

Ontario Energy Board: Electricity Oversight and Consumer Protection

I'd like to talk to you about our audit of the **Ontario Energy Board** and its role in **Electricity Oversight and Consumer Protection**.

The Ontario Energy Board, also known as the OEB, plays an important role in protecting consumers' access to adequate, reliable and quality electricity services at just and reasonable rates.

The electricity system costs Ontarians over \$20 billion dollars annually, including the costs to generate and deliver electricity to consumers, and to build and maintain the infrastructure.

Most Ontario households spend between \$600 dollars and \$1,700 dollars on electricity annually.

An average of over 20,000 disconnections happened every year from 2017 to 2021 because households were unable to pay their electricity bills.

Effective planning and oversight of the electricity sector is important to ensure that Ontarians have access to affordable and reliable electricity services as Ontario's electricity sector heads into a challenging period with changes.

After having a surplus of electricity supply for over a decade, a potential shortfall in supply is anticipated as early as 2025.

Our audit assessed whether the Ontario Energy Board is effective at informing consumers and protecting their interests on prices and the adequacy, reliability and quality of electricity services.

Our audit found that the OEB's ability to protect consumer interests is somewhat constrained because it has no authority over a third of the charges on electricity bills, and it does not have the authority to oversee the province's long-term energy planning process.

We also noted that the OEB has no oversight on fees charged and electricity disconnected by Unit Sub-Meter Providers, which provide meters to many condo and other multi-unit buildings.

While the OEB has banned the disconnection of residential customers during winter months for local electricity distribution companies, Unit Sub-Meter Providers are not subject to this prohibition.

Our audit also highlighted that:

- the effectiveness of low-income subsidy programs is not sufficiently evaluated to determine if they are successfully targeting those who need the assistance most; and that,
- none of the Long-Term Energy Plans issued by the Ministry of Energy in 2010, 2013 and 2017 were subject to OEB's review to ensure they were financially prudent.

Our report contains 12 recommendations, including that the Ministry of Energy recognize and assign the OEB with a role in long-term energy planning that reflects the OEB's role and expertise as the regulator of the energy sector, including protecting consumer interests.

We also recommended that the OEB:

- perform analysis immediately to develop and implement options to improve price protection and transparency for Unit Sub-Meter Provider customers;
- develop performance metrics and targets to evaluate the effectiveness of low-income and emergency assistance programs; and
- re-organize and update its website to provide customers with clearer information regarding the OEB complaint process.

To read this report, you can visit our website at www.auditor.on.ca