

Annual Report

2025/26

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A MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER

The 2025/26 fiscal year (FY) was a period of growing opportunities and challenges in Ontario's energy sector, including for the Ontario Energy Board (OEB). Demand for energy and energy infrastructure continued to rise, driven by electrification, economic expansion and population growth. These dynamics underscored the importance of a regulatory framework that protects the interests of consumers while enabling the delivery of affordable, reliable, secure and clean energy in support of economic growth across the province.

During this period, the OEB's work was largely shaped by the government's *Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the G7* (IEP) and associated Directive. The IEP provides a clear vision for an ambitious energy future across the province, with an emphasis on supporting economic growth. The OEB focused on aligning its policies and processes to support this vision.

The OEB's work occurs in an environment where the pace of change is accelerating. The energy system is being asked to do more — to support housing, industrial development and electrification — while remaining affordable and resilient. In this context, effective regulation is increasingly central to ensuring that investments support electricity and natural gas interests and are advanced at the pace and scale required to support growth.

To respond to this challenge, the OEB continued to evolve how it operates.

The OEB initiated a more integrated, portfolio-based approach to our work, strengthening co-ordination across planning, connections, distributed energy resources (DERs) and utility remuneration. This approach reflects the reality that workstreams within respective portfolios are interdependent and must progress together to deliver value to Ontarians.

The OEB also implemented organizational changes to better position our resources with emerging priorities and to improve our ability to respond to ratepayers' and regulated entities' needs. In doing so, we delivered on a significant set of commitments over the course of the year, including all mandated timelines associated with initial work under the IEP. These efforts established important foundations for the next phase, which will focus on implementation and delivery.

The OEB also maintained a focus on internal efficiency and prudent financial management. We achieved cost savings of over eight per cent through the renewal of our lease arrangements to 2028 and approximately 12 per cent in our insurance program, while maintaining or enhancing coverage levels. These measures illustrate our ability to manage costs while maintaining operational effectiveness.

At the same time, the OEB managed increasing demands. Like many public institutions operating in a period of rapid change, the OEB continues to work within evolving resource parameters. We have taken deliberate steps to prioritize the highest-impact work, improve efficiency and ensure that our core regulatory functions remain strong. Maintaining pace with the scale and complexity of the sector will require continued attention to organizational capacity over time.

The OEB's adjudicative function remained central to our work. We continued to deliver timely, transparent, predictable and independent decisions, reinforcing confidence in the regulatory process and supporting investment in Ontario's energy system. This consistent focus, combined with efforts to enhance regulatory clarity and streamline processes, will remain critical as the volume and complexity of applications continue to grow.

The OEB's efforts in FY 2025/26 reflect an organization that is adapting to a changing environment while remaining focused on its core mandate. The OEB is committed to supporting Ontario's energy future by enabling economic growth, ensuring meaningful investment that considers consumer needs and delivering outcomes that serve communities across the province.

Moving forward, we will, as the Minister of Energy of Mines said, "evolve and demonstrate agility, accountability and foresight as a regulator — serving the interests of Ontario's ratepayers and supporting the broader provincial economy."



Geoff Owen

Chair of the Board of Directors



Carolyn Calwell

Chief Executive Officer

OUR VISION, MISSION, PURPOSE AND VALUE STATEMENTS



VISION	MISSION	PURPOSE
To be a trusted regulator that is recognized for enabling Ontario's growing economy and improving the quality of life for the people of this province, who deserve safe, reliable and affordable energy.	To deliver public value through prudent regulation and independent adjudicative decision-making, which contributes to Ontario's economic, social and environmental development.	To oversee the provincial energy markets, protect the interests of individuals and support the collective advancement of Ontario.



VALUES

ACCOUNTABLE	TRANSPARENT	DRIVEN	THOUGHTFUL
We hold ourselves accountable to the public we serve through integrity of governance, clarity of process and independence of decision-making.	We are transparent in setting objectives, measuring outcomes and reporting on our performance to our stakeholders and the public.	We are driven to do the right things, work hard and deliver value for the people of Ontario and the evolving energy sector we regulate.	We approach each day thoughtfully and ensure prudent stewardship of one of the most complex and productive energy sectors in the world.

OUR PERFORMANCE

The OEB's 2025/26 performance is measured and reported in the following ways:

- A. Performance Measurement Framework**
- B. Progress Made on the IEP and Ministerial Letters of Direction (LODs)**
- C. Indigenous Relations**
- D. Consumer Protection**
- E. Service Commitment Metrics**

A. Performance Measurement Framework

Performance measurement is an important tool to support decision-making and provide accountability to the public and stakeholders, helping drive continuous improvement and the allocation of resources to activities that can best advance legislative and strategic objectives.

The OEB's Performance Measurement Framework brings together three measurement mechanisms that aim to provide management and stakeholders with a complete picture of OEB performance:

- **Adjudicative Reporting Dashboard:** The OEB monitors the **timeliness of its adjudicative proceedings** on an ongoing basis, using performance standards for all application types. The results are reported online twice a year in the Adjudicative Reporting Dashboard.
- **Enterprise Scorecard:** The OEB regularly tracks progress on **operational efficiency and delivery of priority projects** or portfolios.
- **Strategic Performance Measures (SPMs):** A single-scorecard view of how the cumulative array of OEB activities (including some of those on the Enterprise Scorecard and Adjudicative Reporting Dashboard) **advance outcomes** that provide value to the sector and public.

Adjudicative Reporting Dashboard

Utilities must obtain OEB approval for a range of applications, including rate-setting, infrastructure development, and mergers, acquisitions, amalgamations and divestitures (MAADs). In these applications, utilities are required to explain and justify their proposals, which the OEB reviews to ensure system investments balance economic growth with value for Ontarians.

Our Adjudicative Reporting Dashboard (Dashboard) measures the effectiveness and efficiency of these adjudicative processes across all application types. It holds the OEB accountable to the sector and consumers we serve, providing transparency on the targets we have set for ourselves and our performance against them. It is updated twice a year, following the second and fourth fiscal quarters.

The chart that follows provides an overview of adjudicative performance for FY 2025/26, highlighting the OEB's performance against decisions that were issued for electricity and natural gas rates, facilities and MAADs.

OEB ADJUDICATIVE REPORTING DASHBOARD

Fiscal Year 2025/26 Year End Results (April 1, 2025, to March 31, 2026)



**TOTAL DECISIONS
ISSUED***
272

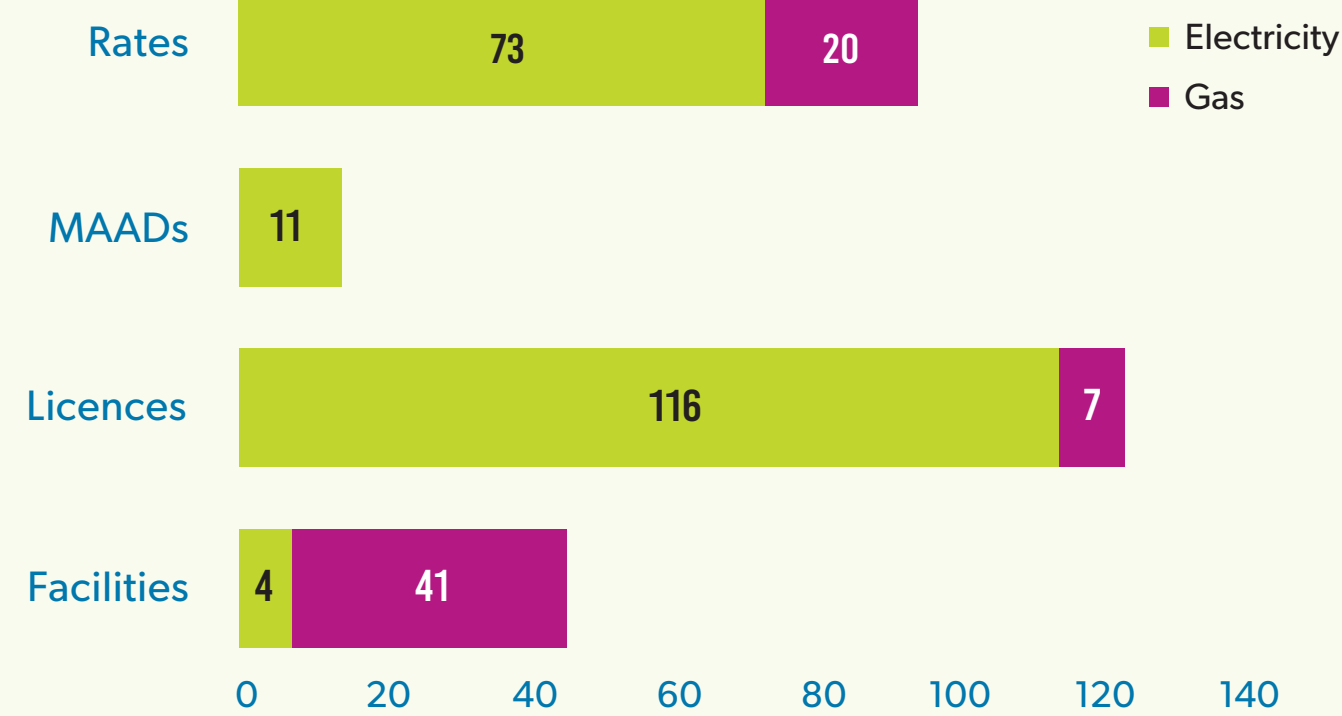
Within Target
258
Outside Target
14

DECISIONS ISSUED BY:

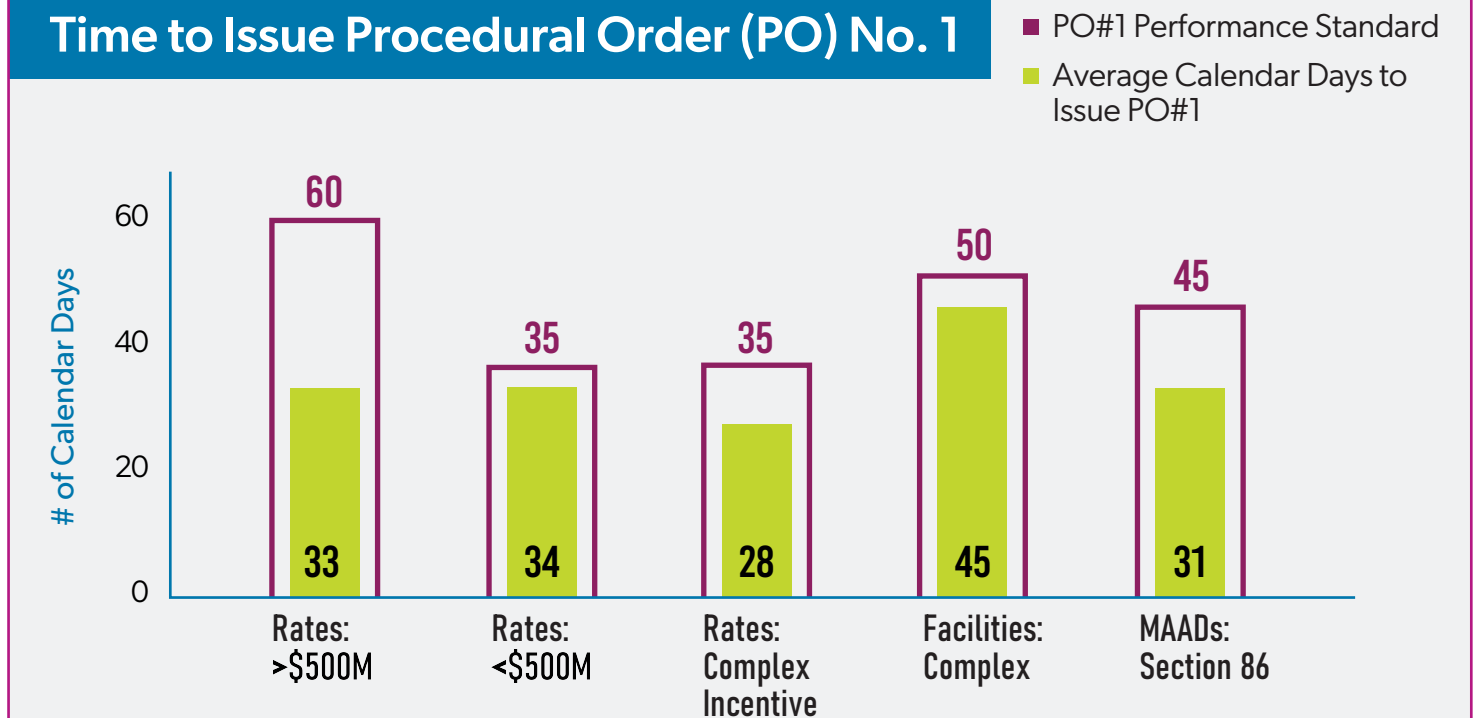
Panel Outside Target **10**
Panels of Commissioners **67**
Delegated Authority **205**

Total Panel Decisions Issued within Total Cycle Time (Target 85%)
85%
Total Delegated Authority Decisions Issued within Total Cycle Time (Target 95%)
98%
Total Panel Decisions Issued within Decision Writing Time (Target 90%)
88%

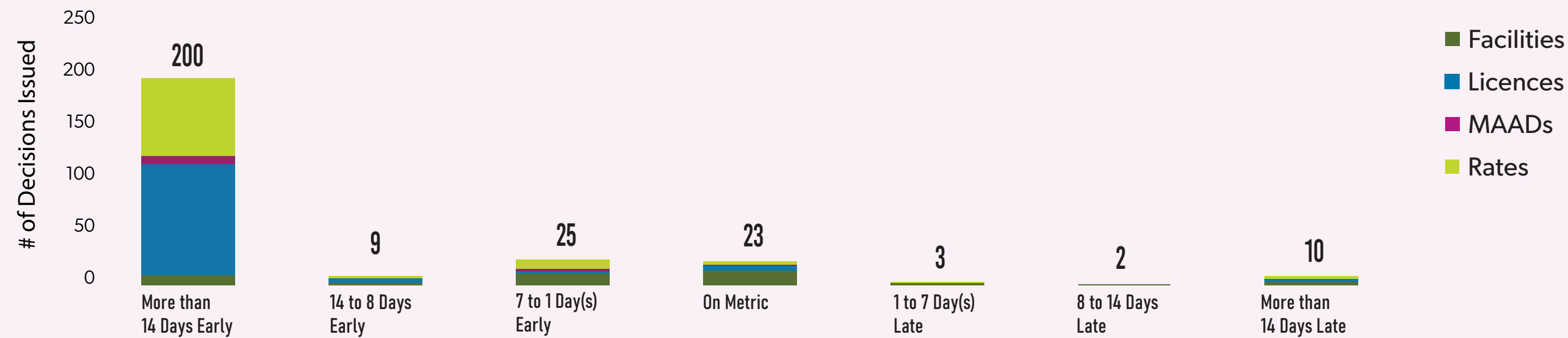
*The OEB issues decisions on fixed days each week. When a metric date does not fall on a Thursday, the performance standard is moved to the next Thursday.



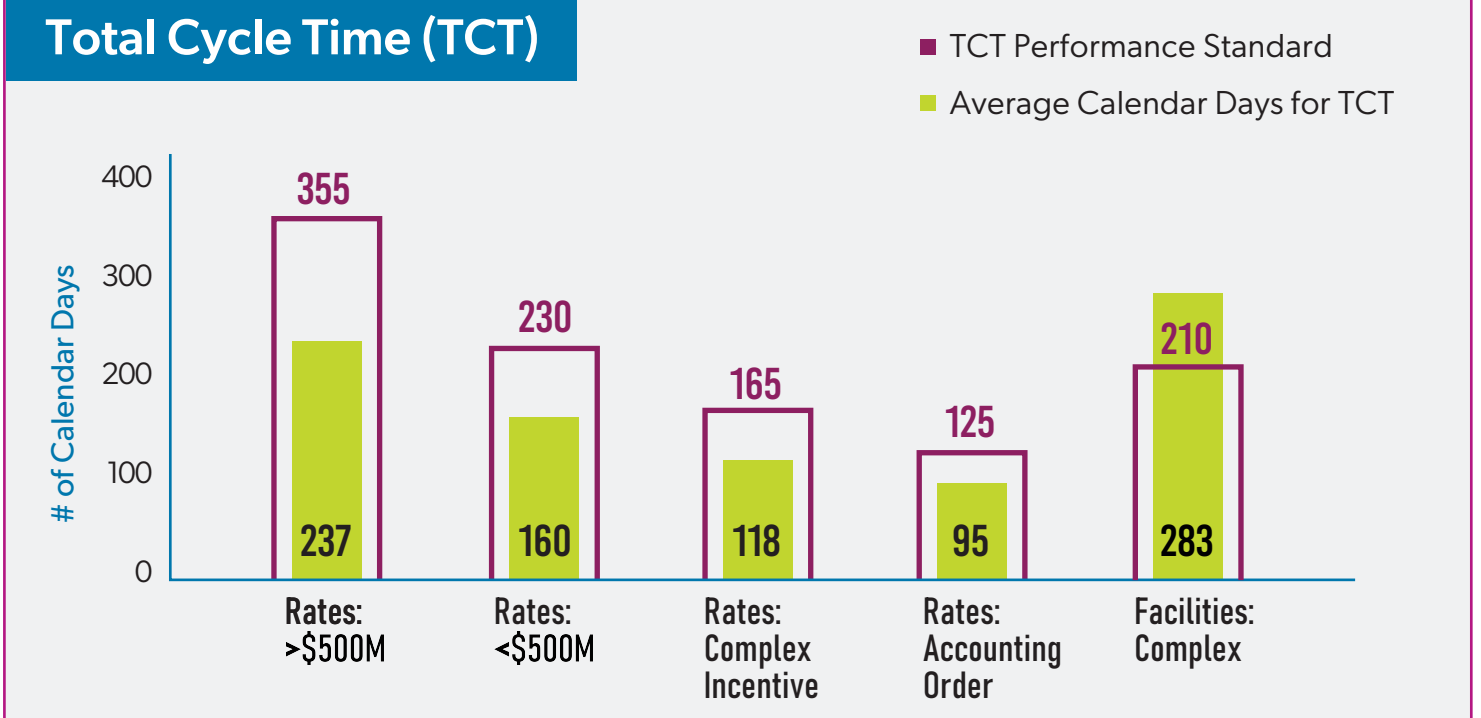
Time to Issue Procedural Order (PO) No. 1



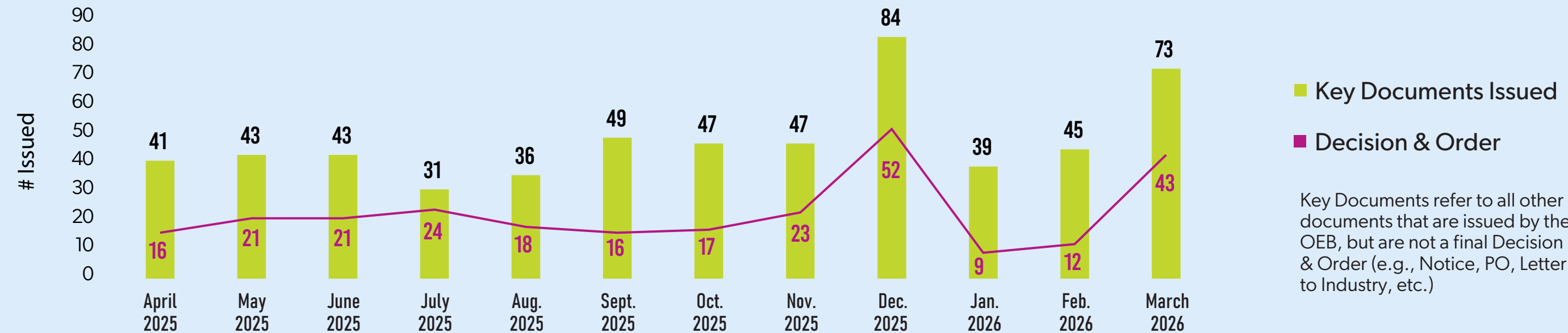
DECISION ISSUANCE SPECTRUM



Total Cycle Time (TCT)



KEY DOCUMENTS ISSUED

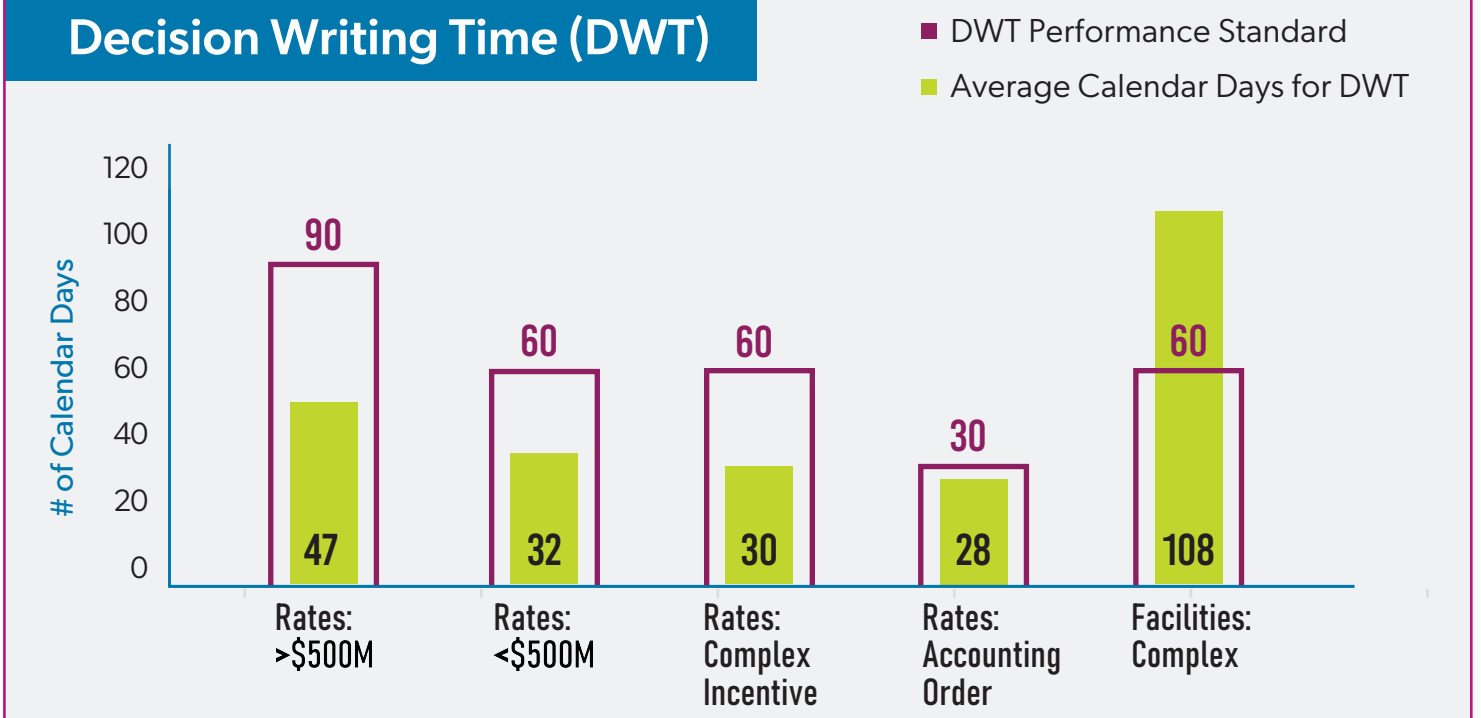


Key Documents Issued

Decision & Order

Key Documents refer to all other documents that are issued by the OEB, but are not a final Decision & Order (e.g., Notice, PO, Letter to Industry, etc.)

Decision Writing Time (DWT)



FY 2025/26 — Adjudication by the Numbers

DECISIONS	KEY DOCUMENTS
• 272 decisions issued • 75% decided under delegated authority; 25% by Commissioner panels • 98% of delegated decisions and 85% of panel decisions met cycle-time standards • 74% issued more than 14 days in advance of the decision metric date • 75% were electricity-related applications • Decision mix: 45% licence, 34% rates, 17% facilities, 4% MAADs • Peak months: December 2025 (52) and March 2026 (43) – together, approximately 35% of all decisions issued	• 578 key documents¹ – an increase of 14% year-over-year • Average of 48 per month • Peak months: December 2025 (104) and March 2026 (86) – together, approximately 30% of all key documents issued • The OEB surpassed the performance standard across all metrics for Time to Issue PO No.1² • The OEB surpassed the performance standard across four of five metrics related to DWT and TCT³

Enterprise Scorecard

The OEB’s Enterprise Scorecard is designed to provide OEB management with a tool to monitor the performance of core operational processes and the progress of priority initiatives described.

The Enterprise Scorecard is assessed through a quantitative and qualitative evaluation of the achievement of deliverables and performance metrics, considering factors such as strategic impact, efficiency and recognition. See Appendix A for the OEB’s self-assessment evaluation criteria.

¹ Key documents are all documents issued that are not a final Decision and Order, such as notices, procedural orders and letters to industry.

² PO No. 1 typically sets out procedural steps for the proceeding, at least up to the initial interrogatory phase.

³ Decision writing time refers to the average time from the close of the record to issuance of the decision. TCT tracks the number of calendar days between the date the OEB issues a letter to the applicant stating the application is complete and the date that the OEB issues its final Decision and Order.

Scorecard Audit Conclusion

The OEB's 2025/26 Enterprise Scorecard had 17 items, including multi-project portfolios that advanced objectives of the IEP and LODs. The results are assessed by OEB management and validated by an external auditor. Both evaluations yielded an overall score of 86.5 per cent.

#	Project/Activity Name	Objective	Weight	Score
1	Actual Spend Relative to Budget	Section 26 expenses relative to budget	7%	75%
2	Applications Performance Standards – TCT (Panel)	Percent of decisions issued within performance standard	8%	80%
3	Applications Performance Standards – TCT (Delegated Authority)	Percent of decisions issued within performance standard	7%	80%
4	Applications Performance Standards – DWT (Panel)	Percent of decisions issued within performance standard	6%	75.5%
5	Performance Standard – Public Information Centre (PIC) Output	Achievement of performance standards	5%	89%
6	A: Prudent and Timely Execution of Compliance Programs – Inspections	Achievement of performance standards	2%	89%
	B: Prudent and Timely Execution of Compliance Programs – Compliance Reviews	Achievement of performance standards	2%	89%

#	Project/Activity Name	Objective	Weight	Score
7	Service Standard – Industry Relations Enquiries (IREs)	Responsiveness to IREs	4%	90%
8	Red Tape Monitoring	Per cent decrease in Regulatory Compliance Requirements (RCRs) from 2018 baseline	5%	80%
9	Innovation Sandbox Enquiries	Number of Sandbox enquiries responded to	3%	100%
10	Planning Portfolio	Advance work to improve planning practices within utilities, among planners within the same sector and across the gas and electricity sectors	9%	95%
11	Distributed Energy Resources (DERs) Portfolio	Support the deployment and integration of DERs to strengthen grid resilience, empower consumers, attract investment and unlock innovation by pursuing improvements in the ways that DERs can be integrated to meet a range of system needs	10%	95%
12	Streamlined Connections Portfolio	Ensure regulatory requirements allow for swift connections, transparent information exchange and fair allocation of costs	6%	84.5%

#	Project/Activity Name	Objective	Weight	Score
13	Utility Remuneration Portfolio	Drive utility performance to support economic growth and align earnings with customer-focused outcomes, integrating multiple initiatives to holistically evaluate the OEB's Renewed Regulatory Framework and evolve it into the next generation rate framework	7%	84.5%
14	Vulnerability Assessment & System Hardening (VASH)	Standardize methodologies for risk-based vulnerability assessments, value-of-lost load evaluations and cost-benefit analyses to support electricity distributors in cost effectively strengthening their infrastructure to withstand extreme weather conditions	4%	95%
15	Business Operations Optimization and System Transformation (BOOST)	Transform the OEB's operations with a new tool that can deliver improved collaboration, richer reporting and analytics, stronger security and improved support for self-service by regulated entities and other stakeholders	7%	70%

#	Project/Activity Name	Objective	Weight	Score
16	Competency Model	Launch a new OEB-specific competency model to support performance management and career growth	4%	95%
17	10-Point Action Plan Implementation	Enhance adjudicative excellence, lower costs for consumers and reduce regulatory burden	4%	89%
Overall			100%	86.5%

Strategic Performance Measures (SPMs)

The SPMs articulate the links between OEB activities, OEB outputs and sector or societal outcomes. They demonstrate how the resources dedicated to these activities sustain critical operations and deliver policy initiatives that benefit Ontarians.

- **Activities** are the operational or strategic initiatives in which the OEB invests human and financial resources.
- **Outputs** are the services and products that result from OEB activities.
- **Outcomes**, which are affected to different degrees by OEB activities and outputs, are the resulting economic, social or environmental benefits. These are typically lagging indicators, measuring changes that take time to manifest after the OEB output is delivered.

The table that follows shows three years of data, where available, and demonstrates that the OEB is surpassing performance targets and managing critical activities related to the delivery of key services and products. It also includes results for outcome indicators. All indicators require ongoing monitoring.

OUR PERFORMANCE

OEB Output Indicator	Target	2023/24	2024/25	2025/26
1. Adjudicative Efficiency [% of decisions with TCT within performance standard]	> 85% (Panel)	90%	90%	85%
	> 95% (Delegated Authority)	100%	100%	98%
2. Red Tape Reduction [% change in OEB RCRs from 2018 baseline]	- 5% (by 2026)	- 4.6%	- 8.2%	- 5.2%
3. Prudent and Timely Execution of Compliance Program [% completed within 180 days]	Compliance Reviews: 70%	N/A (Metric was new for 2024/25 reporting)	88%	91%
	Inspections: 70%		87%	87%
4. Achievement of PIC metrics [weighted % deviation from target on seven performance metrics]	> 0%	+ 3.5%	+ 5.6%	+ 1.0%
5. Achievement of Reliability and Power Quality Review (RPQR) milestones [% complete]	100% (by end of project)	N/A	95%	100%
6. Progress of Utility Remuneration Portfolio [% complete]	100% (by end of program)	N/A	4% <i>of revised scope</i>	15% <i>of revised scope</i>
7. Responsiveness to IREs [% of standard IREs responded to within 10 days]	> 90%	96.1%	97.5%	93.8%
8. Innovation Sandbox Enquiries [# of enquiries to innovation@oeb.ca responded to]	> 25	28	26	46

Outcome	Outcome Indicator		2023	2024	2025
Predictability in regulatory requirements and timelines drives confidence for businesses and investors.	Rate decisions timeliness [% of rate applications approved in time for their intended effective date]		N/A	N/A	94%
Regulations that are fit for purpose save time and money for people and businesses of Ontario.	Burden Reduction [% change in Ministry of Energy and Mines RCRs from 2018 baseline]		- 11.3% (As of June 30, 2023)	- 11.2% (As of June 30, 2024)	- 11.7% (As of June 30, 2025) ¹
Resolution of priority issues and a culture of compliance result in a better experience for consumers.	Non-compliant Disconnections [% of closed disconnection compliance reviews found to be non-compliant]		50%	80%	60%
Consumers are informed about their energy bills, available choices and changes that may impact them.	Satisfaction Rating on Post-call Survey [% rating as satisfied]		91%	94%	95%
Improved consumer awareness and value of reliability investments.	SAIDI ²	[customer-weighted industry average]	2.75	2.81	3.03
	SAIFI ²		1.54	1.52	1.66
Price reflects efficient and cost-effective service provided by a financially viable industry.	Return on Equity (ROE) Achievement [% of utilities within +/- 3% of deemed ROE]		70.4%	69.8%	78.4%
Utilities and consumers are supported in utilizing a broad range of options for meeting needs.	DER Incentive Use [# of applications]		N/A	0	3
	Distribution System Utilization Factor [average demand/peak demand]		N/A	55.2%	54.3%
Increase in innovative projects moving to implementation.	Sandbox Challenge Delivery [% of milestones completed]		N/A	30%	67%

¹This is a lagging indicator – the Ministry of Red Tape Reduction’s report is published in June annually. June 2025 is the most recent publication, reflecting government and agency RCR reductions from fiscal year 2024/25.

²SAIDI: System Average Interruption Duration Index; SAIFI: System Average Interruption Frequency Index.

The following provides a discussion of the indicators related to each of the eight target outcomes.

Outcome 1: Predictability in regulatory requirements and timelines drives confidence for businesses and investors.

Output Indicator: In the past fiscal year, the OEB achieved 88 per cent success in issuing adjudicative decisions within performance standards, with 258 of 272 total decisions issued on time. Of these, 98 per cent of the 205 delegated authority decisions and 85 per cent of the 67 panel decisions were issued within the performance standards. The 10 panel decisions issued outside the performance standard were primarily driven by complex facility applications that required additional procedural steps and extension of deadlines to address non-standard issues.

Output Indicator: *NEW* The OEB has defined a new indicator for this outcome, which measures the benefit of a predictable regulatory environment. Timely submission and adjudication of capital plans and operational expenses allows utilities to move forward with needed investments to ensure a safe and reliable system that supports economic development. To measure this outcome, the indicator tracks the percent of rate applications, including electricity distribution, transmission and natural gas, for which a decision was issued in time for the target effective date of rate implementation, such as the start of the rate year pertinent to the requesting entity.

In calendar year 2025, the OEB approved 94 per cent of rate applications in advance of the target date. This includes 94 per cent of electricity distribution rates, 100 per cent of transmission rates and 92 per cent of natural gas rates.

Outcome 2: Regulations that are fit for purpose save time and money for people and businesses of Ontario.

Output Indicator: Regulatory requirements are a critical tool to drive utility performance and protect the public. At the end of the 2025/26 fiscal year, the OEB's net change in RCRs, relative to a 2018 baseline, exceeded the initial target of negative five per cent. During this time, reductions from updated filing requirements, streamlined Reporting and Recordkeeping Requirements (RRR) and revised performance standards, among other changes, were greater than additions required to meet new regulatory needs, such as the Benefit-Cost Analysis (BCA) Framework, enhanced cyber security and transmission-connected storage.

Building on this success, a new target of 10 per cent net reduction in RCRs over the next five fiscal years, to March 31, 2031, doubles the previous target for burden reduction. This is an ambitious goal in a time when more is being asked of the sector to meet evolving customer expectations, seize new opportunities, mitigate risks and prepare for the future.

Alongside RCR reductions, the OEB continues to look for other ways to meaningfully

reduce burden and streamline processes. This includes the new Small Distributor Process, which evolved from the successful Very Small Distributors Pilot and now extends streamlined cost-of-service filing approaches to eligible small distributors with fewer than 30,000 customers. This approach reduces the administrative effort required to prepare and file major rate applications.

Output Indicator: OEB contributions in this area are part of the government’s priority to improve services and reduce unnecessary burden. OEB results are included among those submitted by the Ministry of Energy and Mines (MEM) to support the government’s annual Burden Reduction Report, which is published by the Ministry of Red Tape Reduction. Per the June 30, 2025, edition of that report, the Ministry of Red Tape Reduction reported a total burden reduction of 11.7 per cent.

Outcome 3: Resolution of priority issues and a culture of compliance result in a better experience for consumers.

Output Indicator: This year the OEB completed 91 per cent of compliance reviews within target, up from 88 per cent in 2024/2025, even as the volume of completed compliance reviews grew to 65 from 50 year-over-year. Inspections held steady at 87 per cent, or 14 of 16 completed inspections, within target.

Output Indicator: An indicator of progress toward a compliance-oriented culture is the percentage of disconnections reviewed that are found to be non-compliant. Of the disconnection complaints the OEB received in 2025/26, eight merited a full review and seven of those were found to be non-compliant. This result of 88 per cent continues a trend seen over the last two years.

	2020	2021	2022	2023	2024	2025
Disconnection Compliance Reviews	17	27	32	4	5	8
Non-Compliances	9	11	18	2	4	7
	53%	41%	56%	50%	80%	88%

There have been fewer disconnection compliance reviews over the last three years with a steady number of disconnection-related complaints (data not shown). This suggests that the OEB’s compliance reviews are becoming more predictive of non-compliances.

Outcome 4: Consumers are informed about their energy bills, available choices and changes that may impact them.

Output Indicator: The PIC provides an avenue for consumers to connect with the OEB through live phone calls, online chats, emails and more. The output indicator measures responsiveness of the services provided by the PIC, calculated as a weighted average of seven performance metrics.

Measure	Effort Weighting	Target	2025/26 Result	Delta (Actual - Target)
Answer incoming calls [% within 20 seconds]	30%	90%	83.7%	-6.3%
Answer incoming online chats [% within 90 seconds]	20%	90%	88.4%	-1.6%
Respond to voicemail received by 12:30 p.m. [% within same day]	10%	90%	96.5%	6.5%
Respond to voicemail received after 12:30 p.m. [% within next day]	10%	90%	94.3%	4.3%
Send complaint follow-up letters to consumers [% within two days]	10%	90%	98.9%	8.9%
Send follow-up letter after receiving licensee response [% within two days]	10%	85%	95.6%	10.6%
Send answer or acknowledgement letters [% within two days]	10%	95%	97.1%	2.1%

Based on these results, the aggregate effort-weighted score for 2025/26 is +1.04 per cent and remains above target despite an increase in call volumes.

	2023/24	2024/25	2025/26
Complaints received from consumers	890	775	957
Requests for information and customer service-related enquiries received from consumers	9,578	10,315	12,918
Inbound consumer calls (French & English)	5,491	6,232	8,139

Output Indicator: In 2025/26, the OEB continued to improve post-call satisfaction, achieving 95 per cent, even as call volumes increased.

Outcome 5: Improved consumer awareness and value of reliability investments.

Output Indicator: In 2024/25, the RPQR advanced the OEB’s resilience recommendations, establishing minimum requirements for licensed electricity distributors to communicate with customers when there are widespread power interruptions caused by severe weather.

In 2025/26, the OEB released reliability performance improvement targets and peer group assignments for all rate-regulated distributors. These targets and peer group assignments are based on 2020-2024 reliability data, reflecting each distributor’s historical performance trend and benchmarking results. The new targets are expected to strengthen customer protection and encourage improvement in distributor performance. Distributors are expected to incorporate these targets into their rebasing applications and scorecards starting in January 2027. The targets will remain in effect until new ones are set through future rebasing applications.

Outcome Indicator: The 2025/26 System Average Interruption Duration Index and System Average Interruption Frequency Index values were slightly elevated over the prior two years. After excluding loss of supply and major events, the increases appear to be mainly caused by

adverse environment and adverse weather. The OEB will continue to monitor both SAIDI and SAIFI to assess the long-term impact of RPQR and the performance targets published this year.

Outcome 6: Price reflects efficient and cost-effective service provided by a financially viable industry.

Output Indicator: **REVISED** In 2025/26, the OEB shifted its approach to delivering work related to utility remuneration. The set of projects previously reported as Initiatives to Update Rate-setting for Distributors was reorganized into a unified portfolio of work. This shift demonstrates our commitment to working differently to meet the challenges of the moment. It reduces stakeholder burden, ensures we are efficient in allocating resources and reduces risks of isolated projects overlapping or diverging in how they treat related questions.

The resulting Utility Remuneration Portfolio brought together the following OEB initiatives under a new comprehensive policy consultation known as the Next Generation Rate Framework:

- Advancing Performance-based Rate Regulation
- Spending Pattern Analysis
- Total Cost Benchmarking
- Evaluation of Incremental Capital Module Policy

The output indicator has been updated to track milestones contained in the Portfolio's integrated plan, which includes three phases constituting different percentages of total scope:

- Phase I (25%): Issue final discussion paper on changes under consideration
- Phase II (25%): Issue final framework and process letter on implementation
- Phase III (50%): Implement changes to bring new framework into effect

Currently, the portfolio is focused on the first phase of work and has completed 60 per cent of the scope involved in issuing a final discussion paper in 2025/26. This equates to 15 per cent of the overall portfolio scope.

Outcome Indicator: Adjustments to the rate-setting framework can shape behaviour and performance of electricity distributors. The deemed Return on Equity (ROE), set in cost-of-service applications and informed by policy, aims to provide a fair return that balances customer rates with the need for investment. The proportion of distributors with an achieved return within three percentage points of deemed ROE indicates the degree to which distribution rates reflect costs and is a gauge of the financial health of the sector and the ability of distributors to manage operations within expectations.

Outcome 7: Utilities and consumers are supported in utilizing a broad range of options for meeting needs.

Output Indicator: The OEB exceeded its target for IRE responsiveness, demonstrating a commitment to providing timely guidance to stakeholders, some of which are seeking to pursue opportunities for business and technological innovation. The OEB received 406 net new IREs in 2025/26 and achieved performance within target by responding to enquires within 10 days for standard IREs 93.8 per cent of the time.

Output Indicator: Numerous innovative technologies and approaches are focused on addressing utility and consumer needs. The OEB supports these innovations through initiatives focused on enabling DERs, non-wires solutions (NWSs), conservation and demand management, and more. For the SPM scorecard, progress is monitored using two indicators.

The first indicator tracks the number of applications submitted by electricity distributors proposing third-party DERs as non-wires alternatives to traditional infrastructure and seeking to leverage one of the available incentives the OEB has developed to do so.

Guidelines for submitting such applications were established through the Framework for Energy Innovation, published by the OEB in March 2023, and further detailed in the OEB's NWS Guidelines, published in March 2024. Through March 2025, only one such application had been received.

To provide greater clarity and certainty, the OEB amended the Distribution System Code (DSC) in November 2025 to establish a 25 per cent margin on payments incentive mechanism. Also in 2025, the OEB received applications from four electricity distributors proposing the use of third-party DERs as NWSs to meet distribution system needs. Three of these applications (EB-2024-0115, EB-2025-0265, EB-2025-0252) included a request for a utility incentive associated with the proposed non-wires solution: One distributor applied for a shared savings mechanism incentive, while two distributors sought margin on payments incentives. The increase in applications aligns with OEB efforts to support Ontario's economic growth by capitalizing on the value of DERs and encouraging the use of innovative approaches to providing cost-effective service. However, as not all of these applications were successful, the OEB will look to improve clarity and understanding of how to apply for the available incentives.

The second indicator, Distribution System Utilization Factor, measures the peak-to-average demand ratio in the distribution sector, which is designed to gauge the system-wide impact of demand management and alternative supply strategies. Results for this indicator were steady year over year.

Outcome 8: Increase in innovation projects moving to implementation.

Output Indicator: In May 2025, the OEB moved forward with its second Innovation Sandbox Challenge with the goal of empowering Indigenous innovation and supporting Indigenous leadership in the energy transition, by identifying challenges, exploring emerging opportunities, enhancing energy services and building capacity. The Challenge provides up to \$1.275 million in funding, supported by the Government of Canada, along with regulatory guidance to selected projects through the OEB's Innovation Sandbox. Initiation of this second challenge generated significant interest from the sector, resulting in an increase in the number of enquiries received relative to past years.

Outcome Indicator: Progress on the first Sandbox Challenge continues, with 10 more milestones achieved in 2025/26, bringing the total milestones to 18, or 67 per cent. Projects are generating insights into the practical application of NWSs, the effectiveness of digital engagement and barriers to DER adoption across Ontario. As the Sandbox Challenge nears completion, proponents are reporting further learnings on renewable energy ownership models, Distribution System Operator (DSO) capability development and Indigenous engagement. Project close-out activities in the upcoming year will provide an opportunity to evaluate outcomes, capture lessons learned and consolidate insights to potentially inform ongoing and future work.

B. Progress Made on the Integrated Energy Plan Directive and Annual Ministerial Letters of Direction

Ontario needs new energy investments to support growth and reliability. The OEB ensures those investments are made responsibly and deliver value, so that customers pay a fair price for reliable energy. In addition to our adjudicative responsibilities, the OEB advances policies, codes, rules and guidance that support consumers, regulated entities and economic growth.

Through collaboration and clear priorities, the OEB is positioned to deliver timely and meaningful outcomes that are prudent and balanced. In doing so, the OEB is guided by annual Ministerial LODs and, as of July 2025, the Minister's IEP Directive.

Balanced Matrix and Portfolios

In the summer of 2025, to support work related to both its annual LODs and IEP Directive, the OEB implemented a balanced matrix approach to deliver related pieces of work in a timely and co-ordinated way. By categorizing this work into four priority portfolios, the OEB has strengthened how it delivers on its work by breaking down silos to achieve shared objectives. Portfolios include:

- **DERs:** A set of initiatives designed to support the government's DER strategy by making it easier to leverage DERs for greater system benefit while supporting more co-ordinated planning and investment.
- **Planning:** Aims to strengthen energy system planning in Ontario, integrating electricity and natural gas, and making it more responsive to a faster pace of growth across both systems, and electrification.
- **Streamlined Connections:** Recognizing the interdependence and shared processes involved in connecting customers to Ontario's distribution and transmission systems, initiatives for this portfolio set out to reduce connection timelines, improve efficiency and support economic growth and housing development through timely and effective customer connections — all so homes and businesses can be built faster.
- **Utility Remuneration:** Aims to ensure the various elements of the OEB's rate-setting framework are rational and mutually reinforcing in driving toward outcomes that benefit ratepayers and the province.

These portfolios delivered against the IEP Directive and LOD deliverables this past year.

DERs

In March 2024 the OEB issued updates to the NWS Guidelines requiring distributors to incorporate consideration of NWSs (including DERs) into their distribution system planning process by considering whether a distribution rate-funded NWS may be a preferred approach to meeting a system need.

Building on this work and aligned with IEP Directive item 14, the OEB undertook several initiatives in FY 2025/26 to further support the consideration, evaluation and adoption of DERs to meet system needs.

BCA Framework for Addressing Electricity System Needs – Phase Two

In response to the December 2024 LOD, the OEB developed a BCA Framework to guide electricity distributors in assessing the economic feasibility of NWSs — alternatives to conventional infrastructure, including DERs — relative to traditional wire investments, to meet a given distribution system need. For consumers, this work means that their utilities will consider alternative approaches to meet system needs, with the aim to provide cost-effective and reliable service. This initiative has unfolded in two phases.

Phase One, finalized and released in May 2024, introduced two cost-effectiveness tests:

- The Distribution Service Test (DST), which evaluates the quantitative impacts of NWSs on the distribution system.
- The Energy System Test (EST), which is an optional extension of the DST that considers the broader energy system.

Phase One also provided general methodological guidance, including how to account for qualitative impacts in assessing NWSs.

In October 2025, the OEB officially introduced Phase Two, which will:

- Refine the EST and
- Explore approaches to incorporate societal impacts into the assessment of NWSs.

These changes are intended to improve the accuracy of BCA results.

In February 2026, the OEB released the Phase Two draft proposed revisions to the framework for stakeholder comment. Phase Two is expected to be completed in FY 2026/27. By facilitating accurate and comprehensive assessment of the costs and benefits of NWSs (including DERs) compared to traditional infrastructure solutions for distribution system needs, the BCA Framework provides distributors regulatory clarity and certainty on when and how to make a business case for NWSs.

DER Connections Review

DERs can provide value to consumers, both in the services they provide to utilities and in ownership and operation for their own needs. In support of IEP Directive item 15, the

DER Connections Review has streamlined, standardized and improved the process of connecting DERs to the distribution grid.

In December 2025, the OEB issued final amendments to the DSC, along with updates to version three of the Distributed Energy Resources Connection Procedures (DERCP). These changes aim to broaden customer choice, improve timelines and enhance transparency, consistency and efficiency in connection processes for DERs. Changes to the DSC and the DERCP will come into effect May 1, 2026.

Centralized Capacity Information Map (CCIM)

In FY 2025/26, responding to IEP Directive item 16.3 and the December 2025 LOD, the OEB successfully developed and launched the [Centralized Capacity Information Map \(CCIM\)](#).

Published in January 2026, the CCIM is an online screening platform that provides users with a high-level view of available load capacity and DER hosting capacity across Ontario's electricity distribution systems. It helps to improve early-stage site screening, enhance comparability and reduce development risk through clear, data-driven information. With over nine million data points provided by electricity distributors across Ontario, the scale of information in the CCIM enables stakeholders to identify available grid capacity for new businesses, housing developments and infrastructure projects, all of which support economic growth and development in the province. The OEB is particularly appreciative of local distribution companies' (LDC) participation in the development of this tool.

DSO Capabilities

A DSO refers to an entity with advanced capabilities to integrate, manage and optimize the use of DERs for distribution and wholesale market services. The DSO model is a key opportunity to realize the full range of potential benefits that DERs can offer to consumers and the electricity system.

In May 2025, the OEB issued a discussion paper and accompanying consultant report in support of its work to guide electricity distributors in adopting DSO capabilities. Feedback from a two-day stakeholder symposium, written comments received over the summer and a subsequent stakeholder meeting in the fall, informed the development of the OEB's DSO Roadmap, which was submitted to the Minister of Energy and Mines in December 2025. The Roadmap responds to the IEP Directive items 12, 17 and 19, as well as the December 2024 LOD. It proposes a staged, evidence-based path to evaluating approaches and establishing an enduring DSO framework that delivers long-term value to consumers while supporting economic growth.

Framework for Energy Innovation 2.0 - NWS Incentives (Margin on Payments)

It is critical to ensure that utilities have the right incentives to invest in cost-effective solutions to meet energy needs and that they are appropriately compensated for the services they provide. Aligned with IEP Directive item 18, the OEB's margin on payments incentive aims to achieve both outcomes.

The OEB established a margin on payments mechanism of 25 per cent to incent electricity distributors to use third-party DERs to meet a distribution system need, effective November 2025. This work, which came about through amendments to the DSC, also set eligibility criteria and other requirements for electricity distributors applying for the incentive and was designed to support economic growth and incentivize the use of innovative approaches to providing cost-effective service. These enhanced incentives aid in ensuring distributors give due consideration to DER-based solutions in meeting system needs.

This initiative and the approach by which it was implemented is an example of the CEO's authority under the *Ontario Energy Board Act, 1998* (OEB Act), to issue and amend codes, and of how the OEB is thinking differently to meet the needs of consumers and the sector.

Regulatory Treatment of Local Electricity Demand-side Management (eDSM) (Stream 2) Programs

In July 2025, the OEB initiated a consultation on the regulatory treatment of eDSM programs. These programs (also referred to as Stream 2 programs), led by electricity distributors, aim to reduce energy use and provide both local and system-wide benefits. They should unlock new opportunities for Ontarians to participate in efforts to conserve energy by enabling shared distribution rate/global adjustment funding of NWSs (including DERs) and further supporting the consideration and cost-effective deployment of NWSs to meet distribution system needs.

This consultation supports IEP Directive item 13 and the 2023 and 2024 Ministerial LODs. Collectively, they asked the OEB to:

- Develop a cost-sharing model using distribution rates and the Global Adjustment.
- Reduce barriers to local energy efficiency program activities, by updating the OEB's NWS Guidelines or otherwise acting to support such programs.

A joint working group of the Independent Electricity System Operator (IESO) and electricity distributors submitted the Stream 2 report, which outlines a proposed funding and regulatory framework. The OEB used this report as a starting point for its consultation.

In March 2026, the OEB released draft updates to the NWS Guidelines, including new guidance to create a streamlined regulatory pathway for eDSM programs, for stakeholder feedback.

Review of the Valuation of DERs

In October 2025, the OEB initiated a comprehensive review of DER valuation to help advance the Ontario government's goal of empowering customers to participate in the energy system and unlock the full value of DERs for the electricity system. As part of the review, the OEB analyzed DER compensation and delivery rates, two components that

constitute the overall incentives available for DER proponents.

The OEB developed a report identifying recommendations related to rates, prices, programs and procurements to improve these incentives and support cost-effective deployment of DERs. Responding to IEP Directive items 11 and 12, these recommendations establish pathways to strengthen pricing signals and improve the integration of regulatory frameworks to better realize the value of DERs. The OEB submitted this report to the Minister on March 31, 2026.

Planning

Gas-Electric Co-ordination and Information Sharing

The OEB launched a consultation and issued a discussion paper in December 2025 to establish a framework to facilitate the sharing of natural gas and electricity planning information to support energy planning processes. Co-ordination between energy planners will support rational infrastructure build-out in the natural gas and electricity sectors, supporting economic growth and affordability in Ontario.

IEP Directive item 1 requires the OEB to establish an ongoing gas-electric co-ordination information sharing forum to set expectations for gas-electric information sharing. In January 2026, the OEB initiated a forum to solicit input from stakeholders and Indigenous communities on developing the framework.

As of March 2026, the OEB was reviewing stakeholder comments and continues to meet with stakeholders as it prepares to report to the Minister of Energy and Mines on the progress, outcomes and modelling best practices of the information sharing forum.

Natural Gas Integrated Resource Planning (IRP) Framework Review

IRP is a natural gas planning strategy and process that considers both traditional infrastructure solutions (such as pipelines) and non-pipeline alternatives. The IRP Framework is used to evaluate how these options interact to address Enbridge Gas's system needs and identifies the option that is in the best interest of Enbridge Gas and its customers.

In March 2025, the OEB announced a consultation to support a review and evaluation of the IRP Framework. Through this consultation, the OEB aims to assess the efficiency and effectiveness of the IRP Framework's implementation and identify opportunities to improve how Enbridge Gas plans for system needs.

In October 2025, the OEB released a discussion paper and subsequently received stakeholder comments on the proposals in the discussion paper. In April 2026, the OEB concluded this consultation, directing Enbridge Gas to file an updated IRP Framework for adjudicative review by August 31, 2026, taking into account the proposals and submissions made in the consultation.

The OEB included this work within the Planning portfolio as it crosses over with IEP Directive item 1. The eligibility of electrification as an IRP alternative is an issue in the IRP

Framework review, which relates to gas-electric co-ordination.

Regional and Bulk Electricity System Planning Process Review

Aligned with IEP Directive items 3, 4 and 14, the OEB reviewed regional and bulk electricity system planning processes in August 2025. The review identified improvements that would make the processes more efficient, flexible and responsive to provincial needs.

As part of this initiative, the OEB worked closely with the IESO and engaged key stakeholders, including electricity and natural gas distributors, customer representatives and other relevant parties. The review examined opportunities to better co-ordinate regional and bulk planning with load growth, improve flexibility and responsiveness while reducing timelines within the planning cycle, and assess whether to formalize the bulk planning process.

The OEB submitted its recommendations in a report to the Minister in March 2026.

Modelling Practices

IEP Directive item 2 instructed the OEB to establish expectations for natural gas and electricity distributors to incorporate multiple demand scenarios into their planning frameworks. In response, the OEB added this requirement to the Filing Requirements for Electricity Distribution Cost of Service Rate Applications – 2026 Edition for 2027 Rate Applications. In addition, the OEB issued a letter to rate-regulated natural gas utilities with updates to the filing requirements for relevant applications, incorporating feedback from gas utilities. The OEB expects distributors to make best efforts to implement this requirement by June 30, 2026, and to fully address it in all relevant applications filed after April 1, 2027.

Streamlined Connections

Distribution Customer Connections Review and Streamlining Transmission Connections Review

Supporting IEP Directive items 6 and 7, the December 2024 LOD and in response to customer feedback, the OEB introduced comprehensive reviews of both electricity distribution and transmission customer connection processes in July 2025.

Building on previous initiatives, the distribution connections review was supported by a working group to identify improvements in efficiency, transparency and effectiveness. The transmission connections review, also supported by a working group, assessed the reasonableness of current timelines, identified opportunities to streamline the process and explored improved co-ordination between transmitters and the IESO. The OEB also considered potential performance standards and metrics for transmitters and distributors.

Recognizing the interdependence and commonalities between customer connection procedures for both distribution and transmission systems across Ontario's electricity

sector, the OEB submitted a single, integrated report to the Minister that addresses both areas. The report proposes a suite of actions such as standardized connection procedures, clearer roles and accountabilities, enhanced communication requirements and new reporting and performance measurement frameworks. These proposed actions are intended to create more predictable, transparent and customer-focused connection processes while maintaining system reliability.

Transmission Connections Review

In April 2024, the OEB initiated a review of the Transmission System Code's (TSC) connection-related sections with the intention of enhancing the effectiveness of connection processes, procedures and requirements.

The TSC sets out the minimum standards that an electricity transmitter must meet in designing, constructing, managing and operating its transmission system. It also stipulates the requirements, standards, terms and conditions of a transmitter's obligation to connect customers to the transmission system, including performance standards, technical requirements and expansions and connections.

As the connection of new loads and supply resources, including energy storage, increases to meet Ontario's electricity needs, the OEB's review has served to ensure that the regulatory rules associated with connections in the TSC facilitate and enable those connections. While final TSC amendments related to energy storage were issued in March 2025, the review remained ongoing throughout FY 2025/26, focused on assessing ways to clarify transmission asset classifications and providing guidance to ensure consistent understanding and application of these classifications through further TSC amendments. The OEB aims to clarify cost responsibilities and ensure the TSC remains consistent with the beneficiary pays principle.

These changes respond to IEP Directive item 8 by helping to enhance certainty, improve planning efficiency and enable timely transmission upgrades that power housing at the distribution level, industry and large-scale projects.

Utility Remuneration

Next Generation Rate Framework

Supporting LODs since 2023, the OEB advanced an integrated approach to utility remuneration in FY 2025/26, moving forward with the Next Generation Rate Framework consultation in January 2026. This consultation brings together the following initiatives:

- Advancing Performance-based Rate Regulation
- Spending Pattern Analysis
- Total Cost Benchmarking
- Evaluation of the Incremental Capital Module Policy

The OEB is adopting this integrated approach to utility remuneration in response to stakeholder feedback that these topics should be considered in a holistic fashion.

The impetus for this work is to ensure continuous improvement in the OEB's performance-based approach to utility remuneration so that the rate-setting framework continues to drive outcomes that consumers value and is fit for purpose in Ontario's changing energy sector.

2024 and 2025 Ministerial LODs

The OEB's Annual Report demonstrates compliance with the Agencies and Appointments Directive (AAD) operational policy, by outlining how the OEB has addressed government priorities set out in the annual LODs. The work highlighted in this section addresses priorities — set out in both 2024 and 2025 LODs — that do not form part of the four portfolios (DERs, Planning, Streamlined Connections, Utility Remuneration).

LDC Advisory Panel

The OEB acknowledges the important work of the Panel for Utility Leadership and Service Excellence, established by the Minister in the fall of 2025 to examine how best to fund and deliver the next generation of electricity infrastructure, with a focus on access to capital and LDC corporate governance. Aligned with its December 2024 LOD, the OEB engaged regularly with Panel members, establishing a strong, collaborative relationship.

Investment in Growth — Last Mile Connections

Capacity Allocation Model (CAM)

In November 2024, building on the recommendations outlined in the OEB's Minister-endorsed report, the OEB initiated a consultation to develop a CAM.

Following the consultation and with assistance from the CAM Advisory Group, the OEB amended the DSC in June 2025. The amendments, which came into force in September 2025, introduced the CAM to facilitate housing development connections by allocating capacity and costs for system expansions among connecting customers and developers.

Using growth forecasts from municipalities and developers, the CAM enables proactive and optimized system planning by distributors for defined development areas. It also ensures that customers connecting to CAM-related expansions fund their share of capacity, upholding the beneficiary pays principle. As the CAM is a new mechanism, the OEB will closely monitor its implementation.

Implementation of O. Reg. 410/22 (Electricity Infrastructure – Designated Broadband Projects)

In November 2025, the Government amended O. Reg. 410/22 under the OEB Act, with revised regulations that include specific requirements for Hydro One to complete make-ready work and permit access to poles for designated broadband projects. The OEB is now overseeing Hydro One's progress in meeting mandated targets and ensuring regulatory compliance.

Consumer Protection and Transparency

Review of Customer Service Rules

To support the upcoming review of specific customer service rules governing electricity distributors, rate regulated natural gas distributors and Unit Sub Meter Providers (USMPs), the OEB engaged its Consumer Panel through an online survey seeking feedback on specific customer service issues. Findings from this survey, together with insights from additional research and engagement activities, will inform the review, which aims to ensure consistent protection for all consumers.

Distribution Sector Reliability, Security and Resilience

Vulnerability Assessment and System Hardening (VASH) Policy

In support of the reliable delivery of electricity to Ontario's homes and businesses, in October 2025, the OEB issued its final VASH Report and Toolkit — resources designed to help distributors assess system vulnerabilities to extreme weather and evaluate hardening options. This final version incorporated stakeholder feedback gathered through a comprehensive consultation process that began in June 2024. The OEB completed the VASH project in response to LODs and the IEP Directive that called for improved resiliency, responsiveness and cost efficiency in the electricity distribution sector. The IEP Directive specifically called on the OEB to encourage and, where appropriate, require distributors to consider frequent and extreme weather impacts on energy infrastructure resiliency in their planning frameworks and processes.

VASH establishes clear expectations for integrating climate resiliency into distributors' asset and investment planning, ensuring at-risk assets are identified and system-hardening investments reflect customer value. Its requirements were incorporated into applications filed in 2026 for 2027 distribution rates and will become mandatory for 2028 rate applications, strengthening the integration of climate resilience into system planning across Ontario.

RPQR

In October 2025, the OEB released annual reliability performance improvement targets and peer group assignments for all rate-regulated electricity distributors. These targets and assignments were based on 2020-2024 reliability data, reflecting each distributor's historical performance trend and benchmarking results. This update was built on the OEB's January 2025 methodology for setting enhanced reliability performance expectations. The new targets will be applied when distributors file for new base rates effective in 2027 and beyond. Distributors are expected to incorporate these targets into their major rate applications and scorecards. The targets will remain in effect until new ones are set through future rebasing applications.

In November 2025, the OEB outlined, in a letter to industry, its intention to enhance Ontario's regulatory framework for transmission reliability and power quality. These enhancements follow recommendations from the RPQR Transmission Subgroup and

support economic development by improving transmission service for industrial customers across the province. New RRR for transmitters were introduced in March 2026, requiring transmitters to report reliability and power quality information beginning in April 2027. The OEB plans to propose amendments to incorporate power quality into the TSC later in 2026. In early 2026, the OEB also required each transmitter that has a load customer connected to its transmission system to update and seek approval for its Transmitter Standard Document, which sets out its customer delivery point performance standards, including an expanded scope. Transmitters will also be expected to engage customers annually to raise awareness of performance standards.

The Ontario Cyber Security Standard

Ontario's energy system continues to leverage new digital technologies. As digitization continues, the security of utility systems will be critical to ongoing reliable service to customers.

Also in support of the 2024 and 2025 LODs, the OEB updated the Ontario Cyber Security Standard to introduce requirements for enhanced cyber security reporting by electricity distributors and transmitters.

Version 3.0 introduced a requirement for electricity distributors or transmitters to report cyber security incidents, as defined in the Standard, to the IESO. This version of the Standard came into effect in September 2025. This work is aligned with recommendations of the Ontario Internal Audit Division report on electricity sector cyber security and is critical to our work to ensure reliable service for Ontarians.

Red Tape Reduction and Adjudicative Efficiency

The OEB is dedicated to continuous improvement to its adjudicative process through both broad strategies and targeted actions. These initiatives strengthen the OEB's core adjudicative function by making processes more efficient and responsive, reducing regulatory burden and streamlining proceedings.

10-Point Action Plan

In support of the 2024 and 2025 LODs, the OEB delivered meaningful progress on its 10-Point Action Plan during FY 2025/26, advancing a more efficient, predictable and modern adjudicative environment. Key accomplishments included establishing a new performance standard and standard issues list for expropriation proceedings, effective January 1, 2026.

The OEB completed its pilot of soft-cap budgets for intervenors in small utility cost-of-service (COS) applications and its first pilot on intervenor categorization and collaboration. This work builds on broader efforts to streamline participation, including the introduction of proposed intervenor categories and a new vetting process with updated criteria for granting status. Based on pilot results, the OEB will continue, at its discretion, the use of \$20,000 soft-cap budgets for intervenors in COS proceedings for smaller electricity distributors.

In addition, the OEB:

- Began the planning (ongoing) of a second intervenor collaboration pilot for Enbridge Gas's 2027-2030 Demand Side Management proceeding and advanced new data-collection initiatives to strengthen the reporting, tracking and analysis of utility costs.
- Completed the Very Small Distributor pilot and adopted its recommendations, including the introduction of a one-day issues meeting under the Small Distributor Process for 2027 major rate and/or COS applications.
- Updated the P O No. 1 template and the Rules of Practice and Procedure to increase efficiency, reduce interrogatory duplication, and require disclosure and verification of content generated by Artificial Intelligence (AI).
- Revised the Protocol for Adjusting Adjudicative Timelines, aligning the Holiday Timeout period with the school winter break and providing clearer guidance on delay management.
- Updated intervenor cost award schedules for legal counsel and consultants, effective June 1, 2025, reflecting inflationary adjustments and benchmarking results, and supporting broader efforts to align cost claims with sector needs.
- Finalized reference materials related to priority project applications, supporting consistent, proportionate and efficient decision-making, while remaining aligned with the existing legislative and informed by the policy framework.

Collectively, these reforms strengthen the efficiency, consistency and proportionality of the OEB's adjudicative processes, modernize regulatory practices and enhance regulatory predictability.

Red Tape Reduction Targets

At the end of the 2025/26 fiscal year, the OEB reduced net RCRs, relative to a 2018 baseline, by five per cent. During this time, reductions from updated filing requirements, streamlined RRR and revised performance standards, among other changes, were greater than additions required to meet new regulatory needs, such as the BCA Framework, enhanced cyber security and transmission-connected storage.

Affordability, Customer Choice and Modernization

One-Window Platform for Energy Efficiency Programs

To further improve co-ordination and efficiency in program delivery, the OEB and the IESO entered into a memorandum of understanding in November 2025 to establish a one-window approach to evaluation, measurement and verification activities for residential energy efficiency programming. This arrangement supports more streamlined oversight, reduces duplication and enables a more integrated approach to assessing program performance across the electricity and natural gas sectors.

C. Indigenous Relations

In FY 2025/26, aligned with the 2024 LOD, the OEB undertook several initiatives to explore and strengthen enhanced Indigenous engagement in its processes. The OEB has also prioritized direct relationship-building with Indigenous communities and Nations through engagement. Internally, the OEB has focused on training sessions and learning opportunities to strengthen Commissioner and staff knowledge and awareness in respect of the rights, traditions, and culture of Indigenous peoples and their intersections with our mandate.

To support this work, the OEB became the first Canadian energy regulator to join the Canadian Council for Indigenous Business (CCIB) and the first to participate in the CCIB's Partnership Accreditation in Indigenous Relations (PAIR) program. The OEB is proud to be the first energy regulator in Canada to be a CCIB member and participate in PAIR at the Committed level.

The OEB has also engaged Chief Dave Mowat, former Chief of Alderville First Nation, in an advisory role and introduced Wendy Phillips as the OEB's first Elder-in-Residence. Both are providing invaluable guidance as the OEB continues its journey to strengthen relations with Indigenous communities and support more meaningful participation of Indigenous peoples in its work.

D. Consumer Protection

The work of the OEB is anchored in providing value to the people and businesses of Ontario. An important way we provide this value is through our consumer protection work. This work is increasingly important during a period of economic uncertainty and Ontario’s ongoing energy transition.

Consumer Programs

Ontario Electricity Support Program (OESP)	Low-income Energy Assistance Program Emergency Financial Assistance (LEAP EFA)
The OESP, administered by the OEB on behalf of the MEM, helps reduce electricity bills for eligible lower-income households by providing monthly on-bill credits based on household income and size. In FY 2025/26, an average of 284,756 eligible recipient households received OESP credits each month, totaling approximately \$197,806,450 over the fiscal year.¹	LEAP EFA is a grant program intended to provide emergency relief to eligible lower-income customers who may be having trouble paying their natural gas or electricity bills and facing disconnection. It applies only to outstanding amounts owing on those bills. It is not intended to provide regular or ongoing bill payment assistance. For the calendar year 2025, approximately 23,516 eligible households received \$13,123,182 in LEAP grants.

Consumer Enquiries and Compliance

Over the past fiscal year, the OEB maintained a strong focus on responsive service and proactive oversight. Of the 12,918 consumer enquiries that the OEB responded to this past fiscal year, 957 were complaints, of which 405 were escalated for further review. Insights from these activities led to the initiation of most of the 64 compliance reviews undertaken by OEB staff to assess adherence to legal and regulatory requirements.

During the same period, the OEB concluded 69 compliance reviews, including those initiated in prior years. Of these, 33 were resolved through corrective actions undertaken by regulated entities, nine required no further action and 27 were identified for more detailed assessment.

Where a more detailed assessment was required, the OEB considered whether to initiate a formal compliance inspection, which is an in-depth examination of a regulated entity’s practices. During this fiscal period, the OEB opened 16 inspections and closed 18, including

¹ Source – IESO reporting data April 1, 2025 – March 31, 2026

inspections initiated in prior years. Of the 18 that were closed, seven required no further action, five cases were resolved through staff resolution requiring corrective actions to be undertaken by regulated entities and six cases warranted enforcement action.

Enforcement cases were resolved through Assurances of Voluntary Compliance (AVCs), which are legally binding commitments by regulated entities to correct non-compliant conduct. These AVCs resulted in \$46,800 in administrative penalties and \$20,606 in contributions to the LEAP EFA, which provides emergency financial assistance to electricity and natural gas customers at risk of service disconnection due to non-payment.

The OEB's timeliness standards require 70 per cent of compliance reviews and inspections to be completed within 180 days. These standards were introduced in 2024/25 in response to the Auditor General of Ontario's 2022 value for money audit, as a means of improving predictability and accountability. In 2025/26, performance exceeded this benchmark, with 91 per cent of compliance reviews and 87 per cent of inspections completed within the target timeframe.

Overall, these results demonstrate a compliance and enforcement system that responds to consumer and industry concerns, resolves issues efficiently and supports consumer protection and regulatory confidence across Ontario's energy sector.

Consumer Protection for USMP Customers

The OEB's Unit Sub-Metering Code now requires USMPs to enhance consumer awareness of the protections available to them. Based on the OEB's Review of the Consumer Protection Framework for Customers of USMPs, amendments to the Code took effect in August 2025 to ensure that USMPs communicate consumer protection rules more clearly.

Under these amendments, USMPs must provide residential consumers with specified consumer protection information twice each year and must notify the OEB whenever mandatory content in their Conditions of Service is updated. Additionally, USMPs are required to include in their Conditions of Service a description of their winter disconnection and reconnection policies and associated reconnection charges.

In September 2025, the OEB started publishing consumer complaints data at the entity level for the USMP sector, providing customers with clearer insight into individual USMP performance.

E. Service Commitment Metrics

Consumers connect with the PIC through phone calls, online chats, email and other touchpoints, ensuring broad accessibility and timely support.

The OEB responded to 12,918 consumer enquiries over the past fiscal year, indicating ongoing demand for clear, reliable information about Ontario's energy sector. The top reasons consumers contacted the OEB included LEAP EFA, rates, billing errors, OESP, the disconnection process and the Regulated Price Plan.

Throughout FY 2025/26 the PIC implemented process and technology enhancements to improve the consumer experience. Building on past improvements, we introduced streamlined chat functionality that allows Public Information Officers to manage and resolve digital enquiries more efficiently. In addition to channel improvements, the PIC supported enhanced digital service modernization, updated consumer-facing website content, and improved internal knowledge resources to ensure regulatory information remains accurate and accessible.

The OEB maintains a set of service commitment metrics to guide our interactions with consumers. We monitor performance against these standards throughout the year and share results publicly to demonstrate our accountability and transparency. For 2025/26, our post-call consumer satisfaction score remained strong at 95 per cent, maintaining last year's high performance and reflecting consumers' confidence in the clarity, professionalism and helpfulness of PIC staff.

We continue to review our service metrics to ensure they remain aligned with sector needs, consumer expectations and our commitment to operational excellence.

OUR PEOPLE

Our people are our greatest asset. As an organization that relies and builds upon knowledge, the dedication and commitment of our people drive our work every single day. We foster a culture grounded in innovation, open communication, collaboration and curiosity, and a systems-thinking approach that enables us to see connections, anticipate impacts and adapt effectively.

The OEB welcomed new Board of Directors members, executive leadership and a new commissioner in 2025/26. The Board of Directors was strengthened with the addition of Frederic A. Waks, David Butters, Cheryl Fort and Michael Liebrock. The Board of Directors appointed Carolyn Calwell as the OEB's next Chief Executive Officer, effective September 8, 2025, following a comprehensive and competitive executive search process. Carolyn previously served as the OEB's Chief Corporate Services Officer & General Counsel. Finally, James Sidlofsky was appointed as a full-time Commissioner effective March 1, 2026, bringing more than 25 years of legal experience in Ontario's energy sector

On August 1, 2025, the Minister of Energy and Mines approved our 2025/26 to 2027/28 Business Plan. In his approval letter, the Minister articulated his expectation that "the OEB will include additional details in its future Annual Reports which set out how the new positions identified in the (Business) Plan are being deployed to support and achieve the OEB's strategic priorities and objectives, the progress made against these deliverables with the additional supports in place, and where relevant, how the OEB's Performance Measurement Framework might reflect the impact of the additional positions." Effective September 27, 2025, the Ontario government implemented a hiring freeze across provincial agencies, boards and commissions. As a result, the OEB's full-time equivalent (FTE) employee cap was set at 225 FTEs with no new positions approved in FY 2025/26.

Operational Effectiveness

Training and Development

The OEB is committed to investing in the growth and development of our staff and Commissioners, ensuring our people have skills and knowledge that are aligned with our strategic imperatives, core mandate and operational context. Through targeted training initiatives and career development workshops, we empowered our employees to explore new career avenues and enhance their skill sets. We also invested in leadership development to support identified successors and ensure a strong and sustainable succession pipeline for critical roles, while continuing our mentorship program for new people leaders to support their successful transition into leadership roles. During FY 2025/26, OEB staff and Commissioners undertook more than 6,240 hours in training.

During the past fiscal year, the OEB strengthened its organizational culture and performance standards by developing a customized competency model. The model articulates the behaviours, knowledge, skills and mindsets that support staff success at the

OEB and reflects our values and commitment to innovation, collaboration and continuous growth. The competency model was embedded into our performance management framework.

Further, in response to employee feedback requesting greater flexibility, personalization and opportunities to enhance both personal and professional growth, the OEB made LinkedIn Learning available for everyone. With more than 25,000 courses and personalized recommendations based on each individual LinkedIn profile, users can discover, complete and track courses related to their field and their interests. They can also choose to add these courses and related skills to their LinkedIn profile. OEB staff have embraced this learning platform.

Since it was introduced in September 2025, 94 per cent of learners using the platform have logged a total of 144 hours of content, with an average of 74 minutes per user. Eighty-one courses have been completed and over 2,574 videos watched, with an average of 22 video views per viewer. To date, users are most engaged with training related to AI and project management.

Diversity, Equity and Inclusion

Promoting Diversity, Equity and Inclusion (DEI) in the workplace is a foundational cornerstone upon which the OEB's culture is built. We are deliberate about how we work to integrate DEI into our workplace, and our commitment to DEI places us in a better position to effectively advance a rapidly evolving energy sector that underpins Ontario's economic, environmental and social landscape. This commitment is predicated, in part, on the development and sustainment of meaningful relationships and initiatives, including Electricity Human Resources Canada's (EHRC) Leadership Accord on DEI.

In FY 2025/26, the OEB made meaningful and measurable progress in advancing its EHRC Leadership Accord commitments. Key advances include strengthened representation of Indigenous peoples, actions in support of reconciliation, expanded pay transparency, the introduction of new DEI-focused policies and training, and the initiation of programs that build early career and leadership pipelines — all of which reflect sustained momentum and deepening accountability.

Over the past fiscal year, the OEB:

- Maintained relationships with organizations that include Black Engineers of Canada, Black HR Professionals of Canada, the Business Women's Network and Indigenous Clean Energy.
- Introduced a Gender Identity policy and provided Gender Identity training for the entirety of our organization.
- Launched Women@OEB, which underscores our commitment to advancing gender equity across the organization. This employee driven initiative creates space for dialogue, mentorship, learning and collective action.

- Became a signatory to Equal by 30, a global initiative promoting equal pay, leadership and opportunity for women and other marginalized groups in the global energy sector by 2030.

Youth Engagement

To build the next generation of talent for the energy sector, we successfully held our first Energython case competition for post-graduate policy students in FY 2025/26, awarding co-op placements to eight students across two winning teams who demonstrated the ability to analyze and solution an energy policy problem.

In addition, throughout the past fiscal year the OEB also:

- Welcomed our largest cohort of co-op, summer and articling placements to date: 23 students in total.
- Continued to sponsor the Ontario Energy Network Women in Energy scholarship and OEB Indigenous Scholarship — in partnership with Indspire, a national charity dedicated to investing in the education of First Nations, Inuit and Métis peoples.
- Integrated students into our broader culture by providing opportunities to participate in key internal committees: DEI Council, Women@OEB, Mental Health & Wellbeing Advisory Committee (MHWAC) and the Joint Health & Safety Committee.

Employee Belonging, Recognition and Engagement

The OEB's MHWAC partnered with Excellence Canada, an independent not-for-profit that provides objective standards for employee wellness, to support an evidence-based approach to wellbeing. This partnership led to the development of the OEB's Mental Health & Wellbeing Program, a roadmap for ongoing improvement, along with the OEB's Corporate Statement on Mental Health & Wellbeing. We also rolled out our first pulse survey on Mental Health & Wellbeing. Employee engagement is vital for our organization's success and we are proud to have achieved a 94 per cent response rate on the survey, with an overall Mental Wellbeing score of 71 per cent. The OEB was also honoured for our journey to a healthy workplace by Excellence Canada, which cited the OEB's strong commitment to fostering a psychologically safe, inclusive and supportive work environment.

In early 2026, as part of our commitment to a connected and inclusive workplace, the CEO established the OEB Voices Forum — an avenue for employees to share their perspectives directly with her. Established in response to feedback from the 2025 Pulse Survey on Mental Health & Wellbeing, members represent a cross-section of the organization, creating a meaningful channel for employee insight.

We also continued our People Leaders' Forum, which strengthens communication and best practices among managers and supports efforts to enhance workplace culture and leadership effectiveness.

Together, these forums create a stronger dialogue across the organization, helping employees feel heard and supported while contributing to a more collaborative and engaged workplace.

The OEB also celebrates together. This can be seen through our commitment to recognizing important observances throughout the year, executive-hosted socials, networking opportunities for student interns, activities supporting the annual Power of Giving charitable campaign, and meaningful observances like Black History Month, Pride and Orange Shirt Day.

Recognizing both individual and collective achievements is also a powerful driver of our success. We are proud to recognize those among us who show excellence in their work and contribute their time and energy to enable the OEB's culture. Their contributions further reflect our ongoing commitment to promoting psychological safety and mental health in the workplace. Building on our Champions Awards program, the OEB Top Contributors Award recognizes employees who have made a remarkable impact on the organization and its culture by going beyond the requirements of their day-to-day jobs. This fiscal year, the OEB also introduced the Cyber Security Steward Program to reinforce our shared accountability for cyber security. The program recognizes employees' outstanding leadership in protecting our digital environment.

Workforce Plan

The OEB's workforce plan was based on the September 27, 2025, hiring freeze across provincial agencies, boards and commissions. At that time, the OEB's FTE cap was set at 225 FTEs. The OEB operated within this cap for the remainder of the fiscal year.

	FY 2023/24	FY 2024/25	FY 2025/26
Business Plan Approved Permanent FTEs	228	228	260
Treasury Board Secretariat Permanent FTE Cap	N/A	N/A	225
Total Permanent Headcount on March 31¹	208	225	213
Chief Executives as of March 31²	3	3	2

¹Total Headcount: Active permanent employees, including executives and excluding Commissioners, contract employees and students.

²Chief executives include Chief Executive Officer, Chief Operating Officer and Chief Corporate Services Officer.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE FRAMEWORK

Our commitment to Environmental, Social and Governance (ESG) remains strong, particularly in ways that advance our role in supporting Ontario's clean-energy future. Our dedication to DEI is at our core, demonstrated through our inclusive workplace practices, the diverse perspectives represented within our teams, and the equity-informed approaches we embed across our policies, programs and decision-making.

We are proud of the strong governance practices upheld by our Board of Directors, whose leadership and oversight continue to reinforce accountability, transparency and public confidence in the OEB's work as Ontario's independent energy regulator. Through strong Board oversight and management accountability, ESG considerations are not addressed in isolation, but are coherently embedded across our operations, risk management and performance oversight, supporting principled, transparent and trusted regulation.

FINANCIAL PERFORMANCE

The OEB operates under a full cost recovery funding model, whereby its expenses and expenditures are recovered from payors and subclasses of payors in accordance with the OEB Act.

The following section provides an overview of the OEB's cost recovery financial performance by cost category.

A. Section 26: Operating expenses and capital expenditures for the fiscal year.

Section 26 costs comprise total operating expenses and capital expenditures incurred during the fiscal year, net of other funding sources, primarily section 12.1 licence fees. These costs exclude amounts recoverable under sections 30, 79.2 and 112.5 of the OEB Act.

For the fiscal year, the OEB's section 26 expenditures were below the approved budget of \$70.3 million, resulting in an underspend of \$10.4 million (14.8 per cent). The variance was primarily attributable to lower-than-planned staffing and related costs following the Ontario government's implementation of a hiring freeze across provincial agencies, boards and commissions.

To reflect lower spending and ensure fairness to regulated entities, the OEB shifted to a forecast-based revenue requirement, reducing assessments to \$63 million mid-year from the \$70.3 million approved budget. Year-end results reflect continued prudent financial management and ongoing efforts to align expenditures with organizational priorities while maintaining effective delivery of the OEB's regulatory mandate.

B. Section 30: Costs incurred in relation to specific proceedings and consultation expenses.

Section 30 costs, which relate to regulatory process expenses associated with specific proceedings and consultations, were \$2.9 million below the approved budget of \$6.9 million, representing a variance of 42 per cent. The spending of specific proceedings and consultation expenses can vary from year to year.

C. Section 79.2, along with Ontario Regulation 14/18 made under the Act, enables the OEB to recover all expenses incurred and expenditures in administering the OESP directly from the province.

The OESP provides fixed credits based on a sliding scale to all eligible lower-income customers of electricity distributors and USMPs.

The section 79.2 costs incurred by the OEB to administer the OESP, develop and deliver the OESP system, and provide ongoing hosting, operation and maintenance, including managed business process services by a central service provider, totaled \$8 million.

D. Section 112.5: Administrative penalties assessed against regulated entities in conjunction with the OEB's compliance program.

The internally restricted net assets of \$1 million stem from revenues derived from administrative penalties assessed against individual market participants related to compliance actions and under section 112.5 of the Act. Revenue from administrative penalties related to the OEB's compliance program and any related interest revenue is internally restricted to support activities relating to consumer education, outreach and other public interest initiatives.

The program supports key initiatives aligned with the OEB's strategic priorities related to Indigenous engagement and innovation within the energy sector, as outlined below:

- \$0.7 million will be allocated to initiatives supporting Indigenous consultations and engagement, including activities related to the Innovation Sandbox Challenge 2.0, Indigenous community-focused programs and Indigenous scholarship initiatives. These investments are intended to strengthen relationships with Indigenous communities, support meaningful participation in the regulatory process, and advance equity and inclusion across the sector.
- \$0.3 million will be directed to the OEB's Innovation Sandbox Challenge, an initiative designed to encourage and support innovative solutions within the electricity sector. The program aims to foster collaboration, facilitate the adoption of emerging technologies and business models, and support modernization efforts that deliver value to consumers and the broader energy system.

REPORT ON REGULATORY COSTS

The OEB reports annually on the regulatory costs associated with oversight of Ontario's gas and electricity sectors.

The following two measures are identified:

1. Three-year rolling average of operating expenses per end-use customer
2. Three-year rolling average percentage change in operating expenses

The following chart shows the rolling three-year averages for each of these regulatory cost measures:

	OEB					
	2025/26		2024/25		2023/24	
Electric Customers ^a		5,546,728		5,508,226		5,459,984
Natural Gas Customers ^a		3,965,192		3,933,972		3,900,992
Measure #1: Operating Expense per Customer (\$yr/customer)	\$	7.81	\$	7.94	\$	6.92
3-Year Rolling Average	\$	7.55	\$	6.94	\$	6.11
Operating Expenses ^b	\$	74,278,208	\$	74,956,312	\$	64,731,455
Measure #2: Percentage Change in Operating Expenses		-0.90%		15.80%		17.34%
3-Year Rolling Average		10.74%		14.45%		10.75%

a) Source: Information reported to the OEB under RRR on June 3, 2026, for the year ending December 31, 2025. It includes draft data since some of the entities are either in the process of submitting or revising their submitted annual RRR data.

b) Source: OEB Financial Statements. The figure used is Total Expenses as reported in the Statement of Operations. Total expenses include OEB costs recoverable under the OEB Act, for Section 30 is \$3,956,497 in 2025/26; \$5,550,050 in 2024/25; and \$3,470,513 in 2023/24. For Section 79.2: \$8,020,703 in 2025/26; \$9,755,035 in 2024/25; and \$8,359,870 in 2023/24. Intervenor and stakeholder costs that regulated entities were ordered to pay are not a cost of the OEB and are therefore not included in total expenses.

Commentary

The OEB's operating expense per customer for 2025/26 was \$7.81, a decrease of \$0.13 from the previous year. This reduction was driven primarily by lower overall operating expenses, which declined by 0.9 per cent, combined with growth in the customer base, including a 0.8 per cent increase in natural gas customers and a 0.7 per cent increase in electricity customers. Of the \$7.81 operating expense per customer, \$0.84 relates to OESP costs.

COST AWARDS

Section 30 of the OEB Act, states that the OEB “may order a person to pay all or part of a person’s costs of participating in a proceeding before the OEB, a notice and comment process under section 45 or 70.2 or any other consultation process initiated by the OEB.” This may include costs of the OEB and stakeholders.

The OEB’s section 30 costs represent expenses incurred by the OEB in relation to specific proceedings or consultation processes (e.g., consulting services and court reporting) and are reflected in the OEB’s financial statements. Regulated entities are ordered to pay these expenses to the OEB for specific proceedings and consultation processes.

Stakeholder costs represent expenses that regulated entities are ordered to pay to intervenors in proceedings and to stakeholders in consultation processes. The eligibility for award of stakeholder costs is governed by the OEB’s Practice Direction on Cost Awards. These costs do not appear in the OEB’s financial statements.

The following outlines the cost award activity for the 2025/26 fiscal year:

Total 2025/26 Cost Award Activity	
OEB’s costs recoverable under section 30	
– natural gas proceedings	\$ 1,014,681
– electricity proceedings	\$ 2,941,816
Total OEB’s section 30 costs	\$ 3,956,497
Stakeholder costs recovered through section 30 cost awards for consultation processes initiated by the OEB	
– natural gas proceedings	\$ 274,691
– electricity proceedings	\$ 799,272
Intervenor costs recovered through section 30 cost awards for proceedings initiated by applicants	
– natural gas proceedings	\$ 2,019,823
– electricity proceedings	\$ 665,457
Total stakeholder and intervenor costs	\$ 3,759,243
Total 2025 /26 Cost Award Activity	\$ 7,715,740

RISK AND RISK MANAGEMENT

Enterprise Risk Management

The OEB maintained a robust approach to risk management in support of effectively delivering on its mandate and strategic priorities for FY 2025/26. Building on prior progress, the OEB is focused on continuing to mature its Enterprise Risk Management (ERM) program by strengthening governance, enhancing risk integration across business functions and fostering a proactive risk-aware culture. Through the systematic identification, assessment and mitigation of risks, the OEB aims to not only safeguard its objectives but also leverage emerging risks as opportunities to drive organizational resilience and continuous improvement.

Consistent with the Agencies and Appointments Directive requirements, the OEB has established and continues to strengthen a structured ERM framework that includes the systematic identification and assessment of key risks, the development and monitoring of targeted mitigation strategies, and the maintenance of comprehensive risk documentation. The OEB provides regular reporting to MEM ensuring continued consistency with government expectations and supporting informed oversight.

Risk governance has been further formalized through clearly defined accountabilities at the executive and management levels. Regular, structured reporting to senior leadership and the Board has enhanced transparency, improved risk oversight, and ensured timely escalation and response to emerging risks.

Risk considerations are now systematically embedded into strategic planning, policy development, regulatory processes and operational decision-making. Enhanced collaboration across business functions has improved the identification of interdependencies, enabling a more comprehensive and co-ordinated response to enterprise-wide risks.

Key Operational Risks

The OEB reported three high-rated operational risks in FY 2025/26: Strategic Agility, Recruitment, Development and Talent Retention, and Performance and Compensation.

To address talent-related risks, the OEB sought targeted approvals for critical roles, strengthened workforce planning and built a talent pipeline through early-career programs. Retention efforts include compensation reviews and collective bargaining, supported by expanded learning and development opportunities, and external reviews to strengthen recruitment and retention practices.

The Performance and Compensation risk was also reflective of ongoing resource constraints and the continuation of the executive compensation freeze. These factors continue to affect

the OEB's ability to attract and retain talent and to keep pace with increasing workload demands, despite ongoing work on compensation and organizational design.

Collectively, these measures are intended to ensure the OEB can continue to deliver on its mandate while maintaining organizational resilience and workforce sustainability within government-imposed staffing constraints.

FINANCIAL STATEMENTS

MARCH 31, 2026

Management's Responsibility for Financial Information

Management of Ontario Energy Board is responsible for the integrity, consistency, objectivity and reliability of the financial statements. These financial statements were prepared in accordance with Canadian public sector accounting standards, and management has exercised its judgement and made best estimates where appropriate, particularly when the transactions affecting the current accounting period cannot be finalized with certainty until future periods. Estimates and assumptions are based on historical experience, current conditions and various other assumptions believed to be reasonable in the circumstances.

Management is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the financial records are relevant, reliable and accurate, and that assets are properly accounted for and safeguarded. The system includes formal policies and procedures, and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities.

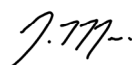
The Board of Directors oversees management's responsibilities for financial reporting through a Finance and Risk Committee, which is composed entirely of independent directors. This Committee reviews our financial statements and recommends them to the Board for approval. The Committee is also responsible for reviewing our internal controls and advising the directors on auditing matters and financial reporting issues.

The Office of the Auditor General of Ontario, appointed by the Board, has audited the financial statements in accordance with Canadian generally accepted auditing standards, as stated in their Independent Auditor's Report. The Office of the Auditor General of Ontario has full and unrestricted access to the Committee to discuss their audit and related findings.



Carolyn Calwell

Chief Executive Officer
June 18, 2026



John Moon

Director, Finance & Corporate Operations
June 18, 2026

INDEPENDENT AUDITOR'S REPORT

To the Ontario Energy Board

Opinion

I have audited the financial statements of the Ontario Energy Board (OEB), which comprise the statement of financial position as at March 31, 2026 and the statements of operations, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the OEB as at March 31, 2026, and the results of its operations, changes in its net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the OEB in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the OEB's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the OEB either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the OEB's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OEB's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the OEB's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the OEB to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Toronto, Ontario
June 18, 2026

Jeremy Blair, CPA, CA, LPA
Assistant Auditor General

STATEMENT OF FINANCIAL POSITION

As of March 31, 2026

	MARCH 31 2026	MARCH 31 2025
ASSETS		
Current assets:		
Cash	\$ 15,746,695	\$ 9,348,231
Accounts receivable (note 3)	1,827,408	2,963,316
Prepaid expenses	1,342,417	1,044,896
Total current assets	\$ 18,916,520	\$ 13,356,443
Non-current assets:		
Capital assets (note 4)	\$ 2,487,915	\$ 3,536,964
Total non-current assets	2,487,915	3,536,964
TOTAL ASSETS	\$ 21,404,435	\$ 16,893,407
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 12,927,524	\$ 9,889,488
TOTAL LIABILITIES	\$ 12,927,524	\$ 9,889,488
NET ASSETS		
Internally restricted – administrative penalties fund	\$ 1,039,059	\$ 1,913,253
Unrestricted	7,437,852	5,090,666
TOTAL NET ASSETS	\$ 8,476,911	\$ 7,003,919
TOTAL LIABILITIES AND NET ASSETS	\$ 21,404,435	\$ 16,893,407

The accompanying notes are an integral part of these financial statements.



Geoff Owen

Chair of the OEB Board of Directors

STATEMENT OF OPERATIONS

For the Year Ended March 31, 2026

	MARCH 31 2026	MARCH 31 2025
REVENUES		
General cost recovery	\$ 63,000,000	\$ 56,158,416
Regulatory process costs – (note 7 and 8(b)) Ontario Electricity Support Program	8,020,703	9,755,035
Regulatory process costs – proceedings and consultation	3,731,985	5,718,748
Licence fees and annual registration fees	425,400	436,200
Interest income	321,148	453,128
Miscellaneous income	158,001	233,600
Administrative penalties and interest	93,963	280,943
TOTAL REVENUES	\$ 75,751,200	\$ 73,036,070
EXPENSES		
Salaries and benefits	\$ 45,532,461	\$ 42,860,716
Consulting and professional	8,878,069	10,145,997
Delivery and administration – (note 7 and 8(b)) – Ontario Electricity Support Program	8,020,703	9,755,035
Premises – (note 8(a))	4,392,099	4,305,913
Information technology	2,435,399	2,152,225
Office and administration	1,710,199	2,130,908
Amortization of capital assets	1,432,221	1,598,609
Publications, media and advertising	1,076,552	1,260,004
Meetings, training and travel	800,505	746,905
TOTAL EXPENSES	\$ 74,278,208	\$ 74,956,312
EXCESS/ (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 1,472,992	\$ (1,920,242)

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS

For the Year Ended March 31, 2026

	MARCH 31 2026		MARCH 31 2025	
	Internally restricted – administrative penalties fund	Unrestricted net assets	Total	Total
Net assets, beginning of the year	\$ 1,913,253	\$ 5,090,666	\$ 7,003,919	\$ 8,924,161
Excess/(deficiency) of revenues over expenses	(968,157)	2,441,149	1,472,992	(1,920,242)
Interfund transfer	93,963	(93,963)	-	-
NET ASSETS, end of the year	\$ 1,039,059	\$ 7,437,852	\$ 8,476,911	\$ 7,003,919

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2026

		MARCH 31 2026	MARCH 31 2025
Cash flows from operating activities			
Excess/(deficiency) of revenue over expenses	\$	1,472,992	\$ (1,920,242)
Adjustment for non-cash items:			
Amortization of capital assets	\$	1,432,221	\$ 1,598,609
Subtotal	\$	1,432,221	\$ 1,598,609
Changes in working capital items:			
Decrease in accounts receivable	\$	1,135,908	\$ 4,794,451
(Increase)/decrease in prepaid expenses		(297,521)	100,875
Increase/(decrease) in accounts payable and accrued liabilities		3,038,036	(2,497,941)
Subtotal	\$	3,876,423	\$ 2,397,385
Net cash from operating activities	\$	6,781,636	\$ 2,075,752
Cash flows from capital activities			
Acquisition of capital assets	\$	(383,172)	\$ (438,903)
Net cash flow used in capital activities	\$	(383,172)	\$ (438,903)
Net increase in cash	\$	6,398,464	\$ 1,636,849
Cash, beginning of the year		9,348,231	7,711,382
Cash, end of the year	\$	15,746,695	\$ 9,348,231

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2026

1. Nature of operations

The Ontario Energy Board (the "OEB") is the regulator of Ontario's natural gas and electricity industries, and provides independent adjudicative decision making. The OEB also deals with energy matters referred by the Minister of Energy and Mines and the Minister of Natural Resources.

Pursuant to the *Ontario Energy Board Act, 1998* (the "OEB Act"), the OEB was continued as a corporation without share capital, empowered to fully recover its costs from natural gas and electricity industry participants.

As an agent of His Majesty in right of Ontario, the OEB is exempt from federal and provincial income taxes under the *Income Tax Act*.

2. Significant accounting policies

a) Basis of financial statement preparation

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards, which constitutes generally accepted accounting principles for government not-for-profit organizations in Canada. The OEB has elected to use the standards for government not-for-profit organizations that include sections PS 4200 to PS 4270. The significant accounting policies are summarized below.

The net assets of the OEB are presented and accounted for as follows:

- Unrestricted net assets – includes the cumulative net assets of operating revenue over expenditure.
- Internally restricted – administrative penalties fund represents penalties assessed against individual market participants under section 112.5 of the OEB Act, including any interest earned. Any use of the internally restricted funds must be approved by the Board of Directors.

b) Revenue recognition

General cost recovery

The OEB has the legislative authority under section 26 of the OEB Act to recover all expenses incurred and expenditures made by the OEB in the exercise of any power or duties under the Act or any other Act. Under the OEB Act, every person or organization

2. Significant accounting policies (continued)

cost assessed by the OEB shall pay the amount on the assessment. Accordingly, the OEB recognizes revenue when it obligates a person or organization to pay a cost assessment, which it does by invoicing them on a quarterly basis. The amount recognized is net of any amount that the OEB does not expect to be able to obtain from payors.

Regulatory process cost — Ontario Electricity Support Program (OESP)

Section 79.2 of the OEB Act, together with Ontario Regulation 14/18 made under the OEB Act, enables the OEB to recover all expenses incurred and expenditures made by the OEB in the administration of the OESP from the Province. The OEB recognizes regulatory process cost — OESP when the related costs are incurred.

Regulatory process cost — proceeding and consultation

Under section 30 of the OEB Act, the OEB may order a person to pay all or part of a person's costs of participating in a proceeding before the Board, a notice and comment process under section 45 or 70.2 of the OEB Act or any other consultation process initiated by the Board. The OEB recognizes revenue when the OEB issues a cost award decision to a person or organization to pay OEB's costs. The amount recognized is net of any amounts that the OEB does not expect to be able to obtain from payors.

Administrative penalties

The OEB has legislative authority under section 112.5 of the OEB Act to order a person to pay an administrative monetary penalty if it is satisfied that a person has contravened an enforceable provision, as defined in the OEB Act. Revenue is recognized when the OEB has issued an order requiring payment of a fine or penalty and the earlier of the following events have occurred: a voluntary compliance is filed; the date to appeal the order expires; or all rights of appeal are exhausted, and the order becomes final. The revenue recognized is the amount of cash received or receivable.

Revenues from administrative penalties are internally restricted to support activities relating to consumer education, outreach and other activities in the public interest.

Licence and annual registration fees

The OEB issues a variety of licences, including distribution, transmission, generation, storage, retailer, wholesaler, unit sub-metering, gas marketer. The OEB recognizes licence fees when the OEB receives payment for licence application from the applicant.

A licensee must pay an annual registration fee for every year of its licence. The annual registration fee is recognized when the OEB issues an invoice for the licensee to pay, net of any amounts that the OEB does not expect to be able to obtain from the payor.

c) Financial instruments

Financial assets and financial liabilities are recognized on the statement of financial position when the OEB becomes a party to the contractual provisions of the instrument. The OEB derecognizes a financial asset when the contractual rights to the cash flows are settled.

2. Significant accounting policies (continued)

The OEB derecognizes a financial liability or part of a financial liability when the obligation specified in the contract is discharged or cancelled or expires.

The OEB's financial instruments are cash, accounts receivable, and accounts payable and accrued liabilities. All financial instruments are assigned to one of the two measurement categories at initial recognition: fair value, or cost/amortized cost.

- Cash is measured at fair value at initial recognition and subsequently measured at amortized cost, which approximates fair value since cash is subject to an insignificant risk of change in value; and
- Accounts receivable, accounts payable and accrued liabilities are recorded at fair value at initial recognition and are subsequently measured at amortized cost.

All financial assets are tested annually for impairment. In the event there are impairments of financial assets, the losses are recorded in the statement of operations.

d) Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization is calculated on a straight-line basis over the estimated useful lives of the assets, beginning in the fiscal year following the acquisition, as follows:

Office furniture and equipment	5 - 10 years
Computer software	3 or 5 years
Computer equipment	3 or 5 years
Audio visual equipment	3 years
Leasehold improvements	1 - 6 years

e) Operating lease

Lease of a capital asset in which the lessor does not transfer substantially all the benefits and risks incident to ownership of the tangible capital asset to the lease is accounted for as an operating lease. The OEB recognizes lease expenses on a straight-line basis over the lease term.

f) Employee pension plans

The OEB is a participating employer in the Public Service Pension Plan (PSPP), which is a multi-employer defined benefit pension plan for employees of the Province and many provincial agencies. The Province of Ontario, which is the sole sponsor of the PSPP, determines the OEB's annual payments to the Plan. Since the OEB is not a sponsor of the pension plan, gains and losses arising from statutory actuarial funding valuations are not assets or obligations of the OEB, as the sponsor is responsible for ensuring that the pension plan is financially viable. The OEB recognizes an expense equal to the amount of required contributions provided for employees' services rendered during the period. Any outstanding contributions are recognized as a liability in the statement of financial position.

2. Significant accounting policies (continued)

g) Measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, the disclosure of contingent liabilities, as well as the reported amounts of revenues and expenses during the reporting period. Accrued liabilities are recorded based on management's best estimates of obligations existing at the reporting date. These estimates involve judgment and are subject to uncertainty regarding the timing and amount of future cash outflows. Accordingly, actual results may differ from the amounts accrued. Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. By their nature, estimates are subject to measurement uncertainty, which exists in these financial statements. Therefore, actual results may differ materially from the estimates.

3. Accounts Receivable

		2026		2025
Due from Province of Ontario/agencies (See note 10)	\$	708,232	\$	943,538
HST receivable		651,169		664,611
Trade receivable		426,314		1,324,773
Interest receivable		38,946		33,594
Due from Government of Canada		6,747		-
Subtotal	\$	1,831,408	\$	2,966,516
Less allowance for doubtful accounts	\$	4,000	\$	3,200
Total accounts receivable	\$	1,827,408	\$	2,963,316

4. Capital Assets

		Cost	Accumulated amortization	Net book value 2026
Office furniture and equipment	\$	2,461,392	\$ 2,337,916	\$ 123,476
Computer equipment		2,915,597	2,656,408	259,189
Computer software		13,774,221	11,797,587	1,976,634
Audio visual equipment		413,745	319,516	94,229
Leasehold improvements		5,485,935	5,451,548	34,387
Total capital assets	\$	25,050,890	\$ 22,562,975	\$ 2,487,915

		Cost	Accumulated amortization	Net book value 2025
Office furniture and equipment	\$	2,432,802	\$ 2,289,937	\$ 142,865
Computer equipment		2,874,553	2,533,040	341,513
Computer software		13,624,611	10,732,476	2,892,135
Audio visual equipment		367,141	286,884	80,257
Leasehold improvements		5,485,935	5,405,741	80,194
Total capital assets	\$	24,785,042	\$ 21,248,078	\$ 3,536,964

5. Accounts payable and accrued liabilities

	2026	2025
Payroll and benefits accruals	\$ 8,136,691	\$ 7,002,164
Accounts payable and accruals	4,790,833	2,887,324
Total accounts payable and accrued liabilities	\$ 12,927,524	\$ 9,889,488

Payroll and benefits accruals include salaries, vacation and other employee benefits. Accounts payable relate largely to normal business transactions with third-party vendors and subject to standard provincial government payment terms. Operational expense accruals relate to goods or services received but that have not been paid.

6. Employee Future Benefits

a) Pension plans

The OEB provides pension benefits for all of its full-time employees through its participation in the Public Service Pension Plan (PSPP), which is a multi-employer defined benefit pension plan that is solely sponsored by the Province of Ontario. The pension benefit formula is based on a member's best five-year average salary and length of service. Pension benefits are indexed to changes in the Consumer Price Index to provide protection against inflation. PSPP benefits are funded by contributions from participating employers, employees, the Province, as well as investment earnings. Plan members normally contribute 7.4 to 11.9 per cent of their salaries to the plan and participating employers match these contributions. There were no significant changes to the plan during the period.

The OEB's contribution to the PSPP for FY 2025/26 was \$2,979,424 (2025 - \$2,796,618) and is included in salaries and benefits costs on the statement of operations.

b) Other employee future benefits

The OEB is not responsible for the cost of employee post-retirement and non-pension benefits. These costs are the responsibility of the Province of Ontario, a related party.

7. Ontario Electricity Support Program

The OEB administers the Ontario Electricity Support Program (OESP) in accordance with section 79.2 of the *Ontario Energy Board Act, 1998* and Ontario Regulation 14/18. OESP provides fixed credits (determined by a sliding scale) to all eligible lower income customers of electricity distributors and Unit Sub-Meter Providers (USMP). This regulation outlines

7. Ontario Electricity Support Program (continued)

the eligibility criteria, definitions and administrative responsibilities related to the program, including the role of the OEB in overseeing its implementation.

The OEB incurs OESP delivery and administration costs in respect to its responsibility for the program. The OEB entered into an agreement with a Central Service Provider (CSP) to provide managed services to administer the OESP. The OEB recovers these costs from the IESO and they are recorded in regulator process costs – OESP on the statement of operations. The IESO also recovers its costs from the Ministry of Finance.

The fixed credits applied by electricity distributors and USMPs on electricity bills are not costs of the OEB and are not included in these financial statements.

8. Contractual obligations

a) Office space

During the FY 2024/25, the OEB extended the office space lease for two years, starting January 1, 2025. The original lease agreement was entered into on September 2, 2004. The OEB does not receive substantially all of the benefits of ownership, and therefore the office and storage spaces meet the classification of an operating lease. The cumulative annual payments for each of the next two years are as follows:

2027 – 9 months	\$	1,417,611
Total	\$	1,417,611

The OEB is committed to pay its proportionate share of realty taxes and operating expenses for the premises, which amounted to \$2,260,864 during FY 2025/26 (2025 - \$2,213,555).

b) Ontario Electricity Support Program

The OEB entered into an agreement with a CSP to provide the ongoing hosting, operation and maintenance of the OESP system, including the managed business process services to support it. The initial term of the agreement is five years, expiring in April 2028 and renewable at the option of the OEB for an additional three years.

The costs committed for the balance are as follows:

2027	\$	6,639,993
2028		6,987,207
Total	\$	13,627,200

9. Financial instrument and risk management

a) Interest rate risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The OEB is not exposed to interest rate risk as the OEB does not hold any interest-bearing financial assets or liabilities, with the exception of cash held at a financial institution.

b) Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The OEB's exposure to currency risk is minimal as few transactions are in currencies other than Canadian dollars.

c) Credit risk

Credit risk is the risk of financial loss to the OEB if a counterparty to a financial instrument fails to meet its contractual obligations. The OEB is exposed to credit risk relating to cash and accounts receivable. The credit risk associated with cash is low as the OEB holds cash with chartered financial institutions in Canada. However, the credit risk with accounts receivable is considered minimal due to historical collection rates.

There have been no changes to the risks as we continue to monitor the health of the accounts receivable on a weekly and monthly basis.

The accounts receivable aging is summarized below:

2026						
	Carrying amount	0-30 Days	31-60 Days	61-90 Days	91-180 Days	>180 Days
Accounts receivable	\$ 1,827,408	\$ 1,798,024	\$ 13,044	\$ 2,175	\$ -	\$ 14,165
Total accounts receivable	\$ 1,827,408	\$ 1,798,024	\$ 13,044	\$ 2,175	\$ -	\$ 14,165

2025						
	Carrying amount	0-30 Days	31-60 Days	61-90 Days	91-180 Days	>180 Days
Accounts receivable	\$ 2,963,316	\$ 2,768,044	\$ 66,245	\$ 83,069	\$ 2,084	\$ 43,874
Total accounts receivable	\$ 2,963,316	\$ 2,768,044	\$ 66,245	\$ 83,069	\$ 2,084	\$ 43,874

9. Financial instrument and risk management (continued)

d) Liquidity risk

Liquidity risk is the risk that the OEB will not be able to meet its cash flow obligations as they fall due. The OEB's exposure to liquidity risk is minimal as the OEB has a sufficient cash balance and accounts receivable to settle all current liabilities. The OEB operates on a cost recovery basis in accordance with section 26 of the *Ontario Energy Board Act, 1998*, which authorizes the organization to assess prescribed persons or classes of persons for all costs incurred and expenditures made in the administration of its statutory mandate.

To support this funding model and its capacity to discharge liabilities as they become due, the OEB has established formal budgeting, cost assessment and liquidity management processes. On an annual basis, the OEB prepares and obtains approval for its operating and capital budget, which forms the basis for determining recoverable costs. These costs are allocated to regulated payor classes using an established and consistently applied cost allocation methodology and are assessed on a quarterly basis, thereby providing a stable and predictable stream of cash inflows.

Management performs ongoing monitoring of cash flows, assessment collections, and budget-to-actual and forecast-to-actual variances. These activities support adherence to approved financial plans and enable timely identification and management of liquidity risks. Collectively, these policies, controls, and monitoring practices are designed to ensure that sufficient financial resources are available to meet obligations as they come due and to support the OEB's ability to continue funding its operations and settling its liabilities in the normal course of operations. As of March 31, 2026, the OEB had a cash balance of \$15,746,695 (2025 - \$9,348,231) and accounts receivable balance of \$1,827,408 (2025 - \$2,963,316) to settle current liabilities of \$12,927,524 (2025 - \$9,889,488).

10. Related party transactions

The Province of Ontario is a related party as it is the controlling entity of the OEB. All related party transactions have been recorded at their exchange amounts, which is the amount of consideration established and agreed to by the related party.

Under the *Ontario Energy Board Act, 1998*, the OEB recovers its costs from various regulated entities.

Related party transactions for general cost recovery and regulatory process costs revenues on the statement of operations are as follows:

- Independent Electricity System Operator (IESO) - \$2,784,846 (2025 - \$2,397,274)
- Hydro One Inc. - \$14,339,878 (2025 - \$12,596,495)
- Ontario Power Generation (OPG) - \$2,175,111 (2025 - \$2,041,418)
- Ontario Electricity Financial Corporation (OEFC) - \$800 (2025 - \$800)

10. Related party transactions (continued)

The OEB has entered into transactions with other related parties as follows:

- The Ministry of Public and Business Service Delivery and Procurement recovered data communication and records storage services of \$29,029 (2025 - \$6,274), which are included in information technology expenses and office and administration expenses on the statement of operations.
- Infrastructure Ontario provided realty and leasing services of \$21,527 (2025 - \$11,281), which are included in consulting and professional expenses on the statement of operations.
- The OEB entered into an agreement with the IESO on a joint study. The IESO recovered consulting services of \$54,375 (2025 - \$17,500), which are included in consulting and professional expenses on the statement of operations.
- The OEB contributed to the IESO First Nations Energy Symposium and sponsored \$10,000 (2025 - \$5,000), which is included in publishing, media and advertising expense on the statement of operations.
- Accounts receivable on the statement of financial position comprised of \$708,232 (2025 - \$943,538) in due from Province of Ontario and relates to OESP's ongoing operating cost, which will be recovered from the Ministry (through IESO). OESP is disclosed in note 7.

Related party transactions pertaining to employee future benefits are disclosed in note 6.

11. Contingent liabilities

Contingencies refer to possible legal claims that have been made against the OEB, the ultimate outcome of which cannot be predicted with certainty. Management does not expect that the outcome of the claims against the OEB will have a material and adverse effect on its financial results and does not believe any provisions for losses are necessary at this time. Any settlements will be accounted for at the time of settlement.

BOARD OF DIRECTORS

The OEB's Board of Directors provides oversight for the organization's goals, objectives and strategic direction, and ensures alignment with LODs and priorities of government.

Appointees and Compensation

Membership as of March 31, 2026

NAME	FIRST APPOINTED	MOST RECENT APPOINTMENT TERM	TOTAL REMUNERATION ¹	BOARD MEETING ATTENDANCE ²
Geoff Owen (Chair)	Sept. 2, 2021	Jul. 31, 2025 – Jul. 30, 2026	\$104,865	5
Frederic A. Waks (Vice Chair) ³	Apr. 17, 2025	Apr. 16, 2026 – Apr. 15, 2028	\$15,300	5
David Butters	Apr. 17, 2025	Apr. 17, 2026 – Apr. 16, 2028	\$15,810	5
Cheryl Fort	Sept. 4, 2025	Sept. 4, 2025 – Sept. 3, 2027	\$9,690	4
Michael Liebrock	Sept. 18, 2025	Sept. 18, 2025 – Sept. 17, 2027	\$10,710	3

Departing Directors - April 1, 2025, to March 31, 2026

NAME	FIRST APPOINTED	MOST RECENT APPOINTMENT TERM	TOTAL REMUNERATION ⁴	BOARD MEETING ATTENDANCE ⁵
Curtis G. Allen	Aug. 12, 2021	Aug. 12, 2023 – Aug. 11, 2025	\$6,630	1
Carla Carmichael	Dec. 16, 2023	Dec. 16, 2023 – Dec. 15, 2025	\$12,240	4
Marika Hare	Aug. 12, 2021	Aug. 12, 2023 – Aug. 11, 2025	\$5,610	1
Marie C. Oswald	Oct. 1, 2020	Oct. 1, 2022 – Sept. 30, 2025	\$11,730	2
Mark White ⁶	June 13, 2024	June 13, 2024 – June 12, 2026	\$15,000	0

¹ Total remuneration for the period April 1, 2025, through March 31, 2026.

² Board meeting attendance varies dependent upon appointment date and/or Order in Council (OIC) expiry.

³ Frederic A. Waks, Vice Chair as of April 16, 2026.

⁴ Total remuneration for the period April 1, 2025, through March 31, 2026.

⁵ Board meeting attendance varies dependent upon appointment date and/or OIC expiry.

⁶ Mark White, Past Chair, resigned April 24, 2025.

Committee Chairs (as of March 31, 2026)

ADJUDICATION COMMITTEE	FINANCE AND RISK COMMITTEE	GOVERNANCE AND HUMAN RESOURCE COMMITTEE
David Butters	Michael Liebrock	Geoff Owen

The Board of Directors and Red Tape Reduction

Under the Board’s oversight, the OEB met its March 2026 red tape reduction target of five per cent ahead of schedule. As mentioned earlier in this report, the OEB delivered measurable reductions in regulatory burden while maintaining support for evolving policy needs. In total, the OEB surpassed its March 2026 target by achieving a 5.2 per cent overall reduction in RCRs, supported by streamlined filing and reporting expectations for both distributors and Ontario Power Generation.

Looking ahead, the Board of Directors will continue to provide strategic guidance and oversight to streamline regulatory processes while remaining responsive to emerging priorities. The OEB remains committed to supporting a regulatory environment that enables timely, cost-effective infrastructure development, aligned with Ontario’s evolving energy needs and growth objectives.

APPENDIX A – ENTERPRISE SCORECARD CRITERIA

		[1] NOT PERFORMING 0 – 34.5 – 69	[2] PARTIALLY EFFECTIVE 70 – 74.5 – 79	[3] EFFECTIVE 80 – 84.5 – 89	[4] EXCEPTIONAL 90 – 95 – 100
Driving Strategic Goals	Are Strategic and Business Plans advanced?	No	Partially	Yes	Beyond expectations
Efficiency	Are productivity and value for money increased?	No	Partially	Yes	Beyond expectations
Effectiveness	Do the results meet the expectations?	No	Partially	Yes	Beyond expectations
Leadership and Exemplary Performance	Do other teams look at this as an example?	No	Partially	Yes	Beyond expectations

CONTACT US

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