

Annual **Compliance Report**

April 2024 – March 2025

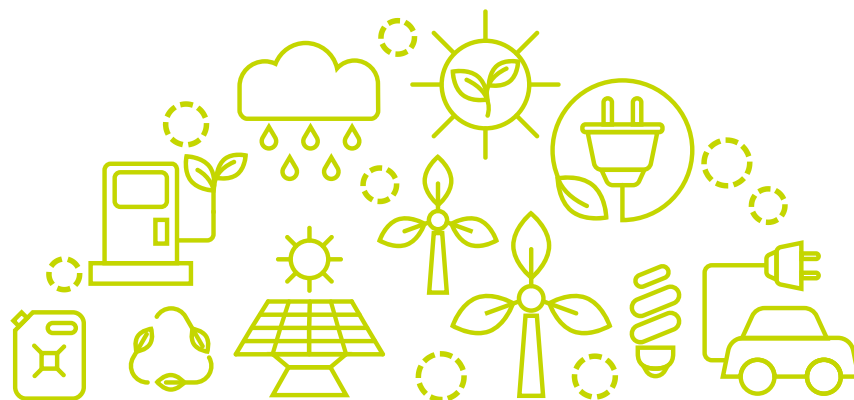


TABLE OF CONTENTS

Introduction	3
Compliance Approach	6
Overview of OEB Compliance and Enforcement Processes	8
Charting our Progress	9
Statistics on Inspections	12
Select Compliance Review and Inspection Summaries	14
Compliance Cases	15
Inspection and Enforcement Actions	18
Information and Guidance to Industry	22
Providing Information to Consumers and Customer Service Issues Raised	23
Raising Awareness	24
Appendix – Year-over-year Statistics	25

INTRODUCTION



The Ontario Energy Board (OEB) presents its annual Compliance Report (Report) for the fiscal period April 1, 2024, to March 31, 2025. A key component of the OEB's compliance program, this Report highlights the important work and results of the compliance activities undertaken in fulfilling the OEB's mandate to protect consumer interests and deliver public value.

Under its governing legislation, the OEB informs consumers and protects their interests with respect to prices and the adequacy, reliability and quality of electricity and natural gas services. The OEB undertakes compliance and enforcement activities to ensure regulated entities remain accountable for the services they deliver and compliant with legal and regulatory requirements. This Report also highlights select cases that illustrate how the OEB has addressed compliance issues during this period. Further, it demonstrates how the OEB is continuing to build a culture of compliance among regulated entities by

informing the sector as outlined in both our current Strategic and Business Plans.

PROTECTING ONTARIO'S ENERGY CONSUMERS

This Report is an important tool used by the OEB to inform stakeholders and the public of our consumer protection activities. It continues to demonstrate the OEB's commitment to transparency, and supports its vision of being recognized as a trusted regulator by the public it serves, whom it is accountable to, and the regulated community.



OEB regulation and compliance at a glance:

- 1** We issue rules and codes that energy companies must follow.
- 2** Consumer complaints, industry enquires, utility reporting and OEB compliance priorities trigger our compliance and enforcement process.
- 3** We closely monitor energy companies and investigate when we think they may have broken the rules.
- 4** If we find that an energy company has broken the rules, there are a range of actions we can take, such as requiring the company to pay a penalty, ensure compliance, and credit consumers who have been harmed.

“As the province navigates the ongoing energy transition, we will remain committed to protecting all consumers and maintaining confidence in the energy markets.”

- Brian Hewson, Vice President,
Consumer Protection & Industry
Performance



775 Complaints
received from
consumers



327

Escalated

for detailed review and analysis where initial screening identified potential non-compliance issues



65

Reviews started

many of which were initiated in response to a consumer complaint



20

Inspections completed

with **16** resulting in Assurances of Voluntary Compliance (AVCs)

\$191,200



in administrative
penalties paid
under AVCs



\$65,896

in additional utility funds contributed
to the Low-income Energy Assistance
Program (LEAP) which provides
emergency funding for lower-income
consumers, also paid under AVCs

None of the above amounts were recoverable from utility ratepayers.

COMPLIANCE APPROACH

As the independent regulator of Ontario's electricity and natural gas sectors, the OEB oversees the conduct and operations of a number of energy sector participants. This includes participants that transmit and distribute energy, sell energy under contract, and that provide electricity metering and billing services within buildings (Unit Sub Meter Providers or USMPs) across the province.

Through its actions, the OEB works to protect the interests of over 5 million electricity consumers and nearly 4 million natural gas consumers, and to ensure energy companies operate in a fair and transparent way.

To that end, regulated entities must comply with legal and regulatory requirements that are set out in relevant legislation and in OEB licences, electricity codes, natural gas rules and orders (referred to collectively as "enforceable provisions").

OEB COMPLIANCE AT A GLANCE:

- **Providing Information to the Public and Addressing Complaints:** We provide consumers with the information they need to better understand the rules that protect them, their energy choices, and changes that may affect them. We also address consumer complaints against regulated entities to ensure that appropriate resolutions are reached.
- **Self-Reported Non-Compliance:** The OEB encourages regulated entities to consistently review their business practices, with a view to ensuring their compliance with legal and regulatory requirements and to report to the OEB any possible instances of non-compliance with those requirements. Self-reporting leads to efficient resolution and is considered a mitigating factor by the OEB when assessing the appropriateness of an administrative penalty.
- **Conducting Compliance Reviews:** We conduct compliance reviews both proactively and further to consumer complaints or Industry Relations Enquiries (IREs) to assess regulated entities' compliance with legal and regulatory requirements. Compliance reviews may conclude in any of the following ways:
 - **No further action:** The matter will be closed where the review does not reveal any compliance issues.
 - **Informal resolution:** Issues are resolved by assisting regulated entities in understanding their legal and regulatory obligations and how to comply with them.
 - **Policy review:** A recommendation to clarify an existing or develop a new policy relating to applicable legal or regulatory requirements.
 - **Inspection:** Commence a formal inspection.



- **Conducting Inspections:** We conduct inspections proactively and further to complaints, compliance reviews, issues identified through reporting by regulated entities, and matters arising from applications made by utilities. In doing so, OEB inspectors can require regulated entities and others to provide documents, records or information. An inspection may result in:
 - **No further action:** Inspection does not identify any non-compliance issues.
 - **Assurance of Voluntary Compliance:** A regulated entity may give the OEB a written AVC and, once accepted by the OEB, it has the same force and effect as an OEB order. An AVC can include, for example, a commitment by the regulated entity to pay an administrative penalty and take remedial action to help prevent future non-compliance.
 - **Recommendation for an Enforcement Proceeding:** Enforcement proceedings can result in an OEB order that imposes an administrative penalty, requires that remedial action be taken, and/or suspends or revokes a licence.
- **Providing Regulatory Guidance:** We provide guidance to the sector about compliance with legal and regulatory requirements, and we review and respond to IREs from regulated entities to help them understand what is required and expected of them.

Learn more about the OEB's compliance approach in our detailed compliance cases that follow in this Report.

OVERVIEW OF OEB COMPLIANCE AND ENFORCEMENT PROCESSES

The OEB has continued to build a culture of compliance among regulated entities. We recognize the importance of clarity on our process and providing assurance to both consumers and regulated entities that compliance activities are completed in a timely manner.

The OEB has established the following metrics related to its compliance program work:

70%

of **compliance** cases must be completed within **180 days**.

of **inspection** cases must be completed within **180 days**.


CONSUMER COMPLAINTS


INDUSTRY ENQUIRIES


REPORTING & APPLICATIONS


OEB COMPLIANCE PRIORITIES

COMPLIANCE REVIEW AND/OR INSPECTION



REVIEW & ASSESSMENT BY STAFF

NO FURTHER ACTION

**EARLY RESOLUTION
STAFF GUIDANCE**

Could include warning, mediation or staff bulletin

ASSURANCE OF VOLUNTARY COMPLIANCE

Could include administrative penalty

NOTICE OF INTENTION

(Hearing if requested)

ENFORCEMENT ORDER

Could include measures to require compliance/prevent non-compliance, to revoke/suspend licence, and/or to pay administrative penalty

ALLEGATIONS DISMISSED

For more information about our compliance and enforcement processes, please visit **www.oeb.ca**.

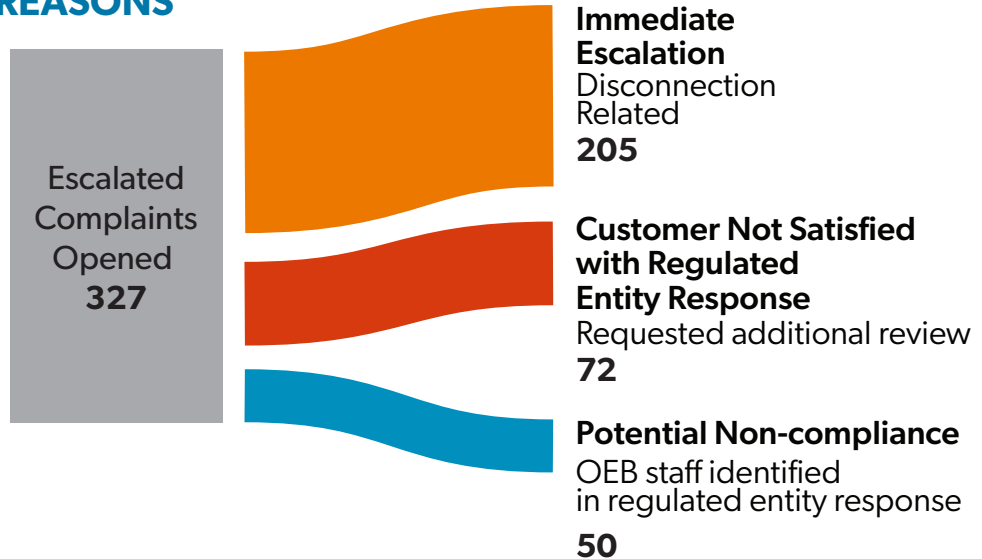
CHARTING OUR PROGRESS

Statistics on Complaints



775
Complaints
received from
consumers

REASONS



No Compliance
Issues
Identified
312

Compliance
Issues Identified
11

OUTCOMES

Escalated
Complaints
Closed
323

Note: Complaint cases may overlap year to year – opening in one fiscal year and closing in the next.

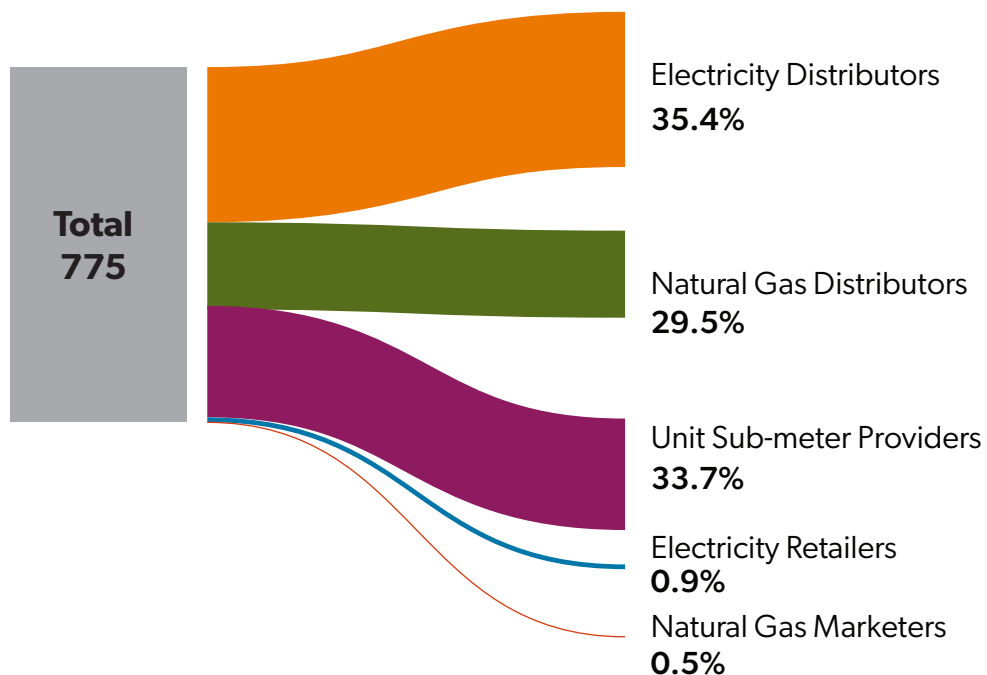
442 enquiries were received from industry participants (i.e., Industry Relations Enquires (IREs)).

Three compliance-related guidance documents were issued to regulated entities, including interpretive bulletins.

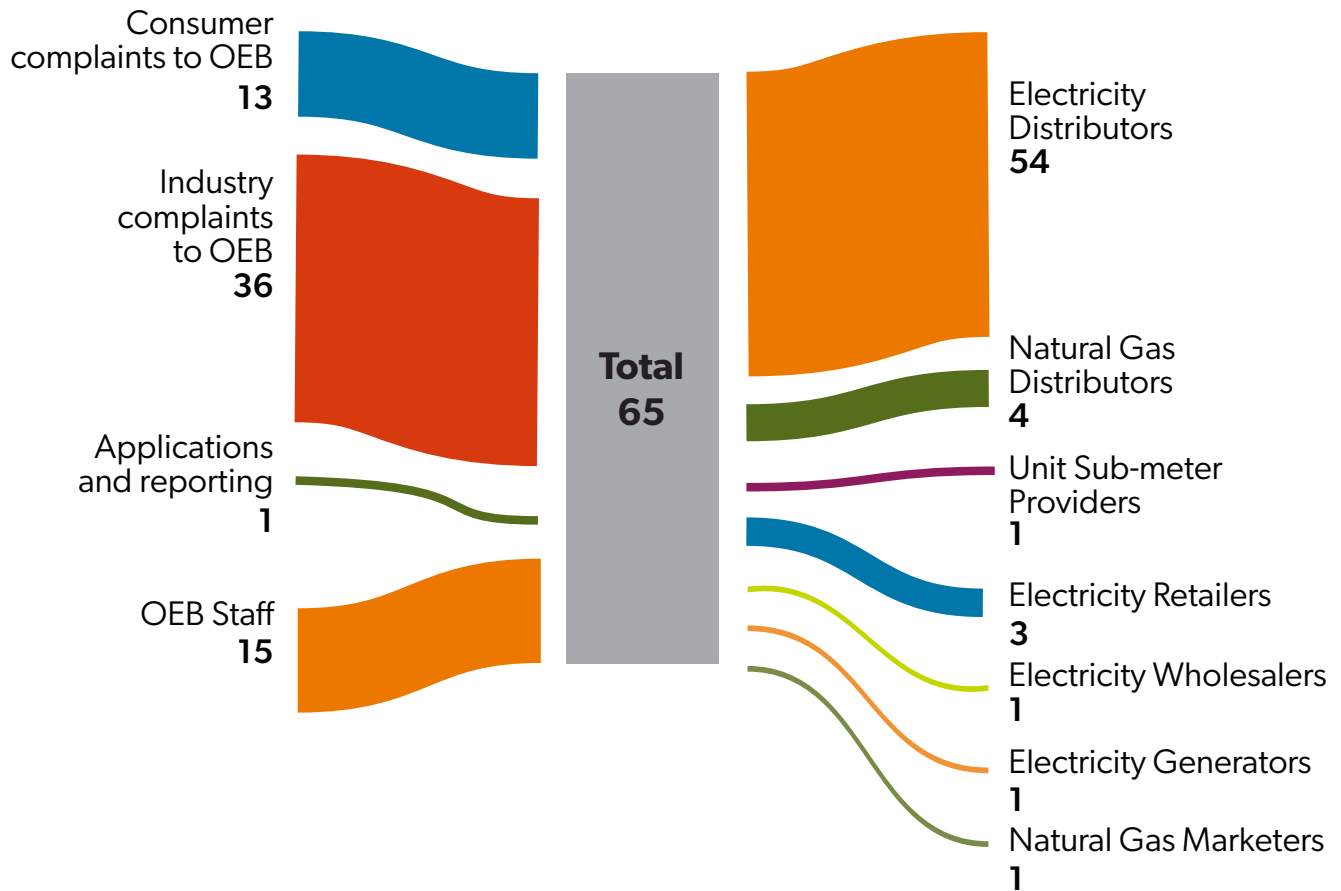
10,315 requests for information and customer service-related enquiries were received from consumers.



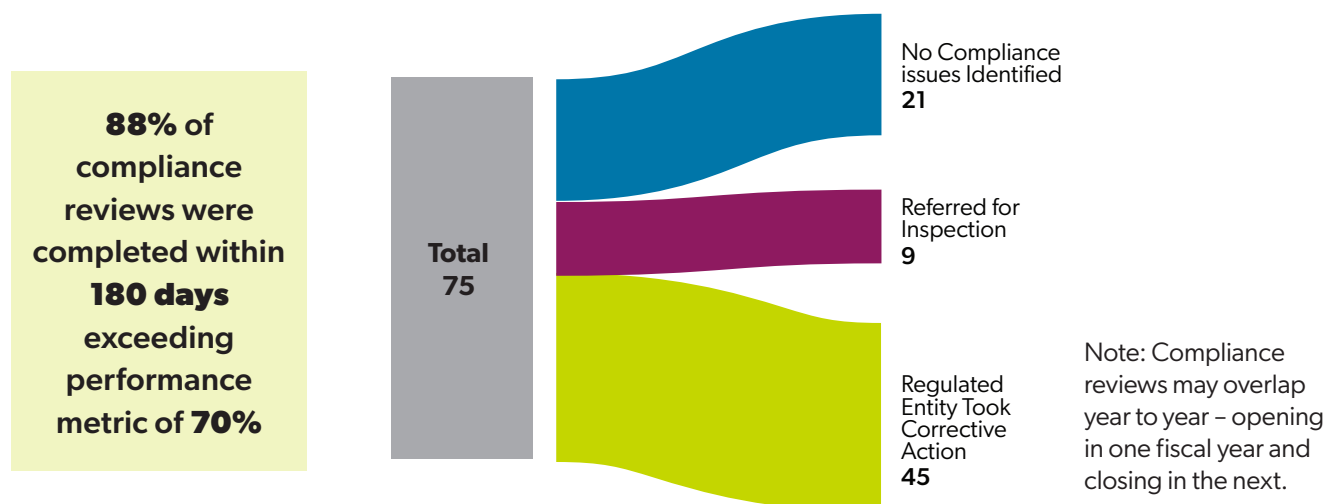
Consumer Complaints Received – By Regulated Sector



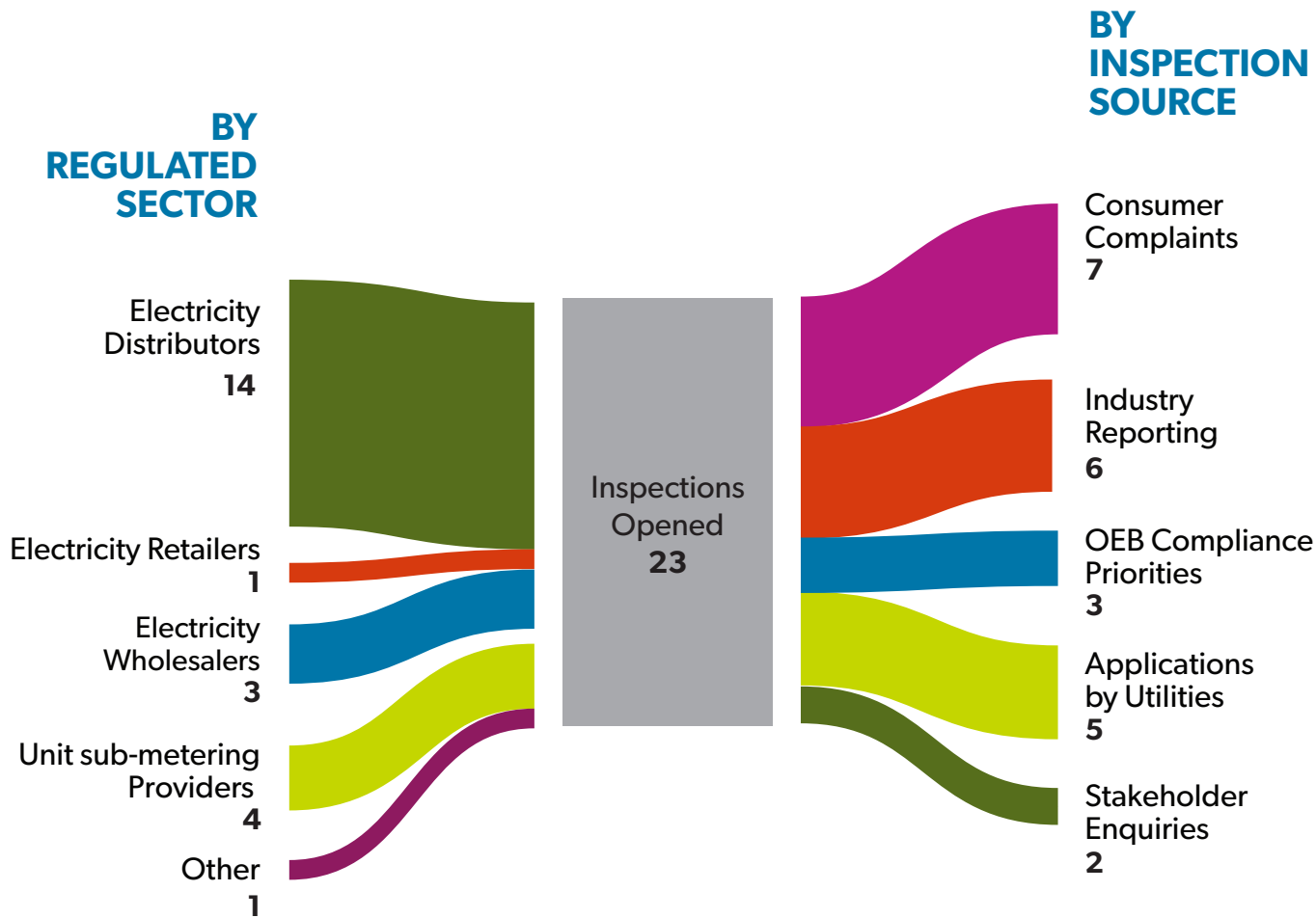
Compliance Reviews Opened – By Source and Regulated Sector



Compliance Reviews Closed



STATISTICS ON INSPECTIONS



Select examples of compliance inspections undertaken:

- Operating in the retail or wholesale markets without a licence
- Errors in billing fixed charges to customers
- Not adhering to the OEB's Distribution System Code (DSC) rules regarding disconnection
- Errors in settling electricity costs with the Independent Electricity System Operator (IESO)
- Non-compliance with the Ontario Cyber Security Standard
- Non-compliance with regulatory reporting requirements
- Incorrect application of Ontario Electricity Support Program (OESP) credits to charges for water service



Inspection Cases Concluded

87% of inspections were completed
within **180 days** exceeding the
performance metric of **70%**

Identified
Non-compliance:

9

No identified Non-compliance:
- Closing Letter and/or
Inspection Report

11

There were 4 cases carried over from the
previous year and closed in this fiscal year.



Enforcement Cases Concluded

Assurance
of Voluntary
Compliance

16

There were 7 cases carried over from the
previous year and closed in this fiscal year.

Total administrative
penalties paid
under AVCs



\$191,200

Total funds
contributed to
LEAP under AVCs



\$65,896

NOTE: Enforcement in this context means that an
inspection identified non-compliance with an
enforceable provision and action was taken to
resolve the issue. There are two possible outcomes:

The regulated entity agrees to provide an AVC; or an
enforcement proceeding is commenced. In the current fiscal
year, no enforcement proceedings were commenced.

SELECT COMPLIANCE REVIEW, INSPECTION AND ENFORCEMENT SUMMARIES

Summaries of select Compliance Cases that occurred between April 1, 2024, and March 31, 2025, are presented to demonstrate the variety and range of issues that the OEB investigates and illustrates the ways in which we do so. In some instances, compliance cases may overlap year-to-year (opened in one fiscal year and closed in the next). The names of regulated entities are only disclosed where an Assurance of Voluntary Compliance was accepted from the regulated entity. All AVCs are posted on the OEB's [Enforcement Proceedings webpage](#).



COMPLIANCE CASES

Implementation of Green Button by Electricity and Natural Gas Distributors

Green Button is a standardized data format that gives residential and business energy customers an option to easily access and securely transfer their energy usage data.

In fiscal year 2024-2025, the OEB undertook 19 compliance reviews related to the implementation of Green Button by electricity and gas distributors. Compliance work in this area related to distributors' Green Button onboarding process for third parties and the terms and conditions governing registration for and the use of Green Button data by authorized third parties.

More specifically, compliance reviews focused on requirements that were the subject of OEB Guidance to the sector in areas such as commitments to provide the best available data at the time and ensuring customer authorizations for third party access remain in place when a suspension of access is lifted. The reviews also covered compliance with Ontario Regulation 633/21, which sets out the energy data that distributors must make available to consumers, and the process by which consumers can authorize a third party to receive their energy data.

Outcome:

19 
**Compliance
Reviews**

13 cases were resolved
after the distributor
took action

1 distributor was provided
further guidance

2 review was closed with
no non-compliance
found

3 reviews are still
underway

While progress has been made, OEB staff will continue its compliance and monitoring work related to the implementation and ongoing availability of Green Button to residential and business energy customers across the province.

Disconnection for Non-Payment

The Distribution System Code, the Gas Distribution Access Rule, and the Unit Sub-Metering Code set out processes that electricity distributors, gas distributors and USMPs, respectively, must follow when disconnecting residential customers for non-payment.

Further to consumer complaints, OEB staff conducted seven compliance reviews relating to disconnection for non-payment – five electricity distributors, one gas distributor, and one USMP. The complaints were mainly related to disconnection notices and related communications issued to consumers, including:

- The disconnection notice did not include information related to assistance for low-income customers.
- The disconnection notice included potential disconnection dates that fell within the winter disconnection ban period.
- Communication was sent to consumers during the winter disconnection ban period that threatened the disconnection of service during that period.



Bill Issuance and Payment

A distributor shall not consider a bill unpaid or charge late fees until at least 20 days have passed from the date the bill was issued to the customer.

Further to a customer complaint stating that they were not provided with the mandated 20-day minimum payment period, OEB staff undertook a review of a gas distributor's bill issuance and payment practices. The review showed that the minimum payment period of 20 days was not consistently provided to customers during certain periods in 2022 and 2023 due to technical and process issues. However, none of the affected customers were charged a late payment fee or disconnected for non-payment.

Outcome:

The issue was resolved informally with the distributor. The distributor acknowledged the issue and provided details of the technical and process issues that led to the shorter payment period, and of measures put in place to prevent similar issues in the future.

Complying with New Requirements Following DSC Amendments

In 2024, OEB staff reviewed all electricity distributor websites and identified several instances of non-compliance with the Distribution System Code (DSC) regarding the provision of information regarding the connection of non-residential charging stations. More specifically, some distributors were missing an appendix in their Conditions of Service (CoS) that describe any additional requirements for charging station connections beyond those set out in the OEB's Electric Vehicle Charging Connection Procedures document, as required by section 6.1.6.1 of the DSC. Such additional information ensures greater clarity and consistency in the charging connection process, reducing uncertainty for customers seeking to install charging stations.

Outcome:

OEB staff contacted several distributors that had not complied with the DSC requirement to ensure their CoS were updated as needed. To reinforce the importance of the DSC's EV charging connection requirements, on March 13, 2025, the OEB issued a [letter](#) reminding electricity distributors of their obligations under the DSC regarding the connection of charging stations, including the ongoing obligation to provide an Offer to Connect to customers within 60 days and to ensure timely connections.

Ensuring Timely Customer Connections

The OEB received a complaint from a multi-residential building developer regarding delays by their electricity distributor in providing electricity to a new building. The developer cited several instances of missed deadlines and poor communication from the distributor about timelines and information requirements, which they stated led to additional costs. OEB staff reviewed the information provided by both the utility and developer to evaluate the utility's approach to communicating timelines. Under OEB rules, utilities are required to complete new connections in a timely manner.

Outcome:

OEB staff informed the utility that it had not properly planned and communicated with its customer and, in some instances, provided the customer with information that was inaccurate. OEB staff provided the utility with several recommendations including that it review its processes and practices with a view to facilitating new connections in a timely and predictable manner, including providing a project plan to the customer with the expected dates, key deliverables and a dedicated project contact to facilitate customer communications.

This complaint was one of several in 2024-2025 dealing with the connection of new customers.

To reinforce requirements for timely and efficient connections, on November 5, 2024 OEB staff issued [Bulletin - Expectations for Distributors to Support Timely Connection of New Load Customers](#).

INSPECTION AND ENFORCEMENT ACTIONS

Global Adjustment Billing – Electricity Distributor

Accurate billing is essential to consumer confidence and trust. Electricity distributors are required to correctly calculate Global Adjustment (GA) charges as required under Ontario Regulation 429/04.

An OEB inspection of Orangeville Hydro Limited (OHL) revealed that OHL did not properly apply certain elements of the GA charges, including failing to notify the IESO about a number of customers who had elected to participate in the Industrial Conservation Initiative as Class A customers. Consequently, the IESO continued billing OHL as if these customers were Class B for July and August 2017 which lead to OHL paying the IESO \$363,226 more than it collected from the affected customers.



\$40,000
administrative
monetary penalty

Outcome:

The matter was resolved following acceptance of an AVC from OHL in which it agreed to pay an administrative monetary penalty of \$40,000. The OEB directed the IESO to credit \$363,226 to OHL. OHL will forgo interest on that amount and has committed to ensuring that the relevant requirements are followed going forward.

Disconnection Practices – Electricity Distributor

The OEB completed an inspection of Kingston Hydro Corporation's (Kingston Hydro) disconnection practices and compliance with the DSC. The inspection specifically focused on the type of disconnection notice used by Kingston Hydro from May 1, 2021, to November 15, 2021.

The inspection revealed the following:

- The disconnection notice did not comply with the DSC, as it failed to provide the required minimum 14-day notice of disconnection date. Customers were only given 8 days' notice.
- The disconnection notice also failed to reference the OEB-prescribed arrears management program and other expanded customer service provisions for eligible low-income customers, contrary to the DSC.
- The non-compliant disconnection notice was sent to 362 customers between June 24, 2021, and July 29, 2021, resulting in the disconnection of 64 customers. Of these 64 customers, 48 were charged reconnection fees by Kingston Hydro, totaling \$3,525.

Outcome:

The matter was resolved following the acceptance of an AVC from Kingston Hydro in which it agreed to make changes to its disconnection process and pay an administrative monetary penalty of \$15,000.

64 customers were ultimately reconnected, and the 48 customers of this group who paid a reconnection fee will be refunded their reconnection fee in full. Kingston Hydro also agreed to provide a bill credit of \$100 to each of the 64 customers that had been improperly disconnected.



Overcharging Customers

Electricity distributors are required to bill customers based on their tariff of rates and charges approved by the OEB, and must be rigorous in applying OEB- approved rates and in calculating billing amounts for their customers. Billing accuracy is foundational to customer trust.

Following an OEB inspection, several electricity distributors (Ottawa River Power Corporation, Rideau St. Lawrence Distribution Inc., PUC Distribution Inc., InnPower Corporation, Lakefront Utilities Inc., Festival Hydro Inc., Lakeland Power Distribution Ltd., London Hydro Inc., and Renfrew Hydro Inc.) were found to be non-compliant with the requirement to bill customers in accordance with their tariff of rates and charges approved by the OEB under section 78 of the *Ontario Energy Board Act, 1998*.

The nine distributors self-reported that they had improperly prorated monthly fixed rates on consumer bills in certain circumstances, such as during the opening or closing of accounts (e.g., move-ins or move-outs). For these distributors, the billing error affected only a portion of all customer bills issued and was more limited than previous cases involving a similar prorating error. Upon discovering the issue, the distributors implemented measures to prevent further overcharging.





Operating without a Licence

The OEB identified five entities that had undertaken activities without an OEB licence, contrary to the *Ontario Energy Board Act, 1998* which requires most entities operating in the electricity sector to have an OEB-issued licence. Licensing is an important tool for customer protection and maintaining market confidence. Among other requirements, licences ensure that participants in Ontario's wholesale electricity market adhere to the market rules and that companies that sell electricity under contract engage in fair marketing practices.

Algoma Tubes Inc., Norbord Inc., NorthernTel Limited Partnership, and Atlantic Packaging Products Ltd. were each found to be operating in the wholesale electricity markets without an electricity wholesaler licence, while GC Project Inc., on behalf of GC Project LP, retailed electricity without the required retailer licence.

In each instance, the matter was resolved following the OEB's acceptance of an AVC from the non-complying entity, under which each entity committed to taking appropriate measures to comply with the requirement to be licensed.

Outcome:

The OEB accepted AVCs from each entity under which a total of \$74,200 was paid in administrative penalties.

This compares with five cases last year and \$35,500 paid in administrative penalties. While the number of cases (5) remains the same number as last year, we believe that by sharing this information, publicly the industry will be encouraged to take greater care in ensuring proper licensing.



\$74,200
administrative
monetary penalty

INFORMATION AND GUIDANCE TO INDUSTRY

OEB staff frequently provide guidance to the industry regarding compliance with legal and regulatory requirements. This guidance can vary in form, including responses to IREs, OEB staff's interpretations of legal and regulatory requirements, and guidance from OEB staff on implementing new requirements. In the 2024-2025 fiscal year, the OEB issued **two** bulletins and **one** letter:



Oct. 29, 2024

Bulletin

The OEB issued a Bulletin reminding licensed electricity distributors of their obligation under the DSC to provide access to specific forms and information to facilitate the connection of generation and storage facilities (Distributed Energy Resources or DERs) to the distribution system. Access to information supports customer choice by ensuring customers understand both technical and non-technical requirements, enabling informed investment decisions.



Nov. 5, 2024

Bulletin

The OEB issued a Bulletin providing guidance and expectations for electricity distributors in meeting their regulatory obligations to ensure timely customer connections.



Mar. 13, 2025

Letter

The OEB issued a reminder to electricity distributors of their obligations under the DSC regarding the Electric Vehicle Charging Connections Procedures and the connection of Electric Vehicle Supply Equipment (EVSE).

KEY AREAS OF INDUSTRY RELATIONS ENQUIRIES

- OESP
- Licensing Requirements
- Licensing Renewals
- LEAP
- Changes to Licence
- Application Review Process
- Net Metering
- Green Button
- Customer Billing

442

**IREs
Received**

PROVIDING INFORMATION TO CONSUMERS AND CUSTOMER SERVICE ISSUES RAISED

In addition to responding to complaints received from consumers, OEB staff also respond to general enquiries from members of the public who request information about the energy sector or express concern with an OEB decision.

Where a consumer raises a customer service issue regarding their licensed energy company, and where there are no prescribed rules, OEB staff will forward these Customer Service Issues (CSIs) to the regulated entity to ensure they are aware of the issue and respond to the consumer.

Key Areas of Consumer Enquiry (10,315 Enquiries)

- Low-income Assistance Program
- Targeted Scam
- Billing Errors
- Disconnection Process
- OESP
- Rates
- Regulated Price Plan
- Water Heater Rental/Sales
- Contact Information
- Called the OEB thinking it was the utility
- Billing timing
- Bill inserts

Key CSIs Referred to Energy Companies (345 Enquiries)

- Billing errors due to estimated billing
- Failed Resolution
- Failed to Contact
- Rates
- Disconnection Process



RAISING AWARENESS

Being Transparent with the Use of Administrative Penalties

AVCs that are provided by regulated companies to resolve non-compliance often include a commitment to pay an administrative penalty to the OEB. In fiscal year 2024-2025, the OEB used these funds toward the following initiatives:

- **Indigenous scholarship program** – Together with Indspire, a national charity dedicated to investing in the education of First Nations, Inuit, and Métis peoples, the OEB will award two \$7,000 scholarships to students who are enrolled in Ontario post-secondary education and pursuing studies relevant to careers in the energy sector.
- **The Innovation Sandbox Challenge** – The OEB continues to provide funding of \$1.46 million to six projects to support innovation in the energy sector.
- **The OEB's Consumer Panel** – Administered in partnership with Ipsos Canada, the OEB's Consumer Panel (Panel), also known as the OEB Power Panel, is made up of 2,000 residential and 200 small business consumers across Ontario. Through the Panel, the OEB is able to gain deeper insights into the priorities and perspectives of energy consumers, ensuring their voices are reflected in our work.

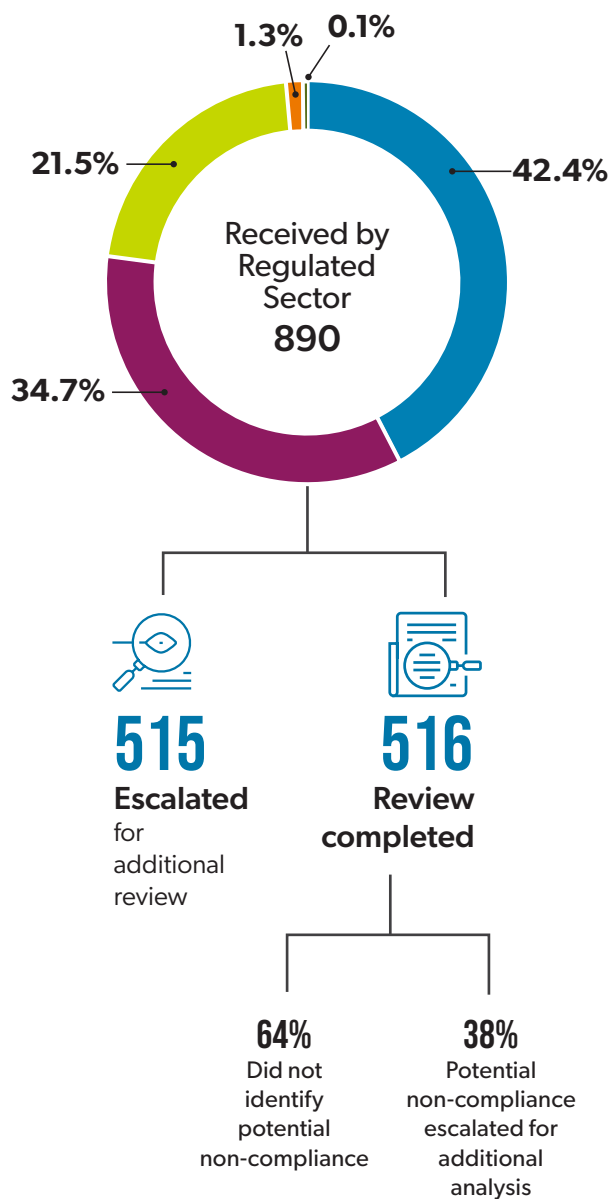
APPENDIX



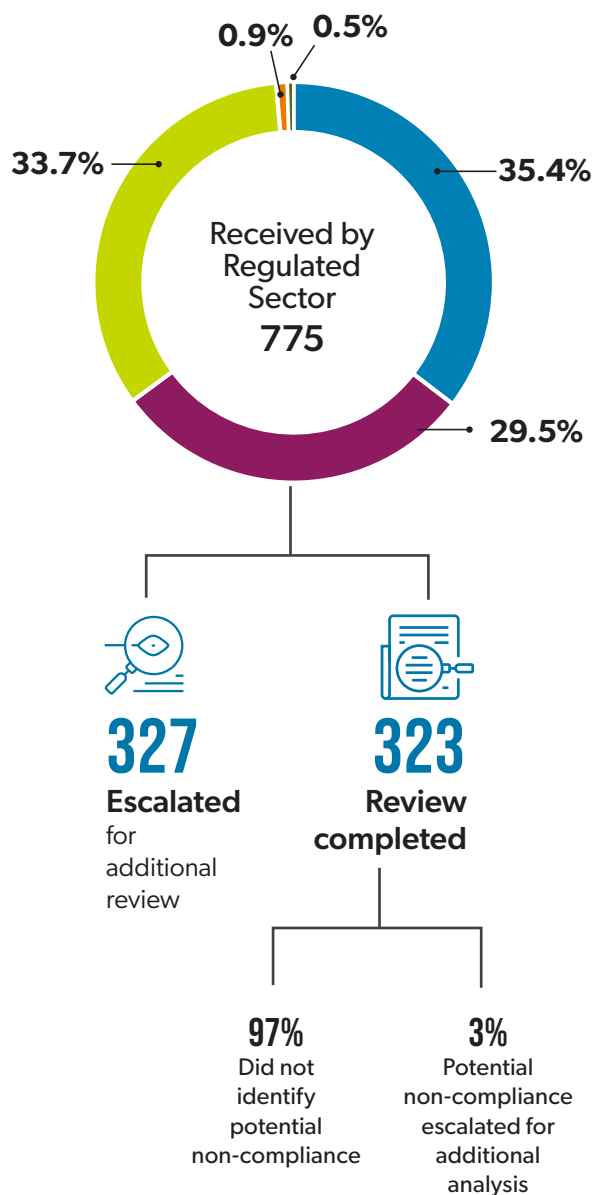
YEAR-OVER-YEAR STATISTICS

Consumer Complaints

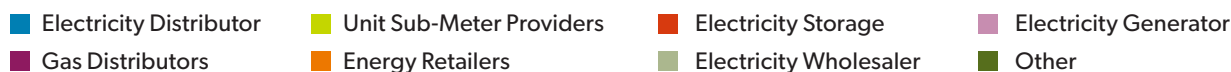
April 2023 - March 2024



April 2024 - March 2025

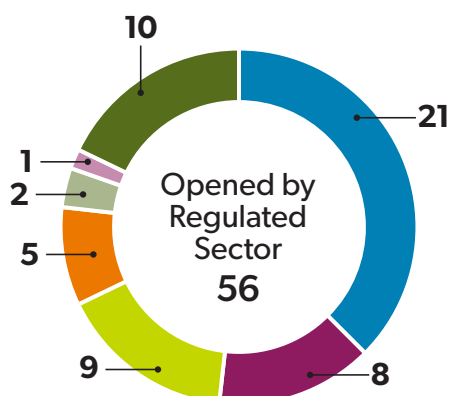


Note: Compliance cases may overlap year to year – opening in one fiscal year and closing in the next.
Percentages do not equal 100% due to rounding



Compliance Reviews

April 2023 - March 2024



Consumer Complaint

20

OEB Staff

21

Industry

4

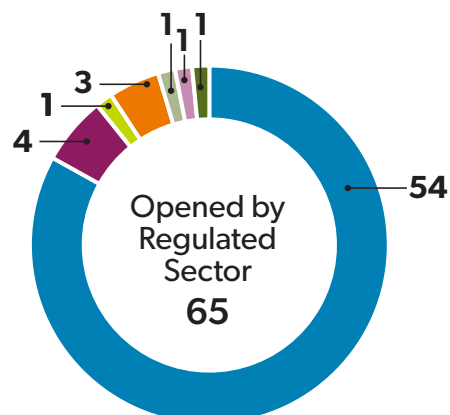
Other

11



Source of Compliance Reviews

April 2024 - March 2025



13

Consumer Complaint

15

OEB Staff

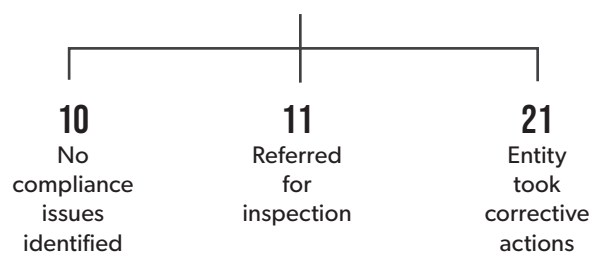
36

Industry

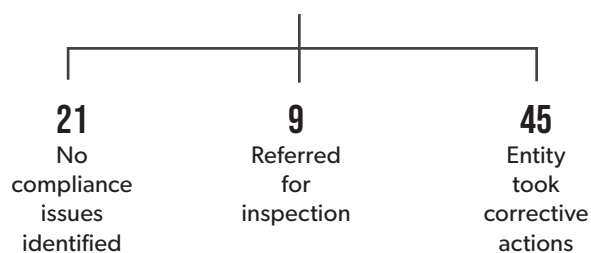
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Other

42 Compliance Reviews Closed



75 Compliance Reviews Closed



Electricity Distributor

Unit Sub-Meter Providers

Electricity Storage

Electricity Generator

Gas Distributors

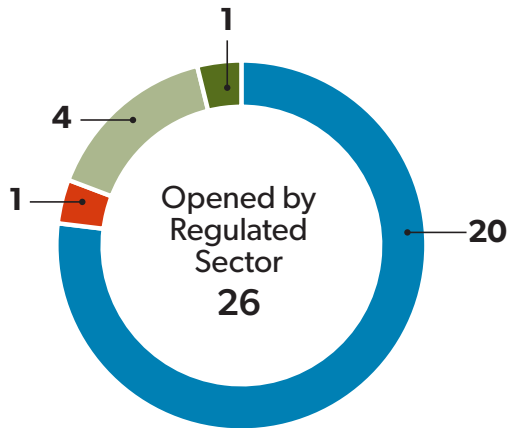
Energy Retailers

Electricity Wholesaler

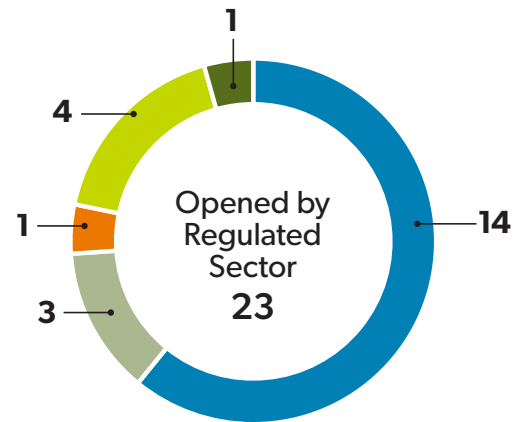
Other

Inspections Opened

April 2023 - March 2024



April 2024 - March 2025



Note: Inspection cases may overlap year to year – opening in one fiscal year and closing in the next.

35
Inspections
Completed

5 No identified non-compliance
30 Identified non-compliance,
proceed to Enforcement

19
Enforcement
Completed

1 Resolved without Assurance of
Voluntary Compliance
18 Assurance of Voluntary
Compliance

20
Inspections
Completed

11 No identified non-compliance
9 Identified non-compliance,
proceed to Enforcement

16
Enforcement
Completed

16 Assurance of Voluntary
Compliance



Information and Guidance to the Industry

2023 - 2024

485

Enquiries received from
industry participants

4

Information and
guidance letters/
bulletins issued

2024 - 2025

442

Enquiries received from
industry participants

3

Information and
guidance letters/
bulletins issued

Information to Consumers

2023 - 2024

9,578

Requests for information and
customer service-related
enquiries

2024 - 2025

10,315

Requests for information and
customer service-related
enquiries

Contact us:



www.oeb.ca



**1-877-632-2727
416-314-2455**



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