

TERMS OF REFERENCE

Advisory Committee on Innovation

Background

In 2016, the OEB embarked on a process to evaluate whether and how best to adapt our regulation in order to keep pace with an evolving sector. The result was the preparation and publication of the OEB's *Strategic Blueprint: Keeping Pace with an Evolving Energy Sector* (Strategic Blueprint). Released in late 2017, the document specifically acknowledges the changes in technology occurring in the sector and sets out strategic objectives for the OEB to respond to that transformation.

An overarching theme of the 2017 Long Term Energy Plan, released on October 26, 2017, is adapting to change in the energy sector and harnessing value for consumers. Similar to some of the changes observed in the Blueprint, a directive to the OEB issued pursuant to the government's LTEP requires the OEB to examine and identify a number of priorities, including work to advance cost-effective grid modernization, to facilitate the deployment of distributed energy resources, and to support a culture of innovation.

The OEB believes that it would benefit from guidance and input from a broad range of stakeholders in the course of work to identify and develop specific regulatory actions in support of sector innovation and transformation.

Purpose

The OEB is convening an Advisory Committee on Innovation (Committee), comprising members with a diverse range of skills and experience, to assist the OEB in sharpening its focus on enhancing efficiency, cost effectiveness, innovation and value for electricity customers. The Committee will focus on identifying actions that a regulator can take that will support and enable cost effective innovation, grid modernization, and consumer choice to help inform regulatory policy development.

It will assist the OEB by:

- Providing insight into what is inhibiting cost effective innovation today;
- Providing advice on potential regulatory approaches, initiatives and other actions that should be considered;
- Participating in prioritizing and sequencing of action;

- Helping scope the work needed to take action; and
- Advising on additional opportunities that arise as work to take action is carried out.

The Committee will provide its recommendations directly to the Chair of the OEB. Recommendations will be used by the Chair to inform the development of regulatory policy and practices in accordance with established practices of the OEB.

The Committee will not advise on the role and structure of the regulator, or on potential changes to legislation or regulations. All recommendations made by the Committee will fall within the OEB's authority and jurisdiction as currently defined in the *Ontario Energy Board Act, 1998* and other relevant statutory instruments.

Executive Accountability

Rosemarie Leclair, Chair and CEO will have executive accountability and ownership of the Committee.

An external chair will be appointed to work with the Committee.

The Chief Operating Officer will ensure appropriate allocation of staff resources to support the work of the committee.

Composition

The Advisory Committee on Innovation will comprise representation from regulated utilities, technology innovators, energy industry experts, the financial community, and consumer interests. The Chair of the Committee will work with the Chair of the OEB to determine its composition. Alternates will not be able to attend meetings of the Committee.

Term

The term of the Committee is estimated to be for an initial period of approximately 12 months, with the bulk of the work anticipated to be completed by the fall of 2018.

Duties of Committee Chair

- Work with and on behalf of the OEB and designated OEB staff to establish the Committee;
- Work with designated OEB staff to develop meeting schedules and agendas;

- Assist in the development of preparatory materials in advance of the Committee meetings;
- Moderate the Committee meetings – guiding, supporting, and advancing collaborative discussion.

Duties of Committee Members

- Review all meeting materials prior to each meeting, giving thought to any questions that may be posed in the materials to ensure a productive dialogue;
- Actively engage in Committee discussions and provide thoughtful, constructive advice;
- Attend all meetings in person.

Meetings

It is anticipated that there will be 8 – 10 half day meetings of the Committee. Written notes from each meeting held will be prepared and shared with meeting participants. Meetings will be held under the Chatham House Rule¹.

Participant Costs

The OEB will reimburse Committee members only for travel costs (in accordance with the government's Business Travel, Meals and Hospitality Expense Directive) in respect of in-person meetings.

<https://www.ontario.ca/document/travel-meal-and-hospitality-expenses-directive>

¹ When a meeting is held under the Chatham House Rule, participants are free to use the information received, but neither the identity, nor the affiliation of the speaker(s), nor that of any participant, may be revealed.