



Business Plan

SAFELY POWERING TOMORROW

The Journey Towards Becoming
a Modern Regulator

April 2024 to March 2025

Vision

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

Mission

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

Mandate

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

– *ESA Objects of Corporation, 1999*

Purpose

ESA *anticipates, understands,* and *mitigates* electrical related harms to improve safety for the well-being of Ontarians.

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.

TABLE OF CONTENTS

CORPORATE OVERVIEW4

Role5

Relationship to Government5

Scope of Powers & Responsibilities.....6

Ontario Auditor General's Value for Money Audit6

Corporate Structure7

Stakeholders.....9

ESA'S 5-YEAR STRATEGIC PLAN 11

Safely Powering Tomorrow: The Journey

Towards Becoming a Modern Regulator 12

Our Approach.....12

2024-2025 Strategies and Activities13

GOAL: Safety13

GOAL: Compliance.....15

GOAL: Organizational Excellence17

GOAL: Public Accountability.....20

PERFORMANCE STANDARDS AND MEASURES22

RESOURCES.....24

Financial Resources.....25

Environmental Context.....27

Enterprise Risk Management (ERM)28

CORPORATE POLICIES, PRACTICES AND PROCEDURES29

CORPORATE OVERVIEW



CORPORATE OVERVIEW

Role

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

Our powers and duties are derived from Part VIII of the Electricity Act, 1998 and the *Safety and Consumer Statutes Administration Act*, including responsibility for five regulations:

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

- Administrative Penalties (Regulation 12/23) specifies when the ESA may issue administrative monetary penalties to unlicensed businesses, licensed electrical contractors, master electricians or individuals who are not compliant with certain electrical safety requirements.

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

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

Relationship to Government

ESA is a Designated Administrative Authority (DAA) of the Government of Ontario. Our mandate is to administer the designated legislation and regulations to enhance public safety, consumer protection, and advance the principle of a fair, safe and informed marketplace, which supports a competitive economy.

The Ministry of Public and Business Service Delivery (MPBSD) retains responsibility for legislation and regulations. ESA is responsible for implementing and enforcing legislation and regulations.

The roles and obligations of ESA and the Ministry are detailed in an Administrative Agreement which was updated in 2022 and is a publicly available [document](#).

Scope of Powers & Responsibilities

ESA's mandate is detailed in the corporation's Letters Patent. The objects or purposes are to promote and undertake activities which enhance public electrical safety including:

- training
- inspection
- authorization
- investigation
- registration
- enforcement
- audit
- other public electrical safety quality assurance services
- to act in any capacity under all legislation and regulations designated and delegated to the Corporation under the Safety and Consumers Statutes Administration Act, 1996, S.O. 1996, C.19 as amended from time to time and any other legislation or regulations under which responsibilities are delegated to the Corporation in the future
- to inform, educate and work with industry, government and the public
- to promote and undertake activities which enhance the competitiveness of the Ontario and Canadian economy
- to promote and undertake activities that encourage the harmonization of electrical safety standards and compliance practices
- to encourage industry to responsibly enhance electrical safety.

The objects establish a broad scope of tools that can be applied to enhance electrical safety. In addition, ESA has the ability to provide other safety quality assurance services which gives the organization significant flexibility. These can include non-regulatory services such as delivery of services to non-regulated entities, product approvals through Electrical Safety Authority – Field Evaluation (ESAFE) and training. These non-regulated lines of business must adhere to certain requirements in its Administrative Agreement with government.

Ontario Auditor General's Value for Money Audit

Work has diligently continued on the implementation of the recommendations made in the Auditor General's December 2020 Audit Report. Eighty-seven percent of the 35 action items that contribute to the implementation of the Auditor General's recommendations have been completed. Our progress is available publicly and can be viewed [here](#).

The Auditor General released its follow up report in November 2022, which affirmed the actions completed to that date. That report noted that, “the ESA has fully implemented recommendations such as further developing its risk-based inspection approach so that it will result in fewer inspections of low-risk installations and more inspections of higher risk installations”.

ESA welcomed the Auditor General's report and follow up and will continue to highlight areas where we can further improve electrical safety for Ontarians.

Corporate Structure

ESA's Board of Directors has oversight of corporate governance and guides the organization's strategy. Among its key responsibilities, the Board:

- Approves ESA's strategic plan, business plan and budget.
- Oversees the integrity of ESA's reported financial performance.
- Appoints the CEO and oversees succession planning.
- Monitors the strategic environment and ensures appropriate enterprise risk management.
- Monitors the integrity of the organization's internal controls.

The Board of Directors is comprised of twelve members, three of which are appointed by the Minister of Public and Business Service Delivery. Board members bring an extensive degree of experience, 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. Each term is three years.

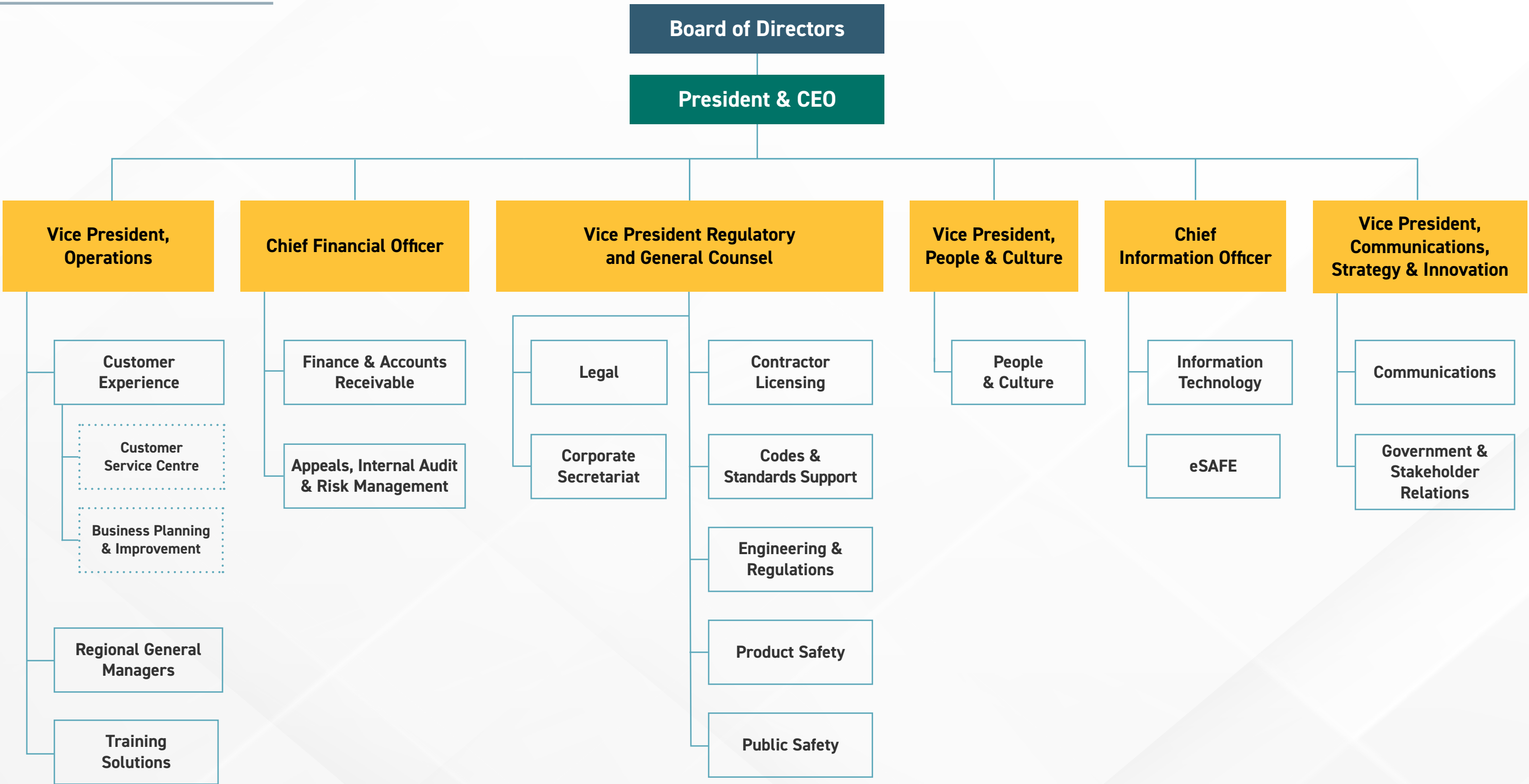
Each Board member has signed and agreed to abide by a Directors Code of Conduct and

also takes part in a program to stay abreast of best practices. This covers corporate due diligence reporting, Director responsibilities, governance, conflicts of interest, and investment and pension management.

The Board of Directors includes the following members:

- Christopher Hopper, Chair
- Mary Ann Aldred
- Arjan Arenja, Chair of the Audit and Investment Committee
- Rhonda Barnet
- Indrani Butany
- Frank D'Andrea
- Audrey Kroon-Lowther
- Dale MacDonald
- Daniel Péloquin
- Ysni Semsedini, Chair of the People, Culture and Governance Committee
- Jeanette Southwood
- Vivi White, Chair of the Regulatory Affairs Committee

ESA Organizational Structure



Stakeholders

The ESA is committed to ongoing and meaningful engagement with stakeholders across the province including Licensed Electrical Contractors, Local Distribution Companies, stakeholders in the broader electrical sector and the general public.

CONSUMER PROTECTION

As Ontario's electrical safety regulator, ESA is focused on the safety and protection of Ontario consumers. We are committed to educating consumers on what they should know before hiring a Licensed Electrical Contractor, communicating the importance of buying approved electrical products and protecting them from the serious risks associated with faulty electrical work.

BROADER ELECTRICAL SECTOR

The ESA is part of a larger energy ecosystem that includes other energy regulators, generators, transmission, distributors and industry partners. We regularly engage to keep abreast of changes to the sector that could have impacts on electrical safety in the province.

INDIGENOUS COMMUNITIES

The ESA is striving to build better and broader relationships with Indigenous people, organizations and nations that will help communities get empowered with knowledge to reduce electrical harms that exist. Through ESA's Truth and Reconciliation Action Plan,

ESA will build better and broader relationships with Indigenous people, organizations and nations that will help communities get empowered with knowledge to reduce electrical harms and meet the intent of the Truth and Reconciliation Commission recommendation.

STAKEHOLDER ADVISORY COUNCILS

ESA regularly consults with our safety partners. Gaining their insight and advice helps us anticipate and understand electrical-related harm. Their comments make our plans and campaigns better as we work together to reduce serious and fatal injury, damage and loss.

Our partners help us deliver a safer Ontario. They include the public; local distribution companies; electrical contractors; engineers; manufacturers; and consumers. They provide feedback through five stakeholder advisory councils:

- » **Consumer Advisory Council**
Council members advise on emerging electrical-related issues that may affect the Ontario public. The council recommends ways to advance consumer awareness and identifies areas that may need research.
- » **Contractor Advisory Council**
This council advises ESA on how to improve contractor-related services. It provides feedback to enhance strategies and policies. It also helps build a collaborative approach that reinforces existing partnerships and builds new relationships within the industry.

» **Electrical Contractor Registration Agency (ECRA) Advisory Council**

This council gets feedback from Licensed Electrical Contractors, municipalities and the public. Discussions relate to licensing, exams, registration and certification in Ontario. The council advises the Regulatory Affairs Committee of the Board of Directors.

» **Ontario Provincial Code Committee**

Members of this council include inspectors, electrical contracting companies and general interest groups. It provides recommendations and comment on new proposals or revisions to the Electrical Safety Code.

» **Utility Advisory Council**

The Utility Advisory Council helps identify, monitor and address electrical safety risks related to the Electrical Distribution Safety System. Members also make recommendations on new proposals or revisions to the Electrical Safety Distribution Regulation and guideline.

The councils help advise ESA on electrical safety initiatives and help advance our safety goals and objectives. Minutes from the meetings and composition of the Advisory Councils can be found at: <https://esasafe.com/stakeholder-advisory-councils/>.

ESA'S 5-YEAR STRATEGIC PLAN



ESA'S 5-YEAR STRATEGIC PLAN

Safely Powering Tomorrow: The Journey Towards Becoming a Modern Regulator

ESA's current Five-Year Strategy spans from April 2020 to March 2025. It reflects ESA's priorities that drive performance in areas related to safety, compliance, organizational excellence, financial sustainability and public accountability, that collectively, help move ESA on a path towards being a more accountable and modern regulator.

Our Approach

ESA's vision is an Ontario where people can live, work and play safe from electrical harm. In order to implement this vision in today's world of ever-changing technology and electrification, we must keep pace with the adoption of new technologies and evolving concerns about potential electrical harms.

The transformation of the electricity sector dictates that ESA must also adapt quickly by being actively aware of changes, ensuring we are value-add and having a good understanding of changes sooner rather than later so that we can appropriately regulate and educate in a timely manner. ESA remains committed to being a partner in this electrification ecosystem that will ensure a robust electrical safety culture in our sector.

Our goal is to be a relevant and collaborative safety regulator that plays a meaningful role in the electricity ecosystem as it evolves. We also want to reduce regulatory and administrative burdens for our stakeholders and customers — to motivate compliance, without sacrificing safety.

In the final year of the Strategic Plan, ESA's ability to support the electrification transformation will be paramount as we plan for the next strategic plan and beyond.

2024-2025 Strategies and Activities

The five-year strategy has four main goals centered around: safety, compliance, organizational excellence and public accountability.

The following lays out the priorities for FY25.

GOAL: Safety

FURTHER REDUCING ELECTRICAL HARMS

ESA's mandate and focus is safety and we continue to seek ways to reduce the number of electrical-related critical injuries in Ontario, while maintaining the low rate of electrical-related fatalities. ESA continues to track the number of electrical-related fires in Ontario and work towards reducing them.

Our five-year safety goal is to achieve a 10% decrease in the combined rate of electrical fatalities and critical injuries (based on the five-year rolling average) between 2020 and 2025. In the final year of the strategy, the target will therefore be a two percent decrease (representing a portion of that 10%), building on past progress.

Given the growing population in Ontario and the ever-changing nature of electrical harms as a result of technological innovation, and democratization of electricity, ESA provides a crucial role in monitoring electrical related fatalities, injuries and incidents in the Province. ESA analyzes this data to inform our strategies and works with collaborative partners to help create education and awareness across Ontario.

Each year, ESA releases the Ontario Electrical Safety Report (OESR) that compiles and publishes electrical safety data, providing a comprehensive collection of data and analysis. To view the latest edition of the OESR, click [here](#).

PRIORITIZING AND ADDRESSING HARMS

ESA has adopted a Harm Life Cycle approach to addressing electrical safety risks. Once a harm is understood and evaluated on a risk basis, ESA works to prioritize resources to mitigate it based on the impact the harm reduction actions are expected to have on Ontarians and the impact we can make in reducing it.

Harms within the five main categories are being considered for mitigation and prioritization and include harms related to: worker safety, powerline safety, non-occupational electrical interactions, electrical product fires and aging infrastructure.

To ensure that we have the organizational capabilities, we align the management of our resources with the Harm Life Cycle-based approach of managing and addressing harms. In some cases, this may mean that we scale back our active efforts when a harm has been mitigated, while continuing to monitor and reassess. In all of these efforts, we have strong working relationships that include data and information sharing with our safety partners.

DEVELOPING PARTNERSHIPS

ESA will continue to develop its partnership network through the sharing of electrical safety expertise including with our advisory councils and other organizations such as: the Ministry of Labour, Immigration, Training and Skills Development of Ontario; the Office of the Fire Marshal; the Office of the Chief Coroner; and Health Canada.

Where we believe that others can enable a larger harm reduction impact, we are actively working to partner to develop actions across organizations and work together. ESA aims to further our collaborations in the identification of potential harm solutions.

Strategic Goal: Safety	Activities Planned for FY25	Metrics
Further reducing electrical related harm	<p>Ensure the Ontario Electrical Safety Report (OESR) is more accessible to wider audiences through the dissemination of relevant information to key stakeholder groups.</p> <p>Significant internal resources are dedicated to updating the Ontario Electrical Safety Code (OESC). This is done on a three-year cycle and involves an extensive process including review, consultation and education.</p> <p>ESA will work with key stakeholders, including the Ontario Fire Marshal to examine emerging harms related to e-mobility devices and lithium-ion batteries.</p> <p>Develop a targeted Powerline Safety Campaign targeted at first responders, trades most likely to come into contact with powerlines and males aged 18-34.</p>	<p>10% decrease in electrical fatalities and critical injuries (based on 5 year rolling average)</p> <p>Code update, consultation and education will be completed by end of FY25.</p>

GOAL: Compliance

CREATING A REGULATORY ENVIRONMENT THAT ENABLES ELECTRICAL SAFETY

ESA is responsible for the administration and enforcement of Part VIII of the *Electricity Act* (Act) and its regulations. ESA will continue to evolve and improve our approaches to overseeing compliance to the Act and regulations by our licence holders, Licensed Distribution Companies as well as overseeing the safety of electrical products sold in Ontario.

Leveraging risk-based prioritization efforts raises the already high standard of electrical services received by those in Ontario. For this goal, our primary objective is to work with the contractor community to promote compliance, identify and address those working outside the licensed system and working to motivate compliance by reducing burden.

In spring 2023, the Ontario Government gave ESA the ability to issue administrative monetary penalties. This new tool supports ESA in tackling non-compliance especially with respect to unlicensed and underground activities, reducing the reliance on prosecutions.

This tool is utilized to increase compliance and reduce the risk of electrical harms in Ontario. The funds collected from these penalties will be applied to compliance and safety initiatives including educating consumers about the dangers of hiring unlicensed electrical contractors.

For ESA, it is imperative that we support the continued education and development of the contracting community to ensure they have the skills and support necessary to complete all electrical work compliantly and safely.

ESA also undertakes data-driven initiatives to identify non-compliance and target the underground economy. These include initiatives that monitor things like building permits and EV infrastructure to identify where electrical installation activity is taking place. Online marketplaces for electrical services are also monitored. Where the necessary ESA notifications have not been filed or unlicensed work is occurring, compliance activities are undertaken, including administrative penalties, as appropriate. Information about suspected non-compliances is also brought to ESA's attention through our inspection in the field and through reports filed by stakeholders.

Planned Activities:

Strategic Goal: Compliance	Activities Planned for FY25	Metrics
<p>Creating a regulatory environment that enables electrical safety</p>	<p>Continue to realize benefits from a Risk Based Approach while also investing in IT systems and services to reduce manual efforts and shift resources where appropriate from low risk rated to areas of higher risk rated notifications or compliance areas.</p> <p>To help further reduce the potential demand for work done without electrical notifications, ESA will also increase public awareness of the benefits and hiring a Licensed Electrical Contractor (LEC) to complete electrical work.</p> <p>ESA will educate homeowners through an integrated communications campaign on the rules and benefits to hiring LECs. This includes digital, print, social media and other forms of advertising.</p> <p>Strategically leveraging data (Electric Vehicles, municipalities, online marketplaces, etc.) and identify those working in the underground economy and following up with compliance tools.</p> <p>Further refining Administrative Penalty processes.</p>	<p>Conduct 1,000 investigations related to Electric Vehicle installations where the work was completed without an ESA permit.</p> <p>Conduct over 1,075 on the spot education related to Powerline Safety, Electrical Worker Safety, Intervention or other face to face opportunities.</p>

GOAL: Organizational Excellence

OPERATING WITH EXCELLENCE TO MAXIMIZE THE ELECTRICAL SAFETY OF ONTARIANS

Operating with excellence requires continuous improvement. As we continue to evolve, we seek to improve the ways in which we reduce harms. Throughout our five-year strategy, we will continue to work to improve our tools, processes, capabilities and the culture of our team. This is planned to provide ESA with the resources it needs to be able to operate with the Harm Life Cycle methodology at our core.

ESA's five-year strategic goal is to achieve a 10% increase in the Corporate Excellence Index. The Corporate Excellence index is a set of data metrics that measure ESA's operational effectiveness and the efficient use of resources.

For the final year of the strategy, ESA continues to strive towards the cumulative 10% improvement in the Corporate Excellence Index.

ESA takes pride in providing a high level of service while efficiently managing costs. The efficiency measure that calculates the Organizational Efficiency metric is comprised of corporate outputs such as: open/closed notifications, answered phone calls, plans reviewed as well as licences issued and renewed. This is then divided by total expenses.

ESA wants to further invest in our people and culture. We will continue to develop the capabilities of our skilled team to ensure that they are prepared to thrive in a diverse

and inclusive environment through further implementation of ESA's Inclusion, Diversity, Equity and Accessibility (IDEA) Strategy.

We will do this through the continuation of our learning and development plan that includes comprehensive education and awareness programs across the organization.

Additionally, ESA recently launched the Executive IDEA Steering Council that will oversee and guide future activities. The council will be responsible for making recommendations on key performance measures to monitor progress and determine future in-year actions.

ENHANCING PRODUCTIVITY TOOLS & PROCESSES

We have a plan to continue to reduce administrative burden on LECs. Recognizing that everyone's time is valuable, ESA will implement a comprehensive Digital Licensing Tool that will provide licencees with an online portal to manage all aspects of their licences with ESA, from application, renewal, payment and creating efficiencies for both licencees and ESA.

We will continue to implement the five-year Digital Strategy by enhancing productivity tools, building and improving Information Technology (IT) solutions, and further elevating the efficiency of our processes to improve our stakeholder experience.

As we increase our digital maturity, our digital transition includes creating solutions for stakeholders, change management, training, and communication. The digital services will also enable greater data analytics to inform our harm reduction endeavours.

DEVELOPING OUR PEOPLE AND CULTURE

ESA's dedicated employees are our most valuable asset. As we move towards a culture of accountability and inclusivity, we want diverse viewpoints to enable us to meet challenges as we and the electricity sector evolve. To this end, we have developed five cultural attributes that constitute our Culture Code guiding how we do business internally and externally.

These attributes are: accountability, inclusivity, people-focus, courage and adaptability. These cultural priorities will contribute to our ability to attract, retain, and be inclusive of a diverse variety of industry leading talent. Attracting and retaining diverse talent remains a fundamental component of our continued success in reducing electrical harms and will allow us to continue to reflect the population we serve.

ESA will continue to invest in individuals by developing leadership capabilities through our development programs. Beyond individual capabilities, ESA will also need to work to build organizational capabilities such as the effective deployment and management of cross-functional teams.

ESA'S 5-YEAR STRATEGIC PLAN

Strategic Goal: Organizational Excellence	Activities Planned for FY25	Metrics
<p>Operating with excellence to maximize the electrical safety of Ontarians</p>	<p>Mobile app and remote inspection delivered self-serve functionality on mobile devices. ESA will add additional functionality to its app, allowing users the ability to schedule and check the status of their notifications.</p> <p>Continuing to expand uptake among LECs to utilize remote inspections.</p> <p>Design and launch ESA's IDEA Steering Committee that will oversee and guide future activities. The committee will be responsible for making recommendations on key performance measures in order to monitor progress.</p> <p>Implement eSAFE Field Service Management Solution which would enable operational effectiveness in eSAFE inspections as well as act as a pilot for future wiring/continuous safety services implementation.</p> <p>Implement an online portal for Licensing and Compliance to help both our licensees and employee process optimization and self-service capabilities.</p> <p>Successfully complete the planning phase of the HRIS solution by end of fiscal.</p>	<p>10% improvement in the Corporate Excellence Index over the 5-year Strategic Plan.</p> <p>Successfully complete the Control phase of the eSAFE Field Service Management Solution on-scope, on-time and on budget by end of fiscal.</p> <p>Successfully complete the Closing phase of the Licensing technology platform on-scope, on-time and on budget by end of fiscal.</p> <p>Successfully complete the Planning phase of the HRIS solution on-scope, on-time, and on budget by end of fiscal.</p>

GOAL: Public Accountability

BEING A PUBLICLY ACCOUNTABLE REGULATOR

The government has delegated to ESA significant powers including the ability to inspect electrical work, collect fees, audit work activities, issue licences and order power disconnections. ESA must be fair, transparent, proportionate and responsible in the use of its authority. ESA aims to be viewed as a publicly accountable regulator that provides value to Ontarians. ESA understands that to be publicly accountable, our culture also needs to promote individual accountability and therefore ESA has embraced this culture.

ESA's five-year strategic goal is to maintain or improve the stakeholder accountability index score of 8.2 as measured through ESA's Multi-Stakeholder Survey over the next five years. The most recent survey conducted in FY24 exceeded the goal with an index score of 8.4. Six groups participated in the survey: Licensed Electrical Contractors and Master Electricians, Homeowners, Local Distribution Companies, safety industry and product safety stakeholders. Details on these results are published online by the end of FY24.

In the intervening years, ESA measures customer feedback specifically as it relates to notifications taken out by LECs and homeowners. In FY25, ESA has set a goal of maintaining or improving upon a rate of 8.0 out of 10 in this survey. ESA will conduct the survey both online and by telephone in order to determine the new benchmark for FY26 for the online version.

ENHANCING PARTNERSHIPS AND EXPANDING STAKEHOLDER ENGAGEMENT

We strive to make sure that everyone can easily reach ESA. To meet this objective, we will continue to expand the ways in which our customers can connect and interact with us through our advisory councils, consultations, and stakeholder interactions. Fundamentally, ESA wants our stakeholders to be able to engage with us as easily as possible.

ESA is in the process of finalizing planned objectives and tactics in order to build better and broader relationships with Indigenous people, organizations and nations that will help communities get empowered with knowledge to reduce electrical harms and meet the intent of the Truth and Reconciliation Commission recommendation. Some of these actions will include:

- Initiate and then foster relationships with Indigenous communities in order to understand the needs of specific communities, and to provide them background on the ESA's role.
- Establish partnerships with various organizations within the safety ecosystem to collaborate on electrical safety initiatives.
- Empower Indigenous community members, and their service providers, to become advocates in promoting electrical safety in their communities.
- Enhance internal engagement efforts to build awareness, understanding and cultural sensitivity for ESA staff.

IMPROVING HOW OUR STAKEHOLDERS
VIEW ESA

ESA aims to increase our corporate profile as a means of increasing the level of public education about electrical safety. To raise our profile, and subsequently our impact, ESA will continue to enhance our thought leadership at industry events by leveraging our considerable electrical safety expertise and partner with like-minded

organizations to enhance electrical safety as it relates to emerging technologies such as electric vehicle chargers. As was referenced in the recent release of the Electrification and Energy Transition Panel [Report](#), safety regulators like ESA “must be included in energy planning and energy sector regulation to enable proactive coordination and the effective deployment of new technical solutions”.

Strategic Goal: Public Accountability	Activities Planned for FY25	Metrics
Being a publicly accountable regulator	<p>ESA will continue to measure customer satisfaction feedback on wiring services on a monthly basis.</p> <p>Enhancing ESG (Environmental, Social and Governance): This will include a focus on the evolution of our vehicle fleet to incorporate decarbonization.</p> <p>Develop a multi year strategy for the vehicle fleet with set objectives to decarbonize, while balancing operating costs and service requirements.</p> <p>Begin implementing ESA's Truth and Reconciliation Action Plan and identifying partnerships and pilots to prevent electrical harms in First Nations Communities.</p>	<p>8.0/10 goal over fiscal year for measuring customer feedback/wiring</p> <p>Develop a multi-year plan to decrease ESA's fleet carbon footprint.</p> <p>Reduce ESA's fleet carbon footprint by 5% in FY25 (baseline year FY24)</p>

SUMMARY

As ESA evolves, we will maintain focus of continuing to enhance and refine anticipating, understanding, and acting to reduce electrical harms. Continuing to work in alignment with risk-based prioritization principles, helps us continue to enhance both consumer protection and electrical safety in Ontario.

PERFORMANCE STANDARDS AND MEASURES



PERFORMANCE STANDARDS AND MEASURES

The ESA sets performance standards and measures based on the strategic priorities of the organization. Performance outcomes will be reported on in the subsequent Annual Report.

Performance Measure	Performance Target or Outcome
LICENSING When the Licensing Team has received a complete licence application, along with the supporting documentation, the team will review the file 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 and Electrical Contractor applications 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.
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. .
COMPLAINTS There are a variety in the types of complaints that can be received by ESA, all with their own degree of complexity. In accordance with the principles set out in our Complaint Policy, the ESA aims to provide high-quality service in an effective, open and fair manner while responding to all complaints in a timely, consistent and direct way.	Performance metric for percentage of complaints closed (ie. No further action required) will be determined in FY25.
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 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
WIRING CUSTOMER SATISFACTION SURVEYS 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.

RESOURCES



RESOURCES

Financial Resources

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 years to come. The budget is a practical financial plan which reflects changing financial circumstances, strategic priorities, and market conditions in support of ESA's strategic goals and financial sustainability.

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 Contractor's (LECs) and Master Electrician (MEs), and safety oversight fees charged to Local Distribution Companies (LDCs). There is also revenue from programs including electrical plan review and Continuous Safety Services (CSS) contracts.

ESA is also permitted to operate non-regulatory services but only within the conditions of its Administrative Agreement with government and consistent with the objects of the corporation.

ESA receives no revenue from the government and financial sustainability is a priority.

ESA expenses are primarily people-related costs (salaries, wages, benefits, and pensions); expenses related to operations of the vehicle fleet; safety awareness programs; legal expenses, and oversight fees paid to government.

FY2025 BUDGET

The FY25 (April 1, 2024 to March 31, 2025) budget reflect market conditions as well as the need for continued targeted investments.

ESA expects to operate at a deficit over the budget period as it continues the execution of the Digital Strategy, while managing costs. In managing its annual financial performance, ESA seeks to achieve a break-even bottom line and it will continue to focus on targeted investments to support the return to break-even by FY28. To address inflationary pressures for FY25, an inflation-based fee increase is planned to support ESA's financial sustainability. The fee increase, in addition to other revenue increases, will reduce the budget deficit. However, ESA's total budgeted expenses of \$141.8 million excluding depreciation, which is an increase of 4.5% over the FY24 budget are in excess of the budget revenue of \$134.9 million and net interest income of \$1.1 million.

For the FY25 budget year, the organization is forecasting an operating deficit of \$9.8 million, and a bottom-line deficit of \$8.7 million after the contribution of net interest income of \$1.1 million.

REVENUES

Total operating revenues are budgeted at \$134.9 million, an increase of 7.2 per cent from the FY24 budget. This reflects budget increases in residential and commercial wiring and in non-regulated, Electrical Safety Authority Field Evaluations (eSAFE).

RESOURCES

EXPENSES

Operational expenses are budgeted at \$144.7 million including amortization of \$2.8 million, an increase of 4.8 per cent from the prior year budget.

The effects of inflation and economic softness continue to impact many businesses, including ESA. As labour and fleet costs are rising, the ESA continues to make investments into our systems, including IT, to deliver burden reductions and streamline processes for customers.

Total labour-related costs – salaries, wages and benefits, pension and other post-employment

benefits (OPEB), increased over the prior year budget. The main cause for the increase was the salary and wage expense increase as defined by the collective agreements. This was offset by the favourable to budget pension and OPEB expenses.

ESA's budget reflects increased expenses in computer software and amortization in support of targeted investments in the digital strategy. Inspection fleet and travel budget increase of is due to increased fuel and maintenance costs. ESA has worked to reduce and restrain expenses in other expense categories.

In (\$000's)	FY2025 Budget	FY2024 Budget
Revenue	\$134,894	\$125,868
Expenses	141,808	135,713
Surplus (deficiency) before depreciation	(6,914)	(9,845)
Depreciation	2,850	2,300
Surplus (deficiency) from operations	(9,764)	(12,145)
Other Income (loss)	5,821	5,713
OPEB-Interest Expense	(4,765)	(4,536)
Net Interest Expense	1,056	1,177
Surplus/(deficiency) for the year	(\$8,708)	(10,968)

Environmental Context

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

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

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

- Fundamental changes resulting from the energy transition taking place in Ontario, as well as democratization of the electricity system structure, in particular, installation of generation, distribution, storage and demand management technology on the customer side of the meter, which is typically under the scope of the Ontario Electrical Safety Code (Safety Code).
- The changing legal environment and potential changes in the sharing of data and information.
- Data analytics are an area of focus with data driven operations, artificial intelligence (AI) to understand the nature of harms, increasing public demand for digital services and sharing of data between regulators and

public, which results in the need to ensure we have appropriate quality, accuracy and data security.

- With the increasing popularity and use of smart technology such as electric vehicles, smart homes, micro-grids etc. there is a need for ongoing monitoring of potential electrical harms and the need to partner with stakeholders to understand the technology and respond in a timely fashion.
- Intensifying weather patterns that threaten electrical infrastructure and access to the safe use of electricity as a result.
- International technology changes and the need to understand and maintain product approval requirements to Canadian and Ontario safety standards for electronic products.
- Aging Infrastructure and improperly maintained electrical systems continue to pose fire and electrical shock risk.

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

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

Enterprise Risk Management (ERM)

ESA employs a structured ERM approach to monitor and manage risks critical to achieving its strategic and business objectives. This framework, central to ESA's strategy, enables proactive identification, assessment, and mitigation of risks, ensuring the organization can effectively fulfill its mandate. The ESA's risk appetite has been defined to align with its vision and purpose with a focus on its role as a modern regulator, keeping safety as the top priority.

ESA classifies risks and risk events into five broad categories, engaging risk owners and their teams in evaluating the status of inherent and residual risks. The five risk categories include: finance, IT, operations, strategic and people and culture. This comprehensive assessment aids in understanding potential consequences and formulating mitigation strategies within ESA's defined risk appetite. Key risk indicators are established for ongoing monitoring.

Mitigation efforts focus on electrical safety, regulatory compliance, and ensuring the continuity of ESA's critical services. These cost-effective measures aim to limit the impact of risks to acceptable levels. The organization has developed extensive Business Continuity, Disaster Recovery, and Crisis and Emergency Management plans to support these efforts.

Risk owners regularly review risks and the effectiveness of mitigation strategies, paying close attention to medium and high-level risks to enhance protective measures as needed.

ESA provides quarterly ERM reports to the Board and its Committees, offering detailed analyses of significant risks and the actions taken or planned to address them.

Aligned with industry best practices, ESA's ERM framework is designed for continuous improvement, with plans for ongoing enhancements through the FY25 period and beyond.

CORPORATE POLICIES, PRACTICES AND PROCEDURES



CORPORATE POLICIES, PRACTICES AND PROCEDURES

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

Accessibility

ESA developed an Accessibility Plan to ensure our operations prevent and remove barriers to meet Accessibility for Ontarians with Disabilities Act, 2005 (AODA) guidelines. ESA is fully committed to meeting the obligations under the AODA through the establishment of policies and processes to assist persons with disabilities, including the Integrated Accessibility Standards Policy.

Building on ESA's Integrated Accessibility Standards Policy, ESA is committed to treating all people in a way that allows them to maintain their dignity and independence. ESA believes in integration and equal opportunity. ESA is committed to meeting the accessibility needs of persons with disabilities in a timely manner and will do so by preventing and removing barriers to accessibility and meeting requirements under the AODA and its Regulation including meeting or exceeding the following standards:

- Accessibility standards
- Customer service standard
- Information and communications standard

- Transportation standard
- Employment standard, and
- Design of public spaces standard.

Appeals Process

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

Code of Conduct

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

Complaints

ESA views complaints as valuable opportunities to strengthen customer and stakeholder relationships. We also monitor the nature and frequency of complaints to spot potential problem areas in the business. 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.

In exceptional cases, we may reopen a complaint file if significant new evidence surfaces after we close the file.

At each stage, ESA will acknowledge the complaint within two business days. We will formally respond within 10 business days of that acknowledgement. If we need more time, we'll let you know in writing (unless it is a Stage 1 verbal complaint) how many business days we expect to complete the stage. We'll also share the reasons for the delay.

Where possible, complaints are handled at the source. If a complainant is not satisfied at the initial stage, the 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. For more information, please visit: <https://esasafe.com/complaints/>.

French Language Services

The ESA is committed to providing French Language services upon request. Calls and inquiries to ESA Customer Service can be addressed in French. In addition, the ESA is able to administer a French Language Masters Electrician Exam when requested in advance. ESA's website, www.esasafe.com, also includes French translation on priority content, including a new [Homeowner Electrical Safety Handbook Guide](#) that is value add for both Homeowners and Licenced Electrical Contractors.

Non-Regulatory Business

ESA can engage in non-regulatory business activities in accordance with its Administrative Agreement in addition to its statutory mandate. ESA will only engage in non-regulatory business ventures that promote and enhance electrical safety and are consistent with its objects, vision and mission. In addition, ESA has internal policies and processes it follows when engaging in non-regulatory business ventures in order to meet its obligations and compliance reporting requirements as established under the Administrative Agreement. More information can be found here: <https://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 required by the Administrative Agreement with the Government of Ontario, its Customer Privacy Policy and applicable privacy laws. ESA has a Chief Privacy Officer who oversees policy and activity in this area. ESA collects personal information to support the delivery of services, understand individual needs, manage corporate operations, develop and enhance services, and meet legal and regulatory requirements. Due to the importance of information exchange in maintaining public electrical safety, ESA discloses and disseminates records in accordance with the request for information processes set out in its Access and Privacy Code. The Access and Privacy Code provides a right of access to records in ESA's custody and control unless one of the specific exemptions identified in the Code applies.



ESASAFE.COM

CONNECT WITH US

-  @homeandsafety
-  facebook.com/ElectricalSafetyAuthority
-  Electrical Safety Authority
-  ElectricalSafetyESA

1-877-ESA-SAFE