



Electrical
Safety
Authority



APRIL 2019 — MARCH 2020

Business Plan



Vision:

An Ontario where people can live, work and play safe from electrical harm.

Mission:

To improve electrical safety for the well-being of the people of Ontario.

Mandate:

To promote and undertake activities which enhance public electrical safety including training, inspection, authorization, investigation, registration, enforcement, audit, and other regulatory and non-regulatory public electric safety quality assurance services.

– ESA Objects of Corporation, 1999

Values:

Safety

We can and will make Ontario a safer place for all citizens.

Accountability

We hold ourselves to the highest standards of responsibility and ethical behaviour.

Leadership

We will always strive to do better, challenge assumptions, and welcome new ideas.

Collaboration

We work best when we work together.

Integrity and Trust

We will take the high road.

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Introduction

INTRODUCTION

Role

The Electrical Safety Authority (ESA) is mandated by the Government of Ontario to enhance public electrical safety in the province. We are both a safety regulator and an advocate.

Our powers and duties derive from [The Electricity Act](#) and [The Safety and Consumer Statutes Administration Act](#) including responsibility for four regulations:

- [The Ontario Electrical Safety Code \(Regulation 164/99\)](#) which defines how electrical work will be done;
- [Licensing of Electrical Contractors and Master Electricians \(Regulation 570/05\)](#) which sets requirements for those doing electrical work;
- [Electrical Distribution Safety \(Regulation 22/04\)](#) which defines safety accountabilities for Ontario's Licensed Distribution Companies (LDCs); and
- [Electrical Product Safety \(Regulation 438/07\)](#) which addresses approval of electrical products before their sale, and response to unsafe industrial and commercial products in the marketplace.

ESA's primary activities are: identifying and targeting leading causes of electrical safety risk; ensuring compliance with regulations; promoting awareness, education and training; and collaborating with stakeholders to improve the state of electrical safety in Ontario.

ESA is a private, not-for-profit corporation headquartered in Mississauga, Ontario with staff deployed across the province.

Relationship to Government

ESA is an administrative authority of the Government of Ontario. We are mandated to administer its designated legislation and regulation with the purpose of public safety, consumer protection, and advancing the principle of a fair, safe and informed marketplace which supports a competitive economy.

The Ministry of Government and Consumer Services retains responsibility for legislation and regulations. ESA is responsible for ensuring legislation and regulations are implemented and enforced.

The roles and obligations of ESA and the Ministry are detailed in an [Administrative Agreement](#).

Scope of Powers & Responsibilities

ESA's mandate is detailed in the corporation's Letters Patent. The objects or purposes are stated as:

- to promote and undertake activities which enhance public electrical safety including:
 - » training;
 - » inspection;
 - » authorization;
 - » investigation;
 - » registration;
 - » enforcement;
 - » audit; and
 - » other public electrical safety quality assurance services;

- to act in any capacity under all legislation and regulations designated and delegated to the [Corporation under the Safety and Consumers Statutes Administration Act, 1996, S.O. 1996, C.19](#) as amended from time to time and any other legislation or regulations under which responsibilities are delegated to the Corporation in the future;
- to inform, educate and work with industry, government and the public;
- to promote and undertake activities which enhance the competitiveness of the Ontario and the Canadian economy;
- to promote and undertake activities that encourage the harmonization of electric safety standards and compliance practices; and
- to encourage industry to responsibly enhance electric safety.

The objects establish a broad scope of tools which can be applied to enhance electrical safety, ranging from inspection to training and registration and others. In addition, ESA has the ability to use other “safety quality assurance services” which gives the organization significant flexibility. These can include non-regulatory services providing ESA meets requirements in its Administrative Agreement with government (see page 16)

The Letters Patent also oblige ESA to:

- work collaboratively with industry, government and the public;
- support competitiveness;
- support harmonized standards and practices; and
- ultimately encourage industry to take accountability for the improvement of electrical safety.

HARM REDUCTION STRATEGY 2.0

ESA's [Harm Reduction Strategy 2.0](#) is in its final year and ESA is currently in the process of developing the next five-year strategy. The Harm Reduction Strategy 2.0 defines the organization's priorities and approach to fulfill its mandate from 2015 – 2020. The full strategy is available at esasafe.com.

The following are its key elements.

Our Approach

ESA will use its insights, expertise and passion for safety to achieve our vision of an Ontario where people can live, work and play safe from electrical harm.

We recognize that achieving electrical safety requires both safe environments and safe behaviours.

Where we can make a meaningful positive impact on safety, ESA will act directly. Where we need others to act, we will be a catalyst to encourage them to do so. We will act as part of Ontario's safety system.

ESA will:

- foster accountability among the public and industry for their own electrical safety and those they impact;
- apply risk-based approaches; that is, applying the greatest effort to areas of greatest potential harm. To do that, we will have a thorough understanding of the causes of electrical injuries, deaths and fires in Ontario;
- judiciously apply the range of tools and resources at our disposal — training, inspection, authorization, investigation, registration, enforcement, audit, and other services —to achieve maximum positive impact on safety;
- use regulation where needed and where the benefit of regulation outweighs the cost;
- earn and retain the trust and confidence of our stakeholders;
- be fiscally responsible; and
- act with the public benefit foremost in mind.

SAFETY	COMPLIANCE	PUBLIC ACCOUNTABILITY
ESA will seek to improve the state of electrical safety in Ontario by accelerating the reduction in the combined rate of electrical fatalities and critical injuries over five years.	ESA will seek to increase the rate of compliance with electrical safety regulations, where required.	ESA will ensure stakeholders recognize us as an effective, publicly accountable organization.

Strategic Goals

The [Harm Reduction Strategy 2.0](#) has three strategic goals: safety, compliance, and public accountability.

GOAL: SAFETY

ESA will seek to improve the state of electrical safety in Ontario by accelerating the reduction in the combined rate of electrical fatalities and critical injuries over five years.

The milestone measure is to achieve a 20 per cent decrease in the combined rate of electrical fatalities and critical injuries (based on the five-year rolling average) between 2015 and 2020.

The target reduction is based on the baseline of the 2014 combined fatality and critical injury rate: a decrease from 87 to 70 per million population based on the five-year rolling average.

Electrical fatalities are tracked using data from the Coroner's Office, the Office of the Fire Marshal and Emergency Management.

Critical injuries are measured based on Canadian Institute for Health Information (CIHI) data for injuries classified as Levels I-III on the Canadian Triage and Acuity Scale (CTAS) in Ontario's emergency departments (ERs.) Levels I-III cover urgent, emergent and resuscitative conditions. The CTAS is a reliable and consistent scale of injury severity. As the CTAS information is captured in ERs, it includes occupational and non-occupational injuries.

While ESA uses the combined fatality and critical injuries rate as its top-line key safety measure, we continue to review and report individual fatality, critical injury, injury, and fire rates, and other safety data so as to ensure we monitor the nuances of change. ESA compiles and reports key findings annually in the Ontario Electrical Safety Report.

Strategy to Improve Safety:

UNDERSTAND

We will continually improve ESA's understanding of:

- the nature and causes of electrical safety events
- our ability to anticipate and intercept emerging risks.

This requires collecting, analyzing and reporting safety incident data, and reviewing events to understand how they could have been prevented.

It also means staying abreast of new technologies and other developments in the marketplace and other jurisdictions that may have implications in Ontario.

PRIORITIZE

To best serve the cause of safety, ESA needs to focus its efforts and that of stakeholders where the safety need is greatest.

Based on analysis of where electrical safety incidents are currently occurring, ESA's five-year strategy defines three areas of safety priority:

- Members of the public and construction trades making contact with powerlines;
- Electrical workers working on energized equipment — “working live” — while doing repair and maintenance; and
- Electrical fires in homes.

While reviewing patterns of fatalities and critical injury changes in 2015 – 2016, ESA identified an emerging fourth cluster of events:

- Electrical injuries to children in the home. Eleven per cent of emergency department visits for non-occupational electrical injuries are burns and injuries to children, mainly suffered in the home. Each year, an average of 110 children visit ER's in Ontario for electrical injuries.

COLLABORATE

ESA will share our insights and learnings internally and externally. We will work with stakeholders and collaborate to address safety risks. Through education and awareness activities, we will help Ontarians recognize safety hazards and how to avoid them.

GOAL: COMPLIANCE

ESA will seek to increase the rate of compliance with electrical safety regulations, where required.

ESA is the regulatory authority for four electrical safety regulations:

- [The Ontario Electrical Safety Code \(OESC\) \(Regulation 164/99\)](#) which defines how electrical work will be done;
- [Licensing of Electrical Contractors and Master Electricians \(Regulation 570/05\)](#) which sets requirements for those doing electrical work;
- [Electrical Distribution Safety \(Regulation 22/04\)](#) which defines safety accountabilities for Ontario's Local Distribution Companies (LDCs); and
- [Electrical Product Safety \(Regulation 438/07\)](#) which addresses approval of electrical products before their sale, and response to unsafe industrial and commercial products in the marketplace.

We have set our top compliance priority as adherence to the Ontario Electrical Safety Code and contractor licensing regulations for residential, commercial and industrial renovations because evidence indicates that this is the area where the underground economy is most active.

Our five-year goal for compliance improvement is to increase the amount of renovation wiring work being captured by ESA by 7.5 per cent over five years. Progress is assessed based on data collected in wiring notifications. By the end of fiscal year FY2018, ESA achieved a 6.5 per cent increase, 87 per cent of the five-year target.

Improvement in compliance is measured via individual wiring work items within renovation-related notifications/permits processed by ESA.

A 7.5 per cent increase would mark a significant improvement in non-compliant work coming into the system, and major progress toward tracking the underground economy.

ESA must achieve a higher compliance rate without creating a proportional burden on those already in compliance. This will require ESA to continue to improve efficiency and apply risk-based management principles.

Strategy to Improve Compliance:

TARGET

For each regulation, ESA targets the highest priority areas of non-compliance within its regulatory responsibilities and generates measurable improvements where needed.

KNOW

ESA measures awareness of regulatory obligations among our key stakeholders and delivers targeted programs to improve understanding and compliance.

IMPROVE

ESA assesses the most frequently used compliance processes and executes programs to make them more clear and easier to use for stakeholders.

MOTIVATE

We apply a range of tools including incentives to encourage compliance and disincentives to discourage non-compliance.

GOAL: PUBLIC ACCOUNTABILITY

ESA will ensure stakeholders recognize us as an effective, publicly accountable organization.

Overall performance is tracked via multi-stakeholder accountability perception research every two years.

Baseline research conducted in 2015 showed a strong, positive perception of ESA performance with a score of 7.9 out of 10 and no critical weaknesses were identified. In 2017, results remained strong with notable increases in performance over 2015 among contractor and local utility stakeholders. ESA is committed to maintaining positive stakeholder perceptions of ESA's accountability performance as we execute the five-year strategy.

Strategy to Ensure Accountability:

MONITOR

ESA will execute regular stakeholder research to monitor perceptions and identify areas to target improvements.

LEAD

ESA will be at the forefront of regulatory best practices.

CONTROL

As a key element of our accountability requirements, ESA will maintain financial sustainability and deliver public value.

PERFORM

We will have robust internal accountability policies and practices to ensure responsible, transparent and fair behaviour in keeping with our Regulatory Governance Principles.

ENGAGE

We will effectively communicate with the stakeholder community about our priorities and activities.

Summary

Successfully executing against these three goals will mean that by 2020 Ontario is a safer place to live and work, more individuals and companies will operate inside the electrical

safety compliance system — including many that had not done so before, and ESA will be seen as an effective, responsive and accountable steward of its mandate which delivers excellent value to the people of the province.

Business Plan

2019/20



ENVIRONMENTAL CONTEXT

While ESA's strategic plan defines our priorities for a five-year period, we monitor developments in the marketplace, technology, regulation and government policy, and other factors that could create opportunity or risk to achieving our strategy.

Environmental scanning efforts are ongoing and receive particular focus in the annual Board and executive strategic planning session, executive and senior management team meetings, staff planning sessions, and via our enterprise risk management system.

Key external factors that are expected to impact ESA and its mission in the years ahead include:

- **Increasing urbanization** arising from strong growth in the population of Ontario, resulting in a greater potential concentration of harms in Ontario's urban centres and higher density living environments;
- **Fundamental changes to the electricity system structure**, in particular, installation of generation, distribution, storage and demand management technology on the customer side of the meter, which is typically under the scope of the Ontario Electrical Safety Code and ESA's regulatory oversight;
- The **changing legal environment** will likely lead to an increase in marijuana cultivation in the future (both for commercial and personal use), increasing the number of legitimate electrical installations and potentially increasing the number of underground economy installations;
- **Data and Analytics** are an area of focus with data driven operations, utilizing artificial intelligence (AI) to understand the nature of the harm, increasing public demand for digital services and sharing of data between regulators and public, which results in the need to ensure we have appropriate quality, accuracy and data security;
- As **Canada's immigrant population continues to grow**, ESA will need to ensure safety information is conveyed in languages beyond English and French with the ultimate goal of preventing harms to a growing immigrant population in Ontario;
- **With the increasing popularity and use of smart technology** such as electric vehicles, smart homes, micro-grids etc. there is a need for an increased understanding of how they may cause electrical harms;
- **International trade changes** may lead to an increase in new foreign products which require testing;
- **Retail shopping habits shift** from purchasing from brick and mortar stores to online retailers make it difficult for ESA to confirm compliance or seek enforcement with product approval requirements;
- **Renovations are on the rise** as home improvements are often more affordable than a move in the current housing market. As renovations increase, so do electrical installations and the corresponding risk of electrical harms;
- **Aging Infrastructures** and improperly maintained electrical systems continue to pose fire and electrical shock risk; and

- **Reducing the administrative and financial burden on businesses** is a key priority of the Provincial Government;

The major implication for ESA of these developments is the changing legal, political and social landscape, and the work and installations that require oversight.

We must continually develop our technical expertise and ensure we have capacity to manage a broadening scope and complexity of electrical installations; hence the evolution to a more risk-based approach for inspections.

At the same time, we are required to meet public expectations as a responsive regulator providing good customer service, effective education, awareness building, and timely support with emerging smart technology.

2019/20 PRIORITIES

To progress against our five-year strategic goals, ESA has established the following priorities for the 2019/20 fiscal year.

1. Risk-based Oversight (RBO)

ESA's top priority for this year is increasing the effectiveness and efficiency of one of its core regulatory processes — administration of the Ontario Electrical Safety Code — by implementing a risk-based approach.

This multi-year project will allow ESA to continue to enhance electrical safety by dedicating greater effort on higher risk electrical wiring work and increasing compliance activities while maintaining resources at similar levels.

By implementing [Risk-based Oversight \(RBO\)](#), ESA's inspection responses will better reflect the relative risk of wiring installations. As the volume and nature of electrical work in Ontario continues to grow and change, RBO will achieve sustained safety oversight using a constant level of resources.

The RBO project is now in the final year of the three-year development plan. In 2018, critical project milestones were met in the Risk-based Oversight design and IT systems design and development. ESA's RBO team also continued with significant change management efforts internally and held province-wide external stakeholder engagement town halls to raise awareness and gather input.

Stakeholder outreach and consultations will continue in 2019 in order to address emerging issues including the updated fee guide.

RBO is tracking to go live in early 2020. The RBO project continues to require a more dedicated work effort to bring it to successful completion and additional resources are dedicated to this key corporate project.

- » **Objective:** RBO to go live in early 2020, with continued employee and stakeholder engagement.

2. Compliance

ESA works to ensure it has sufficient effort and attention focused on targeting underground economy activity. The underground economy creates significant risk to personal safety and property as a result of unsafe electrical work conducted by unqualified and unauthorized installers.

In 2017, ESA implemented the Commercial Renovation Investigation Program on a rotating basis throughout the province, beginning with Durham Region and the Ottawa area. In FY2019, two years into the initiative, ESA completed more than 500 investigations into suspected non-compliance to the Ontario Electrical Safety Code, focused on renovations in the commercial sector, conducted small pilots in the residential sector and initiated its discipline and enforcement processes to applicable cases.

- » **Objective:** ESA will continue to expand the current program under the name Renovation Inspection Program to build on progress achieved by the Commercial Renovation Investigation Program as well as introduce and roll out rotating pilots for the residential renovation sector in at least two regions.

3. Safety

ESA's mandate is to improve the state of electrical safety in Ontario. As noted on [page 5](#), the five-year objective is to achieve a 20 per cent decrease in the combined rate of electrical fatalities and critical injuries (based on the five-year rolling average) between 2015 and 2020.

ESA will continue to execute a combination of interventions, awareness and engagement strategies targeted at the priority safety harms detailed on [page 5](#).

- » **Objective:** ESA will measure and monitor our continuing progress toward the five-year 20 per cent fatalities and critical injury reduction goal.

4. Public Accountability

In the [Harm Reduction Strategy 2.0](#), ESA set the goal of maintaining positive stakeholder perceptions of ESA's accountability performance. In 2015, baseline stakeholder research demonstrated a strong, positive perception of ESA's performance. 2017 results were also strong with ESA's public accountability performance index improving to 8.2 out of 10, up from 7.9 in 2015. Research is conducted every two years to monitor performance and identify priorities for improvement.

A key driver of public accountability performance is the service and interaction dimension — that is, how stakeholders perceive their experience during interactions with ESA. This relates to both transactions (i.e. permit-taking and inspection processes) and information exchange (i.e. providing relevant details in a timely manner). ESA has scored well in its weekly transaction surveys of stakeholders, achieving a score of 8.4 out of 10 at the end of 2018.

ESA will continue to provide a positive customer experience in its interactions with stakeholders through its customer service centre and in its inspection activities.

Also, it is clear that ESA will need to effectively engage stakeholders in order to make progress on Risk-based Oversight. A stakeholder engagement plan, including town hall and online consultations with stakeholders was carried out as part of the Risk-based Oversight implementation program for the year.

- » **Objective:** ESA will maintain its FY2018 level of performance and continue to incorporate stakeholder engagement into the RBO project.

5. Financial Sustainability

As a not-for-profit corporation ESA's financial sustainability is an ongoing priority. Revenues are generated by licensing fees, fees for safety oversight services in regulated and non-regulated areas, and investment income. ESA receives no tax revenue and is expected to be financially self-sustaining.

ESA's financial outlook is updated annually to reflect changing financial circumstances and market conditions.

The 5 year projections on [page 22](#) reflect the impact of a recent downturn in capital markets in December 2018 and a recovery path to a financial break-even.

- » **Objective:** The benchmark measure of financial performance for the year is a budgeted deficiency from operations of no more than \$2.73 million (excluding net interest of the OPEB liability).

6. Operational Efficiency/ Effectiveness

ESA seeks continual improvement in our business processes to achieve efficiency and effectiveness. The Risk-based Oversight initiative will generate improvements over time. A key effectiveness/safety measure is how well we identify defects and ensure they are corrected in a timely manner.

We identify approximately 85,000 technical defects per year on a total volume of approximately 450,000 inspections.

- » **Objective:** Sustain efficiency and effectiveness by maintaining the FY2019 average technical defect correction ratio [the percentage of defects closed by 60 days from issuance].

ENABLING STRATEGIES

To ensure ESA has the organizational capabilities to achieve its strategic goals and annual objectives, and to fulfill our mandate and regulatory responsibilities, a number of enabling strategies are employed.

Business Processes

ESA is a complex organization with multiple areas of regulatory responsibility, and safety and compliance initiatives. Our operations and workforce encompass a wide range of specializations and includes a large field staff of inspectors across the province, head office functions and a customer service centre.

We seek continual improvement in our business processes to achieve efficiency and effectiveness. The Harm Reduction Strategy 2.0 states our five-year business process priorities: improving the electrical safety impact of our work; improving efficiencies within the business to ensure optimal use of resources and sufficient capacity available to meet our strategic goals; and customer service effectiveness. To this end, we have developed an integrated business planning process to prioritize and manage large projects.

People and Capacity Plan

The People and Capacity plan has three pillars:

Adaptability — A flexible workforce with the necessary capabilities and leadership skills required to deliver on ESA's mission beyond 2020;

Culture and Collaboration — An organization that functions as one aligned behind ESA's [Harm Reduction Strategy 2.0](#);

Sustainability — ESA is able to deliver on its mission and strategy in a cost-effective manner, thereby ensuring a strong and stable organization.

Given that ESA is a knowledge-based organization with the vast majority of employees directly engaging with customers and stakeholders, the first two pillars of the plan — Adaptability, and Culture and Collaboration — are critical in the effective functioning of ESA's efficient service delivery and ultimately key to the success and achievement of the Harm Reduction Strategy 2.0.

As more than 80 per cent of ESA's costs can be connected to people, a strong third pillar of Sustainability is imperative in order to ensure a cost-effective, stable environment.

Change Management Capacity

To support the organization in its transition to Risk-based Oversight, ESA has been increasing the change management capacity and expertise of its team. An internal Change Management Centre of Excellence was created drawing upon staff across multiple departments who have been certified in change management best practices.

Communications & Stakeholder Relations

Effective communications and stakeholder relations are important contributors to achieving the overall goals of the [Harm Reduction Strategy 2.0](#), the annual objectives of the Business Plan and ESA's continued progress with internal and external audiences.

- Improving awareness and favourable perceptions of ESA's role, strategy, vision, priorities and activities among key stakeholders. This is achieved through on-going stakeholder meetings, collaborations and communications efforts. Progress is measured through regular awareness research;
- Effective incorporation of stakeholder perspectives in ESA activities and initiatives. These are sought out through advisory councils, consultations and stakeholder research;
- Managing ESA's reputation through effective monitoring, anticipation and mitigation of potential risks, and participation in a corporate issues-management protocol and the enterprise risk management system;
- Building ESA brand awareness through multiple communications including traditional and social media platforms. Regular brand awareness research tracks progress:

In 2014, unaided brand awareness of ESA among the Ontario public was seven per cent. The improvement goal is to achieve 12 per cent by 2020; and

- Optimizing internal communications to build common understanding and foster collaboration.

IT Strategy

ESA's Information Technology (IT) function is accountable for effective and efficient use of information and information technology by ESA, its partners and stakeholders.

ESA's IT plan addresses the requirements of the Harm Reduction Strategy 2.0 and enables the organization to respond to new strategic challenges, now and in the future.

The IT plan aims to achieve 4 main outcomes:

- risk-based decision making;
- highly stable, secure and reliable systems;
- improved organizational efficiency; and
- and effective application development.

Enterprise Risk Management

ESA's enterprise risk management (ERM) system monitors strategic risk to the organization.

Risk is assessed continuously and assessment and mitigation efforts change as events and circumstances evolve.

ESA's ERM system features real-time reporting through a risk intelligence system which clearly defines monitoring and reporting responsibilities in various parts of the organization. It uses 52 tracking tools which roll up into 12 risk event segments. Those segments then fall into four major risk categories: financial, organizational, operational, and reputational.

Risks are assessed based on potential impact, likelihood, and our mitigation capacity.

The ERM system is used by management and the Board to identify and mitigate strategic risks on an ongoing basis.

Management of Non-Regulatory Business

ESA's Objects of Corporation allow the organization to operate non-regulatory services. In managing non-regulatory activities, ESA must do so in a manner that is consistent with our Objects of Corporation to promote electrical safety in Ontario and within the conditions of our Administrative Agreement with government.

The [Administrative Agreement](#) defines specific principles and requirements such as: commitment to core responsibilities and regulatory integrity, fair business practice, fair competition, and financial independence; and revenue and expenses for the non-regulatory lines of business must be reported separately in ESA's Annual Report.

Appendices



APPENDIX 1: ESA's Strategic Plan, Business Plan, Operating Plan & Annual Report

As a requirement under ESA's Administrative Agreement with government, ESA's [Strategic Plan, Business Plan and Annual Report](#) are its three major public reporting documents.

[The Strategic Plan — The Harm Reduction Strategy 2.0](#) — defines the major corporate goals for the five years 2015 – 2020 and the leading strategies which will be used to address them. It also includes the measures that ESA will use across the period to track progress [\(see page 4.\)](#)

As ESA enters the final year of the current plan, the leadership team has begun to lay the foundation for the 2020 – 2025 Strategic Plan.

The Strategic Plan is supported by this annual Business Plan which defines the various activities which will be implemented each year. It also addresses the essential corporate capabilities that are needed to fulfill everyday business needs as well as the goals of the strategic plan. The Business Plan is updated annually to reflect progress made and new insights generated.

ESA's Annual Report describes progress made in the prior year against the commitments of the Strategic Plan and Business Plan.

APPENDIX 2: Key Corporate Policies, Practices and Procedures

ESA continually reviews and renews its internal corporate policies, practices and procedures to comply with all legislative requirements.

ESA's Code of Conduct

ESA's [Code of Conduct \(Code\)](#) provides a framework within which all day-to-day activity takes place in alignment with ESA's mandate and values. The Code also provides ESA's Board of Directors and stakeholders with a concrete statement of standards of conduct against which ESA actions can be measured.

Complaints

ESA responds to complaints received from customers, stakeholders and the public.

Complaints are viewed as valuable opportunities to strengthen customer relationships. ESA provides information and encourages two-way communication at all levels to ensure it is continually improving service quality. Where possible, complaints are dealt with at the source. If a complainant is not satisfied at the initial stage, their complaint can be formalized and processed through two additional stages of resolution, ultimately resulting in a review and final response from the Chief Ethics Officer.

French Language Service

ESA responds to requests for French services as they arise throughout the year. The nature and level of French language services are delivered on an as-required basis to ensure ESA fulfills its public safety mandate.

Privacy

ESA is committed to maintaining the accuracy, security and privacy of personal information in accordance with the terms of its [Access and Privacy Code](#) required by the Administrative Agreement with the Government of Ontario and applicable privacy laws. ESA maintains a [Customer Privacy Policy](#) and has a Chief Privacy Officer who oversees policy and activity in this area. ESA collects personal information to support the delivery of services, understand individual needs, manage corporate operations, develop and enhance services, and meet legal and regulatory requirements.

Due to the importance of information exchange in maintaining public electrical safety, ESA discloses and disseminates records in accordance with the request for information processes set out in its Access and Privacy Code. The Access and Privacy Code provides a right of access to records in ESA's custody and control unless one of the specific exemptions identified in the Code applies.

Appeals Process

ESA is committed to providing individuals with the opportunity to request a review of orders or licensing decisions as they arise. In this regard, ESA established a fair and transparent appeals process to facilitate the right to appeal any orders or Directors' decisions. The appeals process, which can be reviewed at esasafe.com, defines specific steps and timelines to respond to an appeal pertaining to the Ontario Electrical Safety Code, licensing matters, electrical utility distribution and product safety.

Management of Non-Regulatory Business

ESA can engage in other activities in accordance with its [Administrative Agreement](#). Specifically, ESA has the ability to undertake non-regulatory business which is business, in addition to its statutory mandate.

ESA will only engage in non-regulatory business ventures that promote and enhance electrical safety within Canada and are consistent with the Objects in its Letters Patent unless prior approval by government has been obtained in accordance with our Administrative Agreement.

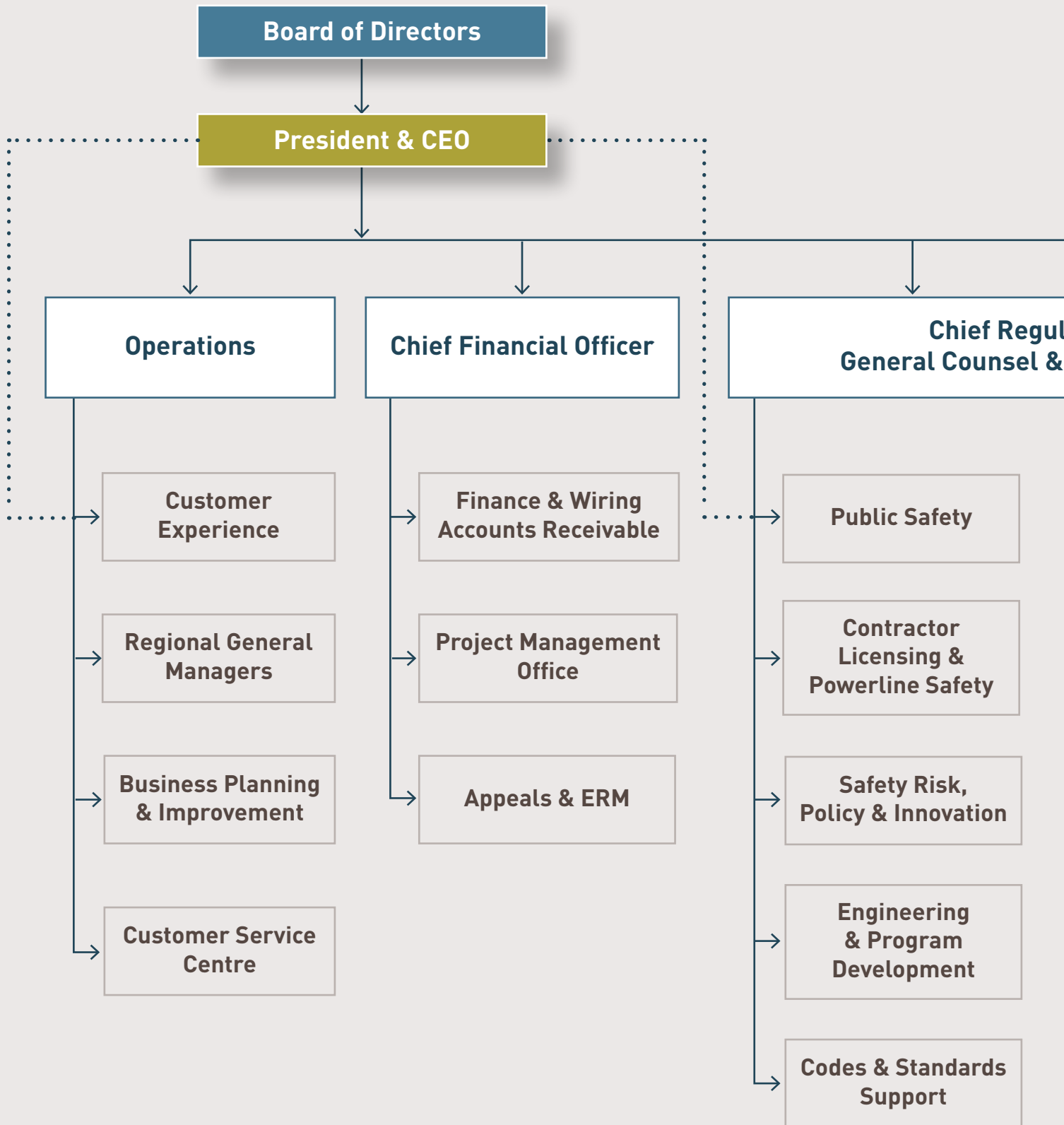
The [Administrative Agreement \(Schedule F\)](#) defines specific requirements and non-regulatory policy principles, such as commitment to core responsibilities and regulatory integrity, fair business practice, fair competition, and financial independence.

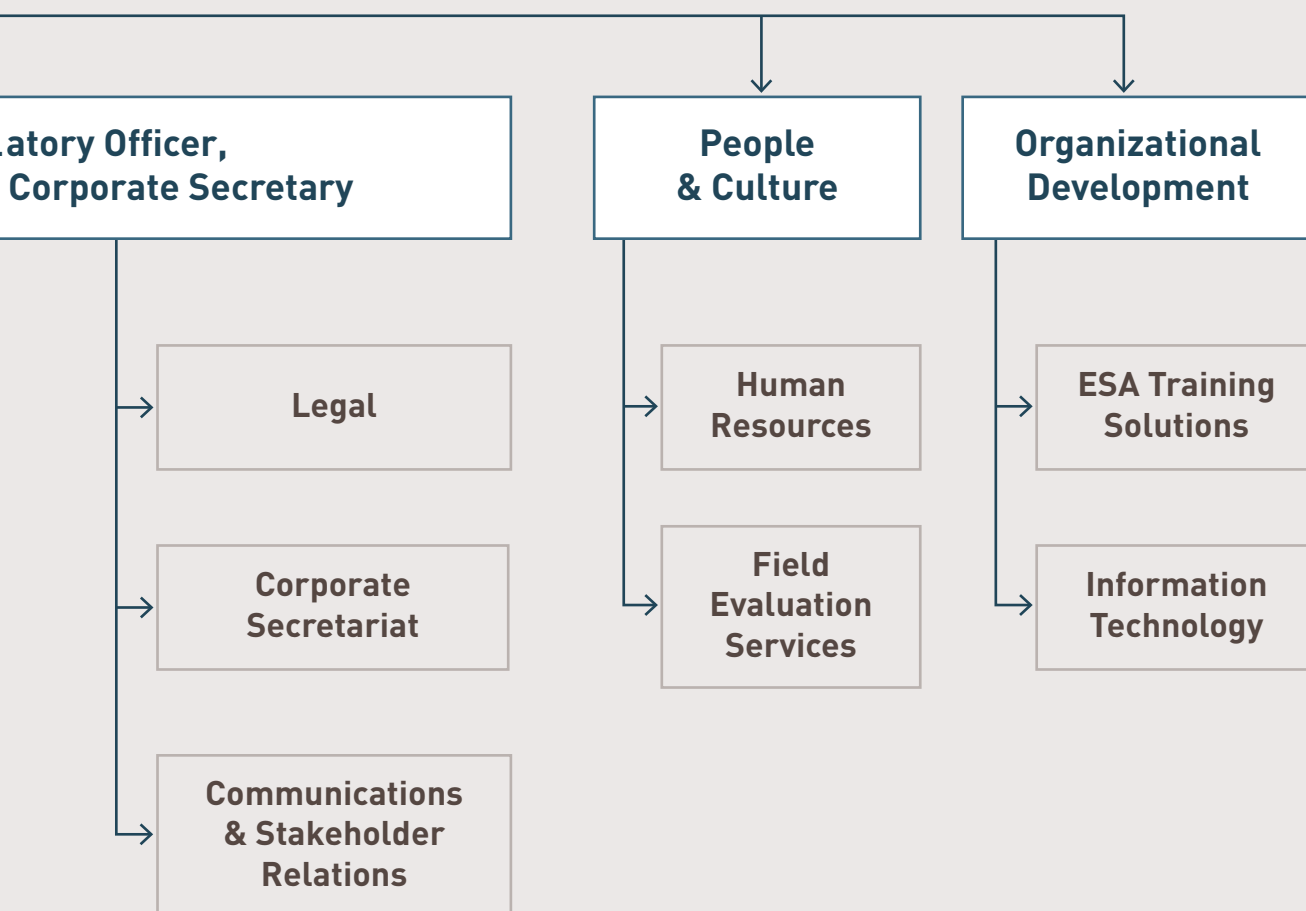
In addition, ESA has internal policies and processes it follows when engaging in non-regulatory business ventures in order to meet its obligations and compliance reporting requirements as established under the Administrative Agreement. Internal policies and procedures include: [Non-Regulatory Business Venture Policy](#), [Non-Regulatory Business – Conflict of Interest Policy](#), and [New Non-regulatory Business Ventures Procedure](#).

Other Information Available

More information can be found at esasafe.com including ESA's [annual reports](#), the [Ontario Electrical Safety Report](#), ESA's corporate policies and details about ESA's [stakeholder engagement](#) activities including advisory councils and consultations.

APPENDIX 3: Organizational Structure





APPENDIX 4: Five-Year Financial Outlook

The following is a financial outlook based on current forecasts of performance and external economic factors. This outlook is reviewed annually and updated as required. ESA establishes detailed operating budgets in advance of each fiscal year.

(\$000's)	<u>2020 Budget</u>	<u>2021 Projection</u>	<u>2022 Projection</u>	<u>2023 Projection</u>	<u>2024 Projection</u>
Revenue	115,056	117,632	121,072	123,829	127,103
Expenses	114,386	115,146	117,087	118,853	120,751
Surplus (deficiency) before depreciation	670	2,486	3,985	4,976	6,352
Depreciation	3,400	3,700	3,900	4,000	4,100
Surplus (deficiency) from operations	(2,730)	(1,214)	85	976	2,252
Other Income (loss)	4,362	4,257	4,449	4,649	4,858
OPEB-Interest Expense	(4,252)	(4,564)	(4,827)	(5,099)	(5,384)
Net Interest Expense ⁽¹⁾	110	(307)	(378)	(450)	(526)
Surplus/(deficiency) for the year	(2,620)	(1,521)	(293)	526	1,726

⁽¹⁾ Net of OPEB liability and interest




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