



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

BY EMAIL AND WEB POSTING

June 19, 2019

**TO: All Regulated Entities
All Other Interested Stakeholders**

RE: Status of policy initiatives during the transition to a new governance structure

On May 9, 2019, amendments to the *Ontario Energy Board Act, 1998* were given Royal Assent and will, when proclaimed into force, materially change the Ontario Energy Board's (OEB) corporate governance structure.

In his [April 17, 2019 letter](#), the Minister of Energy, Northern Development and Mines indicated that approval of the OEB's Business Plan for the fiscal year 2019-20, including the proposed budget envelope, is intended to facilitate the OEB's transition to the new governance structure and provide some certainty during that process, while recognizing that the new legislation may impact the OEB's programs and activities and noting that the prudent use of funding is expected of all provincial agencies.

The OEB intends to act with prudence during the transition to the new governance structure, in keeping with the expectations articulated in the Minister's April 17, 2019 letter. Following consultation with Ministry staff, the OEB has identified a number of policy initiatives that have been launched and are in progress and for which the OEB will defer further external stakeholder engagement activities during the transition. Any outstanding cost awards matters related to these initiatives will be addressed in the near term. The OEB will consider these initiatives further once the new governance structure is in place.

A number of other policy initiatives that may include stakeholder engagement activities during the transition are moving forward. This will enable the OEB to progress on issues of importance to the sector and its future, and to gather further stakeholder

insight to inform the development of a new strategic vision once the new governance structure is in place. In developing future stakeholder engagement activities for these initiatives, the OEB will be mindful of the Modernization Review Panel's emphasis on the importance of clear, open and transparent stakeholder processes in policy consultations, subject to the statutory requirements that govern the process for making natural gas rules and electricity codes.

Further detail regarding the status of OEB policy initiatives is set out in Appendix A. The OEB's adjudicative and consumer protection work, the continuity of which was recognized as being of critical importance in the Minister's [March 21, 2019 letter](#) to the OEB, will continue without interruption during the transition.

The OEB is working closely with the Ministry to ensure as seamless a transition to the new governance structure as possible, and as always remains committed to the effective and efficient performance of its mandate to regulate the electricity and natural gas sectors in the public interest during the transition and beyond.

Any questions relating to this letter should be directed to Industry Relations at industryrelations@oeb.ca. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

Appendix A Status of Policy Initiatives

Initiatives proceeding during the transition with stakeholder engagement activities as applicable	Initiatives where stakeholder engagement activities are being deferred during transition*
Policy Initiatives Launched and Ongoing	
Sector Evolution: Utility Remuneration (EB-2018-0287)	Activity and Program Based Benchmarking (EB-2018-0278)
Sector Evolution: Responding to Distributed Energy Resources (EB-2018-0288)	Rate Design for Commercial and Industrial Customers (EB-2015-0043)
Review of Low Income-Income Energy Assistance Program (LEAP) Emergency Financial Assistance (EB-2018-0268)	“Smarter” Electricity Prices (EB-2016-0201), including Examination of Alternative Price Designs for the Recovery of Global Adjustment Costs from Class B Consumers in Ontario
Natural Gas Demand Side Management: 2021-2026 Framework (EB-2019-0003)	Development of Corporate Governance Guidance for Ontario Rate-Regulated Utilities (EB-2014-0255)
Natural Gas Demand Side Management: 2017 & 2018 Program EM&V (EV-2015-0245)	Consultation on Moving to a Single Natural Gas Rate Application (EB-2017-0257)
Natural Gas Demand Side Management: Achievable Potential Study (joint with IESO)	Review of Miscellaneous Rates and Charges – Wireline Pole Attachment Data Collection Working Group (EB-2019-0109)
	Review of Miscellaneous Rates and Charges – Remaining Service Charges (EB-2015-0304)
	Review of Customer Service Rules and Charges (EB-2017-0183)
2019-20 Business Plan Policy Initiatives	
Distribution System Code: Connection of Distributed Energy Resources (Element of “Responding to Distributed Energy Resources”)	Updating the Electricity Distributor Scorecard
Enhancing OEB Performance	Affiliate Relationships Code Review
	Strengthening Utility Accountability to Customers (New reliability measures and reporting requirements)
	Wholesale Market Oversight (Review the mandate, processes and practice of the Market Surveillance Panel)
	Evaluation of Policy on Utility Consolidations (MAADs)
	Consumer Participation in Decision Making (Enhancements to community meetings)

* Work internal to the OEB is planned to proceed on these initiatives by OEB staff during the transition, with a view to their further consideration once the new governance structure is in place.