



News Release

For Immediate Release

November 30, 2022

Ontario Energy Board's Consumer Protection Role Limited by Gaps in Authority: Auditor General

(Toronto) Although its mandate is to protect consumer interests, the Ontario Energy Board's (OEB's) ability to protect consumers is limited by its lack of authority to review and regulate more than a third of the charges on an average residential electricity bill, says Auditor General Bonnie Lysyk in her *2022 Annual Report* tabled in the Legislature today.

“Our audit found that the OEB's ability to oversee that Ontarians have access to affordably priced, adequate, reliable and quality electricity is limited because the OEB has no authority over a third of the charges on an average residential bill which come about from past negotiated contracts,” said Lysyk.

The OEB has no authority over electricity rates negotiated in past contracts with electricity producers. As well, while the OEB regulates rates for local electricity providers, it has no control over fees charged by Unit Sub-Meter Providers (USMPs), companies that provide metering and billing services for multi-unit buildings, such as condominiums. These companies aren't subject to the winter disconnection ban. About one third of all electricity-related complaints to the OEB in 2021 were about USMPs.

The audit also found that the province's tax-based subsidy programs, created to lower electricity bills, have lessened the financial burden on electricity ratepayers through subsidies from Ontario taxpayers, not by reducing costs.

The audit also looked at the lack of long-term energy planning for Ontario. A Long-term Energy Plan has not been released in Ontario since 2017. After having a surplus of electricity supply for over a decade, potential shortfalls are forecast to begin as early as 2025. Comprehensive long-term energy planning is essential to ensure the province has an adequate, affordable supply, but the OEB has no oversight authority to ensure the Ministry of Energy does this important work.

“With no authority to provide input or oversight of the province's long-term energy planning process, it is difficult for the OEB to protect consumer interests,” said Lysyk. “Given the challenging period the electricity sector is approaching in Ontario, filling this gap will be critically important.”

The audit report contains 12 recommendations for improvement.

-30-

For more information, please contact:

Bonnie Lysyk

Auditor General (647) 267-9263

Read the report at www.auditor.on.ca

 @OntarioAuditor

The Office of the Auditor General is an independent Office of the Legislative Assembly that conducts value-for-money and financial audits of the provincial government, its ministries and agencies. We also audit organizations in the broader public sector that receive provincial funding. Our vision is to deliver exceptional value and assurance to members of the Legislative Assembly, the Standing Committee on Public Accounts, and all Ontarians through high-quality work that promotes accountability, value for money and effective governance in the Ontario public sector.



Office of the Auditor General of Ontario
Bureau de la vérificatrice générale de l'Ontario