



CAROLYN CALWELL
CHIEF EXECUTIVE OFFICER | DIRECTRICE GÉNÉRALE

BY EMAIL

April 29, 2026

To: All Rate-Regulated Gas Distributors
All Licensed Electricity 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: Year-End Update, Fiscal 2025/2026

Ontario's energy sector is navigating a period of profound and accelerating change. We are at the forefront of tremendous opportunity to ensure our energy system supports economic opportunity and affordability for Ontarians. Collectively, we are confronting competing pressures that include rising demand, expanding electrification and global political uncertainty. Navigating this change and seizing these opportunities will require substantial investment, careful regulatory oversight and a sustained focus on affordability and reliability for customers.

Against this backdrop, the role of the Ontario Energy Board (OEB) is closely connected to the investments you make and to your customers' experiences. Further to an [update](#) that I shared with you last November, this fiscal 2025/2026 year-end letter outlines how the OEB has been executing on its responsibilities in the second half of the year, how our work has been shaped by the priorities we share with the sector and the actions we are taking to enable an affordable, reliable, secure and clean energy system that supports Ontario's economic growth.



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The major focus for the second half of the year was executing on the initiatives set out for us last June in the Integrated Energy Plan (IEP) Directive and in our Letters of Direction. At the same time, we closely followed the passage of Bill 40, *Protect Ontario by Securing Affordable Energy for Generations Act, 2025*, and began working to ensure our policies and objectives align with the new legislation. Finally, to ensure that the OEB can continue to serve the public efficiently and effectively, during a time of great acceleration in the energy sector, we re-structured our workforce to support sustainability and future scalability.

I will expand on these topics below and have included an Appendix to this letter, which outlines key initiatives completed in the third and fourth quarters of our fiscal year. Together with the initiatives outlined in my November 2025 update, as well as communications from Chief Commissioner Damien Côté on adjudicative matters, this illustrates our efforts from April 1, 2025, to March 31, 2026, to support Ontario's energy sector.

Integrated Energy Plan Directive and Letter of Direction

The pace in our sector quickened for everyone after the IEP was released. The IEP set out clear expectations for the OEB to lead and co-ordinate efforts to support the Plan's outcomes, and the [Directive](#) set out 19 specific initiatives for the OEB. After organizing the initiatives into four portfolios (Distributed Energy Resources (DERs), Planning, Utility Remuneration and Streamlined Connections), we went on to deliver tangible results. Those included providing clearer expectations for long-term system planning, early steps toward modernizing utility compensation and targeted actions to better integrate DERs into our grid. Taken together, this work represents the completion of more than half of the Directive initiatives and establishes a foundation for the remaining work, now underway.

The [Letter of Direction](#) that our Board Chair Geoff Owen received from Stephen Lecce, Minister of Energy and Mines, for the 2026/2027 fiscal year incorporated many of the initiatives in the IEP Directive. It also emphasized the expectation that the OEB serve as an agile, accountable and forward-looking regulator that actively engages stakeholders, leads sector transformation and enables economic growth. We embrace this direction.

Bill 40, Protect Ontario by Securing Affordable Energy for Generations Act, 2025

In December, the Legislature passed Bill 40, with two main impacts on the OEB. First, it provided the OEB with a new mandate to regulate the electricity sector in a manner that



supports economic growth. The passage of Bill 40 made economic growth part of the balance in our regulation of electricity, along with protecting consumer interests, promoting economic efficiency, cost effectiveness and facilitating innovation, among other things. In response, we shared with the sector the types of indicators applicants could highlight in their submissions, such as job growth, local economic impacts and supply-chain development to demonstrate economic growth, and we amended filing requirements for certain applications. I will continue to talk to the sector about economic growth and the evidentiary need it entails.

The new legislation also empowers the OEB's CEO to issue policies to Commissioners and employees regarding timelines for, and information or documents to be considered in, adjudicative hearings. As I explained in a December letter to the sector, this new provision is a critical tool to align the OEB with government policy. I issued the first policy resulting from the new legislation in late January, directing staff to support Commissioners by identifying portions of the IEP that are relevant to proceedings.

Workforce Optimization and Scalability

Building on how we organized our work into portfolios to respond to the IEP Directive, we undertook a broader restructuring of our workforce. Our new structure, effective April 1, 2026, allows us to respond more quickly, co-ordinate more effectively and scale as demand on the sector and the OEB continues to grow. While organizational change always requires a period of adjustment, we are keenly focused on ensuring continuity of service and strong collaboration with the sector.

Nancy Marconi became the OEB's Chief Operating Officer in late March. Ted Antonopoulos, Vice President of the new Natural Gas & Energy Integration division, and Kevin Mancherjee, Vice President of the new Electricity Networks division, report to Nancy. And just this month, I was pleased to welcome Prabhat Juneja as our new Chief Corporate Services Officer.

Entering the 2026/2027 fiscal year, we have a clear mandate and a responsibility, shared with the sector, to deliver the energy system that Ontario needs. This entails focusing on facilitating prudent, evidence-based spending that balances the need for investment with careful management of risk and cost to consumers. You will see this reflected in our 2026/2027 Business Plan and the OEB's next Strategic Plan, which will provide a roadmap to 2030, both of which we will share with you later this year.



Thank you for your continued engagement and leadership during this ongoing period of change. The progress described in this letter reflects sustained collaboration across the sector and the day-to-day work required to turn policy direction into practical outcomes for customers and communities. OEB staff are focused on supporting that work – providing timely oversight, clear processes and effective engagement – so that together we can continue to deliver a reliable, affordable and forward-looking energy system for Ontario. Please know that my door is always open to you and that I look forward to our continued work together.

Sincerely,

Carolyn Calwell
Chief Executive Officer, Ontario Energy Board



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Appendix – Fiscal Third- and Fourth-Quarter Highlights

The following initiatives are key milestones from the second half of the OEB's fiscal year, categorized under the OEB's four portfolios related to Integrated Energy Plan Directive.

Distributed Energy Resources

- Launched the [Centralized Capacity Information Map](#), a powerful tool that provides transparent, accessible data about the province's electrical grid capacity for both load and Distributed Energy Resource connections.
- Released draft [Phase Two Revisions to the Benefit Cost Analysis Framework](#), a straightforward methodology for assessing economic feasibility of DERs, other Non-Wires Solutions and conservation alternatives.
- Established a [margin on payments incentive mechanism](#) for electricity distributors to use third-party DERs to meet distribution needs.
- Issued [draft updates to the Non-Wires Solutions Guidelines](#) for comment, including a new appendix with guidance on Stream 2 local electricity demand-side management programs.
- Delivered to the Minister the [Distribution System Operator Roadmap](#) and a report on the [Review of the Valuation of Distributed Energy Resources](#).

Planning

- Launched the [Gas-Electric Co-ordination Forum](#) in support of the consultation to establish a framework that facilitates sharing of gas-electric planning information for energy planning purposes.
- Delivered to the Ministry a report on the [Regional and Bulk Planning Processes](#).

Utility Remuneration

- Launched [Next Generation Rate Framework consultation](#) to develop an updated rate-setting framework for electricity utilities that supports a reliable, affordable, clean and secure electricity system.



Streamlined Electricity Connections

- Delivered to the Minister a report on [Streamlining Connections](#), which sets out planned actions to improve transmission and distribution processes to deliver timely connections that support growth, housing development and improved customer experience.

