

2017/18 Fiscal Year Accomplishments

Below is a list of several specific OEB accomplishments from the last fiscal year:

Adjudicative
• 261 decisions issued by the end of Feb 2018 for the 2017/18 fiscal year, with 81% meeting the metric date • Issued 22 decisions for major applications including HONI Transmission 2-year Cost of Service since January 2017 • Issued 48 incentive rate-setting applications since January 2017 • Issued a decision on Ontario Power Generation's application for payment amounts for the period from January 1, 2017 to December 31, 2021. This was one of the largest rate applications in Canadian history. • Issued the first decisions for the Cap and Trade compliance plans applications for Enbridge Gas Distribution, EPCOR Natural Gas and Union Gas Limited. • Heard the first applications under a newly developed gas framework for considering gas community expansion applications, which allows for competition and surcharges/stand-alone rates for the connecting community. Applications included four community expansion applications from Union Gas, Fenelon Falls from Enbridge, and applications for serving the South Bruce area from both EPCOR and Union Gas. • Hosted 18 community meetings in communities affected by nine major electricity rate applications, including a province-wide webcast meeting. Meetings were held in communities as far north as Sioux Lookout and Leamington in the south. More than 360 consumers actively participated in the meetings and provided comments on the rate applications filed by their respective utilities. Received 83 evaluation forms from attendees and surveyed an additional 90 consumers that attended the meetings. Implemented improvements to community meeting planning and execution, based on the feedback received from consumers, utilities and OEB staff. • Updated existing materials related to the OEB's adjudicative process such as the Guide to OEB Hearings and developed new materials, such as better collateral tools for use by consumers in preparing for community meetings and instructional videos to better inform consumers about the OEB's adjudicative process and encourage consumer participation in OEB hearings. • Piloted the use of video hearings and remote consumer participation in hearings. Currently running focus groups with a diverse group of thirty members of the OEB's Consumer Panel to solicit feedback on the effectiveness of video hearings, the OEB's decision format and the Guide to OEB Hearings. • Began implementing the OEB's new Adjudicative Model starting with the piloting of two rate applications. The new Adjudicative Model is a variation to the existing and entails streaming utility rate applications based on defined criteria and a robust assessment to ensure greater proportionality in the OEB's review processes. Also, developed protocol for future applications and began assessment of pilots.

Policy
• In response to the government's 2017 Long-Term Energy Plan (LTEP) and related directive, the OEB developed and issued to government an LTEP Implementation Plan in support of the goals and objectives described in the LTEP. • Issued the OEB's Strategic Blueprint: Keeping Pace with an Evolving Energy Sector. The Blueprint is our 5-year plan to will modernize the OEB's approach to regulation in order to keep pace with an evolving energy sector. • Established the Advisory Committee on Innovation. The committee will assist the OEB in identifying and developing specific regulatory actions in support of sector innovation and transformation. • Implemented lower time-of-use (TOU) RPP (Regulated Price Plan) prices for customers in accordance with the government's Fair Hydro Plan. • In support of the development of smarter electricity rates for low-volume customers, approved five RPP pricing pilots. The OEB continues to work with electricity distributors to implement these RPP pricing pilot programs. • Developed a staff report addressing the regulatory implications arising from the implementation of the government's Climate Change Action Plan. • Prepared and issued a report to the Minister of Energy on transportation fuel pricing in Ontario, pursuant to a request from the Minister of Energy. • Provided ongoing support to the Market Surveillance Panel, including attendance at bi-weekly regular meetings, advice and comments on Panel draft reports. • Finalized a leading edge Framework for the assessment of electricity distributors' and transmitters' cyber security readiness and cyber maturity. This new framework will support the OEB assessment of utility readiness to address cyber security in their systems and the protection of customer privacy. Extensive consultations with distributor working group and IESO were used to identify the most effective approach to meeting OEB expectations for distributors. Established regulatory requirements to ensure the framework is implemented and appropriate reporting to the OEB to confirm utilities are achieving cyber readiness. • Developed specific policy recommendations for a new approach to commercial and industrial rate design which has been approved for stakeholdering. Undertook an extensive data driven analysis to identify challenges in implementing and operationalizing the new policies. Completed a wide-ranging set of meetings with industry and small business consumers, as well as other sector participants to evaluate implementation and mitigation options for the proposed policy approaches. • Completed a report on the pilot programs run by select distributors to assess the practicality and benefits of implementing customer specific reliability measures. Internal report developed on potential approaches to implementing such measures across distributors. • Issued a comprehensive set of code amendments to both the Distribution System Code and Transmission System Code to support more innovation and fairer costing of system upgrades, that will support improved regional planning and lower costs to consumers. • Continued work with the Regional Planning Advisory Committee to review the overall effectiveness of the regional planning process and first report back on potential improvements delivered and being implemented.

- Issued code amendments following a consultation with industry on the technical standards within the Transmission System Code to identify standards that may no longer be necessary as NERC has completed its implementation of bulk system standards.
- The OEB provides a web based service to all industry to make enquiries about regulatory requirements or policies as a means to supporting the sector's operations and compliance. Industry Relations Enquiries (IREs) In 2017, 900 received year-to-date, with an overall response rate of 92% within 10 days, compared to the 90% published metric.
- Developed a Consumer Charter following consultations with consumer groups and presentations to OEB's Consumer panel. The Charter provides energy consumers with an overview of their rights relating to their natural gas and electricity service and providing information on how they may get issues resolved. Issued Charter to all licensed distributors with an expectation that they provide to consumers and post on websites to inform consumers of their rights.
- Commenced an assessment and review of customer service rules for electricity distributors, natural gas utilities and unit sub-meter providers to determine if improvements are necessary to ensure the rules are meeting consumers' expectations of service. Launched a consumer survey that attracted input from more than 2,500 residential consumers who provided input on their views about customer service and expectations of their energy utilities.
- Launched a new and expanded Industry Affairs Standing Committee with membership of senior executives from the industry. Expanded membership incorporates new technology providers. Three meetings of the committee were held in 2017: March 30, June 8 and November 30. These meetings provide an opportunity for industry stakeholders to identify changes in the sector that may need to be addressed through regulatory policy. The meetings also provide OEB staff with the chance to seek advice on regulatory issues from a knowledgeable group of stakeholders.
- Implemented enhancements to OESP eligibility to recognize all social assistance clients, expanded the number of types of specialized medical equipment that qualify a consumer for enhanced OESP credits and ensured all indigenous peoples are eligible. Increased available credits by 50% to provide greater assistance to low income consumers. Implemented improvements in application process to allow mobile applications, enhancing the process.
- More than 200,000 applicants have been approved and are receiving OESP representing more than 30% of the potentially eligible households, within the second year of the OESP. \$110.2M in credits were applied to utility bills for low-income households throughout 2017. OESP application system and website operating successfully with 99%+ uptime.
- Developed an OESP evaluation plan to evaluate program success and identify areas for improvement.
- Commenced design of a new regulatory mechanism to approve USMP charges in light of amendments to OEB Act that expanded the OEB's regulatory authority. Expanded reporting requirements for USMPs to ensure the OEB has greater insight into these licensees' operations.
- Issued the evaluation, measurement and verification results of Demand Side Management (DSM) programs for natural gas utilities delivered in 2015 and initiated the evaluation, measurement and verification of DSM programs delivered in 2016
- Initiated the 2015-2020 demand side management (DSM) framework mid-term review that would assess performance on annual metrics, budget levels, impact on customer rates, and shareholder incentives, and to consider the DSM framework relative to the overall energy conservation

landscape

- Issued Report of the Ontario Energy Board on the Regulatory Treatment of Pension and Other Post-employment Benefits (OPEBs) Costs. It establishes the accrual method of accounting as the default method for setting rates along with an asymmetrical variance account to the benefit of ratepayers.
- Issued a draft report of the OEB on the framework for determining wireline pole attachment charges, following conclusion of a working group, which was comprised of LDCs, ratepayers, and carriers. The OEB proposed an updated methodology and a generic rate of \$52 per pole attachment per month. 32 submissions filed from various stakeholders.
- Initiated a review of the Quarterly Rate Adjustment Mechanism (QRAM) process for adjusting gas commodity prices, including the appropriateness of the rate adjustment frequency and whether or not a better alternative to the current process exists. The review included discussions with Enbridge Gas, Union Gas, consumer panels (in Toronto, Sudbury and London), and natural gas marketers.
- Initiated a review of energy retailer service charges that included a working group.
- Updated filing requirements for cost of service rate applications and less complex incentive rate-setting applications, including appendices and models
- Held orientation session and two webinars on the new rates filing requirements to introduce changes and provide guidance on new requirements
- Issued accounting guidance to utilities regarding the improvement of tracking commodity-related true-ups with the IESO, including the development of a specific tool aimed at assessing the global adjustment component. This resulted in changes to account balances (both pre and during hearings) of more than \$30M.
- Updated RRR filing requirements to enable more automation in the incentive-rate setting spreadsheet models provided to electric LDCs and made other enhancements to the models.
- Created a new rates database on the Business Intelligence system to contain all approved rates annually dating back to 2006 and began work automating reporting using a new report writing tool to be used in generating data for the bill calculator, bill impacts analytics, and other data made available to the public.

Licensing

- 164 licencing and licence amendments decisions issued
- Issued Smart Metering Entity (SME) licence with requirements that the SME collect enhanced data from LDCs. All licensed distributors are now providing enhanced data and SME is completing process to implement a third party data access protocol that will ensure the Meter Data Management Repository system is providing increased value to consumers.
- Over 30 Long Term Load Transfer decisions were issued in accordance with OEB policy to increase efficiency of the distribution systems and ensure focused customer service.
- Implemented an ongoing ban on disconnection of residential electricity consumers for non-payment during the period November 15 through April 1, to protect consumers during winter periods from loss of electricity service.

Consumer Protection

- Conducted 12 compliance inspections in total, 5 related to electricity distributors, 2 related to electricity retailers/gas marketers, and 2 electricity wholesalers and 3 related to unit sub-metering providers
- Compliance inspections led to 6 enforcement proceedings related to a breach of legislative and regulatory requirements among various licence types, including electricity retailer/gas marketers, unit sub-metering providers, electricity distributors, generators and wholesalers. 2 enforcement cases are currently pending a decision. 3 enforcement cases were resolved through an Assurance of Voluntary Compliance.
- Reviewed and validated electricity distributor scorecard measures and audited selected reported results to provide greater consumer visibility into distributor performance
- Conducted 5 financial audits of electricity distributors and a variance account audit of a regulated natural gas distributor
- Developed a comprehensive performance assessment framework for use in assessing rate applications
- Reviewed and validated data reported by electricity distributors related to electricity distributor customer service rules
- Issued yearbooks with reporting of performance and other statistics for natural gas distributors and electricity distributors.

Corporate Communications

- Consumer Protection communications campaign launched to promote the new Consumer Charter. As well, following amendments to the Energy Consumer Protection Act, Part II, consumers were made aware of new rules governing energy retailers and how those new rules improved the protection of their rights through the energy contract process.
- Ontario's Fair Hydro Plan brought changes to the Ontario Electricity Support Program including new eligibility criteria and an expanded range of on-bill credit amounts. All messaging and creative products were updated.
- Launched a province-wide public outreach campaign to raise awareness about the Ontario Electricity Support Program, which included newspaper, radio, digital and transit/billboard advertising, a video series. Approximately 8.7million buck slips were distributed to Ontarians via utilities, the CRA and Ontario Disability Support Program and Ontario Works clients.
- A Consumer Alerts protocol was put in place and used several times to communicate and protect the public from "scams." The protocol includes the use of OEB owned channels to the public as well as through media.
- Launched province wide earned and paid media campaign to support the Customer Service Rules review by encouraging public input. Program achieved more than 2,500 consumer survey responses.
- Increased local media outreach in advance of OEB community meetings specifically, and as part of Public Affairs' overall efforts to increase coverage of OEB's consumer engagement and consumer protection activities.

- Public Affairs supported the roll out of a series of pilots run by selected utilities to test different rate plans for consumers. Province wide communications were coordinated with the Ministry and the relevant utility to optimize awareness as well as to support involvement of consumers in the pilots.
- A Content Governance Framework was developed to better organize and more efficiently create linkages between communications and other OEB divisions. This ensures that content that will become public is properly organized, created, reviewed and kept updated by Communications.
- To further strengthen public input and engagement with the work of the OEB, an online Policy Registry was developed. The Registry resides on oeb.ca to house the policy work underway and to encourage public feedback and involvement.

ENHANCEMENTS TO OEB.ca

- Survey of internal users underway to gauge user experience and identify areas for improvement
Enhanced search functionality:
- Increased search visibility for utility information (e.g. performance/scorecard, major applications)
- Enabled tabbed filtering of search results by content type (e.g. policy consultations, major applications, consumer news/features)
- Enriched Content and added new features:
- To enhance energy literacy – 6 news features created which present consumer friendly information about key topics ranging from the government's Fair Hydro Plan to the winter disconnection ban for electricity utilities, to the provincial and North American rate comparisons
- Created a new applications archive that simplifies the search for closed applications and is sortable by year, energy and application type
- New page added promoting Consumer Panel and how to join
- New page added for the Policy Registry, that will enable & simplify the process of obtaining policy consultation feedback from consumers, set to launch by Mar 31
- Made a number of usability improvements

Stakeholder and Consumer Engagement

- Engaged well over 20,000 consumers from April 1, 2017 through March 1, 2018 at various community events, including 18 OEB community meetings, held across Ontario.
- Launched a Literacy Pilot program to increase engagement and explore opportunities to connect with key community, civic and small business leaders and the public. The one-day series of events in a single location format offers information on programs, consumer rights and allows staff to listen to specific community issues and ideas.
- Refreshed the OEB Consumer Panel(in-person format) membership and recruited more than 2000 consumers to join OEB's first-ever on-line Residential Consumer Panel, and 300 small

business consumers to join OEB's first-ever Small Business Consumer Panel.

- Used the consumer panel to consult on a variety of initiatives including the OEB's customer service rules (first review in over 6 years), video streaming of rate application hearings (pilot), review of timing of Quarterly Rate Adjustment Mechanism, transportation fuels pricing, rate design for commercial and industrial consumers and communications product testing.
- Conducted first annual benchmark study to track residential and non-residential consumers' awareness and understanding of the OEB's role as consumer protector and regulator.

Organization

FINANCE & ADMINISTRATION

- Received notification by the Office of the Integrity Commissioner of Graduation from the Expenses Review Process
- Received a clean Financial Statements Opinion from the Office of the Auditor General of Ontario
- Completed the Review of OEB's Insurance Program and implemented all recommendations.
- Upgraded OEB's Accounting system software
- Implemented a new Fixed Asset Model within our Accounting system software
- Increased efficiencies by creating OEB VOR's or utilizing MGS vendors of record (VOR) when possible
- Completed installation of new HVAC system for IT Data Center
- Enhanced OEB's Automated external defibrillator program

HUMAN RESOURCES

- Completed the first phase of the implementation of a new Human Resources Information System.
- Completed a marketing of group benefits resulting in cost savings of 7% and guaranteed rates for up to 24 months
- Completed organizational realignment for the Consumer Protection and Industry Performance division that included significant changes in areas of accountability.
- Completed 49 recruitments that resulted in 60 hires in 2017 using mainstream marketing tools and social media. The 60 hires represented vacancy replacement, short term assignments and temporary hires for staff on leave.
- Delivered Customer Service and Communications training to 45 staff.

INFORMATION & INFORMATION TECHNOLOGY

- Partnered with Public Affairs team to improve the information we are providing consumers about the Energy Retailer Market.
- Enabled enhancements to the Utility Performance Scorecard, providing improved visibility to

stakeholders on Utility performance.

- Implemented an enterprise database to support the Rates Team to allow for more robust reporting with less manual intervention required and more flexibility to create new reporting.
- Completed an upgrade of our 2 main back office systems Pivotal and Trim (now HPE Content Manager). These upgrades ensured the supportability of these systems as well as improved Security and enabled new functionality for our business users.
- Working with our Legal team we have implemented a new tool to assist in performing searches on our key systems in relation to Freedom of Information requests. This system allows us to eliminate much of the manual effort that was required to perform these searches in the past.
- Upgraded all of our End User Desktop and Laptop devices to Windows 10 and Office 2016. This has enabled improved functionality Security, and supportability of our systems.
- Completed an upgrade of our Financial System. This system is critical to the financial operations of the OEB.
- Completed more than 4,000 requests during the last fiscal year with 91% of the requests completed within 2 days. This surpassed our goal of 90%.
- Implemented a Security Incident and Event Management Tool to improve IT's ability to detect and resolve Security Incidents.
- Implemented hard disk encryption on all OEB end user Devices to better protect OEB information from being compromised or stolen.
- Enhanced Patch Management Program to ensure all of our systems are being kept up to date in a timely manner. This includes Quarterly Infrastructure and Monthly End User Device Security Patching.
- Implemented a new Secure Remote Access tool called Cisco Any Connect. This along with the roll out of newer lighter weight laptops has enabled the OEB to maintain connectivity to the OEB while fulfilling our mandate in various areas of the province. This new capability has also improved our Security and our Disaster Recovery (DR) resilience.