

Ontario Energy Board

2017-2018 Business Plan Milestone Achievements

Audit Report

Ron Higgins - Auditor

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1. Auditor Information

Audit Number	RH1804
Audit Dates	May 1 – May 2 2018 (On Site)
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2. Purpose

The purpose of this audit was to conduct an independent assessment to verify and provide an external audit report on the Ontario Energy Board's (OEB) 2017-2020 Business Plan performance success as evaluated and documented in the OEB 2017-2018 internal Balanced Scorecard.

3. Audit Objectives

The audit objectives include;

- a. The review and verification of the 2017-2020 Business Plans achievement as documented in the OEB 2017-2018 Balanced Scorecard using the evidence provided.
- b. Providing confirmation of the Business Plan Scoring results.
- c. Produce an audit report.

4. Scope

The scope of this audit included a review of the evidence provided in relation to the completion of OEB's 2017-2018 Balanced Scorecard which covers the Key Programs, the Key Activities and the Key Milestones. During the audit I audited the evidence provided and ensured the evidence was in alignment the OEB's 2017-2020 Business Plans.

The Balanced Scorecard is used to score the key activities and milestones and if all items are completed as required a final score of 100% would be applied. I audit the Scorecard to ensure the results are as stated.

A link to the 2017-2020 Business Plan which identifies the Key Programs, the Key Activities and the Key Milestones for 2017-2018, is provided below.

https://www.oeb.ca/oeb/Documents/Corporate/OEB_Business_Plan_2017-2020.pdf

5. Audit Results

The onsite Business Plan Milestone Achievement audit took place at OEB on May 1'st and 2'nd 2018 with the pre and post audit work taking place off site. The audit included the review of the evidence binder, the verification of web based documentation and when required an interview with senior management to verify the evidence. As noted last year, the quality of the evidence provided during the audit greatly reduced the need to interview and verify some milestones with senior management which reduces overall audit time and cost as well as taking up senior managements valuable time.

Between the evidence provided and some additional on site verification activities I was able to verify that the Balanced Scorecard results are an accurate representation of the achievements of the Business Plan Milestone Achievements.

I verified that the 2017-2018 Balanced Scorecard was completed as reported and aligned with the 2017-2020 Business Plans. The evidence provided was reviewed and verified to confirm that the stated success level of the 2017-2018 fiscal year accomplishments were achieved as reported. At the completion of the audit, I am able to confirm that OEB has completed the Key Programs, the Key Activities and the Key Milestones and the scoring as reported in the 2017-2018 Balanced Scorecard as documented.

This year the overall balanced scorecard score was 94.9% and the resulting score was affected by;

- The Key Programs for Gas Supply Planning did not complete the gas supply planning framework and filing requirements, including approach to including RNG in utility gas supply milestone resulting in a score of 0.
- The Key Programs for Smarter Electricity Delivery Rates did not complete the OEB policy on non-residential rate design approved milestone resulting in a score of 0.
- The Key Programs for Smarter Electricity Delivery Rates did not complete the staff report on proposed non-residential rate design resulting in a score of 50% in recognition of the amount of preparatory work completed.
- One performance metric did not meet its target reducing its score to 92%.

6. Audit Findings

All audit verification activity agrees with both the Milestone results and Balanced Scorecard scores and no audit findings were identified.

7. Conclusion

There were no Business Plan or Balanced Scorecard issues identified and all evidence related to the Balanced Scorecard Key Programs, the Key Activities and the Key Milestones are in compliance to the requirements.

After review of the evidence I can confirm that the overall Business Plan Scoring for OEB is 94.9% and has been verified and determined to be accurate.

Sincerely,

Ron Higgins

Auditor