

Remarks by OEB CEO Carolyn Galwell

Association of Major Power Consumers in Ontario (AMPCO) Annual General Meeting

April 23, 2026

[CHECK AGAINST DELIVERY]

- Thank you, Brad, for that kind introduction.
- And for inviting me to address your AGM at the end of what I'm sure has been a productive day.
- For those of you whom I haven't met before, I'll let you know that I have worked in the energy sector for almost 20 years.
- I'm a lawyer by training and joined the OEB from the Ministry of Energy, where I served many Ministers, including Brad.
- I've been at the OEB since 2021 and in the role of CEO since last summer.
- As I'm sure you feel, it's an exciting time to be at Ontario's energy regulator...

- Working with the sector and the government to make policies and decisions that can help our province realise its potential as an energy superpower.
- All of you here in this room play a role in that regard.
- Looking at the roster of AMPCO members, what strikes me is that despite how different your companies are from one another...
 - ... paper producers, automotive, steel, mining...
- You have common interests, many of which are shared with the OEB...
- Enabling economic growth in our province by leveraging Ontario's supply of energy that is **reliable, secure, clean and affordable**.
- I know that last word – affordable – is top of mind for you.
- It's evident to the OEB that AMPCO members are experiencing real price increases as a result of supply constraints.
- It's also evident that AMPCO members' contributions to our province's economy are immense...
- .. even during this period of economic uncertainty vis-a-vis our neighbours next door and global conflicts that affect worldwide energy markets.
- You employ more than **1 million workers**, either on your payrolls or indirectly.
- You use more than **\$1.5 billion a year** in electricity to power your companies.

- You operate within Ontario's most natural-gas-intensive industrial sectors.
- And you represent an important and unique segment of energy customers in Ontario.
- So, when energy prices impact the viability of your businesses, the ripple effects are felt throughout the economy.
- Let me reassure you: With the policies we create and the decisions we render, the OEB works in support of Ontario's economy and its people.
- And now, more than ever, energy policy is economic policy and industrial policy.
- Stephen Lecce, our Minister of Energy and Mines, has made that abundantly clear.
- And it was cemented when the government amended the *Ontario Energy Board Act* last December...
- ... legislating the requirement for the OEB to regulate the electricity sector in a manner that supports economic growth.
- This new addition to our mandate – which we share with the Independent Electricity System Operator – doesn't mean encouraging rampant spending by the entities we regulate.
 - This is one objective, among others.
- It means using evidence-based adjudication to make decisions that support needed investment, with customer affordability front and centre.

- For our independent Commissioners, that's a delicate balance between unlocking capital and enabling infrastructure growth, while maintaining oversight.
- To illustrate our focus on affordability and enabling growth, today I'd like to:
 - Provide a brief primer on the OEB – what we do and how we work.
 - Describe how we balance grid investment and affordability.
 - Talk about the role that innovation plays in affordability for us and for you.

About the OEB

- As AMPCO members, many of you are familiar with the IESO, but perhaps less so with the OEB.
- The OEB is the independent economic regulator of Ontario's electricity and natural gas sectors.
- We receive direction from the Minister of Energy and Mines, and are governed by a Board of Directors.
- As CEO, I report to the Board, and the Board reports to the Minister.
- Our core business is setting and approving transmission and distribution rates to ensure charges paid by consumers – including major power consumers – are “in the public interest”.
- And our structure is intended to ensure alignment with government policy.

- The OEB regulates almost 60 electricity distributors and two natural gas distributors in Ontario, as well as transmitters, wholesalers, marketers, generators and electricity storage providers.
- We oversee utility capital plans, operating spending and compensation structures to ensure efficient operation.
- And to ensure that utilities are making the right capital investments within their rate frameworks.
- We also ensure that system costs are appropriately distributed across different rate classes, including large industrial customers like you
- And we set Ontario Power Generation's payment amounts for its hydroelectric and nuclear assets.
- This is all done through transparent, public hearings led by our Commissioners, under the leadership of Chief Commissioner Damien Côté.
- And it's done with input from organizations like AMPCO and its members, who can submit evidence and test utility proposals.
- I'd like to specifically recognize Shelly Grice here.
- Shelly regularly acts as an intervenor on AMPCO's behalf, bringing her expertise and valuable contributions to our many processes.
- Aside from adjudication, the OEB also develops policies that shape rules and frameworks for how utilities plan, invest and recover costs.
- We protect customers – of all sizes and classes – while enabling reliable service.

- Again, this requires balance – weighting pricing impacts with the need to enable safe, reliable, affordable and clean energy.
- Always these four at once – always these four in tension.
- And we encourage efficiency and innovation by using incentive regulation and performance metrics.
- What does this mean for you?
- The cost of those wires, poles and pipes that your facilities connect to are rigorously tested so you're paying only a fair share.

Energy for Generations

- As a public agency, the OEB does not work in a void or a black box.
- Our work is informed by energy stakeholders and aligns with the Government's objectives for the energy sector.
- Last summer, the Minister of Energy and Mines released its first Integrated Energy Plan, ***Energy for Generations***.
- It's a major reset for how Ontario plans energy, with a focus on integrating fuels, prioritizing growth and ensuring affordability.
- For AMPCO and its members, the Plan is significant because it sets the long-term policy frame for infrastructure investment and rates.
- For the OEB, the Plan is significant because it re-shaped our mandate...
- ... and resulted in almost 20 initiatives and deliverables for us to complete, related to planning, utility remuneration, distributed energy resources and streamlined electricity connections.

- Now, 10 months after first receiving the OEB's Integrated Energy Plan directive, we've completed almost half of what was requested of us.
- That includes providing advice to the Minister on streamlining distribution and transmission connection processes – that work was submitted in December.
 - And to make this work real to you, this is about trying to make it easier for you to invest your next dollar in Ontario....as you think about your facilities.
 - More recently, we provided a report on valuing DERs – a plan to ensure DERs are compensated for the value that they contribute.
 - Creating space for tools to reduce system costs
- There is a lot more ahead, related to the Integrated Energy Plan.
- We've got a significant amount of work currently underway, including a report on gas-electric co-ordination and best practices in system planning, and DER-related data sharing.
- The OEB has been re-organized in response to this work and in anticipation of what lies ahead, during this period of energy infrastructure build out.
- We formally named our new Chief Operating Officer earlier this month, Nancy Marconi, who had been acting in the position for nearly a year.

- And, to round out our executive team, our new Chief Corporate Services Officer Prabhat Juneja started at the OEB just this week.
- With these changes, we remain a lean organization comprised of highly skilled, specialized and diverse professionals, focused on providing clarity to the sector.

Balancing investment and affordability

- As Ontario's energy sector regulator, one of our biggest challenges right now is balancing the need for system investment and driving economic growth with affordability.
- This is the tension I mentioned.
- This was easier in the past than it is now or will be in coming years.
- In the past, load growth was more predictable than it is today, which meant delivery rates were more predictable, too.
- Now, we're in a new world.
- It's a world that is driven by intense electrification and the need for rapid economic growth.
- You've probably heard these figures, but they're worth repeating:
- The IESO predicts that electricity demand in Ontario will soar by 65 per cent by 2050.
- The Electricity Distributors Association says that Ontario's distribution system needs up to \$120 billion of investment in the next 20 years.
- And there's about \$70 billion in applications before the OEB right now.

- It's clear that we – the entire sector – need to do what we can to accelerate the pace of our work.
- Because, and I'm sure you know this well, the status quo could very well mean lost economic opportunities.
- We're already seeing announcements about generational investments utilities are planning – which should ultimately benefit consumers, AMPCO members among them.
- But those investments will have an impact on rates.
- And it's the OEB's job to manage the risks that creates.
- The issues we're dealing with these days include:
- How do we balance economic development – or potential economic development – with affordability?
- How do we invest in infrastructure while we grapple with shifting economic sands?
- Stakeholder input is a key to helping us ensure we maintain balance when it comes to issues like these in proceedings that the OEB adjudicates.
- There's one proceeding in particular – the Ontario Power Generation, which I hinted at earlier – that I know you have a keen interest in and in which you have intervenor status.
- The outcome has direct and material impacts on the rates energy-intensive AMPCO members – and all Ontarians – pay for electricity.
- And, I should add that I have a statutory prohibition on interfering with or influencing adjudication.

- So, while we can talk about the proceeding under way, the Commissioners who will ultimately decide it are independent.
- Their decision will be based on the evidence in front of them and the submissions made.
- And in that context, your submissions are welcomed as this important proceeding continues through 2026.

Opportunities afforded by innovation

- Still focusing on costs, I'd like to highlight one very promising way to keep costs in check: innovation
- As competitive corporations in a challenging economy, your organizations don't stand still – you iterate, fine tune and innovate.
- The OEB, too, values innovation – in our work and in the work of those we regulate.
- Let me share how we're facilitating innovation – both through new technologies and new processes that we're pursuing.

Integrated Energy Planning

- One great example of how the OEB is using innovation to improve affordability is through integrated energy planning.
- Take our Gas-Electric Co-ordination Forum:
- Traditionally, gas planning and electricity planning have happened on separate, sometimes parallel, paths.
- Now, the first time, we're bridging the gap and bringing together planners from both sides.

- The goal is to share information in order to create a more integrated, robust energy system that minimizes waste and prioritizes energy efficiency and reliability.
- We held the first gas-electric information sharing meeting earlier this month and have two more planned for this spring, as well as pre-engagement meetings with Indigenous communities.
- Other initiatives, such as Integrated Regional Planning and our Non-Wires Solutions Guidelines, demonstrate how the OEB is encouraging a more holistic approach to energy planning.
- The focus is on meeting energy needs at the lowest total system cost.
- This is especially relevant for AMPCO members.
- Many of your businesses rely on both electricity and natural gas as your power sources today.
- At the same time, you may also be pursuing decarbonization commitments, which involve gradually shifting some processes from gas to electricity.
- Integrated planning helps ensure system investments reflect these real-world transitions.
- It supports co-ordination between gas and electricity infrastructure.
- It helps avoid duplicated or stranded assets.
- And it encourages flexible solutions that can adapt as demand evolves.

- By considering the system as a whole, the OEB aims to maintain system reliability while limiting unnecessary capital spending.
- That discipline helps keep costs – and bills – more predictable during times of transition.

Benefit Cost Analysis Framework

- Another way we're innovating, and helping the sector to innovate, is through our Benefit Cost Analysis Framework.
- First published in 2024, the Framework is a structured way to make sure energy projects deliver more value than they cost, from the perspective of customers and the energy system as a whole.
- It's intended to change how system investment decisions are evaluated – especially for innovations such as DERs, other Non-Wires Solutions and conservation alternatives.
- The Framework provides a straightforward methodology for assessing the economic feasibility of these innovations, as well as utility spending plans and major system investments.
- At its core, it's about consumer protection:
 - Helping ensure that customers aren't paying more than the value they receive,
 - supporting cost-effective decision making
 - and promoting long-term system value.
- Following sector consultation, a draft of Phase 2 of the Framework was completed this winter and is expected to be published later this year.

Centralized Capacity Information Map

- Finally, I wanted to talk to you about our Centralized Capacity Information Map, which was published this winter.
- As you well know, connecting new projects to the grid isn't always straightforward.
- Sometimes, there simply isn't enough capacity available, and figuring out where limitations exist takes time and effort.
- So, with the help of utility-provided data, we created a mapping tool – with 6.9 million data points – to provide an early view of available grid capacity.
- It offers transparent, accessible data about grid capacity for growing businesses, municipalities and others – within our 1-million-square-kilometre province.
- This data was available before our tool launched, but only on a utility-by-utility basis.
- Now, it's in a centralized location to help facilitate and accelerate major project planning.
- Analytics tell us that the map is getting hits from Toronto, Ottawa, Mississauga, Kitchener, London and Montreal, to name a few.
- For you, the map offers a better understanding of local grid capacity, so you – and others – can make informed decisions on expanding operations.
- Having this rich data so readily available for our vast province is a definite catalyst for economic growth.

- Check it out next time you're at your computer.

Conclusion

- With that, I'll conclude the formal part of my remarks.
- I hope that I've helped clarify for you the role that the OEB plays in setting and approving rates, and in creating energy policy for Ontario.
- I've tried to give you an understanding into how the OEB – through policy and independent adjudication – is rising to today's challenge of balancing the need for grid investment and affordability.
- Please know that my colleagues and I welcome opportunities like this one to share information and exchange ideas with stakeholders.
- And please feel free to reach out to us at any time...
- Because I do believe we're aligned in many ways.
- Particularly around the value of reliable, secure, clean and affordable energy in supporting economic growth.
- And the need for collaboration across the board.
- The more we can work together for the good of our province and its people, the more easily we'll be able to accomplish our goals
- Thank you.