



ONTARIO CLEAN WATER AGENCY
AGENCE ONTARIENNE DES EAUX

Business Plan

2023-2025

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1. Executive Summary

OCWA's Business Plan for 2023–25 builds on the success of the growth strategies and other initiatives that have been the Agency's focus for a number of years. In addition to operating and maintaining safe, reliable water and wastewater systems for the Agency's clients, which is OCWA's core business, OCWA has grouped its major initiatives into four areas of focus: Ensuring the Health, Safety and Success of our Employees; Driving Business Growth by Delivering Total Solutions to Clients; Enhancing Efficiency through Business Process Improvements; and Serving Client Communities and Supporting Provincial Priorities. In addition to these focus areas, the Agency will continue to place an emphasis on: ensuring regulatory compliance; providing clean, safe drinking water to Ontario communities; and protecting and improving the environment, including the Great Lakes.

The COVID-19 pandemic has had a significant impact on OCWA, and the whole world, over the past few years. With most of the Agency's business activities having since returned to normal, OCWA remains vigilant with regard to protecting employee health and safety and monitoring and managing any continuing impacts of the pandemic on the Agency's operations, employees and clients. Efforts are also underway to reconnect teams, enhance the Agency's workplace culture, and meet the post-pandemic physical and mental wellness needs of Agency employees.

Recognizing the importance of its employees, OCWA is continuing to work to build a safe and inclusive corporate culture by implementing programs and initiatives that ensure the Agency is a diverse, inclusive, equitable, anti-racist and respectful place to work. This includes: having a comprehensive Diversity, Equity and Inclusion Strategy and a well-developed leadership pipeline; making employee health, safety and wellness and career growth priorities; and ensuring that employees are engaged and contributing productively to the workplace, while helping the organization to achieve its goals.

OCWA's long-term growth strategy continues to focus on maintaining the Agency's existing client base in Ontario, expanding the scope of services provided to these clients and attracting new clients. A core component of this strategy is the delivery of value-added services to clients that go beyond the delivery of operations and maintenance services and focuses on providing "total water solutions" at every stage of the infrastructure life cycle. This includes supporting municipal infrastructure renewal by assisting clients in managing their assets and helping them to plan, acquire financing for and ensure the long-term sustainability of their systems. OCWA is confident that by focusing on and meeting client needs, the Agency can not only maintain its existing business and expand its client base over time, but significantly increase its value to the province and the public as well.

Finding efficiencies and becoming a more productive and effective organization is one of the many ways in which OCWA provides value to clients. Continually looking for better ways to manage operations and reduce the cost of service delivery to municipal and other clients remains an ongoing priority. As part of the Agency's commitment to finding organizational efficiencies and improving the ways in which it does business, OCWA will continue to enhance and supplement the Agency's information technology systems and better refine the Agency's business processes. The Agency will also continue to implement enhancements to its procurement processes to manage supply chain risks and ensure that clients receive the best value.

1. Executive Summary

As a public Agency, meeting business objectives is just one part of how OCWA defines its success as an organization. Much of the value that OCWA brings to its clients, its employees and the people of Ontario comes from the work that the Agency does to protect the environment, improve public health, promote water stewardship, support innovation in the province and provide opportunities for economic development and growth.

In addition to delivering efficient, effective and compliant operations and maintenance (O&M) services to clients, OCWA will continue to support initiatives that bring value to its stakeholders and the public in 2023 and beyond. Priorities include: educating Ontario communities about the value of water through OCWA's two signature public awareness and education programs, the I Don't Flush public awareness campaign and the OneWater® Education Program; supporting the development of sustainable water and wastewater solutions for First Nation communities; refining the Agency's emergency response capabilities; and supporting the province and Ontario municipalities in the implementation of a provincial wastewater-based epidemiology program. OCWA will also continue to work with the Ministry of the Environment, Conservation and Parks to implement the recommendations made by the Auditor General in her 2021 Value-for-Money audit of the Agency.

2. Environmental Scan

FACTORS THAT WILL AFFECT FISCAL, OPERATING & MANAGEMENT OBJECTIVES 2023–25

EXTERNAL FACTORS

- ◆ The COVID-19 Pandemic
- ◆ The Economy
- ◆ Federal and Provincial Infrastructure Funding
- ◆ Provincial Government Priorities
- ◆ Industry Trends
- ◆ Federal and Provincial Legislation

INTERNAL FACTORS

- ◆ Workforce Issues
- ◆ Business Transformation Program
- ◆ Value-for-Money Audit

2.1 The COVID-19 Pandemic

The most significant external factor that OCWA, like the rest of the world, has been dealing with since early 2020 is the COVID-19 pandemic. Throughout the pandemic, OCWA made a significant and successful effort to maintain the Agency's operations across the province and minimize the impact of the pandemic on the Agency's clients, while continuing to ensure a healthy and safe work environment for its employees.

OCWA's comprehensive Emergency Management program, which includes emergency response and Critical Shortage of Staff plans for each OCWA-operated facility, along with the Agency's Corporate Emergency Response and Continuity of Operations Plans, has been very successful in minimizing the impact of the pandemic on the Agency's staff and clients. Since the beginning of the pandemic, client water and wastewater treatment facilities across the province have been operated and maintained with minimal to no disruption to the Agency's clients and the communities they serve.

While most of the Agency's normal business activities resumed in 2022, OCWA will continue to remain vigilant with regard to protecting employee health and safety and monitoring and managing any continuing impacts of the pandemic on the Agency's operations, employees and clients.

2.2 The Economy

Volatility was a key component of the Canadian economy throughout 2022. While the resumption of more normal economic activity, following years of pandemic restrictions, was a positive development, ongoing supply chain issues, widespread labour shortages in many industries, including the water industry, and a sharply rising inflation rate all had a significant impact on the economy. This economic volatility is expected to continue into 2023 and has been factored into the Agency's business strategies and financial plan.

The October, 2022 *Monetary Policy Report* from the Bank of Canada notes that while inflation has declined from its peak earlier in 2022, inflation around the world remains high, despite evidence that supply challenges are gradually easing. At 6.9 percent in October, 2022, inflation in Canada remained well above the Bank's target of 2 percent. In response to high inflation rates, many central banks began rapidly increasing their policy rates in 2022, in an effort to slow things down and bring them back in line with historic norms.

2. Environmental Scan

The Bank of Canada, which maintained its key interest rate at 0.25 from the beginning of the pandemic in March of 2020 until January of 2022, raised its key interest rate seven times between March and December of 2022, bringing the rate to 4.25 percent in December of 2022. This was a significant increase, bringing interest rates closer to historic norms than they were throughout the pandemic and in the years leading up to it.

In the October, 2022 *Monetary Policy Report*, the Bank also noted that rising interest rates were having the intended effect on the Canadian economy, helping to rebalance supply and demand and reducing household spending. The Bank anticipates that lower demand, lower commodity prices, and the fading impact of global supply disruptions will reduce price pressures over time, lowering inflation to around 3 percent in late 2023 and to 2 percent by the end of 2024.

The Bank of Canada also notes that the pace of economic growth in Canada is slowing and is expected to moderate further over time with growth in gross domestic product (GDP) projected to decline from about 3.25 percent in 2022 to just under 1 percent in 2023, before picking up a bit again, reaching 2 percent in 2024.

The Bank's forecast is mostly in alignment with the forecast included in the Ontario provincial government's 2022 Ontario Economic Outlook and Fiscal Review, which was released in mid-November, 2022. In that report, the provincial government projects the rate of inflation at 6.9 percent for 2022, dropping to 3.4 percent in 2023 and 2.3 percent in 2024. Ontario's real GDP is projected to increase by 2.6 percent in 2022, 0.5 percent in 2023, and 1.6 percent in 2024.

Rising costs for goods and services may cause some clients to defer capital and other projects, reducing potential revenue from these projects. While OCWA is impacted by fluctuations in chemical and other commodity prices, annual Consumer Price Index adjustments included in existing client contracts and negotiated procurement contracts for chemicals and other major Agency purchases are anticipated to offset some increases in Agency expenditures, as are clauses included in some contracts that enable these costs to be passed on directly to clients. Rising interest rates may have a more positive impact on the Agency's financial results, increasing the interest revenue earned on the Agency's cash and investments.

2. Environmental Scan

2.3 Federal and Provincial Infrastructure Funding

In recent years, both the federal and provincial governments have made infrastructure investments a priority, providing a greater portion of funding on an allocation as opposed to application basis. This has allowed municipalities to plan better, knowing that a certain amount of funding would be available each fiscal year. This infrastructure funding, for which OCWA often assists clients with the preparation of applications, is expected to continue in the years ahead.

The federal government's commitment to invest more than \$180 billion in public infrastructure over the course of 10 years, as initially set forth in its 2016 budget, represents a significant opportunity for OCWA's municipal clients, many of whom have been historically challenged to address water and wastewater infrastructure funding needs. As part of this commitment, the Government of Canada signed a bilateral agreement with Ontario on March 14, 2018. Under the agreement, Ontario is responsible for project application intake.

As noted previously, the rising cost of labour and equipment is putting additional stress on municipal budgets, at times forcing municipalities to defer capital projects due to cost concerns. This makes federal and provincial infrastructure funding crucial for many Ontario municipalities. OCWA will continue to monitor these funding opportunities and any new application-based funding announcements and continue to assist municipal and First Nation clients in identifying projects and preparing applications. The Agency will also continue to work with clients to develop comprehensive water and wastewater asset plans that prioritize their infrastructure needs for the next decade and beyond.

2.4 Industry Trends

There are a number of significant trends that will impact OCWA and the water industry over the next few years.

Emergency Preparedness

Emergency preparedness is one of the top issues facing the water/wastewater industry and municipalities. One of the traditional areas of focus with regard to emergency planning has been on effects of severe weather events, such as flooding or drought, brought about by climate change and unanticipated infrastructure outages. However, the COVID-19 pandemic has further challenged municipalities and other water/wastewater operators to develop pandemic contingency plans covering a wide variety of areas, including workforce scheduling and planning, capital project execution, procurement, and ensuring the continuity of safe water/wastewater operations while protecting employee health, safety and wellness.

OCWA's well-developed Emergency Management and Continuity of Operations plans have been essential in helping the Agency to maintain compliant operations and minimize the impact of the pandemic on client water and wastewater facilities throughout the pandemic. OCWA will continue to support the provincial government in its response to the pandemic by working in collaboration with the Ministry of the Environment, Conservation and Parks, and other stakeholders, to detect and monitor the presence of the SARS-CoV-2 (COVID-19) genetic signatures in wastewater and proactively identify the existence or increased prevalence of COVID-19 in Ontario communities.

2. Environmental Scan

Inflation and Supply Chain Management

The COVID-19 pandemic, coupled with the ongoing war in Ukraine, has affected supply chain pricing and availability of goods and services required to manage client water and wastewater systems. OCWA has mitigation plans in place to minimize the impact that supply issues and rising costs for critical goods and services have on the Agency. In addition to continuously monitoring existing chemical/commodity suppliers and regularly communicating with clients regarding the availability and cost of chemicals and other critical goods and services, OCWA has established an internal chemical procurement committee to address supply issues and price increases due to market turbulence. Other mitigation actions undertaken include identifying alternate supply sources as required, implementing process changes if appropriate when chemicals required for existing processes are in short supply, providing proactive information to Agency partners, and building and maintaining relationships with vendors to ensure the continued delivery of critical goods and services.

Infrastructure Planning and Investment

The need to replace and retrofit aging water and wastewater infrastructure and the corresponding need to raise the funds required to make a significant investment in long-term capital repair, replacement and upgrades continues to be a major challenge for most municipal clients. While there have been significant increases in the availability of federal and provincial funding for infrastructure upgrade projects in recent years, most funding programs still require municipalities to contribute 10 to 50 percent of total project costs. Furthermore, for municipalities to be able to effectively tap into funding programs and garner optimized funding, “shovel readiness” has become a point of focus. The increased debt that some municipalities have incurred responding to the COVID-19 pandemic has added additional pressure to already-stretched municipal budgets.

Supply chain volatility, availability of stock, and price inflation for goods and services have also impacted the timing and cost of capital projects. Municipalities are further challenged to prioritize their capital projects based on their system level risk, existing equipment performance, and service expectations while also determining how best to mitigate financial and other risks, including the impacts of climate change. The broader North American industry is looking at integrated project delivery approaches, such as multi-party contracts, to share financial risks and rewards, leveraging a profit and incentive pool based upon measurable project outcomes.

OCWA’s goal is to be able to support clients by connecting them with applicable funding sources to address their long-term infrastructure needs. In order to access some of the funding available, municipalities will need to invest in the planning and development of shovel worthy projects to move these projects to a “ready to construct” state that includes project definition and detailed scope, constructability analysis, environmental impact assessments, and legal requirements. To assist clients in achieving this state of project readiness, OCWA works closely with them to implement asset management and maintenance systems and develop long-term asset and capital plans that enable them to identify and plan for their future water and wastewater needs.

2. Environmental Scan

Tied with the need to replace aging infrastructure is the need for municipalities to develop comprehensive asset management plans and practices that will ensure the long-term sustainability of their water and wastewater infrastructure. The provincial Asset Management Planning for Municipal Infrastructure regulation under the Infrastructure for *Jobs and Prosperity Act* (O. Reg. 588/17) requires Ontario municipalities to develop comprehensive asset management plans, which factor in the full lifecycle costs of municipal assets, for all municipal infrastructure, including water and wastewater systems. Plans for core assets (roads, bridges and culverts, water, wastewater and stormwater management systems) were required to be in place by July 1, 2022, while plans for all municipal assets must be in place by July 1, 2024.

The Leveraging Asset Management Data for Improved Water Infrastructure Planning report prepared by Public Sector Digest, the Canadian Water Network, and the Canadian Water and Wastewater Association notes that half of the Canadian municipalities they surveyed indicated they had formal asset management plans in place, with some additional municipalities indicating they were in the process of developing them. The report also indicated that “many of the surveyed municipalities/utilities had limited assessed condition data in their asset databases and rely more heavily on subjective condition data” and that “twenty-two percent of survey respondents – primarily smaller municipalities with a population under 80,000 – indicated that a completely reactive approach is used to prioritize investments.” Larger municipalities were found to collect data using more objective methods and expressed greater confidence in their data reliability.

OCWA is well prepared to assist its municipal clients, the majority of which are small and rural, in developing effective asset management plans that meet the requirements of the provincial regulation. Over the past few years, the Agency has developed a comprehensive asset stewardship quality management framework and worked hard to improve asset management knowledge and expertise across the Agency by providing asset management training to staff. OCWA continues to support clients by providing rate studies, financial plans, capital planning and other value-added services as required and offer these services to potential clients as part of the Agency’s long-term growth plan.

Data Management and Analytics and Cyber Security

Electronic data management and analytic tools are becoming critical necessities to develop comprehensive asset plans and manage municipal infrastructure. These “smart” systems enable municipalities to take the data generated by operational, process and asset management systems and use it to make decisions that help to extend the life of their assets, reduce energy and chemical use, and provide better client service, ultimately leading to more strategic asset management and cost savings. The availability of the key process, compliance, energy, biosolids, and asset maintenance datasets to OCWA’s operational and technical experts for analysis and program management will provide lasting benefits for the Agency and its clients.

OCWA is working to help clients benefit from the use of these “smart” systems by developing data analytics and asset management services that municipalities can use to optimize their investment in water and wastewater infrastructure. This includes utilizing multi-disciplinary teams to assess data acquisition, management and analysis strategies and providing work management system hosting services and associated maintenance advisory services to municipalities that don’t have the capacity to implement an electronic work management and asset maintenance system on their own.

This increasingly important role played by information technology in managing municipal water and wastewater systems has led to a corresponding increase in the need to ensure the security of those operational information technology systems. Cyber security has become an issue of rising importance over the last decade, with instances of cyber-attacks and data breaches of companies and governments of all sizes and levels becoming more and more commonplace, with a significant increase in digital attacks and other malicious activity being noted since the beginning of the COVID-19 pandemic. OCWA takes cyber security very seriously, utilizing third-party audits to assess and mitigate potential vulnerabilities, and putting in place stringent security protocols to protect the Agency’s network, data centre assets, and operational and other data.

2. Environmental Scan

Climate Change

Managing the infrastructure impact of severe weather events and other issues brought about by climate change is also a concern for many municipalities. Global research has shown that excessive greenhouse gas production has resulted in significant changes to the environment. Storm frequency curves, thought to be unchangeable and often based on over 100 years of data, are now changing. The frequency and severity of rainfall events can overwhelm municipal stormwater and wastewater systems, leading to basement flooding, increased sewer overflows and plant bypass events, while severe winter storms can lead to power outages that impact the operation of treatment facilities and pumping stations. Other climate change impacts include significant seasonal increases in lake water levels that increase the potential for flooding, increased nutrient loading in local waterways that results in algae blooms, and increased water temperatures, which can negatively impact water quality.

With these severe storms and other climate-related events occurring with increasing frequency, OCWA Operations teams are continually working to implement operational strategies to address the changing environment and act proactively by developing contingency plans related to emerging climate change impacts. In addition, OCWA is working with municipal clients to develop and implement longer-term adaptation and mitigation strategies to increase the overall resilience of their infrastructure and mitigate the impact of these events. This is accomplished through the delivery of municipal energy conservation and waste diversion strategies, facility process reviews and technical studies, asset management and long-term infrastructure planning services, and conducting pilot process studies to identify and implement the optimal technology solutions to meet client needs. Since 2014, OCWA has assisted clients in securing more than \$17 million in funding for a variety of energy savings and other retrofit projects as part of the Agency's climate change strategy.

OCWA is also supporting clients in optimizing their water and wastewater infrastructure through the Agency's Facility Optimization Program (FOP), enabling them to defer expensive capital expansions, while protecting the environment and creating chemical/energy saving opportunities. Over 24 small to medium size client facilities have been optimized since the FOP was introduced in 2017. The development of another nine Facility Optimization Plans is planned for the end of 2023.

Municipalities, and the industry as a whole, are looking for better, greener ways to manage their water and wastewater systems. Climate change impacts and potential future regulatory requirements have resulted in a move away from traditional approaches to biosolids management, including land application and landfills. OCWA's biosolids program works to identify issues and gaps for municipal clients, including the key issues of biosolids storage and sustainable biosolids management, and propose/develop solutions to address the issues, creating opportunities for operating cost savings and greenhouse gas reduction.

Many municipalities are recognizing that there are significant benefits to taking the biosolids from wastewater treatment plants, along with food scraps and other organic materials, and turning them from waste products into energy sources. OCWA is working with municipalities and other industry organizations to support the development and implementation of technologies that optimize overall biosolids management, enhance the production of biogases from biosolids, and significantly offset the energy used to treat wastewater, as well as advocating with regulatory agencies to get the approvals required for execution of these projects. These organics diversion and resource recovery initiatives aim to help clients to keep biosolids out of landfills, enhance biogas production, and promote innovation and clean fuels while reducing greenhouse gas emissions in client water and wastewater facilities. They will also enable municipalities to achieve or improve their financial sustainability over time through the development of new revenue streams and/or offsetting of energy costs.

2. Environmental Scan

Public Education and Awareness

Both municipalities and the water industry recognize the need to expand awareness of the criticality and value of public water systems and services and the importance of delivering safe, clean water to local communities. Recognizing that a better informed, more active community is an asset for water sector teams and decision makers, many municipalities and water industry stakeholders are running public awareness campaigns that highlight key themes, including:

- The importance of replacing aging infrastructure;
- Promoting behavioural changes to conserve water, and indirectly energy;
- The importance of strengthening the water sector workforce; and
- Transparency in water and wastewater quality reporting.

Other areas of focus for the water industry include dealing with “flushable” wipes and other waste materials that can clog wastewater collection pipes and treatment equipment, leading to costly repairs. Likewise, fats, oils and grease can cause significant, costly blockages in household plumbing and wastewater collection pipes.

OCWA’s education and outreach activities, including the Agency’s OneWater® Education Program and I Don’t Flush awareness campaign, are helping to educate the public about the value of water and how the public can play a role in protecting water and wastewater infrastructure, thereby increasing public trust in municipal water and wastewater systems.

OCWA also offers a free “Water Talks” webinar series which is open to clients and prospective clients. These webinars are delivered by OCWA subject matter experts and range in topics of interest, from operational issues and regulatory requirements, to environmental issues and concerns.

2. Environmental Scan

Contaminants of Concern

Contaminants of emerging concern include pathogens, nutrients, metals, chemicals, medications, microplastics and other things that have been, or will be, detected in wastewater effluents, for which the potential risks to public and environmental health are not yet fully understood. A national expert panel report released by the Canadian Water Network in 2018, entitled *Canada's Challenges and Opportunities to Address Contaminants in Wastewater*, provides a detailed overview of the environmental and public health concerns associated with these contaminants and what can be done to address them. The report notes that contaminants of emerging concern include “a wide variety of industrial and household chemicals, pharmaceuticals and personal care products (PPCP), endocrine disruptors and other chemicals that were previously not recognized as a threat to public health or the environment.” Most are unregulated in wastewater effluent.

Recognizing the negative impact of microplastics on the Great Lakes, where an estimated 22 million pounds (10 million kilograms) of plastic pollution ends up each year, the provincial government announced in October, 2020 that it would be providing funding to Pollution Probe to collect plastic waste from marinas around the province using innovative plastic-capture technology, the largest initiative of its kind in the world to tackle plastic pollution in provincial lakes and waterways as part of the Great Lakes Plastic Cleanup campaign.

Per – and polyfluoroalkyl substances (PFAS) are additional contaminants of concern. These are man-made compounds that are persistent in the environment and can now be found in wastewater and biosolids. OCWA is working to optimize resource recovery of biosolids from wastewater facilities, while minimizing the potential risk of these emerging contaminants.

Achieving an appropriate balance between the potential risks of these contaminants and the cost of implementing treatment process changes and infrastructure upgrades to address them will be a challenge that needs to be addressed by researchers, water industry professionals and governments at all levels in the years ahead. OCWA is working in collaboration with a number of organizations, including the Canadian Water Network, the University of Waterloo and the University of Toronto, to investigate the implementation of technology innovations to minimize the impacts of emerging contaminants on drinking water source water, wastewater discharge, and biosolids.

2. Environmental Scan

Staffing Shortages

Another significant industry trend is the ongoing industry-wide shortage of qualified water operators, skilled tradespeople and other specialized skill sets, which is described in greater detail in Section 2.8 (Workforce Issues). The industry has been and continues to manage the impact of an aging workforce and increasing competition for labour, with municipalities of all sizes being challenged to attract, develop and retain high performing managers and staff. While this is a challenge for OCWA, it also represents a potential business opportunity, as smaller municipalities that are struggling to replace retiring certified operators may make the decision to outsource to OCWA to ensure continuity of water and wastewater service delivery. It is also important to note that OCWA's size and geographic presence across Ontario enables the Agency to leverage talent from around the province to address temporary staffing shortages as needed and assist municipalities in need.

2. Environmental Scan

2.5 Federal and Provincial Legislation

As part of the Agency's commitment to providing total water and wastewater solutions for clients, OCWA continually reviews and assesses the impact of new and proposed legislative, regulatory and policy changes on Ontario municipalities and other clients and works with them to implement changes that will enable them to meet the new requirements.

Other recent and upcoming legislative/regulatory changes with an impact on the Agency are as follows:

- The Ministry of the Environment, Conservation and Parks is continuing to develop a wastewater strategy to improve wastewater and stormwater management. In early 2022, the Ministry posted the Municipal Wastewater and Stormwater Management in Ontario Discussion Paper on the Environmental Registry of Ontario to seek public feedback on potential policy approaches for a variety of topics related to wastewater and stormwater management and water conservation. Feedback received on the Discussion Paper will help inform any potential future policy proposals. The Ministry is also expanding the use of their electronic portal for reporting bypass and overflow events. New requirements for monitoring and reporting on overflows from wastewater collection systems and stormwater systems will be phased in through the issuance of consolidated linear infrastructure Environmental Compliance Approvals (ECAs), which are described in greater detail below.
- The Ministry of the Environment, Conservation and Parks has begun issuing standardized, area-wide ECAs for linear infrastructure (wastewater collection systems and stormwater systems) which are based on a similar approach to that already in place for drinking water systems under the Municipal Drinking Water Licensing Program. Municipal owners have been submitting applications for the new consolidated linear infrastructure ECAs since the beginning of 2022, with the first consolidated ECA for an OCWA-operated collection system being issued in June of 2022. The Ministry has also initiated a working group to review and revise the ECA template for municipal sewage treatment works. The resulting increased reporting requirements for municipalities represent both a risk and a business opportunity for the Agency.
- The municipal asset management planning regulation under the Infrastructure for *Jobs and Prosperity Act* requires municipalities to develop comprehensive asset management plans for all municipal infrastructure, including water and wastewater systems. The requirements are being phased in over a number of years, with the first two milestones, now passed, having been the requirement for municipalities to develop a strategic asset management policy by July 1, 2019 and the requirement to develop an asset management plan related to the current levels of service and performance for core municipal infrastructure assets (roads, bridges and culverts, water, wastewater and stormwater management) by July 1, 2022. Upcoming milestones include having an approved asset management plan for all municipal infrastructure assets that identifies current levels of service and the cost of maintaining those levels of service by July 1, 2024, and having an approved asset management plan for all municipal infrastructure assets that builds upon the requirements set out in 2024 by July 1, 2025. This includes an identification of proposed levels of service, what activities will be required to meet proposed levels of service, and a strategy to fund these activities.
- Amendments were made to the certification regulations for water and wastewater operators (O. Reg. 128 and O. Reg. 129) and other regulations under the *Safe Drinking Water Act* (SDWA) to add emergency provisions that help ensure drinking water systems and wastewater facilities have the staff they need to continue operations during an emergency situation. These changes align with the temporary measures enacted at the beginning of the COVID-19 pandemic, which have since been revoked. Including them directly within the certification regulations provides more flexibility to offer relief to owners/Operating Authorities and operators in the event of a wide-spread emergency. Changes were also made with regard to wastewater operator training under O. Reg. 129 of the SDWA. As of January 1, 2022, the 40 hours of annual training required for operators may now be averaged over a three-calendar year period.

2. Environmental Scan

- ◆ The Ministry of the Environment, Conservation and Parks is continuing to work with the Resource Productivity and Recovery Authority to transition to a digital waste registry for Ontario's Hazardous Waste program. Starting on January 1, 2023, generators, carriers and receivers of liquid industrial and hazardous waste will be required to report information and pay fees through the new online registry. Hazardous wastes generated at OCWA facilities may include waste oils and lubricants (from equipment maintenance), paints, solvents, old/expired lab chemicals and fluorescent bulbs.
- ◆ The Ontario government made legislative amendments under Bill 132, the *Better for People, Smarter for Business Act, 2019*, to expand the use of administrative monetary penalties (AMPs) for environmental violations under key environmental statutes, including the *SDWA Ontario Water Resources Act*, *Environmental Protection Act*, *Nutrient Management Act* and *Pesticides Act*. These amendments enable AMPs to be issued by Provincial Officers for a broad range of environmental violations under the acts mentioned above. Violations that may be subject to an AMP would be prescribed in regulation. Consultation on the proposed regulations to expand the use of administrative penalties for environmental violations was posted on the Environmental Registry of Ontario by the Ministry of the Environment, Conservation and Parks in early 2022. No additional information regarding the proposed regulations had been released by the Ministry at the time that this plan was written.

OCWA is also monitoring a number of proposed regulatory changes or other issues with the potential to impact the Agency and its clients in the future should they be enacted. These potential changes include:

- ◆ Updates to the Procedure for Disinfection of Drinking Water in Ontario and Groundwater Under Direct Influence terms of reference, which could impact minimum treatment requirements for some well-based municipal residential drinking water systems;
- ◆ Potential future changes to the maximum acceptable concentrations for lead and manganese, following a Ministry of the Environment, Conservation and Parks review of updated Health Canada guidelines;
- ◆ Proposed Ministry of the Environment, Conservation and Parks guidance to address odour issues, which could impact ECA requirements for wastewater facilities; and
- ◆ The proposed *More Homes Built Faster Act*, which aims to facilitate the construction of 1.5 million homes across the province over the next 10 years, the building of which would need to be factored into local infrastructure planning, including for water and wastewater treatment facilities, to ensure that there is adequate capacity to manage the increased demand.

In addition to monitoring new and proposed legislation/regulations, OCWA participates in Ministry of the Environment, Conservation and Parks working groups and water and wastewater industry associations to contribute to the shaping of future regulations and stay abreast of regulatory change.

2. Environmental Scan

2.6 Provincial Government Priorities

The current priorities of the provincial government, as set forth in the provincial Speech from the Throne on August 9, 2022, include:

- ◆ Managing COVID-19 and living with current variants for the long term, without returning to lockdowns;
- ◆ Supporting the healthcare system to recover and rebuild, including expanding home and community care and investing in hospitals and long-term care, to build a stronger, more resilient health system that better meets the needs of patients;
- ◆ Building an economy with better jobs and bigger paycheques by cutting red tape, keeping taxes low, fostering an environment that attracts global capital, and making targeted investments that strengthen Ontario's competitive advantage;
- ◆ Making investments in critical infrastructure such as roads, highways and public transit;
- ◆ Taking action to fill immediate labour gaps, including making investments in the skilled trades;
- ◆ Getting students back in classrooms with a full school experience; and
- ◆ Working to help blunt the impact on household budgets by keeping more money in Ontarians' pockets.

OCWA is committed to supporting the province in achieving these and other priorities.

On December 7, 2022, OCWA received its most recent mandate letter from the Minister of the Environment, Conservation and Parks. The letter, which is included in Appendix B, outlines the Ministry's expectations for the Agency in 2023. **OCWA is also working to achieve the Agency-specific objectives included in the mandate letter by:**

- ◆ Managing the Agency's operations with a focus on providing value to clients and the province, including continually looking for ways to improve productivity, manage costs, enhance service delivery, and provide a safe and inclusive workplace that promotes diversity and tolerance;
- ◆ Supporting the adoption of principled, evidence-based and strategic long-term infrastructure planning by:
 - Working with OCWA's clients to develop comprehensive, long-term asset plans for their water and wastewater systems; and
 - Working with the Ministry of the Environment, Conservation and Parks and other government stakeholders to examine the most appropriate ways for OCWA to support its clients, consistent with the *Capital Investment Plan Act* (CIPA), and subject to approval by the Ministry of the Environment, Conservation and Parks;
- ◆ Increasing waste diversion by supporting the development and implementation of renewable energy centres that use wastewater and concentrated organic waste to generate biogas for productive use;
- ◆ Supporting the effective planning, development, construction and operation of municipal and other water and wastewater systems by offering clients a comprehensive range of value-added engineering and other technical and advisory services that complement the Agency's core operations and maintenance services, including project management, capital delivery, process optimization, energy management and asset management;

2. Environmental Scan

- ◆ Working with the Agency's clients to optimize and upgrade their water and wastewater facilities, including providing recommendations and advice on how to increase the efficiency and capacity of their systems, reduce the cost of delivery and maximize the life of their water and wastewater assets;
- ◆ Working with clients to optimize, upgrade and enhance the resiliency of their water and wastewater facilities and improve their capacity to prevent, withstand, respond to, and recover from floods and other disruptions;
- ◆ Maintaining five specially-trained and equipped emergency response teams that are available 24 hours a day, every day, to provide emergency assistance to municipalities and First Nation communities across the province, should the need arise, and setting emergency preparedness goals that reflect the importance of the Agency's role as an emergency responder for drinking water and wastewater emergencies in Ontario;
- ◆ Helping to protect water and the Great Lakes by:
 - Working with the Agency's clients to implement process improvements and capital upgrades that help prevent phosphorus and other damaging nutrients from entering local water sources through wastewater effluent; and
 - Educating the public about the importance of water and the Great Lakes, as well as the proper disposal of medications and other harmful waste products through the Agency's two signature education and outreach programs, the I Don't Flush public awareness campaign and OneWater® Education Program;
- ◆ Helping to improve drinking water for Indigenous communities by working collaboratively with the Ministry of the Environment, Conservation and Parks' Indigenous Drinking Water Projects Office and the Walkerton Clean Water Centre to:
 - Provide training and other support services, including remote monitoring and oversight, to assist First Nations operators in operating and maintaining the water and wastewater systems in their communities; and
 - Support efforts to remove long-term drinking water advisories in First Nation communities.
- ◆ Supporting the province in its ongoing response to COVID-19 within the Agency's powers as set out in the CIPA.

2. Environmental Scan

OCWA is also working to act in the best interests of Ontarians, as outlined in the letter, by being efficient, effective, and providing value for money to taxpayers. This includes:

1. Maintaining competitiveness, sustainability and expenditure management by:

- Identifying and pursuing opportunities for revenue generation through partnerships, where appropriate;
- Identifying efficiencies and savings through innovative practices, and/or improved program sustainability;
- Complying with applicable direction related to supply chain centralization, including contract harmonization for planned and pending procurements, accounting practices and realty interim measures for agency office space; and
- Leveraging and meeting benchmarked outcomes for compensation strategies and directives.

2. Maintaining transparency and accountability by:

- Abiding by applicable government directives and policies and ensuring transparency and accountability in reporting;
- Adhering to accounting standards and practices, and responding to audit findings, where applicable; and
- Identifying appropriate skills, knowledge and experience needed to effectively support the Board of Directors' role in Agency governance and accountability.

3. Ensuring the effective management of risk by:

- Developing and implementing an effective process for the identification, assessment, and mitigation of Agency risks, including COVID-19 impacts and any future emergency risks.

4. Effectively managing the Agency's workforce by:

- Optimizing organizational capacity to support the best possible public service delivery, including redeploying resources to priority areas, where needed; and
- Supporting the implementation of the Community Jobs Initiative by identifying opportunities to relocate new or existing Agency offices to lower cost communities.

5. Supporting diversity and inclusion by:

- Developing and encouraging diversity and inclusion initiatives by promoting an equitable, inclusive, accessible, anti-racist and diverse workplace; and
- Adopting an inclusion engagement process to ensure all voices are heard to inform policies and decision-making.

6. Ensuring effective data collection by:

- Improving how the Agency uses data in decision-making, information sharing and reporting, to inform outcome-based reporting and improve service delivery; and
- Increasing data sharing with Supply Ontario, when applicable, regarding procurement spending and planning, contract arrangements and vendor relations to support data-driven decision-making.

7. Managing digital delivery and customer service by:

- Exploring and implementing digitization for online service delivery to ensure customer service standards are met; and
- Using a variety of approaches or tools to ensure service delivery in all situations, including pursuing delivery methods that have evolved since COVID-19.

In addition to addressing the priorities included in the Agency's 2023 mandate letter, OCWA will work with the Ministry of the Environment, Conservation and Parks to implement the recommendations made by the Auditor General following her Value-for-Money audit of the Agency, as noted in Section 2.9 below.

2. Environmental Scan

2.7 Workforce Issues

Several internal and external factors will have an impact on the Agency's workforce in the coming years, including increased retirements, a shortage of qualified operators, increased diversity, a multi-generational workforce, a demand for more flexible work options and the evolving knowledge and skills needed to meet changes in the water and wastewater industry.

In the last number of years, the water and wastewater industry has changed significantly due to advances in technology, aging infrastructure, climate change and the need for conservation. As a result, the role of a water or wastewater operator continues to evolve, increasing in complexity, accountability, and knowledge of technology. The competencies required of individuals entering the industry are very different from those starting as little as 10 years ago. In recognition of this, OCWA is continually monitoring, evaluating, and developing strategies to respond to ongoing changes.

There is significant competition for skilled and experienced operators, skilled tradespeople and individuals with other specialized skill sets in the water industry, with demand for new employees expected to grow over the next decade, as current employees retire or leave the sector. Industry organizations such as the Water Environment Federation and ECO Canada have identified the shortage of experienced, qualified operators as an ongoing issue across North America and around the globe. Low unemployment rates in Ontario in 2022 have compounded the problem, creating an extremely competitive environment for employers. Many of the new employees that the Agency is looking to attract are also seeking more flexible work options, a demand that has increased significantly throughout the pandemic, as more employees gain experience with remote work and other flexible work arrangements.

To address these challenges, OCWA is partnering with colleges and universities to promote awareness of career opportunities in the water and wastewater sector and attract new employees to the Agency through education, co-operative education placements and scholarships. Additionally, OCWA is enhancing the Agency's onboarding program, succession planning and leadership development programs as well as working to promote flexible work arrangements, where appropriate. For existing Operations staff, OCWA is working to provide clear career paths and incentives for achieving higher-level certifications, and continues to seek solutions regarding competitive compensation. The Agency is also supporting post-secondary institutions in preparing students for future water industry careers by providing co-operative education job placements and providing feedback on the knowledge and skills required for students to successfully write and pass certification examinations upon graduation.

2. Environmental Scan

OCWA recognizes the value of diversity in the Agency's workforce. Almost three in 10 Ontarians identify as a visible minority, with approximately 200 different languages reported by Ontarians as their first language in the most recent census. Just over 15 percent of Ontarians report having a disability and an estimated 1.25 million people in Ontario identify as LGBTQ2. Ontario is also home to the largest Indigenous population in Canada. In addition, the elimination of mandatory retirement means that some employees are choosing to work longer while new generations continue to enter the workforce.

Employees are more engaged when diversity, equity and inclusion is an organizational focus. This means workforces capture the uniqueness of individuals and create an environment that values and respects everyone. A study conducted by McKinsey & Company found that diverse workplaces tend to out-perform industry averages by 35 percent. Studies have also indicated that organizations that are committed to diversity, equity and inclusion are 80 percent more likely to value great customer service, develop innovative solutions, and work collaboratively to achieve their goals.

In recognition of the importance of organizational diversity, equity and inclusion, OCWA developed a multi-year Diversity, Equity and Inclusion (DE&I) Strategy and Anti-Racism plan, approved by the Agency's Board of Directors. The Agency's vision is to be an inclusive organization that is diverse, equitable, accepting, and respectful, that captures the uniqueness of individuals and that creates a culture where everyone feels safe, valued, and encouraged to reach their full potential. In addition to the initiatives being rolled-out as part of the DE&I Strategy, which is described in greater detail in Section 3.1 [OCWA's Strategies for 2023-2025], OCWA's Anti-Racism Action Plan, First Nations Strategy, Young Professional Network, employee experience surveys, and strong health and safety culture, including psychological safety and wellness, are all contributing to the development of a more diverse, respectful and inclusive culture across the Agency.

2. Environmental Scan

2.8 Business Transformation Program

OCWA has made significant investments over the past decade to upgrade its information technology (IT) and operational technology (OT) systems and implement innovative digital solutions that support the Agency's business and improve service delivery efficiency and effectiveness for its clients. Moving forward, OCWA is committed to continuing to make these types of investments to expand and improve not only the efficiency and effectiveness of the Agency's IT systems, but also the reliability, security and mobility of its computer systems and networks.

OCWA will continue to invest in enriching its integrated information sources and data analysis capability as each business area is addressed, so that Agency staff can access, analyze and use more and better information to make informed decisions and drive performance improvement. To achieve this, OCWA established the Business Transformation Program (BTP). The program, which is described in detail in Section 3.1 (OCWA's Strategies for 2023–25), will strengthen, extend and enhance the Agency's existing technology systems and continue to improve the Agency's business processes to ensure that OCWA has the tools and skills necessary to deliver total solutions to clients, both now and for years to come.

BTP is focused on making strategic investments in the services OCWA delivers, including client facing services such as routine O&M, operational support services such as compliance standards management, and corporate business support services such as human resources management. Each service area is prioritized and addressed based on business criticality and identified benefits, before being assessed in terms of existing processes and practices, existing hardware and software technologies that support those processes, and the skills of the staff responsible for delivering those processes. Change management needs are then identified, and solutions are designed, selected, configured and implemented, before staff are trained and benefits are measured.

The Agency is also continuing to augment the functionality of existing systems and assess and integrate existing and new IT tools. The integration of IT and OT systems and solutions will lead to better capture, storage, analysis and sharing of datasets that require data from multiple sources, such as operations, maintenance and financial data about client water systems. As each solution is implemented, it enriches OCWA's information sources, which are essential to improve efficiencies and enable the Agency's business to continue to grow sustainably.

BTP represents a significant investment for the Agency, both financially and in terms of staff resources, which is why a program management office (PMO) has been established, reporting directly to the Agency's Chief Executive Officer. The PMO is responsible for keeping the program on schedule and on budget and for providing governance and oversight of all BTP activities, including planning, change management, communication, quality assurance, integration and the tracking of benefits and outcomes.

2.9 Value-for-Money Audit

In 2021, the Office of the Auditor General for Ontario conducted a Value-for-Money audit of the Agency, examining OCWA's business and operations practices, services, and financial results, and making recommendations based on their findings. The audit report, which was released publicly on December 1, 2021, was generally positive regarding OCWA's performance, with the Auditor General noting in her press release that "The four and a half million Ontarians who rely on OCWA for clean water can be confident they are being well served." Overall, the auditors found that facilities operated by OCWA provide safe and reliable drinking water and reliable wastewater treatment services in compliance with legislation, and that the Agency "does well in treating drinking water compared to other private operators and municipally-run facilities."

The report also included a number of recommendations on how OCWA could enhance its various business processes and practices, as well as its services to clients, including: strengthening support for First Nation communities; improving internal systems for sampling and monitoring of adverse test results; and following up with clients on corrective actions taken to address adverse water quality events. Many of the recommendations included in the report address areas that OCWA had already identified as being of strategic importance to the Agency and its clients, particularly those related to working with all clients to ensure their treatment facilities are able to handle the impacts of climate change through asset management and capital planning processes.

OCWA addressed a number of the recommendations included in the report in 2022 and will continue to implement its action plans to address the rest throughout 2023 and beyond, while also preparing for the Office of the Auditor General's follow-up audit in 2023.

3. Strategic Direction

3.1 Core Business Activities

Operating and Maintaining Safe, Reliable Water and Wastewater Systems for Clients

Every day, OCWA treats over a billion litres of source water to produce safe drinking water and cleans a similar quantity of wastewater before returning it safely to the environment. On behalf of system owners, OCWA operates, maintains, and manages facilities ranging from small, rural well systems and lagoons to large-scale urban water, wastewater and stormwater systems serving millions of people. OCWA's core business is the operation and maintenance of water, wastewater, and associated facilities. The Agency's Operations staff who handle the operations and maintenance (O&M) requirements of hundreds of water and wastewater systems throughout Ontario are assisted by corporate resource specialists who provide specialized support in a number of areas, including asset management, process optimization, energy management, capital delivery and project management.

Working together, OCWA's water and wastewater experts:

- ◆ Maintain services in client facilities with a focus on environmental responsibility and public health;
- ◆ Comply with all licensing, certification, and permit requirements, and with any relevant legislation while meeting all applicable government standards and reporting, and staying conversant with new regulations;
- ◆ Provide appropriate insurance coverage and establish and maintain proper contingency and emergency plans;
- ◆ Provide a workplace health and safety program and a Quality and Environmental Management System (QEMS) through OCWA's compliance program;

- ◆ Deliver detailed reports that demonstrate environmental compliance, capital requirements, and future planning; and
- ◆ Manage all applicable human resources requirements for the Agency's clients, including providing appropriate training to meet regulatory requirements and ensure certified and knowledgeable operations and maintenance staff.

OCWA provides all labour, vehicles, and services required to operate, maintain and manage client water and wastewater treatment facilities. The facilities are attended by operational staff during the week and can be monitored remotely 24 hours per day. OCWA staff are available 24hours per day, seven days per week and are able to respond to emergencies at client facilities as required.

OCWA operates and maintains client facilities in accordance with current federal and provincial guidelines and legislation, local statutes, regulations and by-laws, and within the design capacity and capabilities of the individual system. All contractual and regulatory reports are prepared and submitted to clients and government bodies as required.

OCWA's QEMS ensures that client facilities are being operated in an efficient, safe and environmentally responsible manner and includes processes for identifying and mitigating risks that may affect the facilities OCWA operates. The QEMS empowers OCWA to take a responsible, pro-active and effective management approach to better protect public health and the integrity of the environment. OCWA utilizes a number of electronic tracking systems to ensure regulatory compliance, analyze performance and better utilize operational and other resources.

3. Strategic Direction

All work orders are stored electronically in OCWA's computerized Work Management System (WMS) and are available for review by clients. Summary reports are provided quarterly or as agreed upon between OCWA and the client. Water and wastewater system performance data, including flow data and sampling results, are recorded using OCWA's Process Data Management (PDM) software, which allows OCWA to provide clients with a standard, systematic, and reliable way of collecting, storing, and retrieving operational data. This information is also provided to clients quarterly for review and analysis. Electronic logbooks are also used to record information concerning the operation of client systems, replacing the paper logbooks traditionally used by water and wastewater operators with a more reliable and accountable system.

Maintenance services are based on leading industry best practices and OCWA's 29 years of O&M service delivery. Maintenance plans are developed based on best practices and servicing guidelines provided by manufacturers. Various maintenance and operational tactics ensures operation is maintained according to the design intent of the facilities. OCWA's asset protection strategy involves the assignment of preventive maintenance based on standard tasks in support of required asset service levels. The frequency and content of these tasks are reviewed and adjusted in collaboration with local operators to align with the asset's local operating context. This assists with developing a specific maintenance plan, which meets the goals of the program.

Client maintenance plans include associated asset portfolios and are updated as changes occur. Maintenance activities are recorded in OCWA's WMS, including work orders, which identify actual labour and comments required to complete work. Records of completed work in the form of completed work orders stored in the WMS reflect completed activities and include deviations or additions to planned procedures. Asset performance measures are also documented on the completed work order where applicable.

Routine maintenance consists of maintenance and care of the facility including all equipment adjustments, lubrication, repairs, calibrations, cleaning and painting to preserve the current condition, good working order, and appearance of all facilities. Checklists for assets are compiled in WMS, or newly developed using field collection if necessary. Equipment is grouped by route, building, location, or some other logical means that ensures full coverage (during operator round checks), with minimum travel.

To proactively identify and mitigate risks, OCWA's preventive maintenance program consists of regularly scheduled and follow-up maintenance activities as recommended by equipment manufacturers, or using industry best practices, including routine inspections, warranty maintenance activities and calibration. Defined maintenance plans help reduce the risk of asset failure, and ensure due diligence and sustainability of assets.

Emergency or unplanned work is more expensive than planned work. For this reason, and to ensure service reliability at each facility, OCWA strives to minimize emergency work through our routine and preventative maintenance program. However, breakdown maintenance may be required where an asset is near the end of its useful life, or if there is an unexpected repair, replacement, or renewal required.

Upon request from the client, OCWA will develop detailed and comprehensive asset management plans (AMPs) as an additional fee-for-service offering. AMPs are developed utilizing the in-depth knowledge of local operations and maintenance teams, maintenance and operational data from the WMS system, and industry-leading philosophies. Data from all of these sources is compiled into reports that will support clients in making informed decisions regarding capital expenditures and planning, ensuring the sustainability of their water and wastewater infrastructure.

3. Strategic Direction

3.2 OCWA's Strategies for 2023–2025

Throughout 2022, OCWA's Board of Directors and Executive Management Team met to review the Agency's overall strategic direction and refine the strategic priorities for the Agency in the coming years. Part of this review included refreshing the Agency's Vision, Mission and Values to better reflect the views of the Agency's employees, the changing environment in which the Agency operates, and deliver a Vision that will guide OCWA for the next five to 10 years.

OCWA's new Vision is to be “Your Trusted Water Partner for Life”, with a Mission that has been reshaped by the priorities that the Agency has heard from its people and partners and the collaboration that is needed to meet those priorities: “Together we deliver water and wastewater services for the health and sustainability of communities.” OCWA's Values are focused on building trust with clients, non-client communities, and other stakeholders.

The new Vision, Mission and Values form the foundation for the Agency's updated Strategic Plan, which is being finalized for approval by the Agency's Executive Management Team and Board of Directors in 2023. A key goal of the updated Strategic Plan is ensuring that the Agency continues to adapt its services offering and employer brand to address the changing needs of the Ontario water sector.

The Agency's strategies for 2023–25 build on the success of the growth strategies and other initiatives that have been the Agency's focus for the past few years. In addition to operating and maintaining safe, reliable water and wastewater systems for the Agency's clients, which is OCWA's core business, OCWA has grouped its major initiatives into four areas of focus: Ensuring the Health, Safety and Success of our Employees; Driving Business Growth by Delivering Total Solutions to Clients; Enhancing Efficiency through Business Process Improvements; and Serving Client Communities and Supporting Provincial Priorities.

3. Strategic Direction

Ensuring the Health, Safety and Success of our Employees

The people at OCWA are the business. A healthy, engaged workforce is essential to achieving organizational goals and objectives. By implementing programs and initiatives that promote attraction and retention; diversity, equity and inclusion; health, safety and wellness; and employee engagement, OCWA aims to ensure the success of the Agency's current and future employees.

OCWA's success is built on workplaces where employees have a sense of purpose, belonging, support and career potential, contributing to an organizational culture of excellence and innovation. This includes ensuring that employees have the support they need to develop skills and competencies in their roles and gain confidence as they grow in their careers.

It's the people at OCWA who build relationships with clients, stakeholders and one another to realize OCWA's vision of being 'Your Trusted Water Partner for Life'. Employees who believe in and live OCWA's 'trusted' values contribute to an organizational culture of excellence and innovation.

OCWA believes that:

- ◆ Attracting talent and keeping good people directly correlates with the client experience and their satisfaction with the Agency;
- ◆ Engaged, knowledgeable and happy staff create trusted relationships with clients, each other and the public by providing quality water and wastewater services;
- ◆ Employees who believe in and live OCWA's 'trusted' values see OCWA as an employer for life; and
- ◆ All of these factors result in better onboarding, knowledge transfer, succession planning, communication, engagement, and social interaction.

Fostering a Diverse and Inclusive Culture

OCWA's success is built on having a diverse, equitable and inclusive workforce that brings different experiences, backgrounds, and perspectives together to create more innovative solutions. Diverse teams are more representative of the customers that the Agency serves. By strengthening the Agency's focus on diversity, equity and inclusion, OCWA is working to create a healthier, more respectful and representative workforce at all levels of the organization.

In recognition of the importance of organizational diversity, equity and inclusion, OCWA developed a multi-year Diversity, Equity and Inclusion (DE&I) Strategy and Anti-Racism Plan, which the Agency has been implementing since 2020. The primary goals of the DE&I Strategy are as follows:

1. Organizational Commitment and Accountability

Leaders are competent and knowledgeable about diversity and inclusion and their behaviour reflects OCWA's commitment to anti-racism, diversity, equity, inclusion, and acceptance. All employees understand they have a role to play in creating a diverse, equitable and inclusive environment at OCWA.

2. Employee Experience

OCWA provides an inclusive and equitable work environment where employees have the support, flexibility and accommodations they need to bring their whole self to work. All employees feel valued, heard, accepted and respected for who they are.

3. Workforce Diversity

OCWA's workforce better represents the available labour force, and all employees have equitable access to advancement opportunities and professional development.

4. Stakeholder Relations

OCWA leverages diversity and inclusion to better support the needs, goals and perspectives of clients, partners, and the communities served by the Agency.

3. Strategic Direction

Ongoing initiatives to achieve these goals include:

- ◆ Improving leadership knowledge and capability with respect to diversity, equity and inclusion through ongoing education, tools [e.g., Diversity, Equity and Inclusion Lens] and learning and development opportunities;
- ◆ Increasing awareness of diversity and inclusion throughout the organization by effectively communicating OCWA's diversity, equity and inclusion goals, strategies and organizational initiatives;
- ◆ Promoting the use of cross-functional, diverse, accepting and collaborative teams and creating a "positive space" with respect to diversity and inclusion;
- ◆ Ensuring that the Agency's hiring processes and policies are barrier-free and that the Agency is able to attract and retain a diverse workforce by reviewing and improving upon current recruitment and onboarding techniques, including providing resources for managers on removing biases in hiring;
- ◆ Embedding diversity, equity and inclusion goals across all Human Resources processes, including recruitment, onboarding, succession planning, leadership development, performance management, learning and development, and employee relations;
- ◆ Engaging and consulting with clients and others to deepen understanding of the people that the Agency serves so clients can feel confident that they are working with an organization that embraces the uniqueness of their employees and values all members of the communities they serve;
- ◆ Communicating regularly with clients and other external stakeholders on the Agency's DE&I Strategy, including progress and performance;
- ◆ Investigating and establishing further partnerships with external stakeholder groups for community involvement/community relations activities by engaging with feeder group organizations (the Ontario Federation of Indigenous Friendship Centres, Canadian Council for Aboriginal Business, Black professional organizations, Women in Engineering, etc.);
- ◆ Engaging with staff through the Diversity and Inclusion Advisory Council, consisting of different socio-demographic groups and positions across OCWA;
- ◆ Engaging with the Agency's Executive Management Team and Board of Directors by providing regular updates on OCWA's DE&I Strategy and Anti-Racism Plan;
- ◆ Developing and implementing an anti-racism action plan that enables OCWA to build anti-racism competency and capacity, diversify the talent pipeline, and foster and be accountable for an anti-racist and inclusive workplace, including providing anti-racism competency and capacity building training to the Agency's Executive Management Team and Board of Directors; and
- ◆ Developing a Diversity, Equity and Inclusion snapshot to identify socio-demographic gaps and determine future targets, including targets for leadership pathways.

3. Strategic Direction

In 2023, OCWA will evaluate the impact that the DE&I Strategy has had on the Agency to date. The purpose of the evaluation is to determine whether OCWA has made progress against its stated goals using qualitative and quantitative inputs. A new blueprint will be developed that will address ongoing gaps and will guide strategic actions going forward.

Through an inclusive lens, the Agency has also developed and implemented a Mental Health Strategy to lay the foundation for accelerating the advancement of mental health and well-being of OCWA staff. Through communication on Wellness Wednesdays, OCWA shares mental health and wellness information and resources with staff. OCWA also promotes training and webinars on topics related to mental health.

The implementation of a new Human Resources Information System (HRIS) and recruitment portal through the Agency's Business Transformation Program will allow OCWA to collect demographic information about job applicants on a voluntary basis. Among other benefits, this will provide the Agency with the opportunity to understand if job seekers across demographic groups are equally successful in finding employment with OCWA.

Attracting Top Talent and Building Leadership Strength

Without talent coming into and staying in the organization, OCWA would not be able to deliver on its mission to work together to deliver water and wastewater services for the health and sustainability of communities. The ability to attract and retain talent improves engagement and morale, benefitting the workplace culture and leading to a stronger workforce. A stronger workforce is also more likely to live OCWA's values, reducing overall risk in many areas, including regulatory compliance, health and safety, and facility operation.

Having integrated recruitment, total compensation and talent management programs will enable OCWA to create a high-performance, sustainable organization that meets its strategic and operational goals and objectives.

3. Strategic Direction

The Agency's goals over the next five years are to:

- ◆ Attract diverse internal and external people to positions in the Agency based on their knowledge and ability to be effective in driving excellence;
- ◆ Recruit top talent who share and embody the Agency's vision, mission, values and expected behaviours;
- ◆ Provide a competitive total compensation package as part of OCWA's employer value proposition;
- ◆ Have the right people in the right roles;
- ◆ Provide existing employees with learning and development opportunities to succeed in their current roles and advance their careers;
- ◆ Create a strong pipeline of diverse internal candidates, creating opportunities for promotion from within;
- ◆ Have leaders who can improve performance, deepen employee engagement, enhance productivity and deliver on strategic direction and priorities; and
- ◆ Ensure that the Agency has a proactive succession management program that is aligned with business priorities and client needs.

To ensure that the Agency is able to attract and retain top talent, OCWA is refreshing its employer brand and promotional strategies as an employer of choice, enhancing the Agency's orientation and onboarding processes for new employees, to ensure they are fully supported as they learn about OCWA and their new positions, and working to promote flexible work arrangements, where appropriate. OCWA's Operator Bench Strength program provides support to Operations and minimizes the impact that employee turnover has on the Agency and its staff by hiring and training new employees before a vacancy occurs, reducing operational gaps when an employee retires or resigns.

For existing Operations staff, OCWA is working to provide clear career paths and incentives for achieving higher-level certifications, and continues to seek solutions regarding competitive compensation. The Agency's Learning and Development strategy seeks to support professional development and build capabilities across OCWA in a timely and cost-effective manner. OCWA is also continuing to build relationships with secondary and postsecondary institutions to enhance OCWA's co-op education program and build awareness of the water sector and OCWA for young job seekers.

In recognition of the role that strong leadership plays in meeting organizational objectives, OCWA will also continue to work to enhance the Agency's leadership capacity and ensure continuity across management roles. This includes analyzing the potential vacancy risk for each management position in the Agency, assessing the broad impact of each position in the organization, developing and reviewing action plans for business-critical and at-risk Agency positions and implementing succession programs for critical positions, including learning plans.

In 2023 and beyond, OCWA managers will continue to identify, assess and develop potential successors. The Agency will also work to maintain a pipeline of potential successors for critical positions through the Agency's formal leadership development program, which includes two streams:

- ◆ An Aspiring Manager stream for high potential employees that aspire to move into managerial roles; and
- ◆ An Aspiring Leader stream to prepare high potential managers for future senior leadership roles.

OCWA is also evaluating additional program opportunities for existing managers to further develop their leadership skills. This will ensure that the Agency continues to build its leadership capacity and provide opportunities for advancement, while developing a strong group of highly skilled and inclusive managers and directors who will successfully advance the Agency's business priorities.

3. Strategic Direction

Ensuring the Safety, Health and Well-Being of our Employees

Ensuring the safety, health and well-being of OCWA employees continues to be an ongoing priority for OCWA. Over the past few years, OCWA has worked hard on developing an ingrained health and safety culture and improving the Agency's health and safety program, which has resulted in a continuous reduction in workplace injuries.

Proactive planning and a prevention mindset have enabled the Agency to maintain safe, compliant operations throughout the COVID-19 pandemic. By following the protocols outlined in the Agency's Emergency Management and Continuity of Operations Plans, and adapting and adding to them as required to address specific issues related to the pandemic, OCWA was able to maintain the majority of its operational and support functions with minimal, if any, disruption to clients.

In 2023, the Agency will build upon its commitment to continuously improve its health and safety culture and practices by:

- ◆ Enhancing OCWA's Emergency Management Program based on lessons learned from the pandemic and updating the Agency's assessment of current and future risks;
- ◆ Expanding the Agency's Health and Safety Strategy to include wellness and mental health, which continues to be a priority as the Agency focuses on managing employee burnout and increased levels of stress, and providing managers with the necessary information and tools to support their employees;
- ◆ Continuing to build a full prevention mindset throughout OCWA by focusing on the Don't Walk By program, which involves engaging all staff in identifying hazards and correcting them before they lead to health and safety incidents;
- ◆ Finding new and easier ways to report Don't Walk By events;
- ◆ Implementing an updated electronic Health and Safety system, which will provide a better opportunity to track and report on health and safety data; and
- ◆ Continuing to enhance the Agency's Mental Health Strategy, including wellness initiatives such as Wellness Wednesdays, where information on a variety of wellness topics is provided to employees each month.

3. Strategic Direction

Enhancing the Workplace Experience

OCWA has identified maintaining an engaged and motivated workforce as a key component of its overall business strategy, recognizing the strong connection between how employees experience the workplace, employee productivity, innovation, effectiveness and efficiency, and the overall success of the organization. OCWA is committed to taking action to enhance the workplace experience for its employees and fostering a culture that increases employee motivation and commitment to contribute to their full potential.

Agency leaders agree that if staff are consulted, are heard, and appropriate actions are taken, engagement levels will increase. As such, OCWA has worked hard to ensure that as many employees as possible participate in the bi-annual Ontario Public Service (OPS) Employee Engagement Survey. The results of the survey help the Agency's leadership to understand what is important to staff and how to build a strong and healthy organization, while also identifying emerging issues and the impact of the Agency's efforts to improving the employee experience.

Key goals for the Agency include:

- ◆ Making employees feel valued and accepted and providing them with meaningful opportunities for recognition, contribution and growth;
- ◆ Ensuring that employees feel connected to the Agency's vision, mission and values and understand how their contributions are making an impact on the organization;
- ◆ Fostering an environment that encourages learning, achievement and excellence; and
- ◆ Taking a different approach to building workplace resiliency and agility.

The most recent OPS Employee Engagement Survey was held in the second quarter of 2022. While there was a slight decrease in the survey response rate and engagement index in 2022, as compared to the previous engagement survey (65 percent vs. 72 percent and 69.9 percent vs. 71.9 percent respectively), there was also a slight increase in the Agency's inclusion index (74.1 percent vs. 73.2 percent).

The survey results indicated that the Agency's employees are proud of the work they do providing clean water and wastewater to the communities they serve and contributing to public health and sustainability. Other key areas of satisfaction included positive relations with co-workers and managers, job fit, and clear expectations and direction. The survey also indicated that employees had a continued desire for flexible and hybrid working arrangements where possible. Priority areas for action included communication, compensation and benefits, transparent and fair hiring practices, employee well-being, and taking action on survey results.

OCWA will work to implement the action plans developed to respond to the results of the 2022 survey throughout 2023 and evaluate the results of the action plans when the next employee engagement survey is conducted in 2024.

3. Strategic Direction

Driving Business Growth by Delivering Total Solutions to Clients

OCWA's long-term growth strategy continues to focus on maintaining the Agency's existing client base in Ontario, expanding the scope of services provided to these clients and attracting new clients. A core component of this strategy is the delivery of value-added services to clients that go beyond the delivery of O&M services and focus on providing "total water solutions" at every stage of the infrastructure life cycle. This includes assisting clients in managing their assets and working with them to plan, finance and ensure the long-term sustainability of their systems. OCWA is confident that by focusing on and meeting client needs, the Agency can not only maintain its existing business and expand its client base over time, but significantly increase its value to the public as well.

Maintaining and Expanding OCWA's Operations and Maintenance Client Base

Maintaining and expanding the Agency's base of core O&M service clients is an essential component of OCWA's long-term strategy for growth and sustainability. Over the past few years, OCWA has successfully retained more than 97 percent of clients whose contracts have come up for renewal. This includes the Agency's four largest clients: the Region of Peel; the Region of Waterloo; the Lake Huron and Elgin Water Supply Systems; and the City of Kawartha Lakes, all of which renegotiated contracts ranging in duration from 10 to 20 years.

OCWA maintains its existing client base and supports business growth by delivering quality services and developing strong community relationships, while proactively adapting the Agency's services to meet the needs of Ontario communities. OCWA is committed to continually strengthening its core operations and maintenance and operational support services to provide best in class service to existing and new clients, as well as focusing on "sustainable" growth – which means sustaining the business while continuing to support current and future clients and others in need.

From 2023–25, OCWA is targeting a renewal rate of 97 percent or higher, based on both number of clients and annual revenue, with a goal to extend contract terms and expand the scope of services provided where possible. Actions being undertaken to meet these targets include:

- ◆ Building and maintaining strong relationships between OCWA and client decision makers at all levels (Mayors, Councils, Chief Administrative Officers, Public Works officials, etc.);
- ◆ Demonstrating value to existing clients and providing excellent performance reporting, particularly to decision makers;
- ◆ Soliciting regular feedback from clients through client satisfaction surveys and the Agency's Client Advisory Board, which is comprised of 12 to 15 Chief Administrative Officers from OCWA client communities;
- ◆ Communicating on new services and innovation in the Agency's operations through "Water Talks", conferences and regular client meetings;
- ◆ Recommending innovative solutions that support plant operations and save money, including grant applications; and
- ◆ Supporting local community activities.

In addition to retaining the Agency's existing O&M client base, acquiring new clients is critical if the Agency is to achieve its revenue and net income targets for 2023 and beyond.

3. Strategic Direction

Key activities supporting new business growth include:

- Regularly connecting with municipal Councils and senior officials, including newly elected municipal officials and Chief Administrative Officers, introducing them to the Agency and informing them of the benefits of having OCWA as their O&M service provider;
- Promoting the value of OCWA's operations and maintenance and other value-added services in supporting the water and wastewater needs of Ontario communities, including participating in and presenting at industry conferences; and
- Developing and disseminating marketing materials that focus on OCWA as a total solutions provider and show the value of OCWA.

Supporting Client Infrastructure Sustainability and Resiliency through the Provision of Value-Added Services

Helping clients to maintain the long-term sustainability and resiliency of their water and wastewater infrastructure is one of the most important ways in which OCWA delivers added value. OCWA's Regional Hub teams work closely with the Agency's process, energy, engineering, technology, asset management, and capital delivery specialists to provide clients with technical recommendations and expertise on how to access funding, maximize the efficiency and capacity of their systems, and extend the life of their water and wastewater infrastructure, with an overall goal of delivering safe, reliable water and wastewater operations.

OCWA has a very diverse client base, including some of the largest water and wastewater systems in North America, as well as many small systems. The Agency provides expert, industry-specific guidance to clients in managing their water and wastewater infrastructure, enabling them to make informed decisions with regard to their water and wastewater infrastructure investments.

The need for a greater focus on comprehensive, condition-based asset management planning that addresses the risks associated with climate change is of significant concern for many Ontario municipalities, particularly small and medium communities that may not have staff dedicated to full-time asset management. OCWA has developed a comprehensive asset management program, leveraging a multidisciplinary team that includes operations and maintenance staff, dedicated asset management specialists, and licensed engineers to deliver practical and efficient asset management solutions that serve client needs.

A key component of the program is an investment in staff training and information technology tools that enable OCWA Operations staff to track maintenance activities and make informed recommendations for client consideration. OCWA has developed an industry-specific Work Management System (WMS) to support maintenance activities which provides data in direct support of the Agency's Asset Management program. Utilizing data from the WMS, OCWA provides annual capital expenditure recommendations for client water and wastewater infrastructure assets, along with forward-looking five-year capital plans. When requested, OCWA staff work with clients to develop detailed long-term, evidenced-based Asset Management Plans that will guide infrastructure planning and financing decisions over the life of the assets on a fee-for-service basis.

OCWA is also working with clients to support their decision making and improve their capacity to prevent, withstand, respond or adapt to, and recover from disruptions due to climate change. In an effort to better understand and respond to the specific challenges that clients are facing with regard to the resilience of their infrastructure, OCWA is utilizing operational data and other information from internal and external stakeholders to guide the Agency and its clients in incorporating a climate adaptation and resiliency focus into future facility optimization and capital improvement projects.

3. Strategic Direction

The Agency is continuing to develop capital plans, technical studies, and Facility Optimization Plans (FOPs) with a lens of process efficiency, including climate change, for its clients, targeting facilities in areas with a history of process challenges. This provides clients with the necessary information to make appropriate decisions as system owners. Likewise, OCWA supports clients in managing their stormwater infrastructure, helping them to mitigate the impact of flooding caused by climate change, working with them to not only respond to major flooding events when they occur but to upgrade their facilities to withstand more frequent severe weather events and improve their overall operational resiliency.

In addition to mitigating the risk and impact of current threats arising from climate change, OCWA is working to mitigate future climate change impacts by supporting the municipal and provincial goal of increasing organics diversion and supporting the development and implementation of resource recovery facilities that use wastewater biosolids and concentrated organic waste, such as source separated organics, to enhance and generate biogas for productive use (this process is referred to in the industry as “co-digestion”). These initiatives are leading the way in the province and will serve as a model for other municipalities across Ontario and Canada, many of which have untapped potential to produce biogas, reduce energy costs and significantly reduce harmful greenhouse gas emissions.

Helping clients manage their energy use is another way in which OCWA is working to improve client facilities. Over the past few years, OCWA has worked with clients, government organizations, and other industry stakeholders to achieve the combined goals of energy savings and greenhouse gas reduction. OCWA is currently enrolled in the Independent Electricity System Operator’s (IESO) Energy Efficiency Auction pilot program, which is promoting energy efficiency from various energy users in Ontario and will help the Agency’s clients to secure incentives for on-demand savings generated by energy efficiency projects in their facilities. The Agency has also prepared multiple conservation, demand management and municipal energy plans that define key energy strategies for municipal clients and has developed the first ever director-approved energy efficiency awareness training targeted to Operations staff.

Supporting all of these initiatives is the Agency’s ongoing commitment to foster the development and implementation of innovative practices and new technologies that enhance the effective and efficient operation of the Agency’s client facilities. As the largest operating authority in Ontario, OCWA is in a unique position to share knowledge and conduct comprehensive pilot testing of new and innovative water and wastewater processes and technologies that address client concerns and operational needs. Pilot tests are validated by the Agency’s O&M teams in the field to ensure they meet the ongoing operational requirements of client facilities.

OCWA is a key stakeholder for the Ontario water technology sector, working with technology providers, industry associations, researchers and universities, municipal owners, and various Ministries and funding agencies to promote the development and implementation of new and innovative water technologies. Working with partners such as the Ontario Water Consortium and other innovative industry technology partners, OCWA is helping to identify, assess, pilot, and implement new and emerging technologies that will improve the operation of water and wastewater facilities across the province.

OCWA will continue to support clients in 2023 and beyond by continuously improving and expanding the scope of these and other value-added services that improve the operation and maintenance their water and wastewater infrastructure and enhance the overall resilience of their facilities to the impacts of climate change.

3. Strategic Direction

Enhancing Efficiency through Business Process Improvements

By continually looking for better ways to manage its operations, OCWA is working to improve productivity, reduce costs and deliver better service to clients. In 2023 the Agency will continue these efforts.

Transforming Information Systems and Processes

Building and maintaining effective information technology networks and systems enables OCWA to achieve the Agency's strategic goals. OCWA is committed to expanding and improving not only the efficiency and effectiveness of the Agency's information technology systems and business processes, but also the reliability, security and mobility of its computer systems and networks. This enables staff to access, analyze and use more and better information to make informed decisions and drive performance improvement and ensures that OCWA staff have the tools and information necessary to deliver total solutions to clients, both now and for years to come.

Many of those investments are being made through the Agency's Business Transformation Program (BTP).

Current areas of focus for BTP include:

- Enhancing the Agency's in-house information management capabilities to maintain and further develop an authoritative repository for OCWA's business processes, data, information, structured hierarchies, documents, knowledge and intelligence across the Agency, to improve reliability and access to quality information, while reducing redundancy and manual effort;
- Continuing to implement the Agency's new Supervisory Control and Data Acquisition (SCADA) solution by rolling out new SCADA panels across the province, expanding communication connections and increasing the resilience of the Agency's network and remote systems through virtualization;
- Proceeding with the configuration and implementation of a Human Resources Management Information solution area, including a learning management platform;
- Supporting the Agency's Health, Safety and Compliance programs by defining current and future digital and information support requirements, selecting a new system and beginning configuration of the system;
- Providing the Agency with the capability to deliver more advanced asset management advisory services to clients by finalizing requirements for and selecting an asset management decision support solution for the Agency; and
- Supporting client needs for geospatial referencing of their assets by finalizing the requirements for and selecting a geographic information system (GIS) solution.

3. Strategic Direction

As technologies and tools are continuously evolving over time, the Agency will also evaluate and update its long-term plan for BTP, to consider emerging solutions in the water industry and incorporate OCWA's overall Digital Strategy into the program. This will include mobile and cloud computing considerations to ensure that staff have the tools and information they need when they need them, as well as long-term resiliency and adaptability planning to ensure OCWA's transformative plans align with the evolving marketplace within which the Agency operates.

Enhancing Procurement Processes

Providing the best value for clients is a key component of OCWA's shared service model. As the largest water and wastewater service provider in Ontario, OCWA is able to leverage the Agency's significant purchasing power to deliver best value to clients while abiding with the requirements of the OPS Procurement Directive, procuring a wide variety of goods and services, from chemicals to insurance to equipment and machinery, at competitive prices on their behalf.

Ongoing supply chain issues, resulting from the COVID-19 pandemic and other factors, along with increasing costs over the past few years for many of the goods and services that the Agency relies on, have made procurement a key area of focus for the Agency. Significant effort has been made to maintain adequate supplies of chemicals, equipment, and other necessities, like personal protective equipment for employees, required to operate and maintain client water and wastewater facilities with no service interruptions, while also working to mitigate the impact of cost increases on the Agency and its clients.

OCWA will continue to enhance its procurement processes in 2023 to ensure that supply chains are maintained and chemical, equipment and other costs are minimized to the best of the Agency's ability. Other key activities include improving the overall efficiency of the Agency's procurement processes by standardizing document templates and investigating/implementing workflow technology and other technology solutions to integrate and automate current procurement processes.

Efforts will also be made to enhance communication with staff, vendors, and clients to ensure that proper procurement processes are followed, build and maintain relationships to ensure the delivery of critical goods and services, and manage expectations with regard to the availability and cost of chemicals and other critical services.

3. Strategic Direction

Serving Client Communities and Supporting Provincial Priorities

As a public Agency, meeting business objectives is just one of the ways in which OCWA defines its success as an organization. Much of the value that OCWA brings to its clients, its employees and the people of Ontario comes from the work that the Agency does to protect the environment, improve public health, support innovation in the province, and provide opportunities for economic development and growth. In the years ahead, OCWA will continue to support initiatives that bring value to its stakeholders and the public.

Protecting the Environment through Education and Outreach

Educating the public about the value of water and the importance of protecting the environment is one of the ways in which OCWA provides support to clients that goes beyond just operating their water and wastewater systems. While the majority of OCWA's in-person education and outreach activities were limited or temporarily suspended starting in March of 2020 due to the COVID-19 pandemic, they have now resumed. While in-person activities were on hold, the Agency used the time to refresh its outreach programs, which will be rolled-out in 2023.

In 2023, OCWA will relaunch its signature education program, the OneWater® Education Program. The OneWater® Education Program teaches the value of water to students in grade eight by providing activity-based lessons on water and the water cycle that align with the Ontario grade eight science curriculum. OneWater® brings educators together with local water operators, with OCWA operators visiting community classrooms to talk to students about how water is treated in their specific community, and conducting hands-on demonstrations with the students.

The OneWater® Program is being given a full refresh to better align with the new provincial science curriculum, create more interactive opportunities for students and enhance the 'career' section – allowing operators to discuss different career opportunities in the water and wastewater industry. The Agency also created a series of videos that complement the Program, including demonstrating how to build an aquifer, and providing a tour of a water and wastewater facility. OCWA continues to collaborate with Indigenous educators to weave an Indigenous perspective throughout the Program, exploring the significance of water in Indigenous communities and educating participants about the important role that Indigenous communities play in protecting local water bodies. The newly refreshed Program will be introduced in the fall of 2023 in various client communities across the province.

OCWA will continue to promote responsible use of the municipal wastewater collection systems in 2023 by educating the public about proper disposal of non-flushables. The "I Don't Flush" public education campaign, launched in 2014, features a website [www.idontflush.ca], Twitter feed [[@idontflushnews](https://twitter.com/idontflushnews)], Facebook page [facebook.com/idontflush], public service announcements and video shorts on social media. Four phases of the campaign have now been completed, focusing on proper disposal of unused pharmaceuticals, personal hygiene products, and fats, oils & grease – with the final phase combining messaging from the previous three phases. While there are currently no plans to launch a fifth phase of the campaign, OCWA continues to promote the I Don't Flush message on the Agency's social media channels. A spin-off campaign, "Protect your Pipes", is available as well, specifically for OCWA's clients.

3. Strategic Direction

Other education and outreach initiatives include supporting local water education efforts by promoting tap water at community events with portable “OCWA On Tap” water-filling stations and participating in children’s water festivals and other local events. OCWA will also continue to promote the Agency’s free “Water Talks” webinar series throughout 2023. This series is targeted at clients and prospective clients, with each webinar being led by OCWA subject matter experts. Topics range from introducing operational technologies and innovation to educating participants on regulatory requirements and important or emerging environmental issues.

Working with First Nation Communities to Improve and Maintain their Water and Wastewater Systems

OCWA is committed to working in partnership with First Nation communities and other government organizations to support sustainable water and wastewater solutions that ensure the effective operation and maintenance of First Nation water systems. In order to ensure that the Agency is effectively supporting Ontario First Nations, OCWA regularly gathers direct feedback from its First Nation clients on the individual challenges that they face in managing and maintaining their water and wastewater systems and what could be done to better support them in resolving these issues. In addition to gathering feedback from clients, OCWA has established a First Nations Advisory Circle to gain a greater understanding of the broader water issues facing First Nation communities from an Indigenous perspective.

The First Nations Advisory Circle, which reports to OCWA’s Board of Directors through the Board’s First Nations Committee and meets at least four times annually, is comprised of a diverse group of individuals that identify as Indigenous, representing a variety of backgrounds, experiences and communities. The goal of the Advisory Circle is to advise OCWA on the integration of First Nation perspectives into the Agency’s strategies and to provide OCWA with a better understanding of the challenges that First Nations face, not only with respect to addressing water and wastewater treatment in their communities, but also in the context of their unique experiences, culture and history in Canada.

To better manage the Agency’s First Nations business activities, OCWA has established a dedicated First Nations business unit. The focus for this group in 2023 will be to strengthen the Agency’s relationship with its First Nation clients by:

- ◆ Supporting First Nation clients in the management, operation and maintenance of their water and wastewater systems, with the First Nations taking the lead and OCWA providing ongoing support;
- ◆ Assisting First Nation communities in ensuring the long-term sustainability of their water and wastewater systems through the implementation of process optimization, asset management and energy management initiatives, and the delivery of remote monitoring and oversight services as required;
- ◆ Providing operational training to First Nations; and
- ◆ Providing emergency response services to First Nation communities when requested.

OCWA will also continue to collaborate with staff from the Ministry of the Environment, Conservation and Parks’ Indigenous Drinking Water Projects Office (IDWPO) and the Walkerton Clean Water Centre to help support the federal government’s program to eliminate drinking water advisories in First Nation communities.

3. Strategic Direction

Responding to Water and Wastewater Emergencies

OCWA's Emergency Response Teams (OERTs) were established in 2005 in response to Recommendation 50 of the *Report of the Walkerton Inquiry*, in which Justice O'Connor recommended that OCWA be mandated to develop standby capabilities to support provincial water emergencies. The OCWA-funded OERT program provides the province with the capability to effectively and efficiently remediate water and wastewater emergencies in Ontario municipalities and First Nation communities. Located in five locations across the province and available to respond within 24 hours, these teams are always nearby, ready and able to provide emergency assistance should the need arise.

OCWA will continue to refine its emergency response capabilities in 2023, enhancing the Agency's ability to respond to a variety of emergency situations across the province. This includes regularly renewing OERT member commitments and rotating in new team members where required; ensuring that the OERT response trailers are stocked and that consumables are up to date; and providing additional training to OERT members, including annual practical training sessions.

Implementing a Provincial Wastewater-based Epidemiology Program

As part of the Agency's pandemic response, and in support of provincial governmental priorities, OCWA has been working closely with staff at the Ministry of the Environment, Conservation and Parks, the Ministry of Health, other government organizations, and a number of Ontario universities to establish a provincial wastewater-based epidemiology program to enable the detection and monitoring of SARS-CoV-2 (COVID-19) genetic signatures in wastewater.

The goals of the program are:

- ◆ To prioritize the analysis of COVID-19, including variants of concern, through surveillance and decision supports for government and Medical Officers of Health;
- ◆ To ensure that Ontario is prepared to respond to public health threats in the future, before they reach critical mass; and
- ◆ To build and adapt a wastewater surveillance system that is predictive, effective, scalable, and supportive of decisions for interventions and high-quality evaluation that will:
 - Expand wastewater testing in Ontario;
 - Complement and help focus clinical testing; and
 - Bring wastewater surveillance research practices and networks to maturity.

3. Strategic Direction

The program has been a significant success, providing all 34 Public Health Units in Ontario with a reliable and independent means of measuring the spread of COVID-19 across Ontario. During the onset of the Omicron wave and when clinical testing capacity was overwhelmed, wastewater surveillance became the only unbiased leading indicator of disease prevalence relied upon by many public health units.

In support of the provincial wastewater surveillance program, OCWA has led the implementation of an inter-laboratory methods comparison program (“the inter-lab program”), which assures the quality of the laboratory data within the broader wastewater surveillance program. OCWA chairs the Wastewater Surveillance Technical Advisory Panel (TAP), an advisory body which plays an instrumental role in formalizing performance evaluations of the laboratory methods used for wastewater surveillance and ensuring quality assurance in Ontario and across Canada.

OCWA will continue to support Ontario's wastewater surveillance program in 2023 by working with Ministry of the Environment, Conservation and Parks to distribute samples to laboratories in Ontario as the current inter-lab program lead and by further contributing to the potential standardization of wastewater surveillance methods in Canada. As public health threats evolve to include a wider variety of pathogens trackable in wastewater (influenza, Respiratory syncytial virus (RSV), Monkeypox, etc.), OCWA will also leverage its existing partnerships and foster new ones to ensure the relevancy of the inter-lab program in supporting emerging public health priorities.

3. Strategic Direction

3.3 Key Performance Indicators

The following table outlines the high-level strategic goals and key performance indicators, including performance indicators for the Agency's core business activities, that were identified as part of the Agency's strategic planning process.

Strategic Goal	Key Performance Indicators
Maintaining safe, reliable water and wastewater systems for clients	<ul style="list-style-type: none"> ◆ 2 or fewer OCWA-operated water systems receive inspection ratings below 90% ◆ More than 75% of OCWA-operated water systems receive 100% inspection ratings ◆ 5 or fewer OCWA-operated wastewater systems receive inspection reports with more than 5 non-compliance items ◆ Adverse Water Quality Incidents [AWQIs] <ul style="list-style-type: none"> ▪ 20 or fewer disinfection AWQIs ▪ 10 or fewer filter effectiveness [turbidity] AWQIs ◆ Boil Water Advisories [BWAs] <ul style="list-style-type: none"> ▪ 4 or fewer BWAs resulting from disinfection or microbiological AWQIs ▪ 75 or fewer BWAs resulting from all other causes [breaks, repairs, installations] ◆ 3 or fewer wastewater facilities with less than 90% compliance for effluent limits ◆ 30 or fewer bypassing events due to reasons other than hydraulic load [equipment issues, power outages, etc.] ◆ Maintain Overall Responsible Operator licenses to the level required for all OCWA-operated facilities
Enhanced financial performance	<ul style="list-style-type: none"> ◆ \$296 million in annual revenue by 2025
Engaged, motivated and safe staff	<ul style="list-style-type: none"> ◆ Maintain or improve the Agency's employee engagement index rating and inclusion index rating ◆ Year-over-year reduction in voluntary turnover rates ◆ Maintain or reduce the Agency's recordable and lost time incident rates
Improved client satisfaction	<ul style="list-style-type: none"> ◆ Client retention rate of 97% or greater [revenue and number of clients]

3. Strategic Direction

3.4 2023 Initiatives and Performance Measures

The following table outlines the key strategies and goals as well as performance measures for the upcoming year.

Strategic Initiative	Goal	Performance Measures
Strategy 1 – Ensuring the Health, Safety and Success of our Employees		
Fostering a Diverse and Inclusive Culture	To be an inclusive organization that is diverse, equitable, and respectful, that captures the uniqueness of individuals, and creates a culture where everyone feels safe, valued, accepted and encouraged to reach their full potential	<ul style="list-style-type: none"> ◆ Maintain or improve the Agency’s inclusion index with a target for 2024 of 74 or higher ◆ Meet leadership pathway targets, including: <ul style="list-style-type: none"> ▪ 25% of all identified successors come from an under-represented group ▪ 35% of leadership nominees will be from an under-represented group ◆ 100% of manager interview panels consist of one member of an under-represented group
Attracting Top Talent and Building Leadership Strength	Integrated recruitment, total compensation and talent management programs to create a high-performance, sustainable organization that meets its strategic and operational goals and objectives	<ul style="list-style-type: none"> ◆ Year-over-year increase in the percentage of management and senior leadership positions filled by identified successors ◆ Year-over-year increase in retention of key talent [identified successors] ◆ 100% of Executive Management Team and Senior Leadership Team positions have identified successors and succession plans in place
Ensuring the Health, Safety and Well-being of our Employees	Have an ingrained health and safety culture within OCWA	<ul style="list-style-type: none"> ◆ Maintain or reduce the Agency’s Recordable Incident Rate, with a target for 2023 of 1.38 or lower ◆ Maintain or reduce the Agency’s Lost Time Injury Rate, with a target for 2023 of 0.36 or lower
Enhancing the Workplace Experience	Improve the employee engagement, motivation and commitment to contribute their full potential	<ul style="list-style-type: none"> ◆ Maintain or improve the Agency’s employee engagement index, with a target for 2024 of 70 or higher ◆ Year-over-year reduction in Voluntary Turnover rates

3. Strategic Direction

Strategic Initiative	Goal	Performance Measures
Strategy 2 – Driving Business Growth by Delivering Total Solutions to Clients		
Maintaining and Expanding OCWA's Operations and Maintenance Client Base	Retain OCWA's existing Operations and Maintenance clients and attract new O&M clients to the Agency	<ul style="list-style-type: none"> Retain 97 percent of client contracts up for renewal in 2022 (based on total number of clients)
Supporting Client Infrastructure Sustainability and Resiliency through the Provision of Value-Added Services	Provide value-added services that help clients to ensure the sustainability and resilience of their water and wastewater infrastructure	<ul style="list-style-type: none"> Petawawa Net Zero project diverting 7,000 tonnes of organics from landfill once implementation is complete (planned for 2023) Conduct 5 or more feasibility/pilot studies for organics diversion and resource recovery initiatives that result in two or more renewable energy generation project implementations by the end of 2023 Work collaboratively with municipalities in the province to source and secure a minimum of \$1.5 million in resilient infrastructure funding per year to advance infrastructure and state of good repair projects

3. Strategic Direction

Strategic Initiative	Goal	Performance Measures
Strategy 3 – Enhancing Efficiency through Business Process Improvements		
Transforming Information Systems and Processes	Enhance the Agency’s Information Technology systems and refine the Agency’s business processes through implementation of the Business Transformation Program	<ul style="list-style-type: none"> ◆ Supervisory Control and Data Acquisition (SCADA) network coverage expanded to include 90% of OCWA-managed facilities across the province by the end of 2023, resulting in improved client coverage and service levels ◆ Vendor selected for the Agency’s new Human Resources Information System (HRIS) in 2023, with the new HRIS fully implemented by the end of 2024
	Implement the Agency’s Digital Strategy to enable the Business Transformation Program, align and support Business Transformation Program initiatives and create a foundation for sustainable growth	<ul style="list-style-type: none"> ◆ SCADA solutions implemented to capture data and provide automated calculations for reduced manual effort, which is used to measure the energy optimization resulting from work done by the Agency’s process optimization team, including replacement of old equipment with newer, more energy-efficient options and other efficiencies gained through energy reviews, with the overall effort resulting in a measurable 10% reduction in energy usage in larger plants by the end of 2023 ◆ Improve business continuity by ensuring IT systems availability at 99.99% or no more than 15 minutes per month of unscheduled outage by the end of 2023 ◆ Cyber Security improvements reduce the duration of IT downtimes related to viruses infecting OCWA IT systems, and increase connectivity, visibility and monitoring of OCWA’s province-wide network to 90% by the end of 2023
Enhancing Procurement Processes	Optimize the Agency’s procurement processes to deliver best value to OCWA’s clients	<ul style="list-style-type: none"> ◆ Year-over-year increase in the establishment and use of Agency/Ontario Public Service Vendor of Record agreements ◆ 5% decrease in the average timing to complete procurement processes

3. Strategic Direction

Strategic Initiative	Goal	Performance Measures
Strategy 4 – Serving Client Communities and Supporting Provincial Priorities		
Protecting the Environment through Education and Outreach	Enhance public understanding and appreciation of the value of water and the environment by promoting and enhancing the OneWater® program and offering OCWA’s “Water Talks” webinar series to clients and prospective clients	<ul style="list-style-type: none"> ◆ Pilot refreshed OneWater Program, with new Indigenous content, in two communities by the end of Q2, 2023, with 80% of students that complete the program indicating they understand more about how water/wastewater treatment works in their community as a result of the program ◆ Offer “Water Talks” webinar series throughout 2023, focusing on operational, regulatory and environmental topics led by OCWA subject matter experts, with a minimum of 80% of attendees indicating post-webinar that the webinar was a productive use of their time
Working with First Nation Communities to Improve and Maintain their Water and Wastewater Systems	Support the development of sustainable water and wastewater solutions, including effective infrastructure management, for First Nation communities	<ul style="list-style-type: none"> ◆ Partner with Indigenous organizations to provide learning opportunities for Indigenous water operators and students, including internships and in-plant mentoring and training ◆ Incorporate feedback and direction from the First Nations Advisory Circle into a refreshed First Nations Strategy for the Agency
Responding to Water and Wastewater Emergencies	Maintain the Agency’s emergency response capabilities and ability to respond to a variety of emergency situations across the province	<ul style="list-style-type: none"> ◆ OCWA Emergency Response Teams deployed and on-site within 24 hours from the time that emergency assistance is requested
Implementing a Provincial Wastewater-based Epidemiology Program	Support the Ministry of the Environment, Conservation and Parks (MECP) in implementing a wastewater-based epidemiology program for Ontario	<ul style="list-style-type: none"> ◆ Provide technical advice and assist the province as required to maintain and add value to the current wastewater-based epidemiology program for Ontario, including conducting quarterly inter-lab sampling and working with facility owners and academic partners where sampling occurs to ensure community acceptance and understanding of the program

4. Risk Assessment and Management

OCWA has a comprehensive Enterprise Risk Management (ERM) program that is in compliance with Ontario Public Service (OPS) risk management requirements, including the OPS ERM Framework and Directive. OCWA's ERM Policy and Framework, which are approved annually by the Agency's Board of Directors, outline how the Agency carries out risk management activities, including risk identification and assessment, development of risk responses and risk action plans, monitoring of risks and reporting on the results of the risk management process.

ERM is a process designed to identify potential events that may affect the Agency and manage risks to provide reasonable assurance regarding the achievement of strategic and business plan objectives. The Agency's Board and Executive Management Team (EMT) ensure that there is a robust ERM process in place in order to make risk informed decisions, considering the appropriate level of risk, at all levels in the organization. Risks are identified and confirmed during the normal course of business, catalogued in the Agency's Risk Register and regularly assessed and monitored. Updates on the status of risk action plans are provided to EMT and the Board on a quarterly basis.

OCWA undertakes a comprehensive risk identification and assessment process on an annual basis that is aligned with the strategic planning process. Risks are assessed in terms of their potential likelihood of occurring and their potential impact on the achievement of OCWA's objectives should they occur. In assessing impact, the Agency has established a broad range of risk categories that are aligned with many of the categories identified in the Guide to the Risk Based Approach to Provincial Agency Oversight developed by Treasury Board Secretariat's Agency Governance Unit. The range of categories and descriptions are as follows:

- ◆ **Strategic** – Risks that impact the achievement of the Agency's financial objectives as identified in the business plan, risks of failure to meet stakeholder expectations and resulting damage to stakeholder relationships, damage to the Agency's reputation and public image;
- ◆ **Accountability/Governance** – Risks related to breach of OCWA's code of business conduct, risk of failure to comply with directives and changing regulations/legislation;
- ◆ **Operational** – Risks that can impact the achievement of the Agency's operational objectives, such as changing client demand for services; risks that impact the quality of services provided to clients;
- ◆ **Workforce** – Risk that the Agency would be unable to attract the skilled workforce required to meet contractual obligations and regulatory requirements;
- ◆ **Information Technology and Infrastructure** – Risk related to major information technology failures and/or loss of data; risks related to implementation of major information technology projects; and
- ◆ **Health and Safety, Environmental** – Risks that can impact the achievement of the Agency's compliance objectives, including risks related to public safety.

4. Risk Assessment and Management

OCWA also analyzes the interconnection between risks in order to focus on mitigating risks with many interdependencies. By taking mitigating actions to reduce the likelihood of these risks, other risks are also mitigated. The results of the annual risk identification and assessment are reported to the Board's Compliance and Operational Risk Management Committee and the Board, with a focus on the Agency's higher-priority risk areas. These higher-priority risks are determined based on EMT's and the Risk Management Program Office's judgment, with a focus on the following:

- Higher rated risks that impact multiple strategic objectives;
- Higher rated risks which are pervasive across the Agency impacting multiple business units;
- Higher rated risks with the potential to be individually significant to OCWA overall; and
- Any risks with a high impact score, even if the probability is low [e.g., a drinking water incident].

In 2022, OCWA undertook an external review of its ERM program to assess the effectiveness of the Agency's current ERM processes and identify opportunities for improvement. Implementation of the recommendations resulting from the review began in 2022 and will continue throughout 2023, with a focus on enhancing the Agency's risk identification process, expanding risk training and awareness, refining the Agency's risk policy and framework, and implementing a software solution to better track and manage Agency risks.

5. Business Plan Communication

Communication of key business plan initiatives will be managed as follows:

Strategic Initiative	Target Audience	Key Activities
Strategy 1 – Ensuring the Health, Safety and Success of OCWA Employees		
Fostering a Diverse and Inclusive Culture	<ul style="list-style-type: none"> ◆ OCWA managers and staff ◆ Potential employees 	<ul style="list-style-type: none"> ◆ Human Resources and Communications to continue to implement the Agency’s Diversity and Inclusion communications plan, which outlines key messaging, audience and timing as part of the Agency’s Diversity and Inclusion Strategy. ◆ Human Resources to include weekly communication on Diversity and Inclusion in Weekly Flows, OCWA’s electronic staff newsletter.
Attracting Top Talent and Building Leadership Strength	<ul style="list-style-type: none"> ◆ OCWA managers and staff ◆ Potential employees ◆ Ministry of the Environment, Conservation and Parks ◆ Other Ontario Public Service stakeholders 	<ul style="list-style-type: none"> ◆ Human Resources to work with Communications on refreshing the Agency’s employer brand and promote OCWA as an employer of choice. ◆ Human Resources to work with managers to help ensure a smooth orientation and onboarding processes for new employees. ◆ Agency managers to meet with their staff to discuss potential career paths and learning opportunities. ◆ Vice-President, Human Resources and CEO to work with the Ministry of the Environment, Conservation and Parks and other Ontario Public Service stakeholders to seek solutions regarding competitive compensation for Agency operators. ◆ Human Resources to connect with secondary and post-secondary institutions to enhance OCWA’s co-op education program and build awareness of the water sector and OCWA for young job seekers. ◆ Human Resources to work with the Executive Management Team and Agency managers to identify and assess potential successors for key Agency positions and identify future candidates for the Agency’s Aspiring Manager and Aspiring Leader development programs. ◆ Human Resources to connect with and provide guidance to staff enrolled in the Aspiring Manager and Aspiring Leader development programs

5. Business Plan Communication

Strategic Initiative	Target Audience	Key Activities
Ensuring the Safety, Health and Well-being of our Employees	<ul style="list-style-type: none"> OCWA managers and staff 	<ul style="list-style-type: none"> Corporate Safety group to work with the Safety, Process and Compliance Managers and other Regional Hub and Corporate staff to communicate with and train employees on the requirements of the Agency's health and safety system and engage them in making health, safety and wellness an integral part of their daily activities. Information will be provided through in person meetings, e-mail messages and other communication channels.
Enhancing the Workplace Experience	<ul style="list-style-type: none"> OCWA managers and staff 	<ul style="list-style-type: none"> Human Resources and managers to communicate with employees about engagement initiatives and action plans through a variety of avenues, including e-mail messages, Weekly Flows (the Agency's staff newsletter) and individual staff meetings.

Strategy 2 – Driving Business Growth by Delivering Total Solutions to Clients

Maintaining and Expanding OCWA's Operations and Maintenance Client Base	<ul style="list-style-type: none"> Clients Potential Clients 	<ul style="list-style-type: none"> Regional Hub Managers, Operations Managers, Corporate Technical Services Managers, and Business Development Managers to meet regularly with clients and potential clients (including virtually) to discuss how OCWA can help them manage their water and wastewater systems, including planning for, financing and implementing capital improvements and other programs and initiatives that will increase the efficiency of their systems, divert waste from landfill, reduce energy consumption and greenhouse gas emissions and extend the life of their water and wastewater infrastructure.
Supporting Client Infrastructure Sustainability and Resiliency through the Provision of Value-Added Services	<ul style="list-style-type: none"> Clients Potential Clients 	<ul style="list-style-type: none"> OCWA staff to attend and present at industry conferences (in-person and virtually in accordance with COVID restrictions), publish articles in industry publications and promote OCWA services through other marketing and communication channels such as Waterline, the Agency's client newsletter, and virtual "Water Talks" on various areas of interest to clients and prospects.

5. Business Plan Communication

Strategic Initiative	Target Audience	Key Activities
Strategy 3 – Enhancing Efficiency through Business Process Improvements		
Transforming Information Systems and Processes	<ul style="list-style-type: none"> ◆ OCWA managers and staff ◆ Clients 	<ul style="list-style-type: none"> ◆ Business Transformation Program (BTP) Program Management Office (PMO) to provide regular updates on the implementation of BTP initiatives to the Board, the Agency’s Executive Management Team, managers and staff through emails, local staff meetings and set quarterly updates. ◆ BTP PMO to work closely with Operations to ensure the smooth roll-out of BTP initiatives, including conducting process workshops and establishing and implementing detailed training plans. ◆ BTP PMO and Operations staff to attend and present at industry conferences, publish articles in industry publications and promote the value of BTP initiatives to clients through other marketing and communication channels such as Waterline, the Agency’s client newsletter.
Enhancing Procurement Processes	<ul style="list-style-type: none"> ◆ OCWA managers and staff ◆ Clients ◆ Vendors 	<ul style="list-style-type: none"> ◆ Procurement to work closely with Operations to ensure the smooth roll-out of procurement initiatives, including providing training on procurement procedures. ◆ Procurement Working Group comprised of Procurement, Legal, Insurance, Health and Safety, and Engineering staff to meet bi-monthly to identify opportunities to streamline contracting and procurement processes. ◆ Chemical Committee comprised of Procurement staff and Regional Hub Managers to meet regularly discuss chemical supply chain and pricing issues and develop solutions to address them ◆ Procurement to meet regularly with Agency vendors to share knowledge and gather feedback.

5. Business Plan Communication

Strategic Initiative	Target Audience	Key Activities
Strategy 4 – Serving Client Communities and Supporting Provincial Priorities		
Protecting the Environment through Education and Outreach	<ul style="list-style-type: none"> ◆ Teachers and students ◆ Municipalities ◆ General public 	<ul style="list-style-type: none"> ◆ Operations managers and staff to connect with local schools to distribute OneWater® module materials to teachers and arrange operator visits/plant field trips. ◆ OCWA to continue to publicize “I Don’t Flush” efforts through Public Service Announcements, media outreach, social media and the “I Don’t Flush” website. ◆ Operations and Business Development to promote the Agency’s free “Water Talks” webinar series to clients and prospective clients.
Working with First Nation Communities to Improve and Maintain their Water and Wastewater Systems	<ul style="list-style-type: none"> ◆ First Nation communities and larger Tribal Councils representing regional areas ◆ First Nations Advisory Circle 	<ul style="list-style-type: none"> ◆ Operations and Business Development to gather direct feedback from First Nation clients and the Agency’s First Nations Advisory Circle on the individual challenges that First Nations face in managing and maintaining their water and wastewater systems and what they think OCWA could do better to support them in resolving these issues. ◆ Operations and Business Development to continue to foster relationships with First Nation community decision makers through First Nations sector associations such as the Canadian Council for Aboriginal Business, Aboriginal Water and Wastewater Association, and the Aboriginal Financial Officers Association. ◆ OCWA to participate in and provide support for First Nations Conferences such as the Chiefs of Ontario and the Mining Ready Summit. ◆ Operations and Business Development to coordinate initiatives with the Ministry of the Environment, Conservation and Parks’ Indigenous Drinking Water Projects Office and the Walkerton Clean Water Centre, as appropriate. ◆ OCWA Infrastructure Solutions group to work with First Nation communities to support the delivery of various capital water projects.

5. Business Plan Communication

Strategic Initiative	Target Audience	Key Activities
Responding to Water and Wastewater Emergencies	<ul style="list-style-type: none"> ◆ Clients ◆ Other Ontario municipalities and First Nations ◆ Ministry of the Environment, Conservation and Parks 	<ul style="list-style-type: none"> ◆ Operations and Business Development to promote OCWA's emergency response capabilities to clients, other Ontario municipalities and First Nations through in-person and virtual meetings, presentations at industry conferences and other marketing and communication channels. ◆ OCWA to respond to emergency response requests from the Ministry of the Environment, Conservation and Parks and keep Ministry staff apprised on the status of the Agency's emergency response activities as required.
Implementing a Provincial Wastewater-based Epidemiology Program	<ul style="list-style-type: none"> ◆ Provincial government (Ministry of the Environment, Conservation and Parks, Ministry of Health, etc.) ◆ Clients ◆ Ontario municipalities 	<ul style="list-style-type: none"> ◆ OCWA Operations and Operational Support staff to support the Ministry of the Environment, Conservation and Parks in the implementation of a wastewater-based epidemiology program for Ontario, including working with client municipalities to collect wastewater samples as required.

Aligning Services to Plan Goals

OCWA's Senior Leaders will align their service area's business unit activities to reflect the strategies in the Agency's approved business plan and budget. New initiatives will be introduced by submitting a detailed business case and seeking approval of the Agency's Executive Management Team (EMT) and, if necessary, the Board of Directors.

Monitoring Progress

The Agency uses a performance measurement system to ensure OCWA's projects and processes are consistent with the Agency's strategic direction and that senior managers are kept informed of Agency-wide progress on identified strategic initiatives. EMT and the Board monitor progress using a quarterly report, which includes plan priorities and the current status of performance measures, along with discussion on specific issues and accomplishments.

Performance Measurement

As part of OCWA's commitment to improved reporting at all levels within the organization, the Agency will continue to report on additional business critical performance indicators beyond the stated goals of this plan. The Agency will work to continuously improve upon the measures being monitored through regular consultation with EMT, SLT and the Board of Directors.

Internal Communication of the Business Plan

Information on the Agency's Strategic Plan and 2023–25 Business Plan initiatives will be communicated to OCWA management in early 2023. In addition, 'A Message from the President and CEO', a regular electronic bulletin from the President's Office, will be used to introduce key strategic initiatives and performance measures and highlight the Agency's progress towards meeting those measures throughout the year.

5. Business Plan Communication

Business Plan and Annual Report Communication Timelines

The following are dates related to the communication of OCWA's Business Plan and Annual Report.

Item	Timing
2023–25 Business Plan approved by OCWA's Board of Directors and submitted to the Ministry of the Environment, Conservation and Parks	December, 2022
<i>Message from the President and CEO</i> – E-mail communication to staff outlining key business goals and financial targets and progress towards achieving them	Monthly/ Quarterly [as required]
Summary of 2023–25 Business Plan initiatives provided to OCWA management	Q1, 2023
2022 Annual Report submission to Board of Directors	Q2, 2023
Q1, 2023, Quarterly Progress Report to EMT and Board of Directors	Q2, 2023
<i>OCWA Internet</i> – 2022 Annual Report made public	Q2/Q3, 2023 [once tabled in the Legislature]
Q2, 2023, Quarterly Progress Report to EMT and Board of Directors	Q3, 2023
Q3, 2023, Quarterly Progress Report to EMT and Board of Directors	Q4, 2023
Q4, 2023, Quarterly Progress Report to EMT and Board of Directors [included as part of the 2023 Annual Report]	Q2, 2024

Submission of the Business Plan

Following its review and approval by OCWA's Board of Directors, the Business Plan is submitted to the Minister of the Environment, Conservation and Parks for approval by December 31 each year. A public version of the plan is made available on OCWA's internet site, within 30 days, once approval has been received from the Minister.

6. Appendix A – OCWA: An Overview

OCWA is an agency of the Province of Ontario that provides a full range of water and wastewater services to Ontario clients. The Agency’s core business is the operation and maintenance (O&M) of water and wastewater treatment facilities and their associated distribution and collection systems on behalf of municipalities, First Nation communities, institutions, and private sector companies. Complementing the Agency’s O&M expertise, OCWA provides a comprehensive range of engineering and other technical and advisory services to water and wastewater system owners.

OCWA operates more municipal water and wastewater facilities in Ontario than any other operating authority, ranging in size from small wells and pumping stations to large-scale urban water and wastewater systems. OCWA currently operates more than 1,000 water and wastewater treatment facilities and associated systems, serving over 35 percent of Ontario with water/wastewater services, predominantly under contract with municipal clients. In addition, the Agency provides technical and advisory services to a number of other non-O&M clients.

6.1 Mandate

OCWA is a board-governed Operational Enterprise agency established under the *Capital Investment Plan Act, 1993* (CIPA) with a mandate to provide water, wastewater, and other related services to clients in a manner that protects human health and the environment and encourages the conservation of water resources. Those services include planning, developing, building, and operating water and wastewater facilities and their associated distribution and collection systems. OCWA’s roles, powers, and responsibilities are specified in a Memorandum of Understanding (MOU) with the Ministry of the Environment, Conservation and Parks, which was updated in 2012 and reaffirmed by the Minister of the Environment, Conservation and Parks and the Chair of OCWA’s Board of Directors in 2015, 2018, 2019 and 2021. OCWA conducts its business in accordance with various Ontario Public Service policies and directives as set out in the MOU.

6. Appendix A – OCWA: An Overview

6.2 Vision, Mission and Values

Starting in 2021, OCWA's Executive Management Team and Board of Directors undertook a review of the Agency's Vision, Mission and Values. While OCWA's previous Vision, Mission and Values served the Agency well over the past 10 years, the world had changed and so had OCWA.

OCWA refreshed its Vision, Mission and Values to better reflect the views of the Agency's employees and deliver a Vision that will guide the Agency for the next five to 10 years. OCWA believes that the new Values, in particular, describe what's most important to employees, and better reflect the accountability that the Agency owes to them. The new Vision, Mission and Values are being rolled-out to all stakeholders beginning in late 2022, and form the foundation for the Agency's updated Strategic Plan, which is being finalized for approval by the Agency's Executive Management Team and Board of Directors in 2023.

OCWA's Vision and Mission

OCWA's new Vision is to be *"Your Trusted Water Partner for Life"*, with a Mission that has been reshaped by the priorities that the Agency has heard from its people and partners and the collaboration that is needed to meet those priorities: "Together we deliver water and wastewater services for the health and sustainability of communities."

OCWA's Values

OCWA's values are focused on building trust with clients and other stakeholders:

Everything we do is guided by our belief in and commitment to:

- ◆ **Teamwork** – We bring together our local knowledge, skills and talents and collaborate with our partners to meet the needs of the communities we serve
- ◆ **Reliability** – We provide essential services that meet or go beyond compliance standards and follow through on our commitments to each other and our partners
- ◆ **Understanding** – We listen to and collaborate with our partners to deliver solutions that meet their needs
- ◆ **Safety** – We make health, safety and wellness in our workplace and in the communities where we live and work, our number one priority
- ◆ **Transparency** – We communicate openly, honestly and authentically with each other and our partners
- ◆ **Environment** – We protect the environment through innovative solutions to strengthen the health and sustainability of the communities we serve
- ◆ **Diversity** – We embrace diverse perspectives and strive to create an equitable and inclusive environment where each of us feels respected and empowered to achieve our personal and professional goals

6.3 Governance

OCWA is committed to implementing governance best practices at all levels of the organization to enhance transparency and accountability to clients, the government and the citizens of Ontario.

The Agency is governed by a Board of Directors [the “Board”]. Members of OCWA’s Board are appointed by the Lieutenant-Governor-in-Council on the recommendation of the Premier. The Board follows best practices in corporate governance, including director orientation and ongoing education, holding regular meetings and strategic planning sessions, as well as adhering to the Agency’s Board Code of Conduct.

A Board competency matrix has been established to ensure that the skills of Board members are in alignment with the long-term business strategy of the Agency. OCWA’s Board is comprised of individuals with a range of competencies and backgrounds, enabling the Board as a whole to effectively fulfill its stewardship responsibilities. Collectively, the Board has expertise in both the private and public sector, as well as in managing municipal corporations and utilities.

The Board is responsible for overall Agency affairs, including setting strategic direction, monitoring performance and ensuring appropriate systems and controls are in place for the proper administration of the Agency in accordance with OCWA’s governing documents. The Board is accountable to the Minister of the Environment, Conservation and Parks, who is accountable to the Provincial Legislature.

OCWA’s Board has established a number of standing committees to assist it in fulfilling its corporate governance and oversight responsibilities. Current committees include the Audit and Finance Committee; Business Transformation and Technology Committee; Compliance and Operational Risk Management Committee; First Nations Committee and Human Resources, Governance and Nominating Committee. Temporary task forces may also be established as necessary by the Board to provide guidance to management and oversee specific Agency initiatives.

6.4 Accountability

OCWA demonstrates accountability to the government and citizens of Ontario in a number of ways, including:

- ◆ Meeting the requirements of appropriate regulatory authorities (Ministry of the Environment, Conservation and Parks, Ministry of Labour, Medical Officers of Health, etc.) for OCWA-operated facilities;
- ◆ Providing facility reports to clients for OCWA-operated municipal water treatment facilities;
- ◆ Generating an Annual Report, submitted for approval to the Minister of the Environment, Conservation and Parks, for tabling in the Provincial Legislature and made available to all Ontarians online at www.ocwa.com;
- ◆ Producing an annual three-year Business Plan, including performance measures, submitted for approval to the Minister of the Environment, Conservation and Parks annually and made available to all Ontarians online at www.ocwa.com;
- ◆ Supporting annual audits of OCWA’s financial statements and periodic Value-for – Money Audits conducted by the Office of the Auditor General of Ontario;
- ◆ Providing accessibility to Agency records under the *Freedom of Information and Protection of Privacy Act*;
- ◆ Complying with applicable legislation and Ontario Public Service policies and directives; and
- ◆ Utilizing an Enterprise Risk Management program to identify and assess business and operational risks.

6.5 OCWA's Operations and Activities

In addition to O&M, which is the Agency's core business, OCWA offers clients a broad array of related functions, including engineering, training and other technical and advisory services such as process optimization, energy management and asset management. OCWA's goal is to assist its municipal, First Nation and other clients in managing their water and wastewater facilities and associated distribution and collection systems at every stage of the asset lifecycle and to help them ensure the sustainability of their water and wastewater systems. In everything that the Agency does, OCWA is steadfastly committed to implementing innovative technologies, processes and solutions aimed at improving operational efficiency and reliability.

OCWA utilizes a shared service structure whereby staff and resources are shared among large municipal plants and smaller satellite facilities to ensure geographic optimization. OCWA's typical hub structure provides economies of scale that lessen operation and maintenance costs for individual municipalities. Clients also benefit from the sharing of management, administration and specialized support services.

The majority of Agency employees are directly involved in developing, selling and delivering customer solutions and are among the most knowledgeable and experienced in the water and wastewater industry. Some staff have been providing operational services to OCWA's municipal clients since before the Agency was established in 1993, having worked for our predecessor organizations, the Utility Operations Division at the Ministry of the Environment and the Ontario Water Resources Commission, the latter of which was established in 1956 to oversee the province's water resources.

OCWA has an unmatched ability to deliver excellent compliance and safety performance across diverse regions, technologies and facility sizes. OCWA staff treat water and wastewater for municipalities with populations as large as 1.4 million in the Region of Peel or smaller than the 2,400 in Moose Factory. OCWA also proudly includes many First Nations clients in its operations portfolio.

Given OCWA's role as a public Agency, the protection of public health and safety is the Agency's top priority. OCWA's specially-equipped and highly-trained emergency response teams are available to respond within 24 hours to water or wastewater emergencies throughout Ontario, providing an essential resource to the province. With locations across Ontario, OCWA staff are always nearby, ready and able to provide emergency resources should the need arise.

OCWA supports the Province of Ontario in safeguarding drinking water for the people of Ontario and protecting the province's lakes and rivers by providing training services for water operators on behalf of the Walkerton Clean Water Centre and delivering training directly to wastewater operators across the province. Education is another way in which OCWA brings value beyond the services that it delivers directly to clients. OCWA's school and community outreach programs educate the public about the value of water and the importance of protecting the environment.

6. Appendix A – OCWA: An Overview

Across Canada and around the world, a combination of aging infrastructure and tight municipal budgets are forcing water utilities to find ways to do more with less. OCWA is helping to ensure that the Agency's clients make well-informed decisions regarding infrastructure investments by working with them to develop comprehensive water and wastewater asset plans that prioritize their infrastructure needs for the next decade and beyond. OCWA also helps clients to access federal and provincial funding opportunities that will allow them to put those plans into action.

Municipalities, and the water industry as a whole, are looking for better, more sustainable ways to manage water and wastewater systems. OCWA works with clients to enhance the resilience of their infrastructure, reduce energy use, and reduce the production of harmful greenhouse gases through best management practices and technology. This includes turning biosolids from wastewater treatment plants, along with food and other organics, from waste products into potential energy sources.

OCWA is also innovating in the area of information management by working to develop and implement integrated information technology systems to automate collection, analysis and communication of water and wastewater facility information from internet-connected sites. The Agency's goal is to ensure that operational staff and clients have ready access to up-to-date information for all of the facilities that the Agency operates.

OCWA's success with these initiatives will ensure that the Agency continues to provide the highest level of service to clients while helping the province to protect the health of Ontario residents and conserve and sustain Ontario's water resources for present and future generations.

7. Appendix B – 2023 Mandate Letter

Ministry of the Environment,
Conservation and Parks

Office of the Minister

777 Bay Street, 5th Floor
Toronto ON M7A 2J3
Tel.: 416-314-6790

Ministère de l'Environnement,
de la Protection de la nature et
des Parcs

Bureau du ministre

777, rue Bay, 5^e étage
Toronto (Ontario) M7A 2J3
Tél.: 416.314.6790



357-2022-1653

December 7, 2022

Mr. Joseph Pennachetti
Chair, Board of Directors
Ontario Clean Water Agency
Email: pennachettijoe@gmail.com

Dear Mr. Pennachetti:

I am pleased to share our government's 2023 priorities for the Ontario Clean Water Agency (OCWA).

As Chair, you play a vital role in helping OCWA achieve its mandate. It is important that the agency's goals, objectives, and strategic direction continue to align with our government's priorities and direction. As part of the government of Ontario, agencies are expected to act in the best interests of the people of Ontario and ensure that they provide value for money to taxpayers. Agencies are also required to adhere to government policies and directives.

Subject to OCWA's stated objectives, in conjunction with its full and unconditional compliance with all applicable legislation, including but not limited to the *Capital Investment Plan Act, 1993* (CIPA), and subject secondly to OCWA's MOU with the Minister, OCWA's mandate for the year 2023 will consider the following goals:

- Managing the Agency's operations efficiently, effectively and safely, with a focus on providing value to OCWA's clients and the province by continually looking for ways to improve productivity, manage costs, enhance service delivery, and provide a safe and inclusive workplace that promotes diversity and tolerance.
- Supporting the adoption of principled, evidence-based and strategic long-term infrastructure planning by:
 - Working with OCWA's clients to develop comprehensive, long-term asset plans for their water and wastewater systems;
 - Working with the ministry and other government stakeholders to examine the most appropriate way for OCWA to support their clients, consistent with CIPA and subject to approval by the ministry;
 - Working with the ministry and other government stakeholders to examine the most appropriate way for OCWA to support their clients, consistent with CIPA and subject to approval by the ministry; and

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7. Appendix B – 2023 Mandate Letter

Mr. Pennachetti

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- Increasing waste diversion by supporting the development and implementation of renewable energy centres that use wastewater and concentrated organic waste to generate biogas for productive use.
- Supporting the effective planning, development, building, and operation of municipal and other water and wastewater systems through the provision of a comprehensive range of engineering and other technical and advisory services to water and wastewater system owners. This would include providing recommendations and advice on how to increase the efficiency and capacity of their systems, reduce the cost of delivery and maximize the life of their water and wastewater infrastructure.
- Enhancing municipal infrastructure resiliency, including supporting energy-savings and energy from waste programs and programs focused on flood management, and working with the Agency's clients to optimize and upgrade their water and wastewater facilities.
- Providing emergency response support to the province by ensuring that the Agency's emergency response teams are ready and able to provide emergency assistance within 24 hours, should the need arise, and setting emergency preparedness goals that reflect the importance of the Agency's role as an emergency responder for drinking water and wastewater emergencies in Ontario.
- Helping to protect water and the Great Lakes by:
 - Working with clients to prevent phosphorus and other damaging nutrients from entering local water sources through the effluent that is released from their wastewater treatment facilities; and
 - Educating the public about the importance of water and the Great Lakes, as well as the proper disposal of medications and other contaminants through education and awareness programs.
- Helping to improve drinking water for Ontario's First Nations communities by working collaboratively with my ministry's Indigenous Drinking Water Projects Office as well as the Walkerton Clean Water Centre to:
 - Provide training and operational support services, including remote monitoring and oversight, to support First Nations in the operation and maintenance of water and wastewater systems within their communities; and
 - Support efforts to eliminate long-term drinking water advisories in First Nations communities.
- Supporting the province in its ongoing response to COVID-19 within the Agency's powers as set out in the CIPA.

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7. Appendix B – 2023 Mandate Letter

Mr. Pennachetti
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Per the requirements of the Agencies and Appointments Directive, this letter sets out my expectations for the Ontario Clean Water Agency for 2023. These priorities include:

1. **Competitiveness, Sustainability and Expenditure Management**

- Identifying and pursuing opportunities for revenue generation through partnerships, where appropriate.
- Identifying efficiencies and savings through innovative practices, and/or improved program sustainability.
- Operating within the Agency's financial allocations.
- Complying with applicable direction related to supply chain centralization, including contract harmonization for planned and pending procurements, accounting practices and realty interim measures for agency office space.
- Leveraging and meeting benchmarked outcomes for compensation strategies and directives.

2. **Transparency and Accountability**

- Abiding by applicable government directives and policies and ensuring transparency and accountability in reporting.
- Adhering to accounting standards and practices, and responding to audit findings, where applicable.
- Identifying appropriate skills, knowledge and experience needed to effectively support the board's role in agency governance and accountability.

3. **Risk Management**

- Developing and implementing an effective process for the identification, assessment, and mitigation of agency risks, including COVID-19 impacts and any future emergency risks.

4. **Workforce Management**

- Optimizing your organizational capacity to support the best possible public service delivery, including redeploying resources to priority areas, where needed.
- Supporting the implementation of the Community Jobs Initiative (CJI) by identifying opportunities to relocate new or existing agencies to lower cost communities.

5. **Diversity and Inclusion**

- Developing and encouraging diversity and inclusion initiatives by promoting an equitable, inclusive, accessible, anti-racist and diverse workplace.
- Adopting an inclusion engagement process to ensure all voices are heard to inform policies and decision-making.

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Mr. Pennachetti

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6. Data Collection

- Improving how the agency uses data in decision-making, information sharing and reporting, to inform outcome-based reporting and improve service delivery.
- Increasing data sharing with Supply Ontario when applicable regarding procurement spending and planning, contract arrangements and vendor relations to support data-driven decision-making.

7. Digital Delivery and Customer Service

- Exploring and implementing digitization for online service delivery to ensure customer service standards are met.
- Using a variety of approaches or tools to ensure service delivery in all situations, including pursuing delivery methods that have evolved since COVID-19.

I would be pleased to discuss these priorities during our next meeting, and I look forward to hearing how they will be reflected in the agency's upcoming business plan and in ongoing agency operations.

Should you have any questions, please feel free to contact Lee Hawke, Manager, Program Delivery Unit, at lee.hawke@ontario.ca.

Thank you and your fellow board members for your continued commitment to the Ontario Clean Water Agency. Your work and ongoing support is invaluable to me and the people of Ontario.

Sincerely,



David Piccini
Minister of the Environment, Conservation and Parks

Enclosure

c: Serge Imbrogno, Deputy Minister, MECP
Alicia Fraser, President and CEO, Ontario Clean Water Agency
Lee Hawke, Manager, Program Delivery Unit, MECP

8. Appendix C – Human Resources Plan

8.1 Staffing Overview

As of November 30, 2022, OCWA had 924 employees.

Staff information provided below includes:

Summary of Staffing Numbers			
	Regular	Fixed Term Contract	Total
Full-time	864	67	931
Part-time	1	4	5

Employee Gender Distribution

Group	Male	Female	Unspecified	Total
Management	93	38	1	132
Non-Management	562	221	21	804
Total	655	259	22	936

8.2 HR Trends and Challenges

OCWA operates a highly specialized business that requires a knowledgeable and, in the case of Operations, licensed workforce to achieve the Agency's goals, meet client expectations and adhere to regulatory obligations. The workforce demographic profile at OCWA mirrors that of the industry, with increasing numbers of staff retiring and low labour market availability of licensed Operations staff, skilled tradespeople and individuals with specialized skill sets. In order to mitigate the impact of the ongoing shortage of qualified staff and increased Agency turnover, OCWA is increasing efforts to engage and retain current employees.

Increased focus is being placed on the Agency's Diversity, Equity and Inclusion Strategy, with a goal to cultivate a supportive, inclusive, equitable, accepting and respectful workplace culture that leverages the wide range of distinctive characteristics OCWA employees possess.

8.3 Key Human Resources Priorities

Attracting and Retaining Great People

Strategic priorities around people and culture are designed to support the transformation of OCWA services and significantly improve the ways in which the needs of clients and other stakeholders are met. OCWA's strategic Human Resources goals aim to ensure that OCWA builds and fosters a workforce with the operational and leadership capacity required to support the Agency's priorities.

Strong efforts are being made to increase engagement and commitment across all levels of the organization. The Agency's most recent employee engagement survey results show OCWA's key strengths to be co-worker relationships, job fit, clear expectations and direction, and commitment to public service. The results also indicate there is more that can be done when it comes to showing employees they are valued and supported, keeping lines of communication open, and promoting fair and consistent hiring practices. In an effort to improve the Agency's performance in each of these areas, OCWA is working with managers and staff to develop action plans that have a meaningful impact at the local level.

Many of the new employees that the Agency is looking to attract are also looking for more flexible working conditions, a demand that has increased significantly during the pandemic, as more employees gain experience with remote work and other flexible work arrangements. Where appropriate, OCWA is working to promote more flexible work options to address employee needs.

Building leadership strength across management roles is a priority for the Executive Management Team and the Human Resources Branch. In an effort to build leadership strength, the Agency implemented a Leadership Development program to meet the needs of two different streams: Aspiring Managers and Aspiring Leaders. OCWA will continue to identify and develop successors for management and risk-critical positions on an annual basis.

Attracting great people to the water industry and to OCWA, as an employer of choice, is a priority. Enhancing OCWA's employer brand and implementing initiatives to increase awareness of careers in the water and wastewater industry, and at OCWA specifically, will be key priorities. As new employees join the Agency, it is important that the Agency's onboarding program is streamlined to support new and current employees.

Having the tools and systems in place to use data analytics to drive better business decisions and understand current and future risks is also important. To help achieve this, OCWA is acquiring a new Human Resources Information System to streamline processes, break down information silos and allow for better data analytics, measuring and reporting.

8. Appendix C – Human Resources Plan

Diversity, Equity and Inclusion

OCWA is a leader in the water industry and recognizes that the Agency's success is built on having a diverse, inclusive, equitable and accepting workforce that brings different experiences, backgrounds, and perspectives to create more innovative and allied solutions. Identifying diversity, inclusion and acceptance gaps, and ensuring that Agency policies, programs and services are inclusive, equitable and meet the needs of employees and clients are key priorities for OCWA.

The Agency has developed a Diversity, Equity and Inclusion (DE&I) Strategy to drive the Agency's diversity, inclusion and anti-racism initiatives. In 2023, OCWA will work with the Canadian Centre for Diversity and Inclusion to measure the success of the strategy using global diversity, equity and inclusion benchmarks. An updated roadmap for DE&I, based on OCWA's evaluation of its progress, will be developed to inform future goals, programs and initiatives.

Compensation

Compensation survey data enables OCWA to compare its salaries against industry benchmarks and make strategic decisions regarding compensation and classification initiatives. OCWA continues to work with its unions and Ontario Public Service partners to ensure that the Agency has the ability to attract and retain qualified people.

Labour Relations

OCWA takes a proactive approach to building and maintaining positive working relationships with its four unions (Ontario Public Service Employees Union [OPSEU], Association of Management, Administrative and Professional Crown Employees of Ontario [AMAPCEO], Professional Engineers Government of Ontario [PEGO] and Association of Law Officers of the Crown [ALOC]). The unions are included as business partners and efforts are made to continue to grow relationships strategically through quarterly committee meetings and engaging in local initiatives.

The Agency's Employee Relations Committees work to achieve common goals through open communication by sharing information, discussing issues and resolving areas of conflict. The Agency's goal is to continue to improve employee relations, promote best practices in employment and resolve workplace disputes through the delivery of high quality, fair and consistent services. To accomplish this, the Agency continues to place its focus on maintaining a respectful relationship with the unions, fostering positive labour relations within each of its workplaces, identifying common interests, meeting on a regular basis and creating win-win solutions.

9. Appendix D – Information Technology Plan

In recent years, OCWA has made significant investments in upgrading the Agency's information technology (IT) and operational technology (OT) systems. These investments allow OCWA to continue to build and expand its computing network, increase system availability, and improve accessibility and accuracy of data and information, while ensuring the security of the environment.

This includes:

- Implementing OCWA's Digital Strategy, which includes the Internet-of-Things, leveraging artificial intelligence and modelling to optimize plant operations, and implementing hybrid cloud and on-premise solutions to provide 99.97 percent system availability to ensure business continuity.
- Upgrading and enhancing the Agency's Supervisory Control and Data Acquisition (SCADA) system with data capture sensors, power monitoring and process data, which is used to monitor and control the water and wastewater systems that the Agency manages for its clients.
- Implementing a cloud-based SCADA historian database, which allows staff to gather real-time process data and make it available for Operations or for reporting through the Agency's Process Data Management (PDM) system (which is used to store and analyze key operations and compliance data) and implementing standard reporting features in PDM so that users spend less time preparing client reports, while ensuring redundancy and high availability of systems.
- Implementing an upgraded Work Management System (WMS), which enables OCWA to track and manage operators' work and manage and maintain clients' assets, providing operators with access to the information required to support increasingly complex maintenance and asset management activities, while also providing clients with more direct information about their assets and the performance of their facilities. This system allows the Agency to reduce maintenance costs and minimize risks such as unplanned equipment failure for clients, while helping to analyze asset performance, recommend rehabilitation and renewal investments and make sure client assets are sustainable.
- Building a secondary data centre co-location site to expand IT services and application redundancy of all of OCWA's data centre sites in order to further improve resiliency of client-hosted solutions and improve recovery of business critical operational systems in less than 24 hours following a service interruption.
- Increasing the number of sites connected to the OCWA network.
- Continuous strengthening of OCWA's cyber security posture to ensure the Agency's cyber security resiliency; protect, detect and respond to advanced malware threats with continuous upgrades; and enhance security appliances and software and awareness training of all staff.
- Developing a data management strategy, enterprise architecture model, and integration of data and applications through an Enterprise Service Bus, streamlining processes and enhancing data integrity.

9. Appendix D – Information Technology Plan

These process and technology improvements provide a platform from which further enhancements can be made. The next stage in OCWA's technology evolution, which is currently underway, is the implementation of the Agency's Business Transformation Program (BTP). BTP is focused on making strategic investments in OCWA's business practices, IT systems, and staff training and development to sustain and grow the Agency's business. Recognizing that significant time and resources will be required to implement all of the objectives of the program, BTP is being implemented using a phased approach, with solutions areas being prioritized to align with the Agency's strategic priorities and critical business needs.

Accomplishments to date through BTP include:

- ◆ A completed Enterprise Business Architecture that shows the significant stakeholders that interact with OCWA and a service model that expresses the values delivered to clients and the internal services need to support them. The architecture will be used as a framework to link various parts of the Agency, relating and aligning information and technology with the business functions that it supports.
- ◆ Upgrading the Agency's existing Enterprise Resource Planning (ERP) system and implemented a new cloud-based budgeting solution, which is used to support the majority of the Agency's financial activities.
- ◆ Developing a comprehensive Asset Stewardship Quality Management System (ASQMS) framework, improving asset management skills of all OCWA employees through asset management training, and building a culture of asset stewardship across the Agency.
- ◆ Rolling-out a mobile (handheld) application to OCWA operational staff that allows for the operation and maintenance of water and wastewater systems regardless of where the operator is physically located. Through the handhelds, operators can pull data from a number of systems, including WMS and the SCADA historian, "in-the-field", rather than just in the control room, improving their ability to make fast, informed decisions.
- ◆ Implementing a cloud-based laboratory data collection reporting (LRDC) system that reduces data entry errors associated with lab sample data and reduces IT resource effort to resolve these errors by 50 percent. The LRDC system has been rolled out to OCWA's laboratory partners across the province.
- ◆ Operationalizing the Agency's primary data centre and disaster recovery sites.

In addition to the initiatives included as part of BTP, OCWA is undertaking a number of initiatives to continuously improve the Agency's IT systems and processes, including:

- ◆ Continuing to strengthen OCWA's cyber security capabilities by implementing the next evolution of cyber security tools to proactively defend the Agency's network, hardware and protection of client data;
- ◆ Implementing a disaster recovery site to ensure business continuity of critical systems and applications;
- ◆ Partnering with York University on machine learning projects using SCADA data to create predictive models;
- ◆ Expanding the Agency's computing capabilities to integrate with cloud-hosted solutions;
- ◆ Implementing a cloud-based collaboration solution that allows OCWA staff to share documents and collaborate in real time from any location;
- ◆ Implementing a tiered storage strategy to further protect OCWA's critical data and reduce storage costs;
- ◆ Increasing operator productivity and information access through the use of handheld devices, including resolution of system issues, process improvements and training; and
- ◆ Working with vendor partners to continually enhance the Agency's operational systems.

10. Appendix E – Communications Strategy

OCWA's communications strategy is focused on connecting with the Agency's various audiences in meaningful and memorable ways. OCWA's client-focused strategies and change initiatives like the Business Transformation Program create the need to communicate important informational updates with several Agency audiences on an ongoing basis. The Agency also communicates directly with the public about caring for their water systems and the environment through its OneWater® Education Program and the I Don't Flush public awareness campaign.

Due to the worldwide COVID-19 pandemic, OCWA temporarily suspended or limited some external communications activities such as community festivals, facility tours, trade shows and school programs. OCWA has begun to resume most external communications activities and will continue to do so unless otherwise directed by the provincial government.

OCWA's Audiences

OCWA has identified five key audience groups towards whom the Agency's communications efforts are targeted:

- ◆ **Current clients**, who will continue to generate OCWA's revenue base, and who need to see strategic and operational value in the services they receive so they extend their contracts, add new services and act as OCWA champions;
- ◆ **Prospective clients**, who are often learning about OCWA and its capabilities for the first time;
- ◆ **Employees**, who fulfill an important role as OCWA's first point of contact with clients and potential influencers;
- ◆ **Partners**, who are considering working collaboratively with OCWA; and
- ◆ The **Public**, who are being exposed to the work of OCWA in the community through public awareness and educational campaigns.

Key Messages

Key messages were developed to convey important information about OCWA to stakeholders. OCWA's key messages include, but are not limited to the following:

- OCWA is a trusted partner operating more than 1000 water and wastewater facilities – more than any other operator in Canada.
- OCWA is a full cost-recovery Crown Agency, reporting to the Ministry of the Environment, Conservation and Parks.
- OCWA is a “Total Water Solutions Provider,” delivering a wide range of water and wastewater services including facilities operation, maintenance and management, conveyance, asset management, energy management and process optimization.
- OCWA plays a key role in maintaining clients' water infrastructure, managing more than \$15 billion in water and wastewater assets on behalf of our clients.
- OCWA is Ontario's clean water expert, delivering clean safe drinking water to 1 in 3 people across the province and ensuring that the more than 1.1 billion litres of wastewater that the Agency treats and returns to Ontario's lakes and rivers daily meet the highest environmental standards.
- OCWA is helping to protect the Great Lakes by optimizing nutrient removal in Agency-operated wastewater facilities and educating the public about the proper disposal of medications and other wastewater system contaminants.
- OCWA helps to ensure that First Nation communities in Ontario have clean drinking water through the new First Nations Regional Hub, as well as throughout the Agency, by providing training and support to the operators responsible for managing community water systems, along with direct O&M services where requested.
- OCWA is helping to reduce the impacts of climate change by working with clients to ensure that their water and wastewater facilities are climate ready and limiting the production of greenhouse gases by reducing power consumption in the water and wastewater facilities that we operate.
- OCWA supports the development and implementation of new water technology by working in partnership with municipal clients and technology companies to foster innovative solutions and pilot new products and services.
- OCWA is client-focused and has the proven ability to thrive within a competitive market.
- OCWA's Operations teams have excellent compliance records.
- OCWA cares about the health of the communities it serves and about the environment.
- OCWA employees are engaged with their communities, taking part in events and helping to promote water literacy through educational programs and awareness campaigns across the province
- With locations across Ontario, OCWA is nearby, ready and able to provide emergency resources should the need arise.

Key Initiatives for 2023

In 2023, OCWA will focus on the following communications initiatives:

- ◆ Rolling out the Agency's new Vision, Mission and Values company-wide. The refresh emphasizes OCWA's commitment to the people who rely on the Agency and ensures OCWA staff continue to feel connected to the Agency. The new Vision, Mission and Values reflect the commitments that OCWA staff make to each other and to the people they serve – not just in the language they use, but in how they live them every day.
- ◆ Continuing to create and update promotional marketing and communication materials to focus on OCWA as a Total Water Solutions Provider and Trusted Partner. This includes targeted materials for areas of focus, including Asset Management Planning and Biosolids, Organics and Resource Recovery services.
- ◆ Continuing OCWA's "Water Talks", an online webinar series featuring Agency experts that targets clients, prospective clients and water/wastewater industry professionals.
- ◆ Increasing OCWA's profile by submitting papers and presenting at industry conferences and tradeshow.
- ◆ Refreshing and revising OCWA's OneWater® Education Program, including integrating an Indigenous perspective throughout the Program, adding more interactive content and ensuring that the activities align with Ontario's new Science curriculum.
- ◆ Continuing the I Don't Flush public awareness campaign on social media, focusing on the overall message that "your toilet and drains are not garbage cans."

10. Appendix E – Communications Strategy

Internal Communication

In addition to the initiatives outlined above, OCWA will use its current communication tools (intranet, e-mail, and social media) to regularly highlight key information for staff throughout the organization and keep them aware of corporate direction and priorities. Key communications vehicles and activities include:

Initiative/Activity	Purpose	Timing
Health and Safety Updates/Safety Bulletins	Increase health and safety awareness	Ongoing
Staff Newsletter	Highlight key agency activities, initiatives and news from the field	Weekly
Board Operational Compliance Dashboard	Update the Board on key performance indicators	Quarterly
Business Plan Quarterly Report	Update EMT and the Board on business plan performance measures	Quarterly
Message from the President and CEO	Electronic bulletins from the President’s Office to communicate key events and information	As needed
Town Halls	Update all-staff (virtually) on Agency initiatives and provide a forum for asking questions.	Biannual

10. Appendix E – Communications Strategy

External Communication

OCWA will use its external newsletter, publications, website and social media to sell OCWA's value proposition to clients and prospects. These tools will be used to provide information on water and wastewater industry trends, new OCWA products and services, OCWA campaigns and educational initiatives.

Initiative/Activity	Purpose	Timing
E-newsletter (Waterline)	Inform clients and potential clients of industry trends and OCWA expertise	Quarterly
Website	Keeping clients, potential clients and the public up to date on OCWA service offerings and activities, as well as contact information	Ongoing
Brochures	Highlight OCWA's new product offerings and inform potential clients	Ongoing
Videos	Educate clients, client communities and prospective clients about OCWA's service offerings, the water/wastewater treatment process, and the value of water	Ongoing
Client Performance Reports	Provide individualized reports to select clients on activities completed on their behalf in accordance with contractual requirements	Annually
Annual Report	Provide a comprehensive account of OCWA's accomplishments and activities for the year, including reporting on financials and key performance measures	Annually
Community Outreach (Water Festivals, School Presentations, Community Support/ Events)	Provide community support and educational presentations regarding the water life cycle, monitoring and conservation, and protection of water infrastructure and the natural environment by properly disposing of non-flushables	Ongoing
Sponsorships	Sponsor local events in the communities in which OCWA operates	Ongoing
Tradeshows/ Conferences	Provide an industry presence at water tradeshows (either online or in-person) to demonstrate OCWA's capabilities and service offerings. Gather industry information and present at conferences	Ongoing

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Initiative/Activity	Purpose	Timing
Social Media/E-blasts (Twitter, Facebook, LinkedIn)	Inform clients about OCWA and industry initiatives – point them towards other industry organizations and interesting current events within the water/wastewater sector	Ongoing
Client Survey/ Client Advisory Board	Gather clients/stakeholder input on OCWA/industry activities and strategies	Annually/ Quarterly
Abstracts/Articles/ Editorials	Position OCWA and OCWA employees as industry experts	Ongoing
Award submissions	Showcase/highlight the Agency’s expertise throughout various areas of the industry	Ongoing
OneWater® Education Program	The OneWater Education Program will be re-launched in Fall 2023 with a refreshed and revised content and format	Ongoing
“I Don’t Flush” public awareness campaign	Continue promoting overall message that “Your toilet and drains are not garbage cans.”	Ongoing
Webinars	Educate clients, prospective clients and industry professionals about OCWA’s service offerings through our Water Talks webinar series	Quarterly

11. Appendix F – Initiatives Involving Third Parties

As a leader in the water/wastewater sector in Ontario, OCWA is involved with a number of key organizations that support and promote water and wastewater technology adoption and research, with the goal of advancing and addressing water-related issues in Ontario.

As noted previously in this plan, OCWA has been working closely with staff at the Ministry of the Environment, Conservation and Parks, the Ministry of Health and other government organizations, and a number of Ontario universities to establish a wastewater-based epidemiology program for the province. This program has enabled the government to detect and monitor the presence of the SARS-CoV-2 [COVID-19] genetic signatures in wastewater and proactively identify existence or increased prevalence of COVID-19 in specific communities. OCWA has been distributing samples to laboratories in Ontario for inter-lab testing in support of the program since December of 2020 and was engaged in supporting the development of a Royal Society of Canada policy brief, with input from the Ministry of the Environment, Conservation and Parks, to provide greater understanding of wastewater surveillance programs in Ontario and across Canada for decision makers.

In addition to supporting wastewater surveillance initiatives, OCWA will continue to maintain and establish collaboration and partnerships with the following organizations and institutions:

- ◆ **Ontario Water Consortium (OWC)** – OCWA and OWC have established a long-term partnership through a Memorandum of Understanding that outlines how the two organizations will work together to support the research, development and demonstration of water technologies and practices and provide strategic support to technology companies and municipalities. OWC and OCWA will routinely include each other in educational events and promotional efforts, often in conjunction with other stakeholders. These events focus on increasing awareness of emerging water-related issues and provide a forum for sharing knowledge between academic, industry and public-sector stakeholders on how various municipalities are addressing identified issues. Working together, OCWA and OWC held Ontario's first Wastewater Intensification Workshop, which brought together a wide range of stakeholders, including researchers, technology providers, regulators and facility managers, to discuss the potential benefits of wastewater process intensification, highlighting opportunities, specific case studies and challenges to be overcome to realize broader technology adoption. The OCWA/OWC partnership also resulted in the establishment of the Municipal Net Zero Working Group, which is comprised of more than 25 municipal leaders (both OCWA and non-OCWA clients) that routinely meet and discuss challenges and opportunities around co-digestion and net zero projects.

11. Appendix F – Initiatives Involving Third Parties

- **Fleming College’s Centre for Advancement of Water and Wastewater Technologies (CAWT)** – OCWA has collaborated with the CAWT at Fleming College on a number of water/wastewater innovation projects, including demonstrating CAWT partner technologies at OCWA-operated facilities in the City of Kawartha Lakes. OCWA is looking forward to supporting opportunities to leverage the CAWT demonstration and testing facilities to validate and certify new innovative wastewater solutions.
- **Natural Sciences and Engineering Research Council of Canada (NSERC):**
 - **OCWA/University of Toronto Drinking Water Research Group Collaboration** – OCWA provides financial support to the NSERC Chair in source water quality monitoring and advanced/emerging technologies for drinking water treatment. OCWA has an agreement to be a contributing funding partner from 2022–2027, alongside a number of clients in the province who are part of the research consortium. This program and supporting research team of experts have also been leveraged to provide training on process topics at the Agency and support OCWA with process research in areas impacting Agency client systems.
 - **University of Waterloo** – OCWA provides financial and other support to the NSERC Industrial Research Chair in Water Treatment at the University of Waterloo. The Research Chair works closely with industry partners such as OCWA to identify and conduct applied research on topics that will help to improve the water treatment process and are of interest to the industry and municipal end-users.
- **Other NSERC Research Projects** – OCWA provides subject matter expertise, operational expertise, samples, data and in-kind support to multiple NSERC Chairs at Ontario universities and colleges where they conduct research around new emerging issues in the water and wastewater sector, including:
 - **University of Western Ontario/University of Waterloo/Brown and Caldwell Consultancy** – Per- and polyfluoroalkyl substances in water and wastewater systems;
 - **University of Waterloo** – Microplastics in biosolids, energy savings in membrane aerated biofilm reactor technology, and stormwater infrastructure research such as retention ponds and impact on greenhouse gas reduction;
 - **University of Guelph** – Microplastics in wastewater;
 - **University of Windsor** – Impacts of climate change on water supply systems and water demand, as well as the role of water systems in energy transition;
 - **Toronto Metropolitan University** – Energy intensity of rotating biological contactor technology; and
 - **York University** – SCADA research and machine learning.

11. Appendix F – Initiatives Involving Third Parties

- **Canadian Water Network (CWN)** – OCWA provides support to the CWN as a member of the Leadership Group for the CWN's Canadian Municipal Water Consortium, which connects utilities, municipalities, researchers, industry, government and other organizations to address Canada's municipal water management challenges and undertake initiatives to accelerate, advance and improve municipal water management decisions. OCWA supports various groups at the CWN as needed, including participating in the Canadian Municipal Water Consortium's Levels of Service Strategic Sharing Group.
- **Canadian Water and Wastewater Association (CWWA)** – CWWA connects municipalities across the country on matters relating to federal legislation, programs and emerging trends in the water and wastewater sector. The association provides and creates guidance documents, establishes research committees, and provides an authoritative voice at the federal level on all matters specific to the water sector. OCWA provides support to the CWWA and has a director seat on the Board for Ontario.
- **Water Environment Association of Ontario (WEAO)** – WEAO represents wastewater professional and system owners in Ontario and is the Ontario chapter for the Water Environment Federation (WEF). OCWA has a seat on the Board of Directors and, along with other OCWA staff, provides support and participates in WEAO and Ministry of the Environment, Conservation and Parks working groups and committees engaged in various industry and environmental regulatory change discussions.
- **The Ontario Water Works Association (OWWA)** – OWWA, with the support of its parent organization, the American Water Works Association (AWWA), is at the forefront of research, technology and policy development with respect to safe, sufficient, and sustainable drinking water. OWWA is a voluntary, not-for-profit association of more than 1,500 water industry professionals. OCWA has a seat on the Board of Directors and a number of OCWA staff provide in-kind support to the OWWA, including acting as Chair and Co-chair for various association committees.

OCWA has also established relationships and developed partnership with a number of water technology companies over the years to support the development and testing of their new technologies with the goal of addressing the Agency's client and operational needs. The Agency will continue to work with these companies in 2023 and beyond and look for opportunities to collaborate with new partners.

