

Ontario Energy Board

2018-2019 Business Plan Milestone Achievements

Audit Report

Ron Higgins - Auditor

April 08, 2019

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1. Auditor Information:

Audit Number	RH1903
Audit Dates	April 3'rd – April 5'th 2019 (On Site)
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2. Purpose:

The purpose of this audit was to conduct an independent assessment to verify and report on the Ontario Energy Board's (the OEB) 2018-2021 Business Plan performance success, as evaluated and documented in the OEB 2018-2019 internal Balanced Scorecard.

3. Audit Objectives:

The audit objectives include:

- a. To review and verify the achievements of the 2018-2021 Business Plans as documented in the OEB 2018-2019 Balanced Scorecard using the evidence provided.
- b. Providing confirmation of the Business Plan Milestone Achievement Scoring.
- 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 2018-2019 Balanced Scorecard in relation to key programs, key activities and key milestones. The audit also ensures alignment between the Balanced Scorecard and the OEB's 2018-2021 Business Plan.

Verification of the Balanced Scorecard scoring is required to ensure the scoring aligns with the achievements as stated.

A link to the 2018-2021 Business Plan, which identifies the key programs, key activities and performance measures (targets) for 2018-2019, is provided below.

<https://www.oeb.ca/sites/default/files/OEB-2018-2021-business-plan.pdf>

5. Audit Results:

The onsite Business Plan Milestone Achievement audit took place at the OEB on April 3'rd to the 5'th 2019. The audit included the review of the evidence binder as well as verification of web-based documentation and interviews as required.

The evidence was verified to be an accurate representation of the completion of the Business Plan Milestone Achievements.

The audit verified that the 2018-2019 Balanced Scorecard was completed as reported and aligned with the 2018-2021 Business Plan. The audit also verified that the reported score of 98.2% is accurate.

The evidence provided was reviewed and verified to confirm that the stated success level of the 2018-2019 fiscal year accomplishments were completed as reported. At the completion of the on-site audit, I can confirm that the OEB has successfully completed all the Key Programs, Activities, Milestones and scoring as reported in the 2018-2019 Balanced Scorecard as documented.

There were some changes on the Balanced Scorecard, as the year progressed, from the originally approved balanced scorecard. The Balanced Scorecard changes listed below were discussed and approved by management as per the Management Committee meeting minutes as provided in the evidence binder.

- Scorecard number 5.A.1: the deadline for the first milestone being “*Issue proposed Rate Design policy for consultation*” under “*Smarter Electricity Delivery Rates*” key program was changed from Q3 to Q4.
- Scorecard number 7.A.2: the second milestone being “*Issue final code amendments for consumer protection and net metering technical requirements*” under “*Net Metering*” key program was cancelled due to change in regulations.
- Scorecard number 11.A.2: the deadline for the second milestone being “*Issue final code and rule amendments for Phase One*” under “*Review of Customer Service Rules and Charges*” key program was changed from Q3 to Q4.
- Scorecard number 13.A.3: the third milestone being “*Proposed reliability measures to enhance utility accountability developed*” under “*Strengthening Utility Accountability to Customers*” key program was 50% completed and I verified this to be accurate.
- Scorecard number 14.A.2: the second milestone being “*Issue final framework for setting USMP charges along with implementation plan*” under “*Strengthening Protection for Customers of Unit Sub-Meter Providers*” key program was removed due to change in legislation.
- Scorecard number 15.A.3: the third milestone being “*Identify opportunities for legislative changes and consider recommendations of Modernization Panel, if available, on efficiency of OEB decision making processes*” under “*Adjudicative Process Improvements*” key program was removed due to the late release to the OEB of the Modernization Review Panel report on March 16, 2019.

6. Audit Findings:

Audit findings are ones that I view as being non compliant based on the program requirements, achievements and the evidence provided. I have no findings to report from this audit as the evidence provided verified the compliance of the program requirements.

7. Conclusion:

All evidence related to the Balanced Scorecard key programs, key activities and key milestones are compliant with the OEB requirements.

After review of the evidence I can confirm that the overall Business Plan Scoring for the OEB is 98.2% and has been verified to be accurate.

Sincerely,



Ron Higgins