ONTARIO ENERGY BOARD

STAKEHOLDER PERCEPTION SURVEY REPORT

PREPARED BY

N|A|T|I|O|N|A|L

NATIONAL Public Relations

December, 2004

Introduction

A key business objective of the Ontario Energy Board's *Business Plan for Fiscal Year 2004-2005* was to "help the public understand energy matters and make informed energy choices." One of the 'deliverables' under this objective was to conduct a survey of Board stakeholders.

NATIONAL Public Relations was engaged by the Ontario Energy Board in March 2004 to conduct this survey among various stakeholders, including electricity local distribution companies (LDCs) and natural gas utilities, consumer organizations, power generation companies, large volume customers, business associations, consumer groups and household consumers. The results of this research are intended to assist the OEB in developing its communications strategies and in creating performance measures to evaluate its efforts.

This study, which involved telephone interviews with 46 stakeholder organizations during July and August 2004, comprises the first stage of this research project.

The response rate (90%) was unusually high for a survey of this nature and is indicative of the importance placed by the target audience on this research initiative and, by extension, on their relationships with the Ontario Energy Board.

Many participants were noticeably eager to have their say and were passionate in the opinions they expressed. Some invited other senior executives from their organizations to join in the interview. Many respondents were the CEOs of their organization. Most respondents viewed the interview as an important vehicle to provide feedback to the Ontario Energy Board.

Executive Summary

- Electricity supply is seen by all categories of respondents as the single most important energy issue facing Ontarians today.

- Almost all respondents felt that the OEB's role is becoming more important as the province's energy environment changes.

- Overall satisfaction with the Board's performance was in the mid-range, with several respondents adopting a 'wait-and-see' attitude as the OEB assumes its new responsibilities.

- Respondents attached the greatest importance to the OEB's traditional regulatory functions (setting rates, enforcing regulations), moderate importance to roles such as encouraging a viable and efficient energy sector, and low importance to new responsibilities such as encouraging energy conservation.

- The OEB was given high marks for being a sound, fair and consistent regulator and for protecting consumers (although some felt the OEB leaned too often on the side of consumers). The OEB's role in consumer protection was also top-of–mind for respondents when they were asked to describe in their own words the OEB's role or function.

- Most respondents considered the OEB's greatest weakness to be regulatory processes, which are seen as slow and bureaucratic. There was also criticism of the language in which decisions are presented, with a call for "plain language" and brief summaries of significant decisions that offer context and insight into the Board's thinking.

- Independence from government is deemed to be very important and the OEB is ranked just below the mid-point on this attribute. Comments by some respondents indicated they differentiated between the Board's independence in regulatory decision-making (deemed high) and independence with respect to setting energy policy (deemed low since this is viewed as the government's domain).

- Stakeholders were neutral concerning the OEB's efforts to facilitate dialogue within the electricity and natural gas industries themselves. Several suggested that improvements could be made by providing more feedback on the expected outcomes of their consultations with the OEB.

- Consumer communications received a low score. Many recognized that this was a new responsibility for the Board and that they would not have expected to see much consumer communications coming from the OEB. Others (particularly electricity LDCs) said this is not the Board's responsibility.

Methodology

All responses were provided on a confidential basis. While certain comments have been quoted in this report to illustrate points in the research, none have been attributed to individuals and the names of individual respondents and their organizations remain anonymous with respect to the OEB.

Although participation rates were extremely high, not all respondents answered each of the 34 questions in the questionnaire; thus results will not always add up to 46.

NATIONAL assigned one of the following categories to each respondent:

1. Electricity LDC
2. Natural Gas Utility
3. Energy Sector (power generation companies, sector associations, energy retailers and marketers)
4. Customer & Advocacy Groups (including large volume customer associations)
5. Finance (investors, rating agencies)
6. Industry (business and commerce organizations)
7. Academic/Professional
8. Media

Note: In this report, the term "utility" or "utilities" refers to electricity LDCs and natural gas utilities as a combined group.

Due to the low number of respondents in some categories and the need to protect respondent confidentiality, the last three categories -- industry, academic/professional and media – are merged into one combined category named 'Other' in all charts and tables.

Since replies to open-ended questions were typically quite diverse, they are less amenable to quantitative data analysis or segmentation by respondent category. We have, however, grouped open-ended responses by frequency of mentions of the same words or phrases.

Respondents were also segmented by regulatory status: regulated or unregulated by the Board. Additionally, energy retailers (part of the energy sector category) were occasionally grouped separately to address specific OEB requests for more details.

Responses are segmented by category where marked differences occurred among respondents along category lines. Table 1 below summarizes overall distribution for the six main categories used.

Table 1 – Respondent Categories

	# of respondents	% of respondents
Electricity LDC	12	26%
Natural Gas Utility	3	6%
Energy Sector	13	28%
Customer & Advocacy	9	20%
Finance	5	11%
Other	4	9%
Total	**46**	**100%**

Key Findings

- Electricity supply the top issue
  When asked on an unprompted basis what was they thought was the single most important issue facing Ontarians today, an overwhelming 60% of repondents said electricity supply. When asked to score various issues on a 10 point scale (with 10 indicating the highest importance), electricity supply scored the highest average at 9.2 and scored at least 8.3 from all categories of stakeholder respondents.

- OEB's role becoming more important
  Of the 46 survey participants, 44 believed the OEB's role will become more important. Participants also strongly agreed that the OEB currently plays an important and necessary role in the energy sector.

- Overall satisfaction with performance in mid-range

  The OEB's performance was scored at 5.35, or slightly below the mid-point of 5.5 on a 1-10 scale. Utilities were the most negative in the overall rating. Tempering this finding is the fact that many respondents recognized that the OEB is in transition, and thus there is a "wait-and-see" attitude as to whether it will be successful in fulfilling its new roles.

- Respondents attach importance to most key functions

  Traditional regulatory functions such as enforcing regulations and setting rates were rated as most important, followed closely by consumer protection. (Both these functions also received the most mentions when respondents were asked to describe in their own words the role or function of the OEB.) Other responsibilities associated with regulators, such as encouraging a viable and efficient energy sector, and communicating with stakeholders, scored moderately well. The one major exception was encouraging conservation, which was deemed low in importance or not the OEB's job.

- Sound and fair judgments, poor processes.

  While respondents generally view the OEB as a strong adjudicator ("They give customers confidence – a stamp of approval"), they rate the Board below the mid-point on attributes such as independence, cost-effectiveness, flexibility, timeliness and transparency. Several commented that processes were too slow and bureaucratic, that little heed was paid to business costs and resource issues for applicants before the Board, or indeed to the costs associated with participating in lengthy and comprehensive policy consultations. In particular, participants were not satisfied with progress on the policy initiative concerning performance-based regulation (PBR).

- Some see OEB as too heavy-handed

  Utilities in particular expressed frustration in their dealings with the OEB. Regulated respondents feel strongly that the OEB is biased towards customers and believe the OEB regulates too heavily (a mean score of 8.5 out of 10 compared to 5.8 for non-regulated). One respondent pointed out that since many utilities are publicly owned, they are already accountable to their ratepayers who are their shareholders, and that having the OEB represent ratepayers' interests is a duplication of effort.

- <u>What the OEB does best</u>

  Natural gas regulation is seen as what the OEB does best (though this sentiment was expressed by respondents other than the natural gas utilities themselves).

- <u>What the OEB does worst</u>

  Timeliness (defined as the speed and efficiency of OEB processes involving hearings, rendering of decisions, stakeholder consultations, etc.) is seen as what the OEB does worst.

- <u>Independence from government seen as important</u>

  Over 80% of respondents agreed that independence from government is very important, and this opinion emerged throughout the survey. However, the OEB scored below the mid-point (5.5) when respondents were asked to rate them on this attribute.

  Some respondents indicated they differentiated between the Board's independence in regulatory decision-making (deemed high) and independence on energy policy (deemed low since the government is viewed as setting policy).

- <u>Room to improve in facilitating industry stakeholder communications.</u>

  While virtually all respondents were able to cite one or more communications initiatives or discussion forums initiated by the OEB, the overall score on how good a job it is doing is just below the mid-point. Electricity LDCs were moderately pleased with OEB efforts (score of 6.0), while consumer and advocacy respondents were somewhat dissatisfied (4.3).

- <u>Website heavily trafficked, receives moderate approval</u>

  Given the nature of the respondents, it is not surprising that 93% reported visiting the OEB web site. Many indicated that they logged onto it every day or several times per day, and that this was in fact part of their job. When asked to rate the site as an effective communications tool, the average overall rating was 6.3 and the range of responses was in a narrow band from 5.3 (energy sector) to 7.5 (electricity LDCs), indicating a consistently neutral to positive stance among various respondent categories.

- <u>Low score on consumer communications, but mitigated by newness of the responsibility.</u>

  While the overall score here was 3.2 on a scale of 10, many respondents volunteered the comment that this is a new responsibility for the OEB and that they would not have expected to see much communications from the Board in this area. Financial sector respondents produce the lowest mean score (1.0). The low score may also reflect that more than a fifth of all survey participants, and a preponderance of electricity LDCs, believe that consumer information is not, nor should be, the responsibility of the OEB.

- Divergences between regulated and non-regulated respondents

  Non-regulated respondents were at odds with the utilities on a number of issues. They were more likely to accept the current regulatory process and were more supportive of consumer protection and communications. Utilities on the other hand spoke about an often adversarial relationship with the OEB and criticized the legalistic, quasi-judicial character of OEB hearings.

  Utilities tend to believe consumer communication is their responsibility, while other categories, including customer advocates, are willing to have the OEB play a greater role. Regardless of differences, survey participants found common ground on the need for a regulator and quite a few expressed the opinion that the OEB is “moving in the right direction”.

  Another issue where there is a clear divergence of views among different categories of respondents was the provision of funding for intervenors. Respondents likely to be intervenors said they want more funding; the regulated companies said they want less.

Detailed Responses

This report is organized to follow the questionnaire and proceeds in numerical order. Each question is repeated for clarity.

Question 1

What do you think is the single most important energy issue facing Ontarians today?

The overwhelming response (almost 60%) was electricity supply. Electricity issues overall accounted for 82% of all responses to this question.

Table 2 – Most Important Issue

	Frequency
Electricity supply	27
Electricity restructuring	4
Lack of generation capacity	3
Policy stability	3
Electricity blackouts	2
Investment	2
Clean air	1
Resolving debt	1
Stable prices	1
Regulatory and pricing clarity	1
Total responses	**45**

Electricity LDC respondents were the least likely to choose electricity supply as the most important energy issue. Although half of them did so, far more than half of all respondents in other categories considered this the number one issue. Other concerns expressed by electricity LDCs were lack of generation capacity, electricity restructuring, debt and investment.

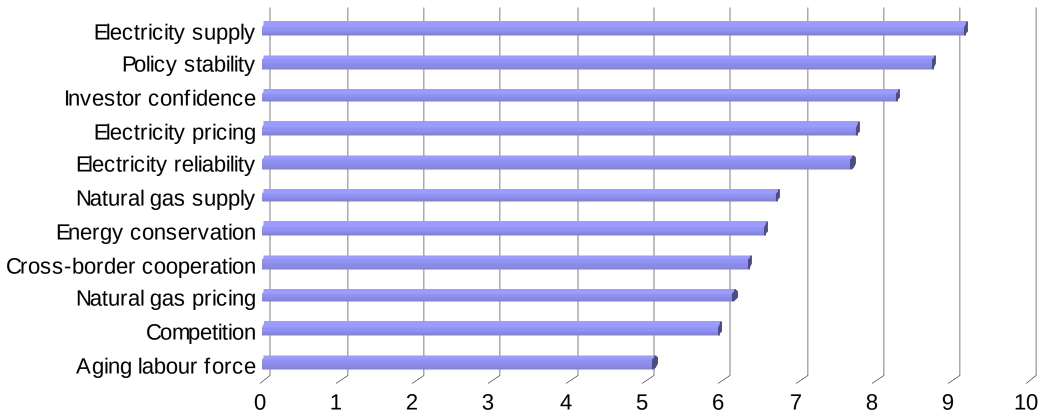
Question 2

I'm going to name a number of energy issues, and I want you to rate their priority on a ten-point scale:

> *electricity pricing; natural gas pricing, electricity supply, natural gas supply, energy conservation, electricity reliability, competition, policy stability, investor confidence in energy sector, cross-border (US-Canada and interprovincial) cooperation on energy policies and supply considerations, aging labour force in energy sector.*

The highest rated issue, at 9.2, was electricity supply. This issue was given a score of at least 8.3 by all categories. Policy stability (8.7) and investor confidence (8.3) were close behind. All issues earned a priority rating above the neutral midpoint (5.5) except aging labour force (5.1). Electricity pricing was of least concern to electricity LDCs.

Figure 1 - Issues Priority



Electricity LDCs also assigned the lowest priorities among all categories to natural gas pricing and competition. The only major divergence between regulated and unregulated respondents was on competition. Respondents representing regulated entities gave competition a low priority of 3.6. Those representing unregulated entities thought it much more important, at 6.9, with retailers leading with a rating of 9.3.

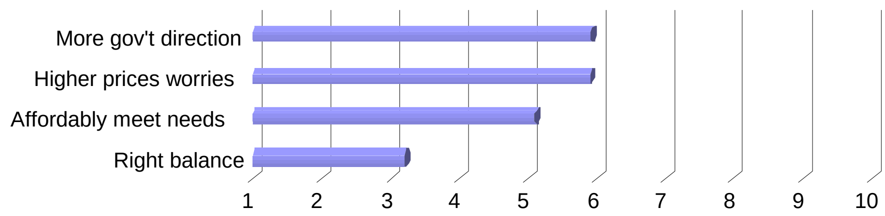
<u>Question 3</u>

Now I'm going to read a few statements about Ontario's electricity sector. Please indicate the degree to which you agree or disagree with each statement.

- *Increased government direction of the electricity sector is a necessary development.*
- *Higher electricity prices are a serious and growing concern.*
- *Ontario will be able to meet its electricity needs at affordable price levels over the next five years.*
- *Ontario's electricity sector has the right balance between competition and regulation.*

Agreement with three of the four statements was either tepid or non-committal. The one statement most disagreed with (3.2 rating) was that Ontario's electricity sector has the right balance between regulation and competition.

Figure 2 - Electricity Sector Statements



Modest divergence among categories arose in a few areas:

- Customer and advocacy group respondents were the most likely to agree that increased government direction of the electricity sector is necessary and that high electricity prices are a concern
- Natural gas utilities were the most concerned about higher prices and least likely to agree that there is a balance between competition and regulation
- Electricity LDCs were least likely to agree that Ontario will be able to meet its electricity needs at affordable price levels

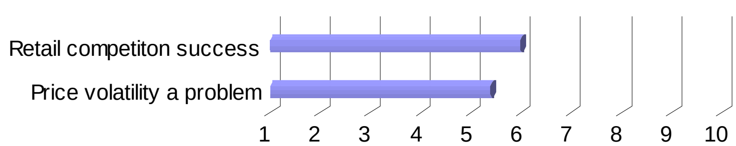
<u>Question 4</u>

Looking at the natural gas sector, I would like you to use the same scale to indicate whether you agree or disagree with the following statements.

- *Retail competition in the gas sector has been successful.*
- *Gas price volatility is a serious and growing problem for Ontario.*

Survey respondents rated retail competition in the natural gas sector a modest success (6.0). Natural gas utilities and retailers were the most likely to agree (mean scores 7.0 and 8.7 respectively), while electricity LDCs and customer/advocacy groups were least likely (mean scores of 5 and under).

Figure 3 - Natural Gas Sector Statements



The assertion that natural gas price volatility is a problem drew moderate disagreement. Most likely to agree were electricity LDCs (6.1) and customers/advocates (5.9). Finance (3.8) and the combined 'other' categories (3.3) were least likely to agree.

Question 5

Please describe in your own words how you perceive the role or function of the Ontario Energy Board.

Though many common themes arose, answers were quite diverse and often very detailed. Many responses were also quite specific, homing in on the one aspect of the OEB's responsibilities that impacted the respondent. For example one individual answered, "to provide regulation on wires business in Ontario that matches the government's policy direction."

While some of the words and phrases employed to express respondents' perception of the OEB's role and function may reflect different ways of saying the same thing, they have nonetheless been captured individually to impart the subtle nuances of the different wordings. Only words and phrases mentioned more than twice are noted.

Table 3 – OEB Role and Function

Common phrases and words	Frequency
Consumer protection	13
Utility/industry regulation	13
Independent	9
Fair	8
Monopoly regulation	8
Balance interests of participants	7
Regulator (unspecified)	6
Set just & reasonable rates	6
Policy	5
Facilitate competition	4
Regulate energy sector	4
Be light handed	4
Stability	3
Communication	3
Quasi-judicial	3
Set rates of return	3

Regulation -- albeit expressed in a number of different ways and not always well defined -- is clearly the dominant concept in the responses. Consumer protection is tied with utility regulation as the most frequently expressed role. Independence and fairness are also perceived as being very important. Utilities were more likely to cite balancing of participant interests and the setting of rates.

Question 6

In light of the changes that are occurring in Ontario's energy sector, how important would you say that the role played by the Ontario Energy Board will become?

Of the 46 respondents, 44 said the OEB's role will become more important and two believed it will be the same as before.

Question 7

How satisfied are you overall with the OEB's performance?

On a scale of 1-10, the OEB's score among the 43 participants who responded to this question was 5.35, slightly below the neutral midpoint of 5.5. Energy sector participants gave the OEB the highest satisfaction score of 6.18, while natural gas utilities proffered the lowest score, 3.67.

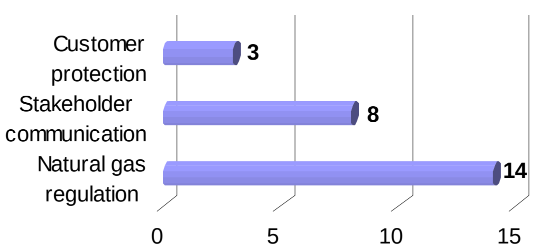
Category	Score
Energy Sector	6.18
Other	6.00
Electricity LDC	5.17
Consumer & Advocacy	5.11
Financial	4.75
Natural Gas Utility	3.67
Total	**5.35**

Question 8

What would you say the OEB does best?

A total of 39 respondents answered this question. A few answers appeared more than once but most were one of a kind.

Figure 4 - OEB Does Best



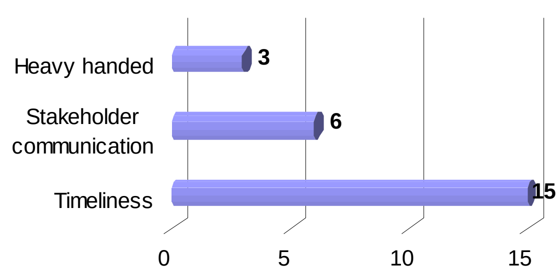
Mentioned by 14 respondents, natural gas utility regulation emerged most often as a task the OEB performs well. Stakeholder communication was also frequently lauded, being mentioned by 8 respondents. Customer protection was noted three times. Three participants said the OEB does nothing well.

Question 9

What would you say the OEB does worst?

Of the 46 participants, 42 elected to answer this question. The answers were on the whole more detailed than those give to question 8, indicating that many respondents felt there was more to complain about than to praise.

Figure 5 - OEB Does Worst



Timeliness, a common refrain throughout the survey, was the number one dissatisfier, with 15 respondents saying the OEB is too slow in all or most of its processes. Though eight respondents listed communications among those activities the OEB performs best, another six felt this was a weakness (especially with consumers).

Less frequent (two mentions or less) criticisms include:

- Lack of consistency
- Poor regulation of electricity sector
- Doing too many things at once
- Heavy handed regulation biased to customers

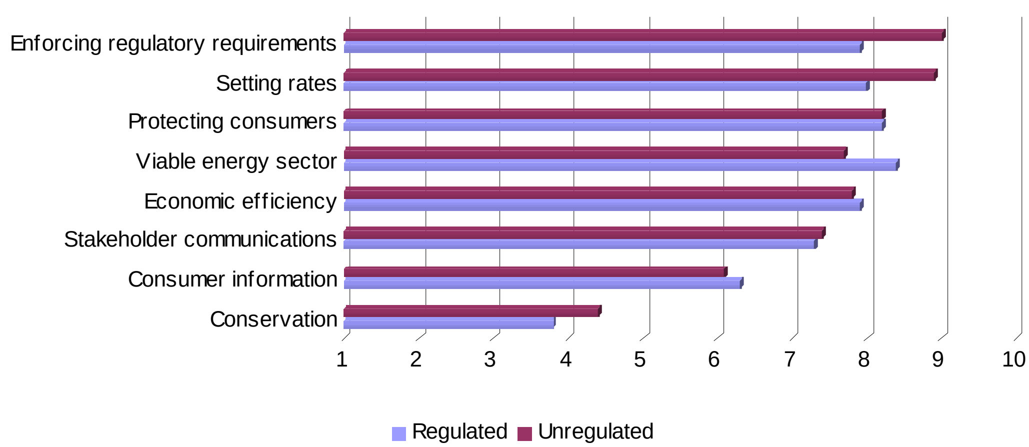
Question 10a

I'm going to name several functions that are part of the OEB's mandate. Please rate the importance of each function on a scale of 1-10

- *setting and enforcing regulatory requirements*
- *setting utility rates / adjudicating utility requests for rate increases*
- *protecting consumers*
- *promoting a viable energy sector (i.e. one that is profitable for market participants)*
- *supporting economic efficiency in the energy sector (i.e. encouraging optimal allocation of capital; ensuring burden of regulation is not onerous)*
- *stakeholder communications*
- *implementing conservation initiatives*
- *providing consumer information*

Figure 6 shows that setting and enforcing regulatory requirements and rates were the two most important functions, scoring 8.7 and 8.6 respectively. Protecting consumers was not far off at 8.2. Conservation was rated quite low at 4.2, with a number of respondents remarking that the OEB has no role in this arena. Providing consumer information was rated moderately important at 6.1, with some respondents stating that this is better left to utilities.

Figure 6 - Importance of Functions



The differences between regulated and unregulated entities or the other respondent categories are few and unremarkable. Table 4 provides a breakdown of the results by category.

Table 4 - Importance of Functions

	Electric LDC	Nat.Gas Utility	Energy Sector	Customer & Advocacy	Financial	Other	Total
Enforcing regulatory requirements	7.9	8.0	9.1	9.0	9.0	8.8	**8.7**
Setting rates	7.6	9.3	9.2	9.4	8.0	8.5	**8.6**
Protecting consumers	8.0	9.0	7.5	8.8	8.4	8.5	**8.2**
Viable energy sector	8.2	9.3	8.7	5.6	8.4	8.5	**7.9**
Economic efficiency	7.9	7.7	8.5	6.6	8.0	8.3	**7.8**
Stakeholder communications	7.2	8.0	7.5	7.4	7.0	7.0	**7.3**
Consumer information	6.4	5.7	5.9	5.6	6.8	7.0	**6.1**
Conservation	3.7	3.7	4.5	4.3	4.8	4.5	**4.2**

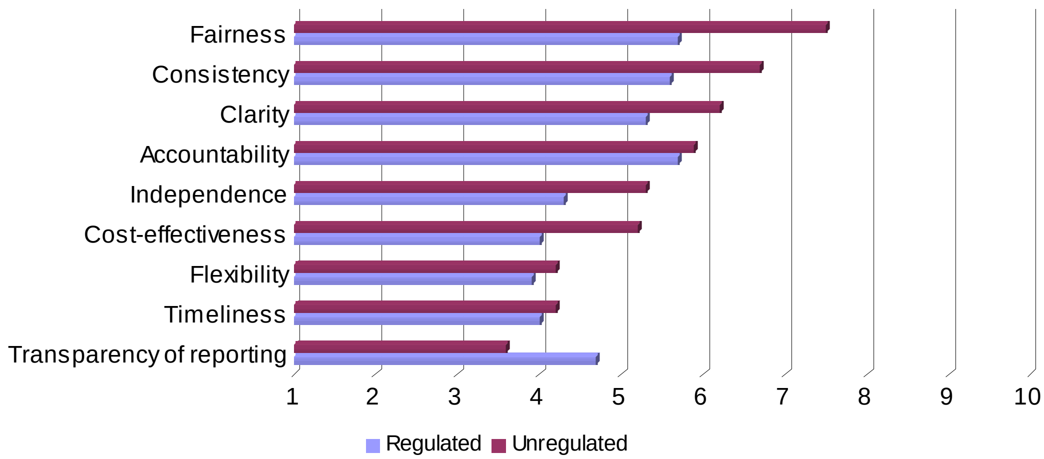
Question 10b

Now I'm going to name several attributes that are linked to the OEB's fulfilment of its mandate. Please rate the OEB's performance on each of these attributes on a scale of 1-10:

- *fairness of decisions and regulations*
- *consistency of decisions (across market participants and over time)*
- *independence (autonomy – freedom from political influence or interference)*
- *clarity of decisions*
- *flexibility (responds quickly to changing market conditions)*
- *accountability (clearly defined regulatory processes, rationales provided for decisions, appeals process)*
- *timeliness of board processes (i.e. decisions, application processes, notification)*
- *transparency (quality and depth of reporting on the OEB's own performance measures)*
- *cost-effectiveness and efficiency (OEB's ability to fulfil its responsibilities at a reasonable cost)*

The OEB is perceived as being quite fair (6.9) and consistent (6.3). However, its ratings on five of the nine attributes fall below the neutral midpoint into negative territory. Transparency (4.0), timeliness (4.1) and flexibility (4.1) appear to be the weakest performance attributes. Timeliness was a point of criticism throughout the survey.

Figure 7 - OEB Performance Attributes



Regulated companies rated the OEB lower than unregulated entities on most attributes, with the widest divergence between the two categories displayed on fairness, consistency, independence and cost effectiveness.

Table 5 lists attribute scores by respondent category. Natural gas utilities contributed the lowest scores on most attributes, with their “consistency” score being the furthest off the mean. Electricity LDC and financial sector respondents ranked the OEB especially low on independence but natural gas utilities and customer advocates disagreed.

Table 5 - OEB Performance Attributes

	Electric LDC	Nat.Gas Utility	Energy Sector	Customer & Advocacy	Financial	Other	Total
Fairness	6.2	3.7	7.7	7.6	7.0	7.7	**6.9**
Consistency	6.3	3.0	6.8	6.6	7.4	5.3	**6.3**
Clarity	6.1	3.0	6.4	6.3	5.4	6.0	**5.9**
Accountability	5.9	4.7	6.2	5.6	5.8	5.7	**5.8**
Independence	3.8	7.0	5.5	6.1	2.6	5.8	**5.0**
Cost-effectiveness	4.3	2.7	6.1	4.6	4.0	5.5	**4.7**
Flexibility	3.6	3.7	5.3	4.2	3.8	2.7	**4.1**
Timeliness	4.4	2.0	4.2	4.4	3.8	4.3	**4.1**
Transparency	4.5	4.5	4.2	2.9	4.2	3.3	**4.0**

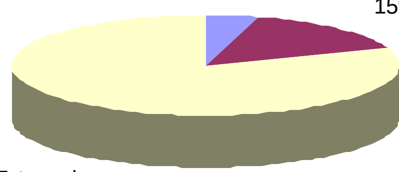
Questions 11 &12

How important is it that the OEB be independent from government? If you feel it is not very important, please indicate why you say this.

The great majority (81%) of respondents felt the OEB's independence was very important. The sentiment was common to all categories.

Of the two who answered "not very important", one remarked "The OEB should not be independent from government" while the other commented "Customers could care less."

Figure 8 - Independence



Question 13

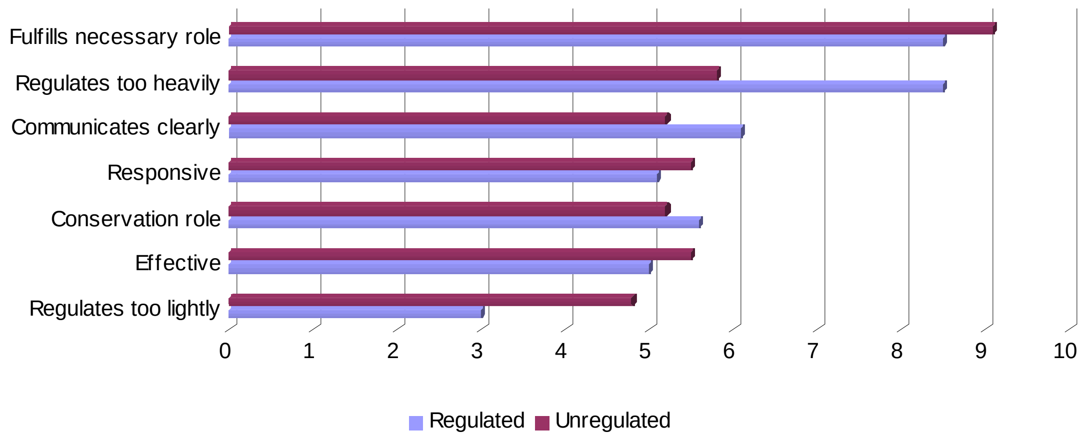
Please indicate on a scale of 1-10 whether you agree with the following statements:

- *The OEB fulfils an important and necessary role in the energy sector.*
- *The OEB sometimes regulates too heavily.*
- *The OEB communicates its objectives and mandates clearly.*
- *The OEB is a responsive organization that is easy to deal with.*
- *The OEB has an important role to play in promoting energy conservation.*
- *The OEB conducts its business – hearings, rulings and so forth – efficiently and effectively.*
- *The OEB sometimes regulates too lightly.*

The OEB's score on the importance and necessity of its role was a very strong 8.9, with all categories scoring it at 8.5 and above. This echoes the response to question six, in which respondents overwhelmingly agreed that the OEB will become more important.

The major difference between regulated and unregulated entities was on statements regarding the burden of regulation. Respondents from regulated companies strongly agreed with the statement that the OEB "regulates too heavily" and disagreed that it "regulates too lightly".

Figure 9 - More Performance Measures



Looking at detailed category results in Table 6, customer and advocacy groups respondents disagreed with the statements that the OEB “regulates too heavily” or that it “communicates clearly”. Those grouped into the “Other” category also expressed dissatisfaction with the OEB’s communications performance.

Table 6 - More Performance Measures

	Electric LDC	Nat.Gas Utility	Energy Sector	Customer & Advocacy	Financial	Other	Total
Fulfills necessary role	8.3	8.3	9.2	9.0	9.6	9.0	8.9
Regulates too heavily	8.5	8.7	6.6	4.0	6.2	6.3	6.7
Communicates clearly	6.1	5.7	5.8	4.4	6.4	3.5	5.5
Responsive	5.1	4.3	5.9	5.0	5.7	6.0	5.4
Conservation role	5.9	4.0	5.6	5.2	4.8	4.8	5.3
Effective	5.7	3.0	5.4	5.3	5.7	5.3	5.3
Regulates too lightly	3.8	3.0	4.2	5.4	4.2	5.0	4.2

Question 14

Have we missed any important performance measures to which the OEB should be held accountable and which should be reported publicly and on a regular basis?

The 26 answers to this open-ended question did not reveal many novel performance measures but tended to repeat certain ideas and suggestions. Specific performance measures mentioned were:

- Setting of standards and benchmarking for length of OEB processes such as rendering decisions or processing applications
- A public business plan providing measures to be tested against
- Published financial statements
- Quarterly reporting on performance against objectives

Respondents also encouraged the OEB to:

- Be more accountable in general (7 mentions)
- Involve stakeholders more (6)
- Proactively communicate (3)

Question 15

What is the most important step the OEB could take to improve its service as the regulator of Ontario's energy sector?

Though this open-ended question asked respondents to choose *the* most important step, many of the 42 participants who elected to respond provided more than one step. The four most common responses, each given by eight participants, were:

- Assert independence from government
- Solicit more stakeholder input
- Make more timely decisions
- Regulate more lightly

Other less frequent comments of note included:

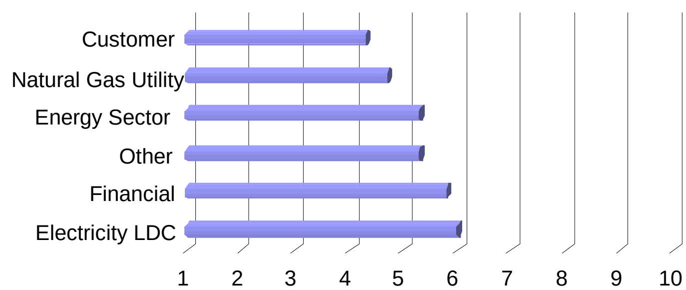
- Beef up staffing in both numbers and skills
- Re-think the notions of quasi-judicial regulation and annual rate cases to remove the adversarial atmosphere and reduce regulatory burdens
- Represent the public and consumers better
- Appoint account representatives to better serve stakeholders

Questions 16 & 17

On a scale of 1-10, how good a job is the OEB doing in facilitating communications within the electricity and natural gas industries? Why did you give the OEB this score?

The OEB scored 5.3 on its communications with industry, just below the scale midpoint. Electricity LDCs were the most pleased (6.0) but customers and advocacy groups were dissatisfied (4.3).

Figure 10 - Industry



A few common themes emerged when the 44 respondents qualified their answers:

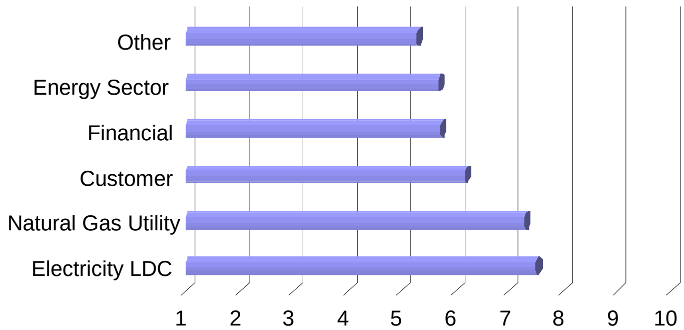
- “Don’t see much communication” was the most common refrain
- Three respondents stated that matters have improved since Howard Wetston came on board as the new Chair of the OEB
- OEB is paying more attention to communications
- The forums are good ideas
- Unfriendly, “stilted” language; lack of clarity
- Slow in responding
- Excellent website

Questions 18 & 19

Have you ever visited the OEB’s website? As an effective communications tool, how would you rate the OEB website?

All 46 respondents answered this question and 43 of them (93%) had visited the website. Its average effectiveness rating on a scale from 1-10 was 6.3. There was moderate variation among the categories on this rating, electricity LDCs scoring it the highest (7.4) and the groups comprising other the lowest (5.3.)

Figure 11 - Website Scores



Six respondents commented that website presentation was poor and information sometimes hard to find.

Question 20

What information do you think should be on the OEB website?

37 respondents answered this question. Four used it to further express satisfaction with the current site. Among the rest, the most common suggestions are presented in Table 7.

Table 7 - Suggested Additions to Website

Suggestion	Frequency
More decisions, especially executive summaries	15
Timetables, schedules and calendars	9
Business plan, mandate, performance measures	6
Consumer information	5
Filings, orders, evidence, procedural material	4
Organization chart with employee information & contacts	3

Question 21

Can you recall any recent communications from the OEB aimed at the electricity or natural gas industries?

Of the 46 respondents, 38, or 83%, recalled a recent communication. Finance respondents were the least likely to recall any communication (though it should be noted that they are not routinely targeted by OEB stakeholder communications initiatives aimed at the energy sector).

Question 22

What was the communication initiative? Was it effective?

Fourteen communications were mentioned in all. Among the 35 respondents to this question, 29, or 83%, found the communication to be effective.

Table 8 - Communications from OEB

Communication	Frequency
Notice of Natural Gas Forum	11
Electricity rates for electricity LDCs	7
Code amendments	2
Policy development	2
Notice on intervenor funding	2
Hearings decisions orders	2
Notice of rate forum	2
Rebate process on business protection	2
Restructuring of organization & mandate	2
Notice of stakeholder initiatives	1
Electricity LDC consolidation	1
Funding for intervenors	1
DSM variance accounts	1
Enbridge case	1

Question 23

There are several ways in which the OEB can communicate with your organization. I'm going to name several communications vehicles, and for each, please indicate whether you feel it is very useful to you, somewhat useful or not at all useful.

The OEB website and direct bulletins to stakeholders were the preferred means of communication. Periodic seminars and an annual conference were also well received. Of least interest were advertising and media coverage.

Table 9 - Communication Vehicles

	Extremely	Somewhat	Not
Fax or email bulletins	30	10	5
OEB website	29	16	1
Periodic seminars, roundtables, etc.	25	16	4
Annual conference	25	13	7
News releases or bulletins	23	19	3
Conference calls	15	22	7
Speeches by OEB Chair and Board	11	26	8
Articles or speeches	9	26	11
Advertising	3	12	30
Media coverage	2	26	17

Question 24

What kinds of information do you want to receive from the OEB?

The most common request from the 27 respondents to this question was energy policy information. Regular updates were also popular. As well, respondents asked for more communication and industry information relevant to them specifically. Listings of upcoming events, decisions and deadlines were also often requested.

In general, responses were quite similar to those on question 20 which asked for guidance on what could be added to the OEB's website. Other requests included:

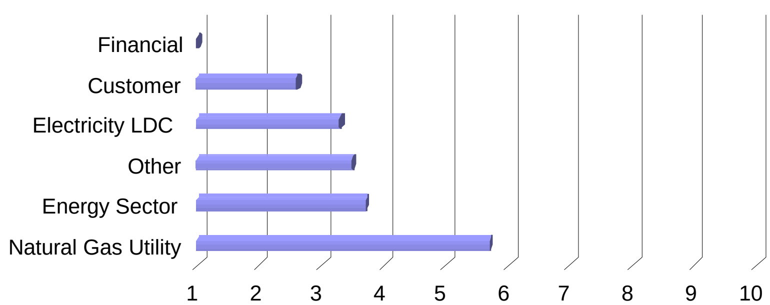
- Policy and issues papers
- Notice of significant legislative and regulatory changes being planned or discussed
- Face-to-face communication

Question 25

On a scale of 1-10, how good a job is the OEB doing in informing consumers (and by that I mean the average householder) on important issues and changes occurring in the electricity and natural gas sectors?

The OEB received a low score here of 3.2, but many respondents remarked that this has not traditionally been part of the OEB's responsibilities and they would not have expected to see much consumer communication. Natural gas utilities proffered the highest score of 5.7, while finance participants gave it the lowest score of 1.0.

Figure 12 - Consumer Communication



Question 26

Other organizations also provide consumer information on energy issues. Rate them as more credible and effective than the OEB, less credible and effective than the OEB, or the same as the OEB:

Utilities (referred to as “Local Distribution Companies” in Table 10 below) were rated overall as the most credible and effective consumer communicators, and energy retailers and the media were rated the least credible. Utilities rated themselves high and industry respondents also strongly favoured utilities as effective and credible sources. Finance respondents, however, ranked utilities much lower, along with almost every other alternate information source.

Table 10 - Other Organizations’ Consumer Credibility/Effectiveness

	More	Same	Less	Total
Ontario Energy Ministry	14	18	12	**44**
Local Distribution Company	25	7	12	**44**
Energy Retailer	5	2	38	**45**
Independent Electricity Market Operator	11	21	13	**45**
Industry Categories	11	17	16	**44**
Media	7	12	25	**44**

Question 27

What should the OEB be doing to inform consumers that it is not doing today?

The most common answer among the 39 respondents was that no communication is expected, as it is not the role of the OEB. One participant stated, “It is not their job to inform consumers. It is the job of the utilities and the government. The OEB is an adjudicator and it is not their job to educate the public about the energy sector.”

This was, however, a minority opinion. The other 29 respondents offered a number of positive suggestions. Most of these were very general or one of a kind. Suggestions mentioned two or more times are listed in Table 11.

Table 11 – Suggestions on Informing Consumers

Suggestion	Frequency
Not the OEB’s job	10
Explain energy issues; develop energy literacy	7
Explain OEB role; brand the OEB	4
Use utility bill stuffers	3
Media outreach	3
Advertising	2
More consumer information on website	2
Energy retailer information	2

Question 28

Are you aware of any regulatory policy initiatives that the OEB has undertaken? Please name them.

All 46 respondents answered this question and 40 of them, or 87%, were aware of a regulatory policy initiative. 37 respondents, or 80%, were able to name one or more initiatives. A total of 31 initiatives were identified. Table 12 lists all initiatives noted two or more times. The “other” category includes initiatives named just once and vaguely stated initiatives that could not be identified.

Table 12 - Regulatory Policy Initiatives Awareness

Initiative	Frequency
Natural Gas Forum	9
2006 rate design	6
DSM	4
LDC efficiency	4
Electricity conservation	4
Smart meters	4
Natural gas distribution access	4
Affiliate relations	3
Standard supply service	3
Electricity regulation	3
LDC ratemaking	3
PBR	2
Funding for stakeholder participation	2
Other	18
Total	69

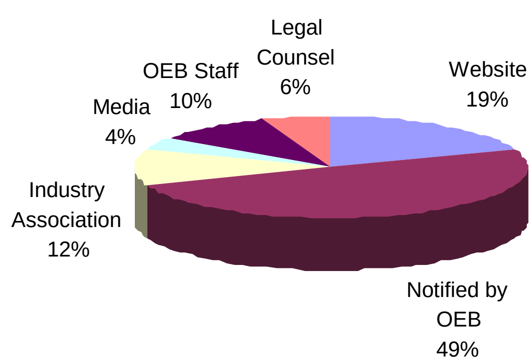
Question 29

How did you become aware of this initiative?

OEB notices and invitations to participate are the main source of awareness (49%), followed by website information (19%).

For those who cited the website, several mentioned they use it daily as part of their job.

Figure 13 - Awareness of OEB Initiatives



Question 30

Have you or your organization become involved in an OEB regulatory policy initiative?

Among the 46 respondents, 37, or 80%, were involved in some initiative. They named a total of 25 initiatives, of which those garnering more than one mention are included in Table 13. The total in the table's bottom row is greater than the number of respondents because some listed more than one initiative they had participated in.

Table 13 - Regulatory Policy Initiatives Participation

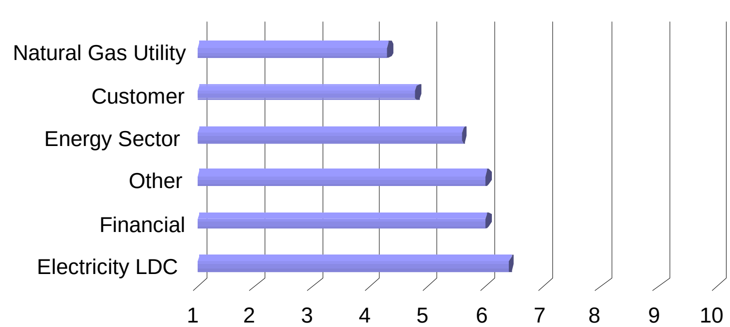
Initiative	Frequency
Natural Gas Forum	12
DSM	9
Distribution System Code	6
LDC efficiency	5
PBR	4
2006 rate design	4
Electricity conservation	4
Service Quality Indicators (SQI)	3
Funding for stakeholder participation	2
Competitive natural gas supply	2
Toronto Hydro rate case	2
LDC consolidation	2
Natural gas distribution access	2
Other	12
Total	**69**

Question 31

How satisfied were you with the way the OEB conducted this policy discussion or initiative on a scale of 1-10?

The satisfaction rate was exactly at the neutral midpoint of 5.5. Electricity LDCs (6.4) were the most satisfied but natural gas utilities showed the most dissatisfaction (4.3).

Figure 14 - Satisfaction with



Question 32

Are you aware of Performance-Based Regulation (PBR)?

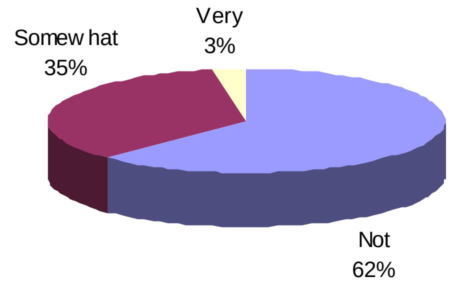
Among the 44 respondents answering this question, 43 were aware of PBR.

Question 33

How comfortable are you with the progress the OEB is making on performance-based regulation?

Figure 14 - PBR Satisfaction

Dissatisfaction among the 37 respondents with the progress made on PBR was quite high. Only one was very satisfied, 13 were somewhat so, and the rest were not satisfied.



Question 34

Do you have any closing words of advice for the OEB?

Most participants (41 of 46) offered some closing words and some were quite effusive. The variety of comments was extensive, and no one comment was expressed more than six times. Table 14 enumerates those words of advice that were repeated by three or more participants.

Table 14 – Closing Words of Advice

Advice	Frequency
Independence is vital	6
Solicit stakeholder input	6
The OEB is heading in the right direction	6
Regulate more lightly	6
Hire more people, especially with the right skills	3
Do fewer things better	3
Leave policy to government	3
Develop and lead on policy	3