

Annual Report
2024/25

Safely Powering Tomorrow

A Five-Year Journey
Towards Modernization
(2020-2025)



Electrical
Safety
Authority

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Indigenous Reconciliation

ESA serves the whole Province of Ontario and acknowledges that its operations occur on traditional Indigenous territories throughout Ontario. We recognize that Indigenous peoples have inhabited and cared for this land for thousands of years, and we commit to taking steps to listen and to learn, to better understand our role as neighbours and partners, today and into the future.

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. – *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.

BY THE NUMBERS


COMMUNITY AND ENGAGEMENT

\$50,000 

in donations in support of the
Sunnybrook Ross Tilley Burn Centre

509,887 

Inbound calls to the
Customer Service Centre

2,254,282 

Pageviews for ESAsafe.com

20,158

Newsletter Subscribers

PLUGGED IN

89,796 

Visits to Contractor
Locator Tool on ESAsafe.com

266,636

Pageviews for Contractor
Locator Tool on ESAsafe.com

157

Annual Meeting
Attendees
(in-person/via Zoom)


587

Attendees at
Annual Licence
Holder Meeting

Followers / Subscribers



5,539
X


15,103
Facebook


863
Instagram


30K
LinkedIn


178
Pinterest


1,629
YouTube



INSPECTIONS

702,396

Customer Interactions at the
Customer Service Centre



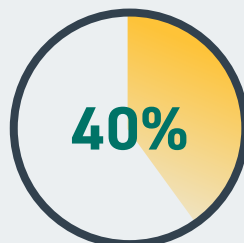
445,614

Wiring Notifications
Created



672,317

Wiring Requests for
Inspections Received



of Wiring Notifications
Received Online



4,772

Continuous Safety
Services Contracts



31,650

Continuous Safety
Services Sites



32,370

Remote Inspections

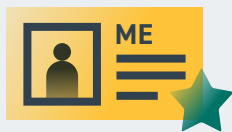
BY THE NUMBERS

LICENSING



New Electrical
Contractor Licences

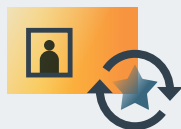
884



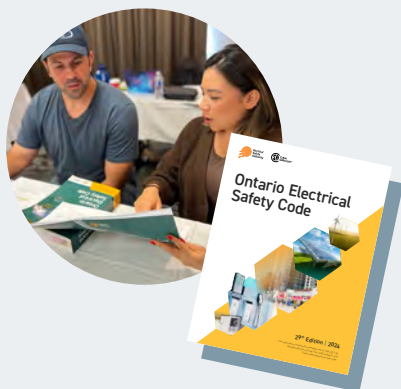
New Master
Electrician Licences

1,000

Licence
Renewals



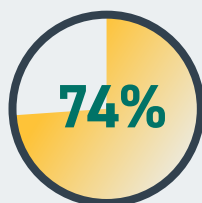
25,298



Individuals Who
Wrote ME Exam

1,344

ME Exam
Pass Rate



Compliance
Notifications Handled

769



Licences Suspended

208 Compliance
1,227 Administrative



Licences Revoked (Compliance)

71



Licensee Complaints Handled

1,616



Notice of Violations Issued

459



Licensing Investigations
Conducted

122

ENFORCEMENT

Prosecution



5

Matters
Commenced

39

Charges
Laid

98

Convictions



\$333,150

Total Value of
Fines Imposed

Administrative Penalties



105 Penalties
Issued

\$375,500

Total Value of the
Penalties Issued

MESSAGE FROM THE CHAIR

It is my honour to address you in my first Annual Report as Board Chair of the Electrical Safety Authority (ESA). This year marks the conclusion of our five-year strategic plan, *Safely Powering Tomorrow*, and I would like to express my sincere appreciation to all of my board chair predecessors who provided invaluable leadership and service to help deliver on our objectives.

This report reflects our achievements in Fiscal Year 2025, demonstrating our commitment to enhancing electrical safety across Ontario. Those successes include connecting with audiences through impactful messaging and data-driven strategies, improving our digital service offerings for licence holders and taking steps to green our fleet. We are also committed to Inclusion, Diversity, Equity and Accessibility (IDEA). It is a key priority for ESA that ensures a fair and equitable environment for all, while strengthening our ability to meet the complex challenges of an evolving energy landscape.

Another key area of focus has been advancing ESA's technological infrastructure. Several initiatives were either rolled out or optimized this past fiscal year. The ESA ON Mobile app for licence holders saw 18% growth in user adoption since first launching in March 2024. The eSAFE team went live with [MY eSAFE](#) — a self-serve portal that provides customers with 24/7 access to a suite of online product approval services. Our Plan Review Team experienced a marked increase in digital submissions, including plans for extremely complex installations. These technological enhancements, in alignment with our core mandate, are pivotal to ensuring ESA's future success.

As Ontario embraces increased electrification and rapid technological advancements, ESA's new five-year strategic plan, *Empowering Safety, Energizing Tomorrow*, will serve as our roadmap.

I am very proud of the Board's role overseeing its development and will ensure that ESA's strategy will be carried out with integrity, accountability and impact.

We recognize that successfully implementing that strategic vision will require robust governance and a committed team to deliver on these priorities. In partnership with leadership and the entire ESA team, we are determined to see this plan deliver results that inspires confidence in Ontario's electrification transformation. At ESA, our vision continues to be an Ontario where people can work, live and play safe from electrical harm, now and into the future. Our culture, strategy and employees are the cornerstones that ensure our actions align with this vision.

I want to personally thank Josie Erzetic, ESA's President and CEO, for her unwavering dedication to our mission. Josie's passion and tireless efforts in ensuring our safety messages resonate within the electricity sector and beyond have been inspirational and instrumental to our success. I also want to recognize the important contributions of the Board of Directors. Their thoughtful decision-making has been essential to guiding ESA's direction.

Finally, on behalf of the Board, I want to thank ESA's Executive Management Team, dedicated employees, as well as our external stakeholders and the Ministry of Public and Business Service Delivery and Procurement, for their commitment to improving electrical safety in the province.

Your collaborative efforts are essential to ensuring ESA remains the trusted voice of electrical safety in Ontario.

Sincerely,



Arjan Arenja
Chair



MESSAGE FROM THE CEO

The 2025 Annual Report not only provides an opportunity to reflect on the accomplishments of the past fiscal year, but it also marks the completion of our five-year strategic plan, *Safely Powering Tomorrow* – a transformative period that has irrevocably shaped the future of our organization.

Over the past five years, ESA has navigated one unprecedented change after another, from the far-reaching impacts of a global pandemic to rapid change in the electricity system in Ontario. Through it all, ESA's unwavering commitment to keep Ontarians safe from electrical harm has remained at the core of every decision made and action taken.

What has also remained unchanged during this transformative period is ESA's commitment to continuously evolve as a modern regulator and work with a value-added approach to our mission. For ESA, this has meant embracing innovation, adopting tools and processes that meaningfully reduce regulatory burden, and collaborating with our safety partners in new and purposeful ways to better serve our regulated communities, the public and the electrical sector at large.

To that end, I want to extend my sincere thanks to our Executive Management Team and all of our incredible ESA staff who have been instrumental in helping ESA realize the safety, compliance, operational and public accountability goals set out in our strategic plan. Without your actions, a strategic plan is just words on a page! I am also grateful to ESA's Chair and Board of Directors, along with the Ministry of Public and Business Service Delivery and Procurement, for their steadfast leadership and counsel, which have been vital to advancing our

safety goals. Though impossible to capture the full breadth of our accomplishments over the past five years in a single letter, I would like to spotlight a few key initiatives that demonstrate the strides ESA has taken towards becoming a responsive and agile regulator for the electrical sector:

ESA Prioritized Emerging Harms and New Technologies in the Ontario Electrical Safety Code

ESA ensured that amendments reflected our commitment to harmonize standards, while keeping pace with technological advancements and emerging risks.

ESA Continued to Invest in the Digitization of Services for Licence Holders

We launched ESA ON Mobile – our first app for licence holders – and introduced remote inspections. These tools reduce burden on licensed electrical contractors. They also allow our inspectors to prioritize higher-risk installations without compromising safety.

continued on next page →

MESSAGE FROM THE CEO

ESA Implemented New and Powerful Tools to Take on the Underground Economy

To reduce unsafe electrical installations in Ontario — along with the unlicensed contractors operating in the underground economy — ESA was given the authority to issue Administrative Penalty Orders (APOs) as a tool to motivate compliance.

ESA Expanded Collaboration with Safety Partners to Maximize Our Impact

To increase the reach and impact of our safety messaging, ESA prioritized working with other Administrative Authorities and organizations with like-minded safety missions. These include partners like Plug'n Drive Canada, Motor Vehicle Retailers of Ontario and the Ontario Motor Vehicles Industry Council to increase awareness of safe electric vehicle charging practices.

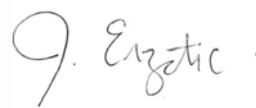
ESA Oversaw the Most Complex Installations in Canada

Whether helping connect remote northwest communities to the grid for the first time or inspecting plans for the electrification of public transit networks in Ontario, ESA has ensured safety and innovation go hand in hand at all stages of a project — from design right through to construction.

The latest chapter in ESA's history was marked by significant technological change. As we turn the page, the next chapter promises to be just as dynamic. Ontario's energy landscape is undergoing a major transformation. Electricity demand is expected to surge 75% by 2050. To meet that demand, the province will need to increase generation, bolster transmission capabilities and integrate new technologies to optimize sector efficiency and results. It will be ESA's job to ensure safety is at the forefront of all those decisions.

Launched in April 2025, our new five-year strategic plan — *Empowering Safety, Energizing Tomorrow* — is a roadmap for how ESA will adapt and lead during this time of change. Our four strategic pillars — increase electrical safety awareness, foster compliance, enhance collaboration and evolve service delivery — establish our priorities and set us up to function as a trusted leader and proactive partner in shaping a safer Ontario.

We look forward to working with our Board, staff, safety partners and regulated communities to drive that vision forward over the next five years.



Josie Erzetic
President and CEO



SAFETY GOAL



STRATEGIC GOAL

Further reducing electrical related harm.



TARGET

Achieve a 10% reduction in the combined rate of electrical fatalities and critical injuries (based on a five-year rolling average).



2024/2025 RESULTS

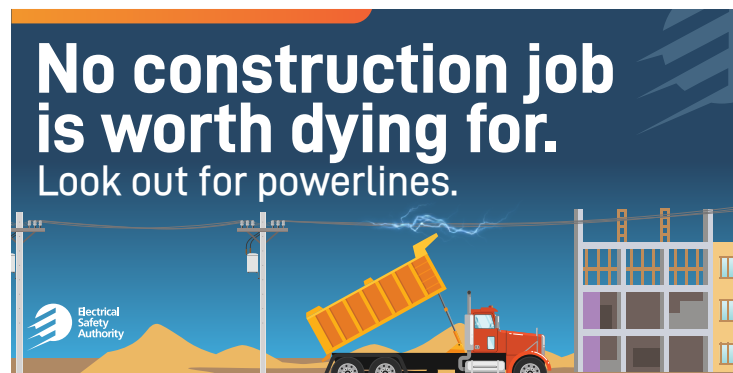
In FY2025, there was a 2.6% reduction in critical injuries and fatalities, surpassing the yearly goal of a 2% decrease.



PROGRESS AGAINST FIVE-YEAR STRATEGIC PLAN (2020-2025)

In 2020, Ontario experienced 75 fatalities and critical injuries per million people. ESA had an ambitious goal of a 10% reduction, which would bring the figure to 68 per million. Significant progress was made towards this goal, reducing the rate to 68.8 per million people, or an 8.3% reduction. ESA will continue to work to reduce critical injuries and fatalities through comprehensive programs and compliance initiatives.

Powerline Safety: Cutting Through the Noise to Save Lives

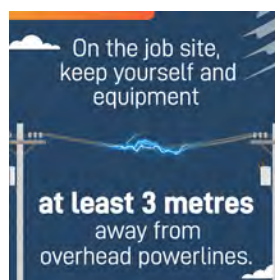


OUR CHALLENGE

Powerline contacts are the leading cause of electrical fatalities in Ontario. However, those most at risk for harm are unaware of safe distances — 3 metres for overhead, 10 metres for downed powerlines — or that downed powerlines can remain energized. To increase awareness of safe distances and educate Ontarians that you don't need to make direct contact with powerlines to receive a deadly shock, ESA knew it needed to reach the most at-risk audiences and make powerline safety feel relevant to their everyday lives.

THE INSIGHT

ESA data exposed several alarming trends in the province. Among them, two-thirds of electrical fatalities in Ontario involved males under 39. Additionally, construction workers made up 60% of all powerline contacts. Based on these insights, ESA strove to design an educational campaign reaching Ontarian(s): (1) working on jobsites in at-risk industries, including haulage, excavation, aerial lifting and landscaper/arborists; and (2) men aged 18-39 who encounter powerlines in their homes while doing repair maintenance and do-it-yourself activities.



SAFETY GOAL

OUR APPROACH

Launched during Powerline Safety Week in May 2024 — and live for the duration of peak construction and renovation season — ESA activated a multi-channel strategy integrating traditional media, digital media, as well as stakeholder-driven outreach. Our safety messaging hinged on a two-step approach for our target audiences: first, we created a connection through relatable scenarios (tree pruning, home maintenance), and then we combined it with clear, and actionable guidance (“Stay far. Stay safe.”).

From out-of-home billboards near construction sites, landfills, and fueling stations to storm-triggered digital ads, ESA reinforced powerline safety where and when it mattered most. ESA also developed customized materials for leading construction companies — including EllisDon and Aecon — to help educate field staff and health and safety employees who have a direct responsibility for the safety of workers on job sites.

THE RESULTS

ESA’s campaign cut through the noise, drove awareness and made powerline safety more memorable.



Number of outdoor workers in a post-campaign survey who knew to stay at least 3m away from overhead powerlines



Number of people in the general public in a post-campaign survey who knew to stay at least 10m away from downed powerlines

Reached 3M
Ontarians Males
(Aged 18-39)

Reached 400k+
Outdoor Workers

116M
Paid Impressions

1.6M
Earned Impressions

Did You Know ESA's Powerline Safety Campaign is Award-Winning?

The campaign took home the silver for *Canadian Marketing Communications Campaign of the Year* at the 2025 Canadian Public Relations Society National Awards of Excellence gala.

Watch our [video case summary](#) to learn more about how we cut through the noise to help save lives.



Shine Bright, But Stay Safe: ESA Holiday Safety Campaign Illuminates Electrical Hazards

OUR CHALLENGE

As the winter holiday season approaches each year, Ontarians joyfully deck their halls with festive decorations and purchase electrical products as gifts for loved ones. Amid the sparkle and cheer, many consumers remain unaware that unsafe electrical décor and products can lead to serious safety risks, including electric shocks and major fires. To address these safety concerns, ESA knew it needed to launch a campaign helping Ontarians make electrical safety a priority during the holiday season.

THE INSIGHT

A recent ESA survey found that nearly half (49%) of Ontarians planned to decorate for the holidays, yet nearly two-thirds (64%) did not check for a Canadian certification mark the last time they purchased electrical décor. ESA's Holiday Safety campaign would need to educate Ontarians about electrical safety during this critical period, reinforcing the message that electrical products without a recognized Canadian certification mark are not only unsafe, but illegal.



OUR APPROACH

From November to December 2024, ESA ran a fully integrated Holiday Safety campaign across traditional, digital and social channels that focused on two core messages:

- **Holiday Shopping:** Before purchasing electrical products, check for a recognized Canadian certification mark.
- **Tips for Holiday Decorating:** Take the necessary safety precautions when decorating with electrical lights and plug-in decorations.

Festive, eye-catching ads spotlighted certification marks for shoppers. The call to action? "Don't miss the marks. Be safe this holiday." To maximize the impact of our safety messages, digital ads targeted recent purchasers of electronics and holiday décor. Engaging social videos and expert tips powered our media outreach for decorating safely. One of the most effective elements of the campaign was a catchy "Jolly Holiday Jingle" that aired on the radio and Spotify to catch busy shoppers running holiday errands.

THE RESULTS

The Holiday Safety campaign successfully cut through the noise of the bustling holiday landscape:

31.2M Impressions

Across Social, Digital and
Earned Media

9.49M

Holiday Jingle
Listens

10K Visits

to ESAsafe.com/HolidaySafety
to Learn More

2.45M

Completed
Video Views



[Listen to the Jingle That Helped Keep Ontarians Safe!](#)

COMPLIANCE GOAL



STRATEGIC GOAL

Creating a regulatory environment that enables electrical safety.



TARGET

Conduct 1,000 investigations related to Electric Vehicle (EV) installations where the work was completed without an ESA permit.

Conduct over 1,075 on the spot education opportunities related to powerline safety, electrical worker safety, intervention or other face-to-face opportunities.



2024/2025 RESULTS

This fiscal year, ESA surpassed both compliance targets.

1,132 EV charging-related investigations were conducted, exceeding the set target of 1,000.

1,476 safety events were conducted, exceeding the set target of 1,075.



PROGRESS AGAINST FIVE-YEAR STRATEGIC PLAN (2020-2025)

Between 2020-2025, ESA undertook an analysis of the state of compliance in the renovation sector, identified the challenges, set annual goals and targeted strategies that drove compliance, and introduced new tools such as APOs.

ESA's EV Charger Crackdown Finds Shocking Results

In 2024, an ESA safety blitz targeted unpermitted electric vehicle charger installations at homes across the province. To identify unpermitted EV charger installations among homeowners, ESA cross-referenced EV registration data with the number of ESA permits filed for EV charger installations in five cities. The results were shocking: **Over 25% of homes with EV chargers did not have an accompanying ESA permit for the installation.**

Here's the good news: once homeowners were educated on the proper installation requirements, a staggering 89% promptly filed for a permit with ESA.

Improperly installed EV chargers can have disastrous consequences for Ontarians' cars, property and even their loved ones. Filing a permit with ESA for all EV charger installations is not only the law, but it helps keep Ontarians safe from electrical harm.

142 residential sites had EV chargers installed without a permit

89% of residential EV charging sites brought into compliance



Groundbreaking Real Estate Listing Blitz Boosts Compliance

Another safety blitz in 2024 involved ESA reviewing real estate listings to target risky electrical work in homes for sale. The blitz focused on electrical projects that are often improperly installed by unlicensed contractors.

The search identified 239 homes where electrical work was possibly performed without an ESA permit. **Of the reviewed properties, ESA inspectors confirmed that a staggering 75% of the homes visited did not have an ESA permit filed for electrical installations.** ESA inspectors also observed five locations had technical defects, and one location had a Life and/or Property defect, posing a significant risk of fire or electrocution.

ESA worked swiftly, sending inspectors to notify homeowners of the required corrections before the properties changed hands. The result? Homeowners were responsive to learning that the work might be unsafe, and 92 permits were subsequently filed with ESA.

Real estate listings proved to be an excellent source of information about potential safety issues in Ontario homes. This blitz exemplifies ESA's data-driven approach to compliance, showcasing how innovative methods can help keep Ontarians safe.



“These targeted blitzes are an excellent example of how ESA is embracing data to drive new, proactive safety initiatives. This allows us to better identify non-compliance, tackle the underground economy and ultimately enhance electrical safety for all Ontarians.”

Cynthia Magill
ESA Enforcement Coordinator, Licensing

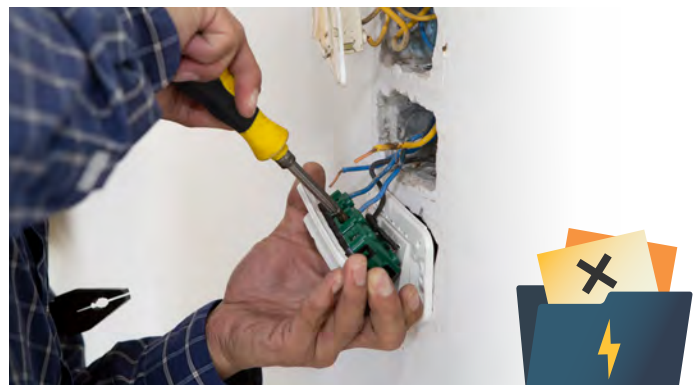
Permits for Sale: Licensed Electrical Contractor Caught Filing Notifications of Work for Unlicensed Contractors

In a case involving particularly egregious misconduct, ESA uncovered a for-profit scheme in which unlicensed electrical work was carried out under the guise of legitimacy.

Ketankumar Soni, an Officer and Director of PK Electrical Co Inc. (PK Electric), a Licensed Electrical Contractor (LEC), leveraged his position with the company to obtain electrical permits from ESA. However, the actual electrical work was being performed by unlicensed individuals who were not employed by PK Electric. In exchange for securing the permits, Mr. Soni received payments significantly exceeding the standard permit fees charged by the ESA.

The ESA's investigation revealed that this scheme was carried out at properties across southern Ontario, including at both commercial and residential locations. As a result, on July 26, 2024, **Mr. Soni and PK Electric pled guilty to a total of 18 offences under the Electricity Act, 1998, leading to \$70,000 in fines.**

The ESA remains committed to tackling the underground economy and ensuring a fair and safe electrical industry. This case serves as a clear warning: engaging in unlicensed and unpermitted electrical work jeopardizes public safety — and carries serious financial and reputational consequences.



Enhancing Compliance Through Administrative Penalty Orders (APOs)

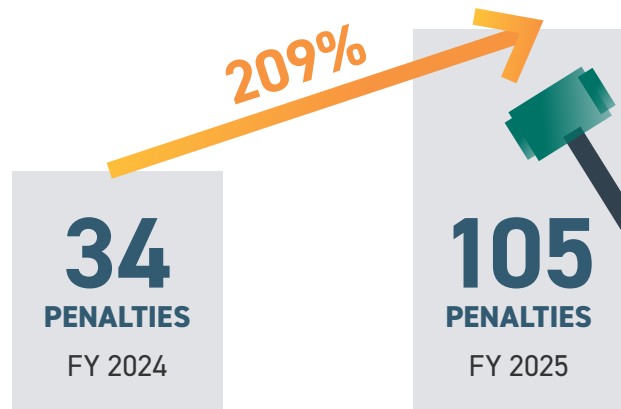
This year, ESA continued to strategically leverage APOs to bolster public safety and the integrity of the electrical trade. Introduced in April 2023, APOs have proven to be a crucial addition to ESA's enforcement toolkit, bridging the gap between warnings without penalties and the court system.

ESA significantly increased the number of APOs issued this past fiscal year, with 105 penalties being issued, as compared to the 34 issued the previous fiscal year. This represents a 209% increase in year-over-year (YOY) growth. Notably, a significant portion of the APOs issued address critical issues relating to contraventions associated with the underground economy. Working without a licence (34%), working without a notification (23%) and illegal advertisements (16%) made up 73% of all APOs issued in the last fiscal year.

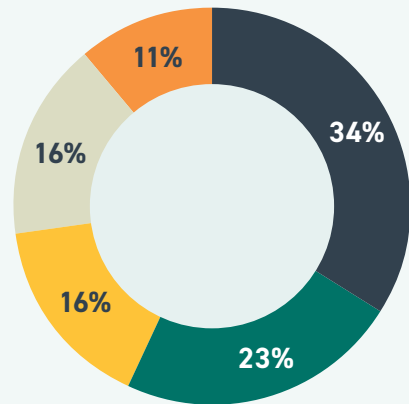
"APOs have proven to be a powerful tool in fostering a safer electrical landscape, directly motivating individuals to become licensed. Combined with our progress in collections, these penalties are vital in ensuring accountability for illegal and unsafe electrical installations within the underground economy."

Emily Larose

Vice President, Regulatory & General Counsel at ESA



Administrative Penalties by Violation Type FY2025



- Working w/out a Licence
- Working w/out a Notification
- Illegal Advertisement
- Breach of ESA Order
- Permit/Employ (Unlicensed)

ORGANIZATIONAL EXCELLENCE GOAL



STRATEGIC GOAL

Operating with excellence to maximize the safety of Ontarians.



TARGET

ESA achieves an average of 2% per year or a cumulative 10% improvement in the Corporate Excellence Index.



2024/2025 RESULTS

In 2024/25, ESA began to see the efficiency benefits of the focus on Digital Transformation, leading to an achievement of an 11% improvement in the Corporate Excellence Index, surpassing the 5-year cumulative target of 10%.



PROGRESS AGAINST FIVE-YEAR STRATEGIC PLAN (2020-2025)

ESA achieved an 11% improvement in the Corporate Excellence Index over a five-year period by managing costs and driving efficiencies in operations and service delivery.

ESA ON Mobile App: Driving Efficiency for Licensed Electrical Contractors



The ESA ON Mobile app has demonstrated its increasing value to LECs in Ontario, with substantial growth in user numbers and engagement since its launch in March 2024. The app, which is ESA's first ever, is streamlining key tasks, allowing LECs to easily complete activities such as schedule wiring notifications for inspection, check the status of notifications and capture and submit photo/video evidence to demonstrate the full scope of their installations anytime, from anywhere using a mobile device.

Over the past fiscal year, the app experienced an 18% increase in user adoption and more than an 82% increase in the number of photos and videos submitted via the app. This reflects not only a growing user base but also more frequent and active usage of the app's features.

Initial stability challenges, particularly with the remote inspection feature, were addressed through continuous refinement and user feedback. ESA's dedicated support team actively engaged with LECs, identifying and resolving critical issues, such as problems with photo and video uploads.

Thanks to ongoing enhancements and a focus on user feedback, the ESA ON Mobile app continues to evolve as a go-to resource for LECs. This app exemplifies ESA's commitment to modernizing our digital services, reducing regulatory burdens and streamlining interactions for our stakeholders.

"We wouldn't be able to enhance the stability of ESA ON Mobile without the conscientious and detailed feedback we received from LECs," said Mike Claerhout, ESA Project Coordinator, Customer Service Centre. "They were willing to take the time to demonstrate the issues they were encountering while using the app, which in turn enabled us to replicate those issues. This gave us the insights that we needed in order to address those issues and make improvements."

Empowering Learners: ESA's New Learning Management System Takes Electrical Safety Training to the Next Level

ESA has taken a significant step toward making electrical safety knowledge more accessible by launching a powerful, user-friendly Learning Management System (LMS). The platform will help ensure LECs, inspectors and other workers have the tools they need to stay current with codes and best practices. It will also host public training courses on topics such as electrical safety, technical skills, and compliance — directly supporting ESA's mission to deliver effective and accessible safety training.

The new LMS is provided by an Ontario-based company, Thinking Cap. It boasts a modern interface, streamlined navigation and automated notifications to enhance the learning experience. This upgrade addressed the limitations of the previous system, offering improved efficiency and scalability to accommodate a growing number of learners.

This strategic investment not only improves the learning journey for the public and industry professionals but also delivers savings for ESA. In 2025, the platform will create substantial yearly savings, as well as the immediate ability to increase enrolment from 1,000 to 2,500 students — along with the ability to scale up capacity going forward.

"This new platform is a major step forward in ESA's commitment to providing excellent training," said Alejandro Gonzalez, ESA Manager, Training Program. "It allows us to offer more learning

opportunities to the public, while also improving our organizational efficiency."

ESA's new LMS is set to empower individuals with the knowledge and skills they need to navigate the evolving landscape of electrical safety.

Key Features:



Custom Experience:

A professional, seamless learning environment that feels like an extension of ESA branding.



Automated Notifications:

Timely updates for learners on courses, deadlines and progress.



Flexible Content Support:

Training materials in various formats, including videos and documents.

Training is a non-regulatory service offered by the Electrical Safety Authority (ESA). Electrical safety and technical courses may be offered by other providers. View more information about ESA's non-regulatory activities [here](#).

eSAFE Launches 'My eSAFE': A One-Stop, Self-Serve Space for eSAFE Customers

This past fiscal, eSAFE launched [My eSAFE](#) for customers, offering 24/7 access to a suite of online services that make it easier and more efficient to do business with us. The portal represents a pivotal step in the organization's journey to digitize and enhance business service delivery.

WITH MY eSAFE, YOU CAN:

- ✓ View account details
- ✓ Submit and track requests
- ✓ Pay invoices
- ✓ Download documents



PUBLIC ACCOUNTABILITY GOAL



STRATEGIC GOAL

Being a publicly accountable regulator.



TARGET

Maintain or improve an 8/10 Annualized Average Rating for ESA's Wiring Customer Satisfaction Survey.



2024/2025 RESULTS

ESA achieved an 8.4/10 on the Wiring Customer Satisfaction Survey



PROGRESS AGAINST FIVE-YEAR STRATEGIC PLAN (2020-2025)

ESA consistently delivered on its commitment to customer satisfaction. For an impressive 10 years running, monthly surveys have shown wiring services have customer satisfaction ratings at or above the target of 8/10. Beyond this, ESA exceeded its five-year goal for the multi-stakeholder surveys, scoring 8.4 in 2021 and 2023 against a target of 8.2/10.

ESA Launched 'A-MAZE-ing' Interactive Experience to Keep Kids Safe from Electrical Harm

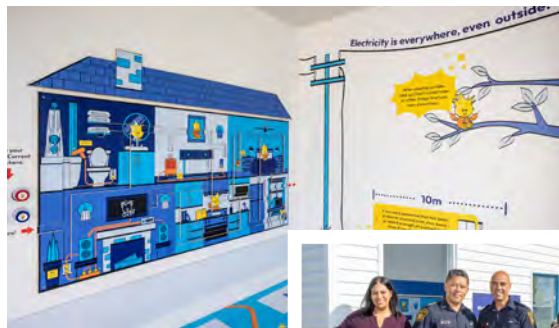
In the fall of 2024, ESA unveiled a new space at the Peel Children's Safety Village (Village) to teach kids about electrical safety through experiential learning. "The A-MAZE-ing Adventures of Carter Current" is open to students in grades 1, 2, 3, and 5 and encourages kids to navigate a maze by identifying and steering clear of common electrical safety hazards.

On average, 177 emergency department visits are made by children each year in Ontario from electrical injury. Elementary school-aged children (5-14 years old) make up 31% of those cases. By partnering with the Village, ESA had an opportunity to provide children with an engaging and fun experience, while teaching them how to identify and avoid electrical risks and hazards around their home.

"We welcome more than 10,000 kids each season to the Village, and our partnership with ESA is a step forward in keeping children safe from electrical hazards."

Mark Dapat

*Deputy Chief of Community Safety and Well-being Services
Command at Peel Regional Police*



ESA is Inspiring Young Women to Pursue a Career in the Electrical Sector

In 2024-25, ESA was a proud provincial sponsor of Jill of All Trades — an organization that educates young women about practical steps they can take to pursue education and careers in the skilled trades.

ESA sponsored five college events hosted by Jill of All Trades, which were designed to reach girls in grades 9-12. ESA inspectors, technical advisors and safety experts led hands-on electrical workshops and educated students about electrical safety risks in everyday situations and workplace environments.

The students were excited to learn about the different avenues electricians can take in the sector, and how the trade offers women both flexible and rewarding career paths.

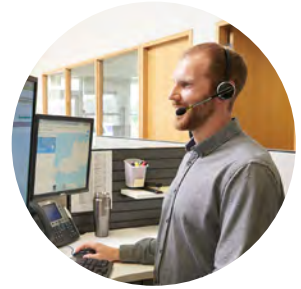
ESA understands the importance of building a diverse and inclusive workforce to navigate the dynamic and evolving challenges in the electrical sector. By working with Jill of All Trades, ESA hopes to nurture the future leadership, contributions and achievements of women in the electricity industry.



In 2024-25, ESA:

- Sponsored **five college events**
- Reached **1,000 young women** with electrical safety tips and career advice
- Had **eight mentors** lead hands-on electrical workshops
- Experienced a high satisfaction rate, with **91%** of participants considering a career in a skilled trade after attending an event

ESA Achieves 10 Years of Consistently High Customer Satisfaction



ESA's Customer Service Centre (CSC) plays a vital role in ensuring electrical safety across Ontario, as the first point of contact for many customers.

Each month, the CSC surveys customers who have recently submitted a permit notification with ESA to gauge satisfaction with the process. It has a target of achieving an 8/10 satisfaction score as a demonstration of effectiveness and accountability.

For the 10th consecutive year, the survey yielded high marks, with a rating of 8.4/10. These results have remained consistently high since the survey launched, a testament to our exceptional CSC team, which has been assisting ESA customers through unprecedented changes in the electrical safety landscape, including severe weather events, new and emerging harms and rapid technological innovation.

"Our team values the feedback of our customers," said Stephanie Dunn, General Manager, ESA CSC. "We actively use these insights to refine and improve the service we provide."

Ultimately, ensuring positive interactions with ESA improves compliance with the electrical code and strengthens our ability to protect Ontarians from electrical harm.

8.4/10

Overall Satisfaction
Rate in FY2025

702,396

Customer Interactions
at the CSC

445,614

Wiring Notifications
Created

672,317

Wiring Requests for
Inspections Received

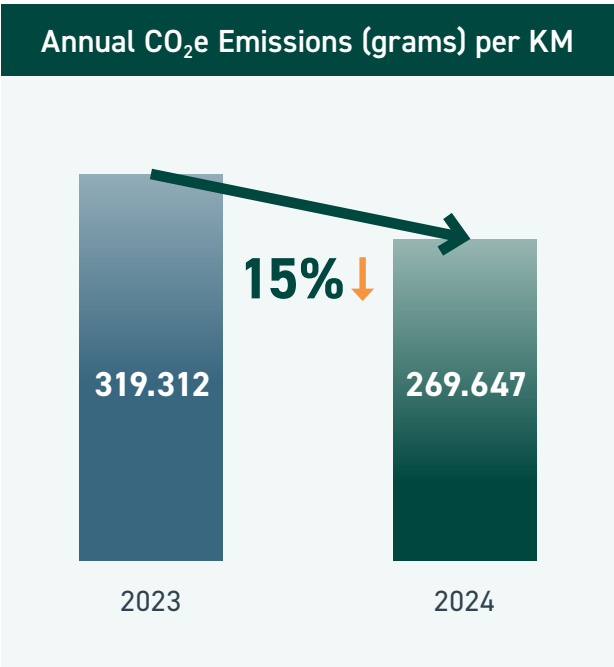
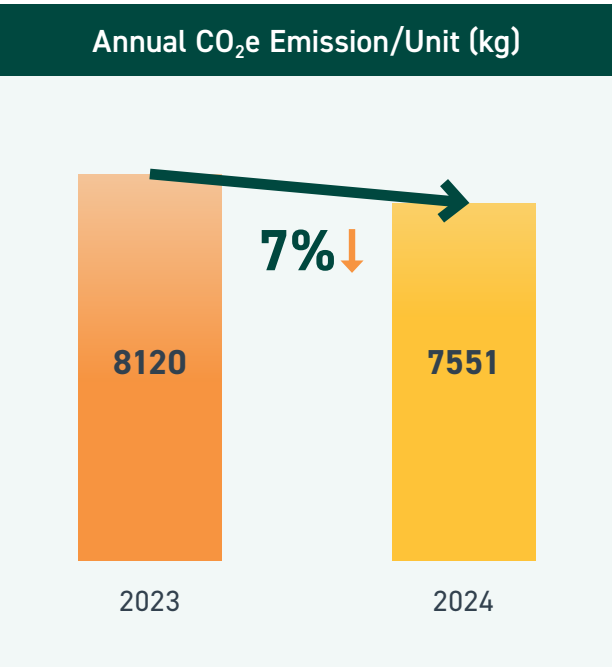
Greening Our Fleet: Driving Toward a Sustainable Future

In fiscal 2025, ESA proudly exceeded its target to reduce the organization’s carbon footprint by 5% compared to fiscal year 2024, marking a major milestone in our commitment to public accountability and environmental stewardship. Through a strategic transition to more fuel-efficient vehicles and a significant increase in fleet electrification, ESA achieved a 7% improvement in fuel efficiency per vehicle and a 15% improvement per kilometre.

ESA purchased several EVs this year as part of our 330-vehicle fleet. We ordered a variety of vehicles, including more SUVs and a greater number of midsized pickups through multiple suppliers. This stabilized our supply and significantly improved our overall fuel efficiency. A comprehensive, multi-year fleet plan was also developed, setting the stage for continued progress with a smart mix of electric, hybrid and combustion vehicles. This initiative reflects ESA's dedication to reducing our environmental impact, while maintaining high service standards.

“Our strategic shift to new vehicle types has led to a significant reduction in carbon emissions, clearly illustrating how targeted adjustments can drive meaningful environmental impact.”

Eric Kingston
Vice President, Operations



PERFORMANCE STANDARDS AND MEASURES



Scorecard for FY2025

Category	Performance Measure	Target	Result for FY2025
Licensing	When Licensing has received a complete licence application, along with the supporting documentation, the file will be reviewed to ensure that the application is complete. The applicant may be contacted if additional information is required.	ESA is committed to processing 80% of new complete Master Electrician (ME) and Electrical Contractor (EC) applications within 30 business days.	99.4% of ME applications processed within 30 business days. 99.9% of EC applications processed within 30 business days.
Compliance	85% of high-risk and 50% of medium-risk notifications inspected/visited	Continue to assess the effectiveness of the Risk-Based Inspections Model by reporting on the percentage of notifications that are inspected/visited with a high or medium-risk recommendation.	90% of High-Risk Notifications were inspected. 47% of Medium-Risk Notifications received a visit.
Contacting ESA by Phone	ESA's Customer Call Centre receives thousands of telephone calls every year from homeowners, Licensed Electrical Contractors, property managers and consumers.	ESA's Customer Call Centre will answer the phone within 30 seconds or less 70% of the time.	305,932 calls were answered within 30 seconds or less (60%).
Consumer Protection	The Licenced Electrical Contractor Look Up Tool is an online searchable database of over 25,000 LECs and MEs. The use of this tool helps inform ESA of the ways in which the organization informs and engages with the public.	Average level of web traffic to the LEC Look Up Tool: 6,000 per month	The LEC Look Up Tool averaged 7,483 visits per month.
Wiring Customer Satisfaction Survey	ESA measures customer feedback on a monthly basis related to their experience around notifications taken out by LECs and homeowners.	Annualized average to maintain or improve is ESA's current 8.0 out of 10 rating.	The Wiring Customer Satisfaction rating was 8.4/10.

ORGANIZATIONAL STRUCTURE

Officers as of March 31, 2025

JOSIE ERZETIC, BJ (HONS), LL.B, ICD.D

President and CEO, Electrical Safety Authority,
Director, Plug'n Drive Canada

Previously: Chief Regulatory Officer and General Counsel, ESA; Vice President, Corporate Business Development, Ontario Power Generation; Director, Wasaga Resource Services Inc.; Director, Nanticoke Solar; Director, Peter Sutherland, Sr. Generating Station

EMILY LAROSE, BA (H), JD

VP, Regulatory & General Counsel, Electrical Safety Authority; Member, Research Ethics Board, Hospital for Sick Children

Previously: Partner, Cassels Brock LLP; Board Member, Parkdale Project Read

LUBNA LADAK, CPA, CA, MBA

Chief Financial Officer, Electrical Safety Authority

DAVID RINALDO, BASC (MECH. ENG.), LL.B.

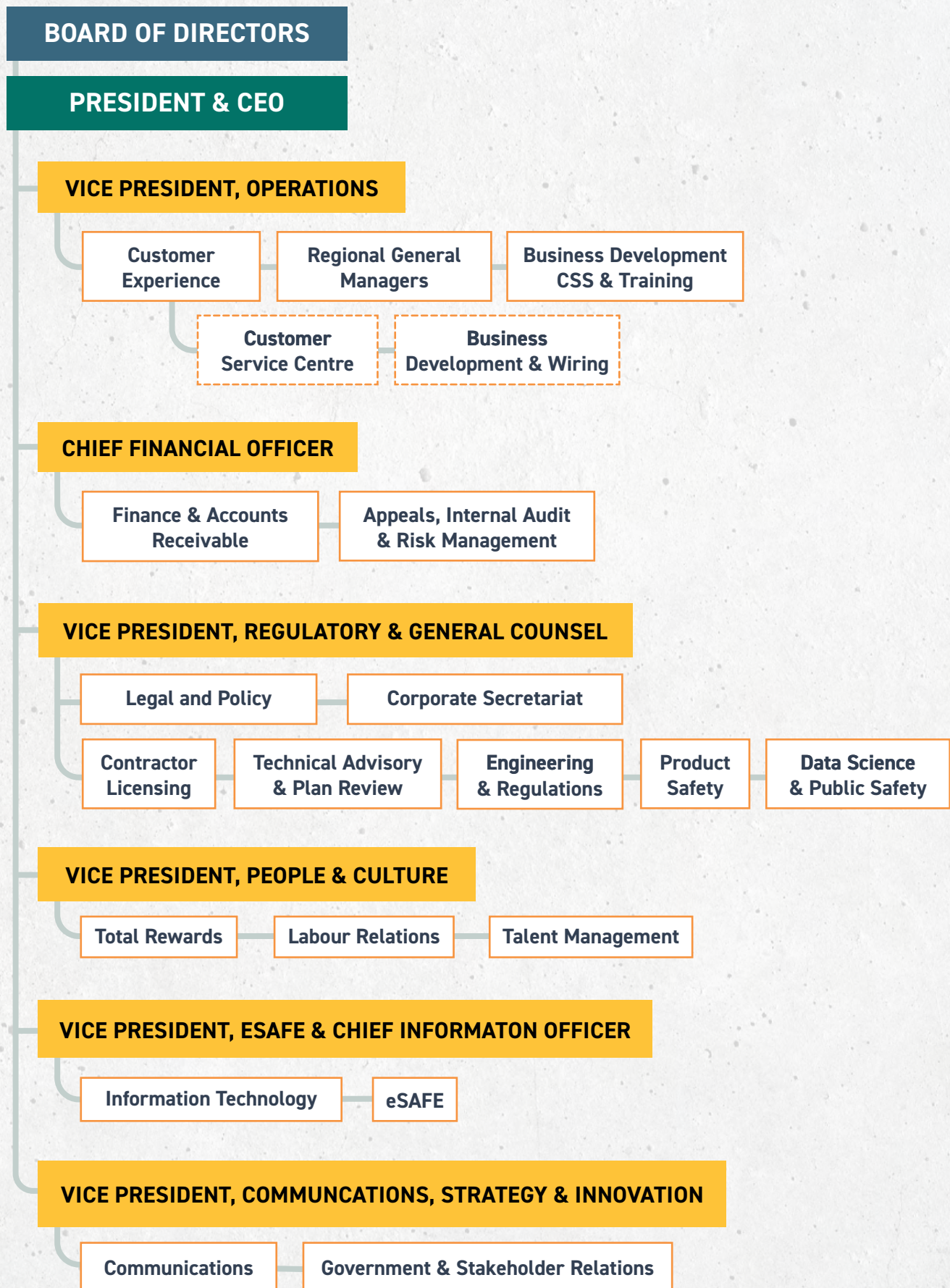
Corporate Secretary and Assistant General Counsel, Electrical Safety Authority

Previously: Director, Legal Services, Hatch Ltd.; In-house Counsel, Corporate Commercial Large Projects Group, Ontario Power Generation Inc.; Associate, McMillan LLP

Executive Management Team

- Josie Erzetic
President and Chief Executive Officer
- Kalyan Chakravarthy (KC)
VP, eSAFE and Chief Information Officer
- Eric Kingston
VP, Operations
- Emily Larose
VP, Regulatory & General Counsel
- Lubna Ladak
Chief Financial Officer
- Tanya Mushynski
VP, People & Culture
- Karen Ras
VP, Communications, Strategy and Innovation

ORGANIZATIONAL STRUCTURE



Board Governance

In 2024, the Board restructured the responsibilities of the Committees, moving from three Committees to two. As a result, in December 2024, the People & Culture and Governance Committee was combined with the Regulatory Affairs Committee to form the new Regulatory, Governance and People & Culture Committee. As of December 2024, each Board Member now serves on only one Committee.

AUDIT & INVESTMENT COMMITTEE

The Audit & Investment Committee supports oversight responsibilities regarding audit, finance, investment, information technology and financial risk management. The Committee manages on behalf of ESA the relationship with external auditors and also reviews discussion and analysis of ESA's annual corporate and pension audited financial statements. This Committee also oversees ESA's internal financial structure, reporting and financial risk management systems. The Committee is responsible for oversight of assets, establishing and overseeing a prudent investment management approach, review of investment policies, Pension Plan liabilities and ensures compliance with the *Pension Benefits Act* and the *Income Tax Act*.

Chair: Ysni Semsedini (from Aug 2023)

Members: Arjan Arenja (May 2019), Frank D'Andrea (Sept 2022), Christopher Fluit (Dec 2024), Audrey Kroon Lowther (Dec 2023) and Vivi White (Sept 2022)

REGULATORY, GOVERNANCE AND PEOPLE & CULTURE COMMITTEE

The Regulatory, Governance and People & Culture Committee provides oversight responsibilities and risk management regarding human resources, corporate governance, external relations, stakeholder relationships management, public safety and regulatory obligations. The Committee also oversees human resources strategy on behalf of ESA, and the Members review succession planning (corporate and Board), performance assessment, compensation philosophy & structure and pension strategy.

The Committee is also responsible for monitoring and making recommendations regarding corporate governance, board practices, succession planning and board evaluations. The Committee ensures that ESA is effectively meeting regulatory obligations, responsibilities and its public safety mandate. Its role is to ensure the adequacy and effectiveness of systems implemented to ensure compliance with established corporate governance, human resources legislation, administration of designated legislation and associated regulations, harm reduction objectives and monitoring development and use of policies, procedures and guidance documents.

Chair: Mary Anne Aldred (Aug 2024)

Members: Arjan Arenja (April 2019), Cara Clairman (Sept 2024), Dale MacDonald (Dec 2016), Jeff Scott (Dec 2024) and Jeanette Southwood (Jan 2024)

Meetings

April 1, 2024 to March 31, 2025

Audit and Investment Committee	5 Meetings
Regulatory, Governance and People & Culture Committee (from Sept 2024)	2 Meetings
Regulatory Affairs Committee (until Oct 2024)	2 Meetings
People & Culture and Governance Committee (until Oct 2024)	2 Meetings
Board Meetings	6 Meetings

ORGANIZATIONAL STRUCTURE

Board Members as of March 31, 2025

Twelve members make up the ESA Board of Directors, based on a [set of established qualifications](#). Board members reflect the public; electricity distributors; electrical contractors; and engineering, manufacturing and other industries. Board members may serve up to three consecutive terms. At the time of publication, the Board of Directors comprised 11 members, with one position vacant.

ARJAN ARENJA, P.ENG., MBA, ICD.D

Year 1 of Term 3

President, Spectrum Business Development Inc.; Board Member at Engineers Canada; Board Member, Palette Skills

Previously: Senior Manager, Bruce Power; Sr. Manager, Royal Group Technologies Inc.; Manager, Trow Consulting Engineers (renamed EXP in 2011); Director and Chair, Governance and Nomination Committee, Professional Engineers Ontario; Director and Co-Chair, Board of Telecare Direct

MARY ANNE ALDRED

Year 2 of Term 1

Strategic Advisor, Norton Rose Fulbright Canada LLP

Previously: Chief Operating Officer and General Counsel, Ontario Energy Board; Assistant General Counsel and Regulatory Affairs Advisor, Hydro One

CARA CLAIRMAN, ICD, LLB

Year 1 of Term 1

President and CEO, Plug'n Drive Canada

Previously: Vice President, Sustainable Development and Interim General Counsel, Ontario Power Generation

FRANK D'ANDREA, CPA, CA, AOP

Year 3 of Term 1

Vice President and Executive Lead, Enterprise Strategy and Energy Transition, Hydro One; Member, Ontario Energy Association Regulatory Committee; Member, Ontario Energy Board's Energy [X] Change Committee; Member, Energy Storage Canada's Grid Modernization Working Group; Member, C.D. Howe Institute's Energy Policy Council; Board Member, Plug'n Drive Canada

Previously: Member, Canadian Electricity Association's National Emerging Issues Committee; Member, Electricity Distributors Association's Regulatory Council and Electrification Council; Board Member, the Centre for Outsourcing Research and Education

CHRISTOPHER FLUIT

Year 1 of Term 1

Senior Vice President and General Manager, Eaton Canada; Campaign Cabinet Member, United Way Hamilton and Halton

Previously: Vice President of Engineering Services, Eaton Canada; Vice President of Sales, Eaton Canada

AUDREY KROON LOWTHER

Year 2 of Term 1

Chief Executive Sales Officer, BCES Global; Director, Ottawa Electrical Contractors Association; IAPA (Incident Accident Prevention Association) Certified

Previously: Owner and Vice President, KROON Electric Corp., RW Electric and La corporation d'électricité KROON inc.; Member, Ottawa Construction Safety Group Committee

ORGANIZATIONAL STRUCTURE

DALE MACDONALD

Year 3 of Term 3

Retired General Manager, Honey Electric Ltd. (2024); 309D Electrician (Red Seal); Master Electrician; Board Member and Past Chairman, Ontario Electrical League; Board Member and Past President, OEL Kent Chapter; Board Member, Support Ontario Youth

Previously: Board Member and Past President, Chatham-Kent Canadian Mental Health Association; Board Member, Ontario College of Trades

JEFF SCOTT, BBA, RSE

Year 1 of Term 1

Vice President, Smith and Long Limited; Canadian Construction Association National Advisory Council

Previously: Electrical Apprenticeship Training Alliance Council; Electrical Safety Authority Contractor Advisory Council

YSNI SEMSEDINI, P.ENG, MBA, ICD.D

Year 3 of Term 2

CEO, London Hydro Inc.; RFA Chair, Ontario One Call; Director, Saturn Power

Previously: CEO, NT Power; CEO, Festival Hydro Inc.; President and CEO, Rhizome Networks

JEANETTE M. SOUTHWOOD, FCAE, FEC, LL.D. (HONORIS CAUSA), P.ENG.

Year 2 of Term 1

Executive Vice President, Corporate Affairs & Strategic Partnerships, Engineers Canada; Board Member, TD Insurance Advisory Board on Climate Change; Board of Advisors, Department of Chemical Engineering & Applied Chemistry, University of Toronto; National Representative for Canada, Women in Engineering Committee, World Federation of Engineering Organizations (WFEO)

Previously: Global Sustainable Cities Leader; Canadian Urban Development & Infrastructure Sector Leader; Principal, Golder Associates (now WSP); Official Canadian Delegation, United Nations Commission on the Status of Women 2023

VIVI WHITE, BA (HONS)

Year 3 of Term 1

Regional Vice President, Royal Bank of Canada; External Advisory Committee, Markham's Centre Campus

Previously: Chair of the Board of Directors, Mississauga Board of Trade; Public Member, College of Nurses

MANAGING COMPLIANCE AND ENFORCEMENT

Product Safety, O. Reg. 438/07

The goal of Product Safety, O. Reg. 438/07 is to provide protection to the public from unsafe electrical products and equipment sold and used in Ontario. ESA provides oversight of this regulation, which establishes approval requirements for all electrical equipment and products, including consumer electrical products, advertised, displayed, used, sold or offered for sale in Ontario.

ESA is also accountable for safety oversight of commercial and industrial electrical products. ESA continues to support the national product safety system by investigating incidents in Ontario related to electrical products and through ongoing engagement in national committees such as the Canadian Advisory Council for Electrical Safety (CACES). ESA also publicizes electrical product safety notices, including recalls and flash notices.

ONTARIO ELECTRICAL SAFETY CODE	2024/2025	2023/2024
Total product safety incident reports received by ESA	553	584
Reports deemed high risk	2	3
Reports deemed medium risk	442	527
Reports deemed low risk	69	35
Non-related reports	40	19
Safety alerts issued	2	1
Investigations conducted	5	4
Recalled products notifications	1	0
Charges laid	0	0
Convictions	0	0
Appeals	0	0

Electrical Distribution Safety Regulation, O. Reg. 22/04

Electrical Distribution Safety Regulation, O. Reg. 22/04, requires objective-based electrical safety requirements for the design, construction and maintenance of electrical distribution systems owned by licensed distributors. The Regulation requires the approval of equipment, plans, specifications and inspection of construction before systems are put into service. It is intended to provide Local Distribution Companies (LDCs) with several options to obtain

these approvals. ESA conducts audits to ensure compliance to safety standards. In addition, ESA undertakes due diligence inspections to confirm compliance with the Regulation.

- 100% LDCs compliant with O. Reg 22/04
- 0% LDCs provided with areas to address to achieve compliance with O. Reg 22/04

ELECTRICAL DISTRIBUTION SAFETY REGULATION	2024/2025	2023/2024
Electrical distribution-related safety incidents reported	626	313
Electrical distribution-related fatalities	4	2
Due diligence inspections	353	303
Public safety concerns received	231	270

FINANCIAL SUMMARY



Introduction

ESA is a not-for-profit corporation established as an administrative authority of the Government of Ontario. ESA executes a variety of compliance, operational, enforcement, research, education, **training and other programs throughout the year.** At the same time, ESA must ensure its long-term sustainability so it can continue to meet its mandate in the years to come. This balancing of near-term and long-term needs is reflected in its approach to financial management.

ESA's revenues come from a variety of sources, including fees assigned to regulatory processes such as permits for doing electrical work, licences for Licensed Electrical Contractors (LECs) and Master Electrician (MEs) and safety oversight fees charged to Local Distribution Companies (LDCs). ESA also earns revenue from programs, including electrical plan review and Continuous Safety Services (CSS) contracts.

In addition, ESA is permitted to offer non-regulatory services within the conditions of its Administrative Agreement with government and consistent with the objects of the corporation. There are limitations in the Administrative Agreement as to how ESA can pursue non-regulatory activities, and it must report non-regulatory revenues and expenses separately.

ESA receives no revenue from the government.

ESA's expenses are primarily people-related costs — salaries, wages, benefits and pensions. The company employs inspectors, technical advisors, call centre representatives, along with information technology, finance, communications, human resources, administrative and other staff. Most of ESA's salary and wage expenses are defined by collective agreements with its two labour unions.

ESA's major non-labour expenses include IT operations, travel and fleet management costs, safety awareness programs, legal expenses and oversight fees paid to government, among others.

In managing its annual financial performance, ESA seeks to achieve a break-even bottom line. ESA has established a target restricted reserve to ensure that it maintains adequate capital and financial liquid assets in the event of unforeseen adverse financial events, or to fund specific strategic initiatives, as recommended by ESA management.

FY2025 Performance

Performance

The year (April 1, 2024 to March 31, 2025) reflected a 7.8% year-over-year revenue growth, driven primarily by increases in wiring activity and CSS, along with significant growth in Electrical Safety Authority Field Evaluation (eSAFE). Wiring growth was led by commercial/industrial notifications, reflecting increasing activity due to electrification investments. Although residential notification growth lagged due to the elevated interest rate environment, modest fee increases at the rate of inflation led to a small growth in revenue. The non-regulated, eSAFE revenues grew by 18% year-over-year due to increased hazardous locations certifications, coupled with strength in the manufacturing sector which includes U.S. based sales. Operational expenses increased year-over-year at a higher rate than operating revenue, primarily due to labour expenses from collectively bargained wage increases, temporary labour and increased overtime costs. Additional contributors to higher expenses include public education efforts, legal expenses and facility costs to support an expanded return to office protocol. Corporate investment assets grew above expectations, benefiting from declining inflation and reductions in the key overnight lending interest rate which positively affected asset markets.

ESA had an operating deficit of \$11.3 million for the year, compared to an operating deficit of \$9.4 million the prior year, and a bottom line surplus of \$1.1 million after investment income of \$12.4 million.

ESA's net assets increased by \$16.7 million to \$63.9 million, as of March 31, 2025, primarily due to a positive pension re-measurement totaling \$15.6 million due to pension and post-employment benefits (OPEB).

Revenues

Total operating revenues were \$136.9 million, an increase of 7.8% from the prior year, and were primarily related to ESA capitalizing on a stronger manufacturing sector, which includes new commercial and renovation work, as well as an inflationary fee increase. Residential wiring revenue increased 2.8% to \$49.9 million; industrial/commercial/institutional wiring revenue increased 10.5% to \$28.3 million; and CSS revenue increased 7.8% to \$27.9 million. Non-regulated revenue of \$23.2 million increased by 11% from the prior year. Non-regulated revenue includes the following services: field evaluations, training programs and safety oversight provided to sectors not covered under provincial regulation, such as airports, First Nations reserves and the mining sector.

Expenses

Operational expenses, including amortization, were \$148.1 million, an increase of 8.7% from the prior year. Labour-related costs — including salaries, wages and benefits, pension and other OPEB — of \$111.8 million increased by 6.9% compared to the prior year and represented 75.5% of ESA's total expenses. Included in this total is the OPEB interest expense for the year of \$4.8 million. ESA worked to restrain increases in its Other Expense categories which include purchased services of \$7.8 million; inspection travel and related costs of \$9.5 million for inspections; computer support of \$4.1 million; facilities costs of \$1.8 million; office administration of \$1.3 million; and other costs of \$8.5 million, which include advertising and promotion costs, legal expenses, bad debt expense and the Ministry of Public and Business Service Delivery and Procurement oversight fee. Capital expenditures of \$5.6 million primarily relate to IT infrastructure and the execution of ESA's planned digital strategy, as well as renovations in both the Mississauga and Cambridge locations.

Pension

ESA's registered pension plan is a defined benefit plan. As part of its financial framework, ESA monitors the funded status of the pension plan. This represents the excess of the plan assets over the actuarially determined present value of accrued pension benefits.

Compensation for Executive and Senior Management

As an organization entrusted with enhancing public electrical safety, ESA requires people with significant experience and expertise in areas including safety strategy, electrical systems and engineering, among others. An appropriate compensation package is required to attract and retain this talent. At the same time, in order to ensure delivery of goals and objectives, compensation needs to be tied to defined short- and long-term deliverables.

ESA's approach to management compensation is based on the following principles:

- 1 Ensuring efficient use of resources and delivery of public value;
- 2 Supporting ESA's values and culture;
- 3 Pay-at-risk linking compensation to individual and corporate delivery on publicly stated corporate targets and goals over set periods of time;
- 4 Alignment with sound risk management; and
- 5 The Board of Directors undertaking regular reviews of compensation governance through the Regulatory, Governance, People and Culture Committee.

With the aid of an independent compensation consultant, ESA benchmarks its compensation levels against a comparator group for public and private sector organizations of similar scope, size and complexity.

In FY25, total management compensation was \$7.5M for 33 employees. In the previous year, it was \$6.6M for 31 employees.

FINANCIAL SUMMARY

REVENUE BY SOURCE*

(IN THOUSANDS OF DOLLARS)

	FY2025	FY2024
Regulated services	\$ 113,105	\$ 105,598
Non-regulated services	23,240	20,843
Sub-total	136,345	126,441
Investments and other	13,237	11,301
TOTAL REVENUE	\$ 149,582	\$ 137,742

FULLY ALLOCATED EXPENSES*

(IN THOUSANDS OF DOLLARS)

	FY2025	FY2024
Regulated services	\$ 125,443	\$ 114,769
Non-regulated services	22,439	19,865
Sub-total	147,882	134,634
Investments and other	610	2,149
TOTAL EXPENSES	\$ 148,492	\$ 136,783

REVENUE BY LINE OF BUSINESS*

(IN THOUSANDS OF DOLLARS)

	FY2025	FY2024
Wiring – Residential	\$ 49,925	\$ 48,554
Wiring – Industrial/Commercial/Institutional	28,305	25,622
Continuous Safety Services (CSS)	27,936	25,922
Field Evaluation	17,191	14,611
Utility Regulation	3,145	3,043
Contractor Licensing	5,739	5,293
Plan Approvals	2,355	1,814
Other revenues**	2,255	2,066
TOTAL REVENUE BEFORE INVESTMENT INCOME	\$ 136,851	\$ 126,925

* Any differences due to rounding; prior year classifications (if any) restated for consistency

** Includes revenue from training services, Ontario Electrical Safety Code book sales, and real estate rental income

Independent Auditor's Report

To the Directors of Electrical Safety Authority;

Opinion

We have audited the financial statements of Electrical Safety Authority (the Entity), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025, and its results of operations, and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations 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 Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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 the financial statements.

FINANCIAL SUMMARY

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

We 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 our 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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.
- 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 we identify during our audit.



Chartered Professional Accountants,
Licensed Public Accountants

Hamilton, Canada

June 6, 2025

FINANCIAL SUMMARY

Statement of Financial Position

March 31, 2025 with comparative information for 2024

(in thousands of dollars)

ASSETS

	2025	2024
Current assets:		
Cash and cash equivalents	\$ 754	\$ 3,848
Accounts receivable	14,459	13,695
Other assets	2,347	2,480
	17,560	20,023
Investments (note 3 and 7)	127,070	121,896
Property, plant and equipment (note 4)	10,888	8,846
Intangible assets (note 5)	6,720	6,439
Deferred pension asset (note 6)	54,505	33,026
Other non-current assets	55	59
	\$ 216,798	\$ 190,289

LIABILITIES AND NET ASSETS

	2025	2024
Current liabilities:		
Accounts payable and accrued liabilities (note 13)	\$ 21,474	\$ 20,696
Deferred revenue	26,969	26,214
	48,443	46,910
Employee future benefit obligation (note 6)	104,456	96,193
	152,899	143,103
Net assets:		
Invested in capital assets and intangible assets	17,608	15,285
Unrestricted	46,291	31,901
Total net assets (note 14)	63,899	47,186
Contingencies and commitments (notes 10 and 11)		
	\$ 216,798	\$ 190,289

See accompanying notes to financial statements.

On behalf of the Board:



Arjan Arenja
Director



Ysni Semsedini
Director

FINANCIAL SUMMARY

Statement of Operations

Year ended March 31, 2025, with comparative information for 2024

(in thousands of dollars)

	2025	2024
Revenues (note 8)	\$ 136,851	\$ 126,925
Expenses:		
Salaries and benefits	107,039	100,090
OPEB – interest expense (note 6)	4,773	4,520
Operating	33,007	29,093
Amortization	3,298	2,617
	148,117	136,320
Deficiency of revenues over expenses before the undernoted	(11,266)	(9,395)
Change in fair value of investments	(1,262)	5,969
Other investment income	13,618	4,385
Investment income (note 7)	12,356	10,354
Excess of revenue over expenses for the year	\$ 1,090	\$ 959

See accompanying notes to financial statements.

Statement of Changes in Net Assets

Year ended March 31, 2025, with comparative information for 2024

(in thousands of dollars)

	INVESTED IN CAPITAL ASSETS AND INTANGIBLE ASSETS	UNRESTRICTED	TOTAL 2025 (NOTE 14)	TOTAL 2024 (NOTE 14)
Net assets, beginning of year	\$ 15,285	\$ 31,901	\$ 47,186	\$ (985)
Excess of revenues over expenses	–	1,090	1,090	959
Net change in capital assets	2,323	(2,323)	–	–
Re-measurements due to pension benefit and OPEB actuarial losses and plan amendments	–	15,623	15,623	47,212
Net assets, end of year	\$ 17,608	\$ 46,291	\$ 63,899	\$ 47,186

See accompanying notes to financial statements.

FINANCIAL SUMMARY

Statement of Cash Flows

Year ended March 31, 2025, with comparative information for 2024
(in thousands of dollars)

	2025	2024
CASH PROVIDED BY (USED IN):		
Operation activities:		
Excess of revenues over expenses	\$ 1,090	\$ 959
Items not involving cash:		
Amortization	3,298	2,617
Change in other non-current assets	4	-
OPEB obligation expense	7,831	7,381
Pension benefit plan expense	7,186	8,279
Change in fair value of investments	1,262	(5,969)
	20,671	13,267
Net change in non-cash working capital balances related to operations (note 9)	902	326
OPEB obligation contributions	(2,890)	(3,013)
Pension benefit plan contributions	(9,720)	(8,979)
	(11,708)	(11,666)
Investing activities:		
Net purchase of investments	(6,436)	676
Purchase of property, plant and equipment and intangible assets	(5,621)	(3,117)
	(12,057)	(2,441)
Net decrease in cash and cash equivalents	(3,094)	(840)
Cash and cash equivalents, beginning of year	3,848	4,688
Cash and cash equivalents, end of year	\$ 754	\$ 3,848

See accompanying notes to financial statements.

Notes to Financial Statements

Year ended March 31, 2025

(in thousands of dollars)

1 Basis of presentation:

Electrical Safety Authority ("ESA") is a corporation without share capital incorporated under the Corporations Act (Ontario) and operates as an Administrative Authority under an Administrative Agreement with the Ministry of Public and Business Service Delivery. ESA is not taxable under Section 149 of the Income Tax Act (Canada).

2 Summary of significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Cash and cash equivalents:

Cash and cash equivalents include cash and short-term deposits with original term to maturities of 90 days or less.

(b) Investments and investment income:

Publicly traded securities are valued based on the latest bid prices. Short-term securities are valued based on cost plus accrued income, which approximates fair value. Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

Investment income consists of interest and dividends and are recognized when earned or declared.

(c) Property, plant and equipment:

Property, plant and equipment are recorded at cost less accumulated amortization. Amortization is calculated on the straight-line basis in amounts sufficient to amortize the cost of the assets over their useful lives as follows:

Asset	Years
Buildings	25
Building improvements	5 to 10
Electronic equipment	3
Telephone and projection system equipment	5
Office furniture and equipment	10
Inspection equipment	10
Leasehold improvements	over term of lease

Capital work in process is not amortized until the project is complete and in service.

(d) Intangible assets:

Internally generated intangible assets in the development phase are recognized as an asset provided they meet the capitalization criteria, which include ESA's ability to demonstrate: technical feasibility of completing the intangible asset so that it will be available for use; ESA's intention to complete the asset for use; ESA's ability to use the asset; the adequacy of ESA's resources to complete the development; ESA's ability to measure reliably the expenditures during the development and ESA's ability to demonstrate that the asset will generate future economic benefits. The assets are amortized on a straight-line basis over their useful lives of 5 years unless the life is determined to be indefinite. Research activities are expensed as incurred.

Asset	Years
Computer software and licenses	5

Notes to Financial Statements

Year ended March 31, 2025

(in thousands of dollars)

(e) Asset retirement obligations:

On an annual basis, ESA reviews its assets and lease commitments to determine if there are any asset retirement costs to accrue. Management has determined that no such accruals are required.

(f) Impairment of long-lived assets:

An impairment charge is recognized for long-lived assets, including intangible assets with definite lives, when an event or change in circumstances causes the assets' carrying value to exceed the total undiscounted cash flows expected from its use and eventual disposition. The impairment loss is calculated as the difference between the estimated fair value of the assets and its carrying value.

(g) Employee future benefits:

The costs of pensions and other post-employment and post-retirement benefits earned by employees are determined based on an actuarial valuation prepared for funding purposes in accordance with pension legislation and regulations.

The costs of termination benefits and compensated absences are recognized when the event that obligates ESA occurs; costs include projected future compensation payments, health care continuation costs and fees paid to independent administrators of these plans, calculated on a present value basis.

ESA accrues its obligations under pension and other post-employment benefits ("OPEB") plans and the related costs, net of plan assets.

(h) Revenue recognition:

Revenue recognition is based on the attributes of the service line. Revenue is recognized monthly on a pro-rata basis for long-term contracts, which generally span 12 months. Short-term contract revenue is recognized when the initial inspection service is completed. Licensing and registration fees are recognized evenly over the period covered by the fee. Revenue billed but not earned is carried forward as deferred revenue.

(i) Financial instruments:

Financial instruments are financial assets or liabilities of ESA which, in general, provide ESA the right to receive cash or another financial asset from another party or require ESA to pay another party cash or other financial assets.

The fair value of ESA's cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of these financial instruments.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and significant matters of judgment. Changes in assumptions could significantly affect the estimates.

Cash and cash equivalents are measured at fair value at the year end date, accounts receivable and accounts payable and accrued liabilities are recorded at amortized cost.

(j) Measurement uncertainty:

The preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include the assets and obligations related to employee future benefits. Actual results may vary from the current estimates. These estimates are reviewed periodically and as adjustments become necessary, they are reported in earnings in the periods in which they become known in accordance with the accounting standards.

FINANCIAL SUMMARY

Notes to Financial Statements

Year ended March 31, 2025

(in thousands of dollars)

3 Investments:

Investments consist of the following:

	2025	2024
Canadian Fixed Income Investments	\$ 48,901	\$ 51,125
Global Fixed Income Investments	13,292	13,055
Canadian Equities	11,422	10,829
Global Equities	44,461	42,846
Canadian Real Estate	5,519	2,720
Global Real Estate	3,475	1,321
Total investments	\$ 127,070	\$ 121,896

Investments are internally restricted for future expenditures including for post-employment benefits (note 7). The bonds have a weighted average term to maturity of 99 months, a weighted average interest rate of 4.3% and a weighted average yield to maturity of 4.3%.

4 Property, plant and equipment:

	COST	ACCUMULATED DEPRECIATION	2025 NET BOOK VALUE	2024 NET BOOK VALUE
Land	\$ 2,314	\$ –	\$ 2,314	\$ 2,314
Buildings	8,341	5,633	2,708	3,042
Building improvements	3,215	1,506	1,709	633
Electronic equipment	10,194	8,269	1,925	152
Telephone and projection system equipment	2,819	2,736	83	53
Office furniture and equipment	2,932	2,340	592	209
Inspection equipment	19	19	–	–
Leasehold improvements	1,791	1,791	–	–
Capital work in process	1,557	–	1,557	2,443
	\$ 33,182	\$ 22,294	\$ 10,888	\$ 8,846

5 Intangible assets:

	COST	ACCUMULATED DEPRECIATION	2025 NET BOOK VALUE	2024 NET BOOK VALUE
Computer software and licenses	\$ 33,997	\$ 27,277	\$ 6,720	\$ 6,439

Notes to Financial Statements

Year ended March 31, 2025

(in thousands of dollars)

6 Employee future benefit plans:

ESA's employee benefit plans include defined benefit plans that provide pension and OPEB such as medical, dental and life insurance benefits to most of its employees. The registered pension plan, contributions to which are governed by the Pension Benefits Act of Ontario, is a contributory defined benefit plan covering all regular employees of ESA. Defined benefit plan assets, obligations and related expenses are impacted by factors including interest rates, adjustments arising from plan amendments and changes in assumptions.

The accrued benefit obligations for the pension plan and supplemental employee retirement plan are measured as at March 31, 2025 based on projections from the January 1, 2024 actuarial funding report.

The obligations for OPEB and long-term disability are measured as at March 31, 2025 based on projections from data as at January 1, 2024 and March 31, 2025 respectively. The fair value of assets for all plans is determined using the March 31, 2025 asset values.

The actuarial present value of the accrued pension benefits for funding purposes is estimated as at March 31, 2025 based on a projection of the actuarial valuation as of January 1, 2024. The effective date of the next required actuarial valuation report for funding purposes for the pension plans is January 1, 2027.

Information about ESA's defined pension benefit plans and OPEB plans for the year ended March 31, 2025 is as follows:

	2025 PENSION BENEFIT PLANS	2025 OPEB PLANS	2024 PENSION BENEFIT PLANS	2024 OPEB PLANS
Accrued benefit obligation, end of year	\$ (481,682)	\$ (103,784)	\$ (459,191)	\$ (95,437)
Fair value of plan assets, end of year	536,187	–	492,217	–
Funded status, plan surplus (deficit)	54,505	(103,784)	33,026	(95,437)
Add: Workplace Safety Insurance Board of Ontario liability and other benefit liabilities	–	(672)	–	(756)
Total employee future benefit asset (obligation)	\$ 54,505	\$ (104,456)	\$ 33,026	\$ (96,193)

The amount of \$54,505 (2024 - \$33,026) reported on the statement of financial position as a deferred pension asset represents the excess of the plan assets over the actuarially determined present value of accrued pension benefits and consists of a balance of \$63,371 (2024 - \$40,858) in the pension plan, and a liability of \$8,866 (2024 - \$7,832) in the Supplementary Retirement Plan.

The breakdown of the total benefit cost is as follows:

	2025 PENSION BENEFIT PLANS	2025 OPEB PLANS	2024 PENSION BENEFIT PLANS	2024 OPEB PLANS
Employer current service cost	\$ (9,683)	\$ (3,058)	\$ (9,231)	\$ (2,861)
Finance income (cost)	2,497	(4,773)	952	(4,520)
Total defined benefit (cost)	\$ (7,186)	\$ (7,831)	\$ (8,279)	\$ (7,381)

Notes to Financial Statements

Year ended March 31, 2025

(in thousands of dollars)

6 Employee future benefit plans (continued):

The significant actuarial assumptions adopted in measuring ESA's accrued pension benefits and OPEB obligations for the year ended March 31, 2025 are as follows:

	Pension benefit plans		OPEB plans	
	2025	2024	2025	2024
Discount rate	6.30%	6.30%	4.80%	5.00%
Rate of compensation increase (before merit)	3.45%	6.75%	3.45%	6.75%
Increase in Consumer Price Index	3.00%	2.60%	–	–

The significant actuarial assumptions adopted in measuring ESA's expenses for pension benefits and OPEB obligations for the year ended March 31, 2025 are as follows:

	Pension benefit plans		OPEB plans	
	2025	2024	2025	2024
Discount rate	6.30%	6.30%	4.80%	5.00%
Rate of compensation increase (before merit)	3.45%	6.75%	3.45%	6.75%
Increase in Consumer Price Index	3.00%	2.60%	–	–
Expected long-term rate of return on plan assets	6.30%	6.30%	–	–

ESA's rate of growth for health care costs in 2025 is estimated as follows:

- Drugs – 6.00% in 2022 grading down to 4.00% per year in 2041
- Other medical costs – 4.00% per year
- Dental – 4.00% per year

The pension plan assets principally include equities and corporate and government debt securities, which are selected by professional investment managers. Pension plan assets are valued using current market values.

Notes to Financial Statements

Year ended March 31, 2025

(in thousands of dollars)

6 Employee future benefit plans (continued):

The pension plan assets are invested as follows:

	2025
Cash	1%
Canadian fixed income investments and income oriented	39%
Canadian equities	7%
Global equities	35%
Alternative investments	18%
	100%

	2024
Cash	1%
Canadian fixed income investments and income oriented	30%
Canadian equities	7%
Global equities	34%
Alternative investments	28%
	100%

Other information about ESA's defined benefit pension plan is as follows:

	2025	2024
Employer's contributions	\$ 9,435	\$ 8,707
Employees' contributions	7,268	6,905
Net transfers	756	657
Benefits paid	19,173	16,735
Re-measurements due to pension benefit actuarial gains and plan amendments	3,757	41,002

Notes to Financial Statements

Year ended March 31, 2025

(in thousands of dollars)

6 Employee future benefit plans (continued):

Provision for Adverse Deviations (PfAD) - effective for funding valuations filed in or after 2018, the Ontario Pension Benefits Act and Regulation 909 thereunder require a Provision for Adverse Deviations (PfAD) be applied to pension obligations. The Accounting Standards Board have indicated they expect plan sponsors to apply that PfAD to accounting obligations for all post retirement programs sponsored by entities that have elected to use the pension funding valuation for accounting purposes, with a pension plan registered in Ontario, starting at December 31, 2018. The reconciliation of the Defined Benefit Obligation as at March 31, 2025 is presented below:

RECONCILIATION OF THE DEFINED BENEFIT OBLIGATION (DBO)	PENSION	OPEB
Defined benefit obligations – opening	\$ 459,191	\$ 95,437
Employer current service cost	9,683	3,058
Employee contributions	7,268	–
Transfers in	757	–
Benefits paid	(19,458)	(2,806)
Administrative expenses	(1,024)	–
Interest on defined benefit obligation	28,362	4,773
Actuarial (gains)/losses	(3,097)	3,322
Defined benefit obligations – closing	\$ 481,682	\$ 103,784

7 Internally restricted long-term investments:

Long-term investments totaling \$127,070 (2024 – \$121,896) are internally restricted to establish a reserve for the unfunded portion of other post-employment benefits liabilities. These funds are also intended to support specific strategic initiatives and to provide a safeguard against unforeseen adverse financial events. Furthermore, investment income earned through long-term investments is also used to offset OPEB interest expense. Investment income for the year totals \$12,356 (2024 - \$10,354) with an OPEB interest expense of \$4,733 (2024 - \$4,520).

Notes to Financial Statements

Year ended March 31, 2025

(in thousands of dollars)

8 Revenue:

Major categories of revenue recognized during the year are as follows:

	2025	2024
Wiring	\$ 78,230	\$ 74,176
Continuous safety services	27,936	25,922
Other	30,685	26,827
	\$ 136,851	\$ 126,925

9 Statement of cash flows:

The net change to non-cash working capital balances related to operations consists of the following:

	2025	2024
Accounts receivable	\$ (764)	\$ (709)
Other assets	133	(422)
Accounts payable and accrued liabilities	778	712
Deferred revenue	755	745
	\$ 902	\$ 326

10 Contingencies

In the ordinary course of business activities, ESA may be contingently liable for litigation and claims with customers, suppliers and employees. Specific claims have been brought against ESA, the outcome of which is indeterminable at this time. Management believes that adequate provisions have been recorded in the accounts where required and that there are no excess determinable liabilities that have not been recorded at March 31, 2025.

Although it is not possible to accurately estimate the extent of potential costs and losses, if any, management believes, but can provide no assurance, that the ultimate resolution of such claims would not have a material adverse effect on the financial position of ESA. Should any uninsured losses occur, they would be charged to operations in the year the amounts become determinable.

Notes to Financial Statements

Year ended March 31, 2025

(in thousands of dollars)

11 Commitments:

- (a) ESA is committed to premises and equipment leases with terms expiring at various dates during the next five years and thereafter. Future minimum annual payments under non-cancellable operating leases are as follows:

2026	\$	3,953
2027		3,882
2028		3,786
2029		3,780
2030		3,731
Thereafter		3,715
	\$	22,847

- (b) As at March 31, 2025, a letter of credit in the amount of \$920 has been issued to the Workplace Safety Insurance Board of Ontario to guarantee funding of future liabilities.

12 Financial risks and concentration of credit risk:

ESA is exposed to a variety of financial risks including market risk, liquidity risks and credit risk. ESA's overall financial risk management program seeks to minimize potential adverse effect on ESA's financial performance arising from the unpredictability of financial markets. ESA is exposed to interest rate risk with regards to its short and long-term investments, which are regularly monitored.

- (a) Credit risk and customer concentration:

Credit risk arises from cash and cash equivalents held with financial institutions, and credit exposures to customers on outstanding accounts receivable balances. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. Cash is held at a major financial institution that has a high credit rating assigned to it by international credit-rating agencies minimizing any potential exposure to credit risk. ESA assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Management also monitors payment performance and the utilization of credit limits of customers.

Concentration of credit risk arises when a group of customers has similar characteristics, such that their ability to meet their obligations is expected to be affected similarly by changes in economic or other conditions. Management has assessed the risk of concentration of credit risk and has concluded that this is not a significant risk based on the make up of the accounts receivable balance. The allowance for doubtful accounts is \$2,123 at March 31, 2025 (2024 - \$1,833). ESA has policies in place to ensure that sales are made to customers with an appropriate credit history.

- (b) Liquidity risk:

Liquidity risk results from the ESA's potential inability to meet its obligations associated with the financial liabilities as they become due. ESA monitors its operations and cash flows to ensure that current and future obligations will be met. ESA has access to a \$5,000 credit facility which is undrawn at March 31, 2025 and believes that its current sources of liquidity are sufficient to cover its currently known short and long-term cash obligations.

Notes to Financial Statements

Year ended March 31, 2025

(in thousands of dollars)

(c) Market risk:

ESA is exposed to certain market risks as a result of global economic conditions with the imposition of U.S. tariffs and reciprocal Canadian tariffs. These conditions are dynamic and the ultimate magnitude of the impact on the economies to which ESA operates in and the financial effect on ESA are not known at this time. These conditions may lead to adverse changes in cash flows and/or working capital levels which may also have a direct or indirect impact on the operating results and financial position of ESA in the future.

ESA has determined that they are not significantly exposed to the impact of these conditions based on their supply chain requirements and revenues being concentrated within Ontario, Canada.

13 Government remittances outstanding:

Government remittances consist of amounts (such as property taxes, sales taxes and payroll withholding taxes) required to be paid to government authorities and are recognized when amounts become due. In respect of government remittances \$1,990 (2024 - \$1,814) is included within accounts payable and accrued liabilities.

14 Internally restricted reserve:

ESA has an approved internally restricted reserve to ensure sufficient capital is available to maintain long-term sustainability in the event of unforeseen adverse financial events, or to fund specific strategic initiatives as recommended by ESA management. This policy, approved by the Board of Directors, sets a target restricted reserve level based on budgeted operating expenses.

ADVISORY COUNCILS



ESA regularly consults with our stakeholders and safety partners. Gaining their insight and advice helps us anticipate and understand electrical-related harm. Their input enriches our plans as we work together to reduce serious and fatal injury, damage and loss. One of the ways that the ESA engages our broader sector is through our five stakeholder advisory councils.

Through collaboration, our partners help us deliver a safer Ontario. Participants in ESA advisory councils include local distribution companies, electrical contractors, engineers, manufacturers, members of the public and voices from across the safety ecosystem. The majority of advisory councils are chaired by an elected member. The stakeholder advisory councils advise ESA management or ESA's Regulatory, Governance, People & Culture Committee.

The councils help advise ESA on our regulatory responsibilities and help advance our safety goals and objectives. Sometimes, we address specific projects or issues through ad-hoc committees or working groups.

Council members commit to a three-year term and attend four to five meetings each year.

Ensuring transparency is one of ESA's priorities in building and maintaining public trust and accountability. As part of this commitment, advisory council terms of reference, meeting minutes and information on council membership are available to the public at: ESAsafe.com/stakeholder-advisory-councils/.

CONTRACTOR ADVISORY COUNCIL

Dave Ackison	Colin Mercier
Ryan Delisle	Chris Ruber (Chair)
Brendon Fenton	Deva Sarathchandran
Joe Kurpe	Matthew Scratch (Vice Chair)
Rick Leduc	Scott Yemen
Doug McGinley	

CONSUMER ADVISORY COUNCIL

Lucy Becker	Kelly McMath
James Boritz	Sunaina Menezes (Chair)
Sue Forcier	Karim Nazarali (Vice-Chair)
Salim Khodari	Jennifer Reynolds

ELECTRICAL CONTRACTOR REGISTRATION AGENCY ADVISORY COUNCIL

James Boritz	Cameron Hann (Chair)
Kelly Casey	Larry Shaver (Vice Chair)
Vince De Gasperis	Catherine Taylor
Steve Del Guidice	Steve Green
Leo Grellette	

ONTARIO PROVINCIAL CODE COMMITTEE

George Chelvanayagam	Martin Lem	Andrew Pottier
Mel Fruitman	Diana Madill	Eerik Randsalu
Vladimir Gagachev	Chris Magnusson	Samuel Rawson
Nansy Hanna, ESA (Chair)	Mark McEwen	Dave Sinclair
Phil Lasek	Rudra Mukherji	Robert Smith
Desmond Lau	Peter Olders	Adam Zubczyk
Rick Leduc		

UTILITY ADVISORY COUNCIL

Eric Andres	Scott Glazer	Zhi Lin
Authur Berdichevsky	Patrick Fee	Shevan Mustafa
Joseph Chiuco	Bryon Hartung	Sushma Narisetty (Chair)
Edward Donkersteeg	Salim Khodari	Rohit Nehru
Ken Gallen	Alain Leger	Muayad Tarabain
Ajay Garg		

CORPORATE POLICIES

ESA continually reviews and renews its internal corporate policies to comply with all legislative requirements. Some policies are publicly available.

Accessibility

ESA is committed to meeting the accessibility needs of people with disabilities and complying with the *Accessibility for Ontarians with Disabilities Act, 2005* (AODA) and its Regulation.

As part of ESA's commitment to AODA, ESA has developed a Multi-Year Accessibility Plan, which was last updated in December 2022. This outlines our strategy to prevent and remove barriers and meet AODA requirements. We also established various policies and processes to assist persons with disabilities, including the Integrated Accessibility Standards Policy.

In the past fiscal year, the following accessibility service requests and/or actions were implemented:

- Automatic door openers were installed at multiple entry points at ESA's Mississauga and Cambridge offices, including in an accessible washroom.
- Two (2) requests for accommodation were made in relation to job postings at ESA.
- Forty-four (44) accommodation requests were granted in conjunction with the Master Electrician examination.

Appeals

ESA is committed to providing individuals and organizations with the opportunity to request a review of an ESA order, a hearing of a licensing Notice of Proposal or an appeal before the Review Panel of an Administrative Penalty or decision of the Director of Reviews and Appeals.

ESA has established a fair and transparent reviews and appeals process to facilitate the right to request a review or an appeal. The reviews and appeals process, which can be reviewed at ESAsafe.com/appeals, has specific Rules of Procedure that define the process steps for those seeking to request a Director's Review, Director's Hearing or a Review Panel Hearing.

In 2024-25, ESA received 12 Requests for Director's Review to dispute Orders associated with the Ontario Electrical Safety Code (Regulation 164/99), compared to seven the previous year. ESA received 21 Requests for Director's Hearing to dispute Notices of Proposal associated with Contractor Licensing (Regulation 570/05), compared to 17 in the previous year. ESA did not receive any requests for Director's Review associated with Product Safety (Regulation 438/07) or Electrical Distribution Safety (Regulation 22/04).

ESA received zero Notices of Appeal before the Review Panel to dispute a Director's decision, compared to one in the previous year. ESA received 15 Notice of Appeals before the Review Panel to dispute an APO.

Code of Conduct

ESA's Code of Conduct provides a framework within which all day-to-day activity takes place, in alignment with ESA's mandate and values. The Code of Conduct also provides ESA's Board of Directors and stakeholders with a concrete statement of standards of conduct against which ESA actions can be measured. ESA's Code of Conduct can be found at: ESAsafe.com/esa-employee-policies-and-procedures.

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. Information on ESA's Complaints Policy can be found at ESAsafe.com/complaints. In 2024-25, ESA received 32 complaints and resolved all 32 pursuant to the Complaints Policy. ESA works to respond to all complaints in a timely, consistent and direct way.

Enterprise Risk Management (ERM)

ESA has a comprehensive ERM program to identify, assess, monitor and mitigate enterprise-wide risks which could impact the achievement of the organization's objectives.

ESA's ERM processes are structured on best practice frameworks, including the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and ISO 31000. Our risk appetite has been defined to align with our vision and purpose with a focus on the ability to be a modern regulator, while keeping safety our top priority.

ERM assessments are completed quarterly using a rigorous and meticulous approach and the results are presented to the Board and its Committees. The responsibility to oversee the design and implementation of the ERM program has been delegated to the Audit & Investment Committee.

During the financial year, all of ESA's enterprise-wide risks were within tolerance, after mitigation. Risks assessed as "Medium" were closely monitored.

Management implemented cost-effective controls and mitigation activities to manage all risks, as a result of which ESA's key objectives and goals were not adversely impacted.

ESA's ERM system features real-time reporting through a risk intelligence system which clearly defines monitoring and reporting responsibilities throughout the organization. Risks that exceed ESA's established risk appetite are escalated to ensure additional monitoring controls and risk mitigation measures are implemented. Continuous improvement mechanisms have been built into the ERM framework.

French Language Service

ESA responds to requests for French services as they arise throughout the year. In 2024-25, ESA's Customer Service Centre received 2,139 calls in French, compared to 1,931 the previous year.

Non-Regulatory Business

Per Schedule "I" of ESA's Administrative Agreement with the Ministry of Public and Business Service Delivery and Procurement, ESA may engage in non-regulatory business ventures. Non-regulatory business falls outside ESA's regulatory oversight role, but within ESA's mandate of electrical safety. ESA will only engage in non-regulatory business ventures that promote and enhance electrical safety and are consistent with the Objects in its Letters Patent, unless prior approval by government has been obtained in accordance with the Administrative Agreement. The Administrative Agreement (Schedule "I") 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. Changes were last made to ESA's Non-Regulatory Business Ventures Policy in November 2023 to align the policy with updates made to Schedule "I" of the 2022 Administrative Agreement and incorporate Non-Regulatory Business Conflict of Interest provisions to the policy. The Non-Regulatory Business Policy (Schedule "I") and additional information regarding ESA's non-regulatory business activities can be found at: ESAsafe.com/non-regulatory-business.

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. The Access and Privacy Code was reviewed and updated in 2022 as part of the Administrative Agreement with the Government of Ontario and applicable privacy laws. In 2024, ESA reviewed and updated its Customer Privacy Policy, which outlines how 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 process 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, subject to specific identified exemptions. In 2024-25, ESA received 3,744 Requests for Information and conducted 2,170 Record Searches. The Access and Privacy Code, along with the updated Customer Privacy Policy, can be found at: ESAsafe.com. Both are overseen by ESA's Chief Privacy Officer.

Procurement

ESA follows a Procurement Policy to ensure receipt of the best value for the goods and services required for its operations and that these goods and services are purchased through open, fair, transparent, accessible, clear and consistent procurement practices. This Policy and its associated policies and procedures are mandatory and apply in their entirety to all ESA employees and anyone with the authority to act on behalf of ESA. It is important that ESA employees involved in procurement activities act with integrity and professionalism in accordance with the requirements set out in ESA's Code of Conduct. Where conflicts of interest, both real and perceived, exist during the procurement process and the ensuing contract, ESA employees are to refer to the Procurement Policy and associated procedures, the business expense procedures, the Code of Conduct and other related policies for guidance. All ESA employees involved in a procurement evaluation are required to safeguard confidential information, and be aware of, and abide by, any restrictions related to confidential information shared through this process. The Procurement Policy, which is updated periodically, ensures ESA is guided by leading practices and the spirit of the most up-to-date Ontario Public Service Procurement Directive, issued by the Management Board of Cabinet. The Procurement Policy can be found on [ESAsafe.com](https://www.esa-esc.gc.ca/esa-safe/procurement-policy).

Whistleblower

ESA considers the standards prescribed in the Code of Conduct to be paramount to the integrity and credibility of the organization and its staff. The Whistleblower Policy establishes a comprehensive framework for the making and handling of internal reports of a whistle-blowing nature. Under the Whistleblower Policy, ESA employees, officers and Board members are responsible for reporting acts or omissions that are (or are suspected to be) illegal, unethical or contrary to ESA policies, including the Code of Conduct. Individuals reporting concerns in good faith will not suffer retaliation or reprisal. Any external reports of this nature about ESA continue to be handled pursuant to the Complaints Policy. The Chief Ethics Officer is responsible for ensuring that whistleblower reports are appropriately handled and investigated, as necessary, in accordance with the procedures and that the Audit & Investment Committee is provided with quarterly updates.

Workplace Harassment, Discrimination and Violence

The Harassment, Discrimination and Violence in the Workplace Policy is a key part of ESA's program to prevent and address inappropriate and unacceptable conduct in the workplace. The Harassment, Discrimination and Violence in the Workplace Policy, and related procedures, provide for:

- Zero tolerance of harassment, discrimination and violence in the workplace;
- Multiple avenues for the reporting of harassment, discrimination and violence;
- Mandatory investigation of all such reports;
- Organization-wide training; and
- Regular review to ensure compliance with legislation and objectives.



Electrical
Safety
Authority

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