued modernization and transformation of the OEB.

**Richard Dicerni**  
*Chair*

**Susanna Zagar**  
*Chief Executive Officer*



# INTRODUCTION

Ontario has one of the largest and most complex energy sectors in North America. Our goal is to promote a sustainable, reliable energy sector that helps consumers get value from their natural gas and electricity services.

Informed by our Strategic Plan and the mandate letter issued by the Minister, this Business Plan highlights the OEB's core activities, priority initiatives and budgets for 2022-23 and into 2024-25. This Plan progresses the OEB on our path to modernization as we strive to become a top quartile regulator.

## MANDATE

Ontario's energy sector is an ecosystem, a complex network of organizations that function together to power Ontario. As the independent economic regulator, the OEB oversees the entities that generate, transmit and distribute energy across the province to protect the interests of millions of electricity and natural gas consumers. Ontario energy consumers are entitled to a sustainable energy system and value for their electricity and natural gas services, which is a focus of our regulation. We continually strive to be an effective and efficient economic regulator - one that has the trust of the regulated community and the public we serve.

Our objectives, responsibilities and powers are set out in legislation, regulations and directives. The modernized OEB will be responsive, digital, adaptable, agile and progressive as we deliver on our legislative objectives below.

### Electricity:

- To inform consumers and protect their interests with respect to prices and the adequacy, reliability and quality of electricity service.
- To promote economic efficiency and cost effectiveness in the generation, transmission, distribution, sale and demand management of electricity, and to facilitate the maintenance of a financially viable electricity industry.
- To promote electricity conservation and demand management in a manner consistent with the policies of the Government of Ontario, including having regard to the consumer's economic circumstances.
- To facilitate innovation in the electricity sector.

### Natural Gas:

- To facilitate competition in the sale of gas to users.
- To inform consumers and protect their interests with respect to prices and the reliability and quality of gas service.
- To facilitate rational expansion of transmission and distribution systems.
- To facilitate rational development and safe operation of gas storage.
- To promote energy conservation and energy efficiency in accordance with the policies of the Government of Ontario, including having regard to the consumer's economic circumstances.
- To facilitate the maintenance of a financially viable gas industry for the transmission, distribution and storage of gas.
- To promote communication within the gas industry.

# VISION, MISSION, PURPOSE

Guided by clear vision, mission, purpose and values statements, the OEB will drive change and modernize in pursuit of our mandate and delivering public value for Ontarians. Our vision improves quality of life by regulating utilities' provision of energy in a manner that is safe, reliable and affordable. Our mission prioritizes public value. Our purpose supports individuals who are industrial, commercial and residential consumers. Our values speak to how we will be accountable, transparent, driven and thoughtful as we work hard, do the right things and deliver value for the people of Ontario.



## Vision

To be a trusted regulator that is recognized for enabling Ontario's growing economy and improving the quality of life for the people of this province; who deserve safe, reliable and affordable energy.



## Mission

To deliver public value through prudent regulation and independent adjudicative decision making, which contributes to Ontario's economic, social and environmental development.



## Purpose

To oversee the provincial energy markets, protect the interests of individuals and support the collective advancement of the people of Ontario.

# VALUES



## Accountable

We hold ourselves accountable to the public we serve through integrity of governance, clarity of process and independence of decision making.

## Transparent

We are transparent in setting objectives, measuring outcomes and reporting on our performance to our stakeholders and the public.

## Driven

We are driven to do the right things, work hard and deliver value for the people of Ontario and the evolving energy sector that we regulate.

## Thoughtful

We approach each day thoughtfully and ensure prudent stewardship of one of the most complex and productive energy sectors in the world.

# GOVERNANCE

The OEB's corporate governance structure came into effect on October 1, 2020. Currently our Board of Directors, Chief Executive Officer (CEO) and Commissioners are appointed by the Lieutenant Governor in Council. During the term of this Plan, accountability for appointment of the Chief Executive Officer and Commissioners, including the Chief Commissioner, will shift to the Board of Directors.

The Board of Directors oversees the management of the OEB's business and affairs and is responsible for the governance of the OEB. The Board of Directors has two committees, the Adjudication Committee and the Finance and Risk Committee (FRC), as well as an Innovation Task Force (ITF). The Adjudication Committee receives information from, and provides advice to, the Chief Commissioner on the efficiency and timeliness of our adjudication work, future applications forecasts, and reports that information to the Board of Directors. The FRC assists the Board of Directors in overseeing risk management and financial affairs, including reporting, disclosure, compliance, enterprise risk management and internal audit at the OEB. The FRC provides oversight to ensure that management acts with reasonable business prudence. The ITF's core mandate is to examine and report back to the Board of Directors on what is happening in the energy sector in terms of disruptive technology and its implications. The ITF will also advise the Board of Directors on options available for a leading, modern regulator such as the OEB in responding to these circumstances.

The CEO reports to the Board of Directors and is responsible for the efficient and effective management and operations of the OEB. The CEO leads the Executive Leadership Committee, attended by the Chief Commissioner, Chief Corporate Services Officer & General Counsel, and Chief Operating Officer, in developing, implementing and reporting to the Board of Directors on the OEB's operations.





# ENVIRONMENTAL SCAN

Over the three years accounted for in this Plan, the OEB will seek to achieve its objectives against a backdrop of evolving consumer and stakeholder expectations, multi-dimensional public policy priorities and COVID-19 recovery efforts. Climate change, technological advancements, customer choice and new business models will continue to drive innovation, challenging traditional approaches to service delivery and business operations. Some of these issues are new and others are evolving, such that our regulatory role is made more complex by the need to adapt to the changing needs of the sector. This environmental scan, which includes input from stakeholders collected at Policy Day 2021, sets the context for this Plan.

## Consumer and Stakeholder Expectations

The relationship between energy consumers and energy service providers is changing. Accelerated by technological trends and cultural shifts, consumers are seeking services that reflect their values and align with their lifestyles. Digital pioneers across the globe are constantly raising the bar. Empowered by digitization and unprecedented access to information, consumer expectations of the services available to them are at an all-time high. As the sector evolves, consumers will demand a more customized and integrated energy experience.

Energy consumers are demanding more choice. They are seeking ways to reduce their individual carbon footprint, manage household or business energy use and reduce costs. They are taking ownership of their energy consumption and holding energy providers to higher ethical and environmental standards. The OEB anticipates that utilities will continue to pursue a wide range of environmental, social and governance priorities.

Increasing interactions with other sectors of the economy, such as transportation and infrastructure, will alter the scope of energy regulation. The OEB must be prepared to engage with these sectors and foster meaningful relationships to achieve broader policy objectives. A key challenge for the OEB will be identifying innovative strategies for engagement while adapting to stakeholder demands. By providing more deliberate opportunities to stay engaged, the OEB will continue to earn public trust, drive transparency and promote collaboration in the energy sector.

## Public Policy Context

The OEB must be ready for and anticipate future energy policy decisions. Decision makers will look to the OEB to deliver the affordability and choice that consumers demand while meeting evolving needs, such as digitization, decentralization and decarbonization.

As we recover from COVID-19, affordability of electricity will be a key factor for consumers, many of whom are recovering from COVID-19 pandemic-induced financial hardship and the pressures of inflation. The energy sector will need to make life more affordable for families, businesses and farmers, with a particular focus on rural, northern and Indigenous communities.

September 30, 2021, marked the first National Day for Truth and Reconciliation to honour the survivors of the residential school system, their families and communities. As the energy sector transitions, it must be dedicated to advancing reconciliation with Indigenous peoples - First Nations, Inuit and Métis peoples. The sector must continue to build enduring and trusted relationships with Indigenous peoples. This will be essential to achieving reconciliation and building sustainable and resilient Indigenous communities.

Finally, the OEB must advance work with the Independent Electricity System Operator (IESO) and other agencies, such as the Electrical Safety Authority (ESA), to drive modernization and meet the growing demands of Ontario's energy sector.

## Climate Change & Decarbonization

Increasingly, Canadians are committed to a path to achieving net-zero emissions, prompting communities, as well as private and public entities, to take meaningful action in response to the climate challenge. With the growing focus on mitigating climate risks, organizations that act now will be more resilient to the challenges ahead.

Ontario's energy sector is actively working to address the risks associated with climate change by strengthening the current energy system and adopting new, clean-energy approaches that will generate growth in a net-zero future.

The OEB must ensure that the regulatory environment can support energy system resilience in the face of extreme weather events. This will include the need for innovative policy approaches to address the many difficult issues that deep decarbonization will raise.

## Electrification

The electrification of buildings, transportation and industry is expected to play a major role in decarbonization, displacing fuel sources that cause greenhouse gas emissions. The sector is facing increasing pressure to speed up the transition to electrified transportation. The OEB must adapt its regulatory framework to enable opportunities for changing utility business models and innovation to address electrification-related strain on Ontario's electricity system.

Timelines for electrification of transportation continue to be accelerated and it is recognized that OEB must facilitate the efficient integration of electric vehicles (EVs) and supporting infrastructure into the provincial electricity system. Having supported the Ontario Transportation Electrification Council as a member, the OEB is

committed to innovative solutions and ongoing collaboration with government and industry.

## Economic Challenges/ Recovery

Attention is increasingly turning to longer-term recovery plans and sustained economic growth. Electricity disruptions and supply shortages can have significant economic costs for businesses. Decisions made now will inevitably shape the industry for decades.

The post-pandemic recovery will prompt an operational imperative to drive a more secure energy system, support the development of large infrastructure projects, promote continued economic growth and protect the interests of consumers. This will create new jobs, providing a major boost to employment and economic growth. As Ontario continues to develop and implement its COVID-19 recovery plan, a critical window of opportunity exists for the sector. The OEB must identify ways to promote economic growth and productivity, while protecting the interests of consumers.

## Energy Sector Evolution/ Innovation

Advancements in storage technologies, small modular reactors (SMRs), distributed energy resources (DERs) and the use of transactive technologies will transform energy systems in ways that seemed improbable five years ago. With Ontario's population expected to increase by about 35 per cent over the next 26 years<sup>1</sup>, consumers will look to the sector to accelerate non-carbon emitting energy capacity to meet increased demand.

To accommodate the proliferation of low-carbon

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<sup>1</sup> Ontario Ministry of Finance. (2021, June 09). Ontario population projections. <https://www.ontario.ca/page/ontario-population-projections#ref-1>

and renewable energy sources, Ontario's grid must transform, enabling two-way data flow between DER devices and grid control systems, as well as between DER owners/aggregators and other market actors. This will add a layer of complexity to energy sector regulation.

The rapid evolution of the energy sector will challenge regulators to be more agile and adopt cost-effective solutions in ways that enhance value for energy consumers. The OEB must increase regulatory clarity in the treatment of innovative technologies in order to drive investment and support effective DER integration so the benefits of sector innovation can be realized for consumers.

## Risks

Ontario's energy sector is undergoing a digital transformation driven by the integration of more and more DERs throughout the energy system. This transformation has the potential to improve network reliability and better manage demand, eventually transforming the power grid into a smart grid.

As more complex systems are deployed, the grid becomes more vulnerable to cyberattacks, which may jeopardize the security of the energy system. The OEB has established a robust approach to addressing these cyber risks by requiring grid-wide reporting on cyber-security preparedness against a standardized framework, ensuring the IESO is raising awareness of cyber risks, and receive ongoing advice from an expert industry group. These mechanisms are being augmented with increased reporting and enhanced efforts by the IESO to identify vulnerabilities and share that with the sector.

## Conclusion

The seismic changes across the energy sector, along with dynamic consumer expectations, means the operations of the past are simply not fit for the future. New operating models and ways of thinking are needed.



STRATEGY  
DIRECTION:  
EXECUTING ON  
YEAR TWO OF OUR  
STRATEGIC  
PLAN

# STRATEGIC DIRECTION

In April 2021, we shared our new five-year Strategic Plan that outlines how the OEB is modernizing to serve Ontario’s energy customers and regulate a modern energy sector. Our implementation plan for year two of the Strategic Plan is outlined below, with the current and future programs aligned to each of the action strategies in the Strategic Plan. Several of the current and future programs drive more than one Strategic Goal so they have been listed with their primary goal. This plan advances our focus on outcomes for all our stakeholder groups, both those we regulate and the consumers on behalf of whom we regulate. We are focused on improvements to operating effectiveness, and to customer and stakeholder satisfaction and accountability, while controlling costs. Our work is guided by our strategic themes of accountability, certainty, effectiveness, efficiency, independence and innovation as we work towards becoming a top quartile regulator.

These actions include priorities outlined in our agency mandate letter, which focuses on building on the momentum of our first year of modernization, robust performance measurement, transparent engagement with stakeholders and red tape reduction.

Below is the priority work for 2022-23, with some multiple-year projects and initiatives underway, and others starting and continuing past 2023. Measurement of our work is outlined in the following section on measurement, which highlights how we will gauge our actions on each Strategic Goal result in progress.

# KEY PLANNING ASSUMPTIONS

Our Business Plan progresses our commitment to engaging and consulting with stakeholders while planning and executing on various initiatives. The plan for 2022-23 highlights initiatives we heard were top priorities for stakeholders during engagements in 2021-22, and we will seek additional feedback as we further our modernization journey.

Our Plan is focused on our role as the provincial economic energy regulator during a time of economic recovery from the COVID-19 pandemic while being responsive to the need to address climate change.



STRATEGY MAP:  
THEMES &  
GOALS

**VISION** To be a trusted regulator that is recognized for enabling Ontario’s growing economy and improving the quality of life for the people of this province, who deserve safe, reliable and affordable energy.

**PURPOSE** To oversee the provincial energy markets, protect the interests of individuals and support the collective advancement of the people of Ontario.

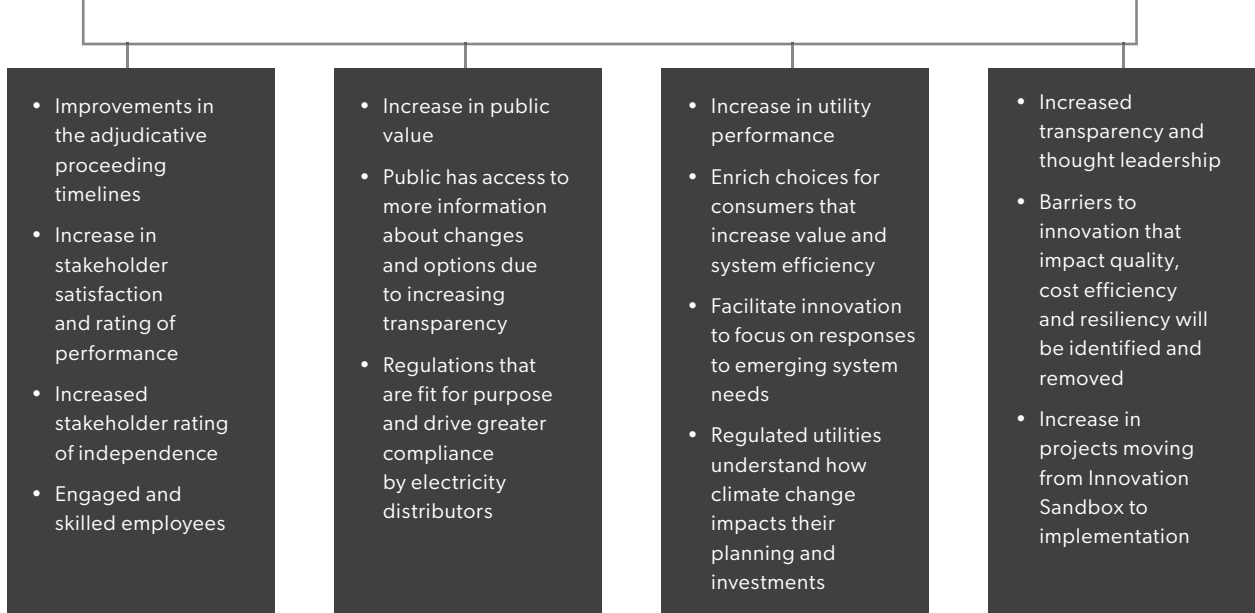
## STRATEGIC THEMES



## STRATEGIC GOALS



# OUTCOMES





# STRATEGIC THEMES



## **Accountability:**

While being independent in its decision making, the regulator's governance should reflect that it is accountable for the advancement of the public interest.



## **Certainty:**

Regulatory processes should be as predictable as possible. Regulated entities should understand what is expected of them and regulatory proceedings should follow a dependable schedule.



## **Effectiveness:**

The regulator should be clear about the outcomes it is aiming to achieve. This includes having a clear rationale for how regulatory policies and processes deliver on statutory objectives. It should be transparent with how success is measured by tracking outcomes over time.



## **Efficiency:**

The regulator should strive to find process improvements in all its functions to increase productivity and value for money



## **Independence:**

The regulator should be recognized as making fair and impartial decisions, free of undue influence from government or others, and focused on its core economic regulation mandate.



## **Innovation:**

The regulator should modernize its processes and facilitate future innovations in the energy sector.

# STRATEGIC GOALS



**EVOLVE TOWARD  
BECOMING A TOP  
QUARTILE REGULATOR**

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**PROTECT  
THE PUBLIC**

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**DRIVE ENERGY SECTOR  
PERFORMANCE**

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**FACILITATE  
INNOVATION**

## Strategic Goal 1:

# EVOLVE TOWARD BECOMING A TOP QUARTILE REGULATOR



The OEB is a trusted regulator that is accountable for advancing the public interest and makes independent decisions based on fact and evidence. Regulated entities have predictability about timelines and expectations. There is a clear rationale for how regulatory policies and processes effectively and efficiently deliver on the OEB's objectives, and progress is transparently tracked. The OEB is committed to continuous improvement and adapts as the sector evolves.

Action Strategies		2022/23 -2024/25 Business Plan Actions
1.1	We will ensure the regulatory function is fit for purpose with principled and data-based approaches and best practices so those we regulate can focus on engaging with their consumers and ensuring long-term efficiency.	<ul style="list-style-type: none"> <li>• Develop and execute the Commissioner Transition Plan</li> <li>• Measure and monitor performance standards</li> <li>• Review Filing Requirements for Remaining Electricity Distributors (with focus on customer engagement and distribution system plans)</li> <li>• Undertake comprehensive review of internal procedures and processes, external rules and codes</li> <li>• Undertake RRR review and pursue opportunities for improvement</li> </ul>
1.2	We will ruthlessly prioritize our initiatives to focus on work that is strategically aligned and adds value to the organization and the energy sector. Unrelenting improvement and being creative and agile will be key.	<ul style="list-style-type: none"> <li>• Implement OEB program-level benchmarking</li> <li>• Implement robust business planning aligned with strategic direction</li> <li>• Measure OEB outcomes and undertake an annual self-assessment exercise</li> </ul>
1.3	We will take action to improve clarity around the OEB’s role generally and in implementing government directives.	<ul style="list-style-type: none"> <li>• Advance work with Energy [X] Change and Adjudicative Modernization Committee</li> <li>• Continue to hold our Annual Policy Day to discuss forward work program</li> <li>• Engage stakeholders according to our Stakeholder Engagement Framework (SEF)</li> </ul>
1.4	We value outcome-focused leaders with strong technical teams who are empowered to deliver	<ul style="list-style-type: none"> <li>• Enhance our talent pipeline and recruitment strategies</li> <li>• Improve knowledge management, skill transfer and process documentation</li> <li>• Proceed implementation of our People Plan: Our Human Capital Strategy</li> <li>• Review our approach to enterprise workload management</li> <li>• Undertake an Enterprise Change Management Project</li> <li>• Undertake our Critical Skills and People Planning Project</li> </ul>

# OVERVIEW OF CURRENT AND FUTURE PROGRAMS AND ACTIVITIES

## 1.1 **Develop and execute the Commissioner Transition Plan**

- Effective October 1, 2022, the Board of Directors takes over authority to appoint Commissioners. To support this transition a Commissioner appointment and evaluation plan will be developed and executed. Adjudicative training will be an ongoing priority.

### **Measure and monitor performance standards**

- Continually measuring and monitoring our performance is critical for us to evolve toward becoming a top quartile regulator. This will include publishing an adjudicative dashboard twice per year. Additional non-adjudicative performance standards, such as responding to inquiries and those listed in the measurement section of this plan, will be measured and monitored.

### **Review Filing Requirements for Remaining Electricity Distributors (including customer engagement and distribution system plans)**

- Building on the completed review of small utilities by continuing our work for the remaining LDCs.

### **Undertake comprehensive review of internal procedures and processes, external rules and codes**

- This work will establish a process for the prioritized review, over the coming years, of electricity codes, natural gas rules, and internal procedures and processes to identify opportunities for further red tape reductions, efficiencies, effectiveness and the delivery of public value.

### **Undertake RRR review and opportunities for improvement**

- Having transparent data that is efficiently collected is a key component to making meaningful measured changes. This work will continue our RRR review to consider the data we collect, the systems used and engage with stakeholders along the way. This will also include consideration of using RRR-filed information in applications to reduce burden and create efficiencies.

## 1.2 **Implement OEB program-level benchmarking**

- Benchmarking our internal program practices will enable us to identify areas for improvement and measure our progress.

### **Implement robust business planning aligned with strategic direction**

- We will continue to conduct planning aligned with our strategic direction to address opportunities and challenges facing the energy sector.

### **Measure OEB outcomes and undertake an annual self-assessment exercise**

- This work is to sharpen our focus on the outcomes of our work and internal programs as we review the progress we are making.

## 1.3 **Advance work with Energy [X] Change and Adjudicative Modernization Committee**

- Stakeholder engagement and feedback continue to be important, and we will continue to work with the Energy [X] Change and Adjudicative Modernization Committees.

### **Continue to hold our Annual Policy Day to discuss forward work program**

- We will continue to hold a Policy Day annually to seek stakeholder input and discuss upcoming work.

### **Engage Stakeholders according to our SEF**

- This work will continue our engagement with stakeholders as outlined in the Stakeholder Engagement Framework.

## 1.4 **Enhance our talent pipeline and recruitment strategies**

- Our people enable the work that we do, which is why it is important we continue to enhance our talent pipeline and recruitment strategies to ensure we have the workforce we need today and in the future.

### **Improve knowledge management, skill transfer and process documentation**

- This work focuses on defining, designing and building knowledge management capability within the organization.

## **Proceed with implementation of our People Plan: Our Human Capital Strategy update (multi-year plan)**

- Our HR strategy has been developed and will continue to be implemented in 2022/23 with a focus on enabling a high-performance environment and an engaged workforce, developing and encouraging diversity and inclusion initiatives, and promoting an equitable, inclusive, accessible, anti-racist and diverse workplace.

## **Review our approach to enterprise workload management**

- Ruthless prioritization of our work and management of employee workload will support our desired pace of modernization. This project will focus on having the right processes and tools to do this work.

## **Undertake an Enterprise Change Management Project**

- This work will focus on developing a structured change management program to support our large-scale transformation during this period of modernization.

## **Undertake our Critical Skills & People Planning Project**

- Critical skills and people planning includes conducting skills gap analyses and identifying learning and development opportunities for employees to build skills/knowledge toward readiness for new roles and to ensure that skillsets reflect the evolving needs of the OEB as a top quartile regulator.

## Strategic Goal 2:

# PROTECT THE PUBLIC



The OEB protects the interests of consumers with respect to price and quality of service as it ensures the advancement of the public interest in Ontario's energy sector. Compliance with OEB codes and rules is enforced. Consumers have the information they need to better understand their energy use, including with respect to reducing their energy bills through conservation.



Action Strategies		2022/23 -2024/25 Business Plan Actions
2.1	We will consider the impacts on current and future energy consumers, including both near- and long-term costs and benefits.	<ul style="list-style-type: none"> <li>• Advance the intervenor process review project</li> <li>• Explore OESP service replacement</li> <li>• Implement Requirements from Broadband Legislation</li> <li>• Participate in the government’s Transportation Electrification Council</li> <li>• Strengthen utility accountability to customers, reliability and power quality</li> </ul>
2.2	We will focus on consumers receiving the right level of service at the right rate.	<ul style="list-style-type: none"> <li>• Plan for a dynamic pricing pilot to assess the benefits for non-RPP Class B consumers</li> <li>• Prepare for EV adoption</li> </ul>
2.3	We will work in partnership to keep consumers informed about their energy bills, programs, their choices and changes that may impact them.	<ul style="list-style-type: none"> <li>• Implement Green Button</li> </ul>
2.4	We will foster a culture of compliance with the goal of protecting consumers.	<ul style="list-style-type: none"> <li>• Improve compliance reporting and enhance compliance activity</li> <li>• Prioritize compliance reviews and inspections based on risk assessment</li> </ul>

# OVERVIEW OF CURRENT AND FUTURE PROGRAMS AND ACTIVITIES

## 2.1 **Advance intervenor process review project**

- We will advance our work on the intervenor process and implement the framework for the intervenor process and cost awards to improve efficiency and effectiveness of the process.

### **Explore OESP service replacement**

- Over the next year we will explore with the Ministry ways to ensure the continuity of this consumer program.

### **Implement Requirements from Broadband Legislation**

- Support the government’s objectives for rural broadband expansion, consultation and collaboration, including developing a compliance program.

### **Participate in the government’s Transportation Electrification Council**

- Continue to collaborate and work with the Ontario government as it continues to review Ontario’s long-term energy planning framework to increase the effectiveness, certainty, transparency and accountability of energy decision making in Ontario, while protecting the interests of ratepayers.

### **Strengthen utility accountability to customers, reliability and power quality**

- This work reviews the data, definitions and metrics we collect, the foundation for setting expectations from utilities to drive improvements for customers

## 2.2 **Plan for a dynamic pricing pilot to assess the benefits for non-RPP Class B consumers**

- This work will develop a plan to design and implement a dynamic pricing pilot to assess the benefits for non-RPP Class B customers.

### **Prepare for EV adoption**

- This work will advance the guidance and facilitation role of the OEB in the sector’s preparation and promotion of EV adoption.

### 2.3 **Implementation of Green Button**

- We will begin monitoring utilities' progress in implementing Green Button and provide additional direction as we work with an industry lead working group that has been established by the OEB.

### 2.4 **Improved compliance reporting and enhanced compliance activity**

- We will explore ways to increase sector compliance through improved compliance reporting, including bulletins, and enhanced compliance activity that relies on data and a risk-based assessment approach.

#### **Prioritize compliance reviews and inspections based on risk assessment**

- This work will ensure efficient and timely completion of 40 or more Compliance Reviews and 30 or more Inspections with a focus on regulated entities' compliance with rules and consumer protection.

Strategic Goal 3:

# DRIVE ENERGY SECTOR PERFORMANCE



The OEB drives Ontario's regulated energy utilities to deliver reliable energy services and value for energy consumers by holding utilities to account for higher performance, increased efficiency and continuous improvement, as well as ensuring long-term sustainability and economic efficiency of the energy sector.

Action Strategies		2022/23 -2024/25 Business Plan Actions
3.1	We will work towards appropriate measurement of utility performance and incentive structures.	<ul style="list-style-type: none"> <li>• Further refine the approach to benchmarking to support its increased value in the rate-setting process RRR review and opportunities for improvement</li> </ul>
3.2	We will focus on regulation that positions the energy sector to remain effective without impeding the availability of choices for energy consumers.	<ul style="list-style-type: none"> <li>• Assess progress by electricity distributors in improving efficiencies</li> <li>• Implement community net metering initiatives</li> </ul>
3.3	We will encourage long-term planning by utilities that encompasses a broader range of options for meeting system needs.	<ul style="list-style-type: none"> <li>• Establish and implement multi-year natural gas demand-side management (DSM) framework and implement the OEB’s Integrated Resource Planning (IRP) framework</li> <li>• Maintain a clear line of sight on IESO market renewal</li> </ul>
3.4	We will work with partners in the energy sector to be responsive to the challenges posed by climate change.	<ul style="list-style-type: none"> <li>• Progress work of the OEB energy transition team</li> </ul>

# OVERVIEW OF CURRENT AND FUTURE PROGRAMS AND ACTIVITIES

## 3.1 Further refine the approach to benchmarking to support its increased value in the rate-setting process RRR review and opportunities for improvement

- We are committed to efficiency. The OEB will progress with its work with activity and program-based benchmarking to drive increased efficiency.

## 3.2 Assess progress by electricity distributors in improving efficiencies

- Require LDCs with fewer than 30,000 customers to file information within their cost-of-service applications on the extent to which they have investigated potential opportunities from consolidation or collaboration/partnerships with other distributors.

### Implement community net metering initiatives

- The OEB will implement the government’s policy in a manner consistent with its objectives.

## 3.3 Maintain a clear line of sight on IESO market renewal

- The IESO’s market renewal initiative contemplates fundamental changes to the wholesale electricity market, and we will maintain a clear line of sight on this work.

### Establish and implement multi-year natural gas DSM Framework and the OEB’s IRP Framework

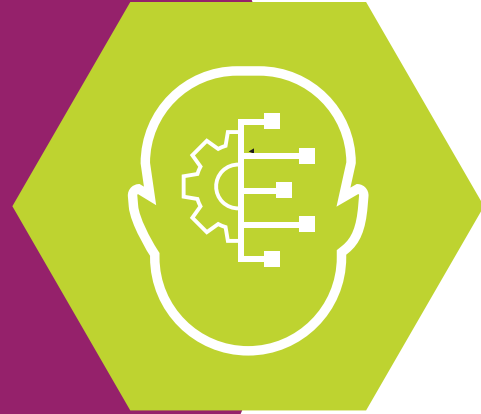
- Following the OEB’s decision on Enbridge Gas Inc.’s 2023-2027 DSM framework application, implement framework in consultation with relevant stakeholders, as required.
- Following implementation of the IRP framework, operationalize the framework, including, when appropriate, conducting a review of Enbridge Gas’s IRP pilots.

## 3.4 Progress work of the OEB energy transition team

- Work by this team will enable us to benchmark against other top quartile regulators and support the energy transition from our position as the energy regulator in Ontario.

## Strategic Goal 4:

# FACILITATE INNOVATION



The OEB facilitates innovation that can provide demonstrable value to Ontario’s energy consumers and solve energy challenges cost effectively. The OEB provides clear direction on when and how regulated utilities can recover costs for innovation-related activities from ratepayers, and for how risk is addressed. The OEB continually evaluates which activities or emerging needs are better undertaken or addressed through competitive markets.

Action Strategies		2022/23 -2024/25 Business Plan Actions
4.1	We will work to become a leader in identifying and sharing problems that need to be solved and in encouraging creative solutions that provide value to consumers.	<ul style="list-style-type: none"> <li>• Progress energy planning</li> <li>• Progress our digital-first strategy</li> <li>• Progress Sandbox 2.0</li> </ul>
4.2	We will collaborate with stakeholders to facilitate innovation and regulate only when necessary.	<ul style="list-style-type: none"> <li>• Advance the Framework for Energy Innovation</li> <li>• Complete advice and bulletins on the regulatory framework</li> </ul>
4.3	We will facilitate purposeful innovation, working with stakeholders to define the problems to be solved by innovation. We will focus the actions of our Innovation Sandbox on ideas that add value. Implementation will be transparent, and we will create safe spaces where failure is accepted.	<ul style="list-style-type: none"> <li>• Continue OEB/IESO Joint Engagement on DER Integration</li> <li>• Create an Innovation Handbook</li> <li>• DER Connections Review</li> <li>• IESO Grid Innovation Fund and OEB Innovation Sandbox Joint Targeted Call for Proposals</li> <li>• Provide regulatory support through the Innovation Sandbox</li> </ul>



# OVERVIEW OF CURRENT AND FUTURE PROGRAMS AND ACTIVITIES

## 4.1 **Continue Energy planning - OEB input into Ministry of Energy process**

- We will continue to be active participants in the Ministry of Energy's work on energy planning.

### **Progress our Digital first strategy**

- We will continue implementation of our strategy in 2022/23 with initiatives that improve the way we work. This work will include the licensing automation project, considering digital options for the incentive rate-setting mechanism and other reporting online.
- We will continue with our project to digitize our adjudicative records dating back to 2007, in order to ensure that records are easily accessible to stakeholders.

### **Progress Sandbox 2.0**

- This work aims to enhance the OEB's Innovation Sandbox to support innovation that delivers value to consumers and more effectively respond to stakeholder needs.

## 4.2 **Advance the Framework for Energy Innovation**

- This work facilitates the deployment and adoption of innovative and cost-effective solutions, including DERs, in ways that enhance value for energy consumers. We will continue to actively engage stakeholders in the development of recommendations on opportunities for non-utility owned distributed energy resources in the energy sector to assist the OEB in making future policy decisions.

### **Complete Advice and Bulletins on the regulatory framework**

- Provide advice to industry through bulletins and timely responses to the over 800 enquiries we receive about the regulatory framework.

## 4.3 **Continue OEB/IESO Joint Engagement on DER Integration**

- We will continue collaboration with the IESO on DER integration efforts and hold bi-annual joint stakeholder engagement sessions.

### **Create an Innovation Handbook**

- This project will bring together a compendium of existing OEB policies and related materials that have already served to support innovative projects and proposals.

## **DER Connections Review**

- To facilitate the connection of DERs by standardizing procedures and removing regulatory barriers.

## **IESO Grid Innovation Fund and OEB Innovation Sandbox Joint Targeted Call for Proposals**

- We will continue our role in the Joint Targeted Call for proposals with the IESO by providing the selected applicants with regulatory support through the Innovation Sandbox.

## **Provide support through the Innovation Sandbox**

- This is a fast, accessible way for the OEB to support innovators in the energy sector testing new ideas, services and business models. It is designed to support companies interested in innovative projects that show clear potential for benefit to consumers.

# IMPLEMENTATION PLAN

The initiatives in this Plan continue to build on those multi-year initiatives outlined in our 2020/21 Business Plan. Several of these initiatives will transition to business-as-usual activities instead of projects by 2023/24, while others will continue for the remaining years of this 2022/23 to 2024/25 Business Plan.

We will continue to leverage best practices of iterative approaches to implementation, with many initiatives starting with research and pilots. Projects underway that completed research and pilots in 2021/22 will move to implementation, as applicable. For example, the OEB's revised small utility filing requirements will result in reduced requirements in 2022 for 2023 rate applications, which will help inform improvements to the filing requirements for the remaining electricity distributors. As we've shared in the past, this method means that for some initiatives, this will involve small process changes and monitoring outcomes, and for others it will include longer phases of research.

We see value in using phased and staggered approaches to implementing projects, both for our stakeholders and internally, and will continue using these methods. For initiatives that bring potential or anticipated substantial changes, phasing their implementation allows for adjustments if required versus a big-bang approach. Staggering implementation means we do not make too many changes at the same time and hit change fatigue or resources allocation challenges. We are committed to continuing transparency and engagement with stakeholders as we conduct this work. We also know that change is constant, and we are prepared to adjust course if new initiatives come up throughout the year, by ruthlessly prioritizing and asking ourselves "Does this get us closer to being recognized as a top quartile regulator?"

We publicly share details of our work because we value keeping stakeholders informed about our projects and initiatives. We feel it is important to be transparent about the timing of our work, as well as when and how stakeholders can share their relevant input. The following timeline view provides further information specifically on the projects outlined in our business plan. Further implementation details will continue to be shared on [oeb.ca](https://www.oeb.ca) and further details for non-adjudicative projects can be found at Engage with Us ([engagewithus.oeb.ca](https://engagewithus.oeb.ca)). Engage with Us is a centralized online platform for information sharing about specific OEB projects, including detailed project descriptions, project documents, timelines and contacts.



# TIMELINE

■ TIMING BEING DETERMINED BASED ON INITIAL PROJECT PHASES

■ ONGOING WORK AND CONTINUOUS IMPROVEMENTS

■ PROJECT TIMELINE

◆ MILESTONE

STRATEGIC GOAL	ACTION	2022/23				2023/24				2024/25				
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
 <p><b>EVOLVE TOWARDS BECOMING A TOP QUARTILE REGULATOR</b></p>	Develop and execute the Commissioner Transition Plan	[Ongoing Work]												
	Review Filing Requirements for Remaining Electricity Distributors	[Ongoing Work]												
			◆ Phase 1	Phase 1 changes effective for 2023 rates										
			Phase 2 changes effective for 2024 rates			◆ Phase 2								
	Undertake comprehensive review of internal procedures and processes, external rules and codes	[Ongoing Work]												
			◆ Finalize Corporate Policy Framework											
	Undertake RRR review and pursue opportunities for improvement	[Ongoing Work]												
			◆ Post RRR data publicly to engage stakeholders on RRR changes/refinements				◆ Revisions to RRRs made based on feedback							
Implement OEB program-level benchmarking	[Ongoing Work]													
		Develop Workplan												
Undertake an Enterprise Change Management Project	[Ongoing Work]													
Undertake our Critical Skills and People Planning Project	[Ongoing Work]													
 <p><b>PROTECT THE PUBLIC</b></p>	Advance the intervenor process review project	[Ongoing Work]												
			◆ Issue Framework for Review of Intervenor Processes and Cost Awards			◆ Implement framework initiatives								
	Explore OESP service replacement	[Ongoing Work]												
						◆ RFP and contract process complete	Commence system build and deployment							
	Implement Requirements from Broadband Legislation	[Ongoing Work]												
			◆ New Regulations issued and compliance processes developed			Implement compliance management								
	Participate in the government's Transportation Electrification Council	[Ongoing Work]												
	Strengthen utility accountability to customers, reliability and power quality	[Ongoing Work]												
Plan for a dynamic pricing pilot to assess the benefits for non-RPP Class B consumers	[Ongoing Work]													
		◆ Provide Ministry with a plan to implement a pilot for Class B customers												
Prepare for EV adoption	[Ongoing Work]													
		◆ Section 35 report to Minister on ultra-low time of use price	Review of connection policies & guidance to industry	◆ Assessment Completed										
Implement Green Button	[Ongoing Work]													
		Implement compliance monitoring program to ensure distributors meet Nov 1, 2023 deadline												



# TIMELINE

■ TIMING BEING DETERMINED BASED ON INITIAL PROJECT PHASES

■ ONGOING WORK AND CONTINUOUS IMPROVEMENTS

■ PROJECT TIMELINE

◆ MILESTONE

STRATEGIC GOAL	ACTION	2022/23				2023/24				2024/25			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
 <p><b>DRIVE ENERGY SECTOR PERFORMANCE</b></p>	Further refine the approach to benchmarking to support its increased value in the rate-setting process RRR review and opportunities for improvement	Next APB report				Engage on refinement to APB				Implement new APB models			
	Benchmarking in rate applications	Ongoing work and continuous improvements				Ongoing work and continuous improvements				Ongoing work and continuous improvements			
	Assess progress by electricity distributors in improving efficiencies	Ongoing work and continuous improvements				Ongoing work and continuous improvements				Ongoing work and continuous improvements			
	Implement community net metering (CNM) initiatives	Licensing of CNM named project				Ongoing work and continuous improvements				Ongoing work and continuous improvements			
	Establish and implement multi-year natural gas DSM Framework	Decision establishing new multi-year DSM framework				Implementation of DSM Framework including establishing the new stakeholder Evaluation Advisory Committee				Ongoing work and continuous improvements			
Operationalize the IRP framework, including, when appropriate, conduct a review of Enbridge Gas's IRP pilots	Implementation of the IRP framework through the establishment of the working group				Working group's review of IRP pilots				Ongoing work and continuous improvements				
 <p><b>FACILITATE INNOVATION</b></p>	Progress Sandbox 2.0	Incremental activities to be implemented in a phased approach				Ongoing work and continuous improvements				Ongoing work and continuous improvements			
	Advance the Framework for Energy Innovation	Working Group recommendations (related to utility incentives, cost benefit analysis of DERs and data and information sharing) to the OEB expected in June				OEB determination on recommendations and subsequent				Determination of subsequent issues and areas of focus			
	Continue OEB/IESO Joint Engagement on DER Integration	OEB to host joint stakeholder engagement session				IESO to host joint stakeholder engagement session				Ongoing work and continuous improvements			
	Create an Innovation Handbook	Ongoing work and continuous improvements				Handbook will be updated periodically as new policies and materials to support innovation come into effect				Ongoing work and continuous improvements			
	DER Connections Review	Next set of Working Group recommendations				Code changes to come into force and new streamlined procedures fully adopted				Complete next phase of updates to procedures and codes			
	IESO Grid Innovation Fund and OEB Innovation Sandbox Joint Targeted Call for Proposals	Project implementation underway				Ongoing work and continuous improvements				Ongoing work and continuous improvements			
		Ongoing work and continuous improvements				Ongoing work and continuous improvements				Ongoing work and continuous improvements			

# RESOURCES NEEDED TO MEET GOALS AND OBJECTIVES


Our people are critical in delivering on the initiatives outlined in this Plan, and we must ensure we have the right people to adequately resource the work ahead. Talent management is key to ensuring we have the right people, both now and in the future, delivering this work. Our approach to this is described in more detail in the Staffing, Human Resources and Compensation Strategy section of this Plan.

We will make responsible use of our resources to meet the Plan's goals. The resources needed are primarily our people, who drive our modernization through the various initiatives. Engaged and skilled employees will continue to be critical to our work and ability to provide public value with what we do. Additional detail on the resources needed to meet our goals and objectives, from a financial perspective, is included in the Financial Plan section, and from a talent management perspective in the Staffing, Human Resources and Compensation Strategy section below.



# MEASURING OUTCOMES

We are committed to assessing and reporting on our achievements through the measurement of identified outcomes. To do this, we have continued the development and adaptation of our Performance Measurement Framework (PMF), which has been revised to align with the Strategic Plan and goals we are working toward. We have developed indicators for Strategic Outcomes by working with external experts. The overall goal is to use the PMF to assess the cumulative effects of the full array of policy, operational and strategic activities that the OEB undertakes from year to year. This will be an iterative process. The projects aligned to each element of our strategic goals will continue to advance the outcomes we will measure, as listed below. The focus of the work on the PMF in 2021 has been to develop meaningful indicators leveraging data that is already available and mature our performance measurement capabilities.

Strategic Goal	Indicator	Directional Target
 Evolve Toward Becoming a Top Quartile Regulator	<ul style="list-style-type: none"> <li>Proportion of decisions issued within performance standards for processing applications (Total Cycle Time)</li> </ul>	↑
	<ul style="list-style-type: none"> <li>Change in overall performance as a regulator</li> </ul>	↑
	<ul style="list-style-type: none"> <li>Change in stakeholder rating of the OEB's independence</li> </ul>	↑
 Protect the Public	<ul style="list-style-type: none"> <li>Change in measure of Public Value</li> </ul>	↑
	<ul style="list-style-type: none"> <li>Number of non-compliant disconnections discovered/ number of non-compliant disconnection files opened</li> </ul>	↑
 Drive Energy Sector Performance	<ul style="list-style-type: none"> <li>Proportion of electric utilities with an improving trend in Scorecard reliability (SAIFI &amp; SAIDI) <sup>2</sup></li> </ul>	↑
	<ul style="list-style-type: none"> <li>Annual page views of OEB bill calculator website</li> </ul>	↑
 Facilitate Innovation	<ul style="list-style-type: none"> <li>Number of Innovation Sandbox enquiries</li> </ul>	↑

<sup>2</sup> SAIDI and SAIFI exclude Loss of Supply and Major Event Days.





# FINANCIAL PLAN

This financial plan includes the resources required by the OEB to deliver on its mandate. The OEB has continued its commitment to the recommendations from the 2020 financial review that examined current operations, identified opportunities to increase productivity and value for money, and assessed the OEB’s public engagement activities. Most recently, the OEB updated its Operating Reserve Policy to return \$5 million of its operating reserve balance by reducing the OEB’s assessment from FY 2021-2022 to FY 2023-2024. This financial plan includes 10 new permanent FTE’s to ensure that the OEB can fulfill Minister’s Mandate Letter and its Modernization objective. Critical work these resources will focus on includes finance and risk, innovation, EVs, energy transition, pricing, adjudication support, broadband compliance requirements, DER and reliability and power quality initiative work.

The three-year financial plan is separated into Section 26 and Section 30 costs as described in the *Ontario Energy Board Act, 1998*. Section 26 costs represent the ongoing operating costs of the OEB and are recovered through cost assessments.

Section 30 costs are costs incurred for specific proceedings and consultation processes, and are recovered through cost award decisions made by the OEB in respect of those proceedings and processes.

## SECTION 26 FINANCIAL PLAN


<i>Units in thousand dollars (\$000's)</i>	<b>2021-2022 Budget</b>	<b>2022-2023 Budget</b>	<b>2023-2024 Budget</b>	<b>2024-2025 Budget</b>
<b>Revenues:</b>				
General cost recovery	43,225	46,507	47,776	49,024
Licence fees	430	430	430	430
Interest income	84	72	60	60
Miscellaneous income	20	237	243	249
Amortization of deferred revenue related to capital assets	1,100	1,412	1,465	1,541
<b>Total Revenues</b>	<b>44,859</b>	<b>48,658</b>	<b>49,974</b>	<b>51,304</b>
<b>Expenses:</b>				
Salaries & benefits	34,368	37,541	38,469	39,420
Premises	3,607	3,818	4,007	4,162
Consulting & professional	2,715	2,774	2,842	2,911
Information technology	1,307	1,309	1,342	1,376
Meetings, training & travel	717	719	737	755
Publications, media and advertising	715	603	618	633
Office and administration	330	482	494	506
Amortization	1,100	1,412	1,465	1,541
<b>Total Expenses</b>	<b>44,859</b>	<b>48,658</b>	<b>49,974</b>	<b>51,304</b>
<b>Capital Expenditures:</b>				
Computer software	1,075	1,020	1,030	1,080
Computer equipment	350	425	435	445
Audio Visual	51	50	50	50
Leasehold improvements	0	25	0	0
Office furniture and equipment	14	20	16	17
<b>Total Capital Expenditures</b>	<b>1,475</b>	<b>1,540</b>	<b>1,531</b>	<b>1,592</b>
Total Assessment before Adjustments	44,700	48,047	49,307	50,616
Operating Reserve Adjustment	(1,500)	(2,500)	(1,000)	0
<b>Total Assessment</b>	<b>43,200</b>	<b>45,547</b>	<b>48,307</b>	<b>50,616</b>

The forecast for 2021-2022 of \$42.4M compared to the 2021-2022 budget of \$43.2M includes an estimated underspend to budget of \$0.8 million. These savings are due to lower professional service costs and other consulting costs for projects; premises costs; and reduced travel, meetings, and publications costs.

# SECTION 30 FINANCIAL PLAN

<i>Units in thousand dollars (\$000's)</i>	<b>2021-2022 Budget</b>	<b>2022-2023 Budget</b>	<b>2023-2024 Budget</b>	<b>2024-2025 Budget</b>
Section 30	5,100	4,500	4,600	4,700

The forecast for 2021-2022 compared to the 2021-2022 budget includes an estimated underspend to budget of \$1.3 million due to lower consulting and expert cost required for projects.



STAFFING,  
HUMAN  
RESOURCES AND  
COMPENSATION  
STRATEGY

The OEB is on a path to modernization, with a strategic focus on organizational excellence as we evolve toward becoming a top quartile regulator. To do this, we must ensure that we have the right skills and abilities in our organization to meet current and future needs, while providing an engaged and inclusive workplace for employees to thrive. Our People Plan, a human capital strategy, was created to address our approach to staffing, human resources and compensation strategy. It is focused on ensuring we have a high-performance environment, an engaged workforce and diversity, equity and inclusion (DEI). These priorities were created taking into account external and internal factors. External factors include the diverse population of Ontario that we serve, the COVID-19 pandemic and related economic factors. Internal factors include our focus on delivering public value, creating a powerful culture, building an agile workforce and our focus on performance outcomes.

Our priorities include building critical skills and competencies, strengthening current and future leadership, incorporating organizational design and change management, driving digital business transformation and enhancing employee experience.

### **These priorities will enable us to continue shaping our workforce so that we:**

- Attract and retain key talent
- Have leaders who actively participate in talent planning and performance assessments and execute business results
- Have leaders who proactively engage with employees and establish optimal work environments through effective and consistent issue resolution
- Ensure performance and productivity are rigorously benchmarked
- Ensure employees are skilled and embrace a culture of continuous learning
- Maintain an agile workforce that has developed change and adaptive skills/mindsets
- Demonstrate commitment to continuous improvement
- Communicate transparently and informatively at all levels

<b>1</b> <b>HIGH-PERFORMANCE ENVIRONMENT</b>	<b>2</b> <b>ENGAGED WORKFORCE</b>	<b>3</b> <b>DIVERSITY, EQUITY AND INCLUSION (DEI)</b>
<ul style="list-style-type: none"> <li>• We assess and reward performance and deal with non-performance</li> <li>• We have the right people in the right roles with the right skills at the right time</li> <li>• We ensure employees have the training, information and skill programs to succeed</li> </ul>	<ul style="list-style-type: none"> <li>• Employees actively participate in OEB’s business and goals</li> <li>• We listen to employees and act on opportunities to positively impact the work environment</li> <li>• We work together and contribute to the collective success of the organization</li> <li>• We are innovative and agile</li> </ul>	<ul style="list-style-type: none"> <li>• We create awareness through training, education and open dialogue</li> <li>• We develop data-based insights</li> <li>• DEI goals are linked to talent management processes and programs</li> <li>• We are accountable to each other and for supporting the principles of DEI</li> </ul>

Our compensation philosophy is similar to the majority of organizations in Ontario and Canada. It targets both base salary (the job rate) and total cash compensation for fully competent performers at the market 50<sup>th</sup> percentile for the purposes of compensation design and ongoing salary administration. This balances fiscal responsibility with the need to attract and retain talent relative to the industries the OEB competes with for talent. Below is the total number of employees by group beginning in 2022/23, which includes an increase of ten FTEs, who are required to support the continued modernization work and mandate of the OEB.

### Total Number of Employees by Group

203	0	16
Permanent*	Part-time	Temporary
29	174	10
Management	Staff	Commissioners**

\*Commissioners are not included in the OEB’s permanent headcount.

\*\*Including 1 Chief Commissioner.



RISK  
IDENTIFICATION,  
ASSESSMENT AND  
MITIGATION  
STRATEGIES



Effective risk identification, assessment and mitigation are critical aspects of all successful organizations. As outlined in the environmental scan, we have to consider many factors in our risk assessment activities. Effective risk identification and mitigation enables the OEB to take advantage of opportunities, mitigate negative consequences of risk and successfully deliver our mandate. We identify and report on risks through our Enterprise Risk Register, which reflects the current view of the OEB's risk universe. We see risk as the possibility that events will occur and affect the achievement of objectives. Risk are the things that can introduce variance onto the path towards our objectives and have consequences affecting objectives.

Enterprise risk management continues to mature at the OEB and is a focus of the Finance and Risk Committee. In 2022, this Committee of the Board, together with Management, will work together to advance the organization's risk management practices. This includes conducting risk workshop and frequent discussions of risk at committee meetings.

Key risks, ranging from strategic to operational, will be monitored and managed through mitigation plans. These risks are interrelated and associated with areas of our business including delivery, adjudication, legal, regulatory, human resources. They account for reputational risk and stakeholder risk considerations. While not an exhaustive list of risks and mitigations, they include:

## Modernization Mandate

A failure to prioritize, plan and execute accordingly could result in a capacity risk and failure of timely delivery on modernization outcomes.

While progress has been made, more will be done to mitigate this risk and its reputational implications. To mitigate this risk, we will continue and strengthen our planning, project management and reporting, while monitoring resource requirements and allocating resources as required. We will also continue regular discussions with Ministry of Energy and quarterly reporting to ensure continued alignment and delivery on the Mandate letter.

## Emerging Public Policy Issues

Unplanned and emerging public policy issues may result in responsive government action not anticipated by the OEB. The OEB's ability to effectively deliver on its existing mandate may be impacted, depending on the scope and time

frame of the action required in response.

Mitigation for this risk is primarily focused on continual engagement with stakeholders to ensure we can identify issues as they begin to arise and take action to address them. Environmental scanning and discussions with the Ministry of Energy are also mitigation strategies.

## Innovation

A failure to adapt to industry evolution and consumer demands may result in the OEB not delivering on its role in facilitating innovation.

To mitigate this risk, we will prioritize innovation and the related work, including working with the Innovation Task Force for strategic advice. We will also focus on engagement with stakeholders to discuss related barriers and opportunities.

## Workforce for the Future

The OEB may not have the optimal workforce resourcing required to deliver on our mandate and meet the future needs of the organization. This includes recruiting and appointing Commissioners.

The focus of mitigation for this risk is outlined in our People Plan because strategic human

resources planning will ensure the OEB mitigates this risk. This planning includes, but is not limited to, workforce and succession planning, performance management aligned to the OEB’s mandate and objectives, and focused development and learning initiatives.

## Risk Matrix

The risk matrix below is a quantification of risk at a point in time, these risks will continue to be mitigated and evolve over time. The score is based on the likelihood multiplied by the impact of the risk. The likelihood and impact are scored on a 1 to 5 scale, 1 being unlikely or having no impact and 5 being likely or having significant impact. The likelihood rating was determined without considering the impact of the risk prevention activities describe above the table.

Risk	Likelihood	Impact	Score
<p><b>Modernization Mandate</b></p> <p>A failure to prioritize, plan and execute accordingly could result in a capacity risk, and failure of timely delivery on modernization outcomes.</p> <p>Sub risk category: Operational, People</p>	4	5	20
<p><b>Emerging Public Policy Issues</b></p> <p>Unplanned and emerging public policy issues may result in responsive government action not anticipated by OEB or contemplated in the OEB’s legislated objectives. OEB’s ability to effectively deliver on its existing mandate may be impacted, depending on the scope and time frame of the action required in response.</p> <p>Sub risk category: Regulatory, People</p>	4	4	16
<p><b>Innovation</b></p> <p>A failure to adapt to industry evolution and consumer demands may result in the OEB not delivering on its role in energy innovation.</p> <p>Sub risk category: Process, Technology</p>	4	4	16
<p><b>Workforce for the future</b></p> <p>The OEB may not have the optimal workforce resourcing, required to deliver on our mandate and meet the future needs of the organization. This includes recruiting and appointing Commissioners.</p> <p>Sub risk category: Operational</p>	4	4	16



INITIATIVES  
INVOLVING  
THIRD  
PARTIES

The OEB has engaged third parties to assist in the delivery of the Ontario Electricity Support Program (OESP). The OESP is administered by the OEB and provides tax-funded on-bill rate assistance to eligible low-income electricity customers.

A central service provider manages application intake and processing. Applications involve sensitive information such as household income, social insurance numbers and dates of birth.

## ICF Canada

Since 2015, the OEB has contracted ICF Canada to carry out the delivery of the OESP. ICF provides, among other services, the central IT system that enables consumers to apply for the OESP through a web portal, and that connects with electricity distributors, the Ministry of Finance and the Ministry of Children, Community and Social Services as part of the application processing and determination of eligibility processes. Over the next year we will explore with the Ministry ways to ensure the continuity of this consumer program. The OEB reviews and monitors ICF's performance on an ongoing basis. All payments to ICF are reviewed and approved by a member of the OEB's Executive Team and may be subject to audit at the OEB's discretion.

## OESP Intake Agencies

The OEB has entered into agreements with more than 125 community (intake) agencies to assist with the delivery of the OESP. The involvement of intake agencies helps ensure that the OESP reaches the broadest population of low-income households. Intake agencies are compensated monthly per application submitted. All amounts paid to agencies are reconciled against the application data that ICF has received from the agencies. The total amounts are confirmed by OEB staff and approved by a member of the Executive Team before payments are authorized. Audit trails for all payments to agencies are maintained in the ICF database in accordance with the standards stipulated in the ICF contract.



REALTY

Section 26 of the Financial Plan includes costs for the OEB's lease of office and public-facing tribunal space at 2300 Yonge Street in Toronto.

The OEB is reviewing realty requirements anticipating the expiration of the current lease at the end of 2024 and in consideration of the new hybrid workplace model that supports the strategic priorities in the Human Capital Strategy: People Plan. We will increasingly leverage both our facilities and our online platforms to bring people together and create sustained change within our organization. This includes renewing our organization's facilities strategy in advance of the current lease expiry on December 31, 2024.

No acquisitions or leasehold additions are assumed in this Plan.



INFORMATION  
TECHNOLOGY  
/ ELECTRONIC  
SERVICE DELIVERY  
PLAN

The Information Technology (IT) and Electronic Service Delivery (ESD) plan sets out programs and activities that support the OEB’s Digital First Strategy, which is aligned with our enterprise strategic goal of evolving toward a *Top Quartile Regulator* and *Facilitating Innovation*. The strategy seeks to systemically move today’s non-digital interactions into interactions that prioritize digital engagement and the use of digital products and services across the spectrum of activities within our organization. The Digital First Strategy envisions the OEB as a leader in digital interactions. We have embarked on a “digital first” journey with a framework comprised of three elements: technology optimization, digital optimization and digital transformation. We will approach our role with a “digital first” mindset, delivering innovative, secure, responsive, adaptable and user-friendly services. The OEB has developed and deployed processes and technology to mitigate the risks associated with Cyber Security threats.

### OEB Budgeted IT Capital Project Spending by Category

Category	2022-2023	2023-2024	2024-2025
Business Systems	\$1,070,000	\$1,080,000	\$1,130,000
End User Computing	\$175,000	\$185,000	\$195,000
Infrastructure	\$250,000	\$250,000	\$250,000
<b>Total</b>	<b>\$1,495,000</b>	<b>\$1,515,000</b>	<b>\$1,575,000</b>

## CATEGORY DEFINITIONS

**Business Systems** - initiatives related to the upgrading or replacement of technology systems that are used by persons within the OEB and/or by external stakeholders, such as regulated entities and consumers. These systems include our website, e-Services for regulatory filings, financial systems, HR systems, as well as our core back-office systems, which we use to manage our regulatory records and processes.

**End-User Computing** - initiatives related to the upgrading or replacement of end-user hardware, such as laptops, desktops, printers, phones, and internal-only applications like MS Office and Adobe.

**Infrastructure** - initiatives related to the upgrading or replacement of the underlying technology that supports the OEB’s business systems. This includes servers, networks, cabling, telecom equipment, server room equipment, storage, databases, server operating systems, hearing room technology and technology management systems.





# COMMUNICATIONS PLAN

We are committed to transparency and accountability as we deliver on this Plan and build on the previous year's progress against our Strategic Plan. To allow full public access to the Plan and updates, it will be posted on the OEB website within 30 days of receiving approval from the Minister of Energy as required by the Memorandum of Understanding with the Minister.

To continue conversations and sharing information with stakeholders, we will implement integrated communications programs and improve platforms to inform stakeholders about our approach to regulation.

This is in addition to continuing communications activities to enhance the trust and confidence in the OEB as regulator of Ontario's energy sector.



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