



ONTARIO CLEAN WATER AGENCY
AGENCE ONTARIENNE DES EAUX

2026-2028

Business Plan

Your
TRUSTED
WATER PARTNER
For Life

Together we deliver water and wastewater services
for the health and sustainability of communities.

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1. Executive Summary

OCWA's Vision is to be "Your Trusted Water Partner for Life", which is supported by the Agency's Mission: "Together we deliver water and wastewater services for the health and sustainability of communities."

OCWA's Strategic Plan reflects the Agency's Vision, Mission and Values and aims to ensure that OCWA continues to adapt its services offering and employer brand to address the changing needs of the Ontario water sector. The strategies included in the Agency's Business Plan for 2026-28 flow out of the Strategic Plan, and build on the success of the growth strategies and other initiatives that have been the Agency's focus for the past few years.

OCWA has grouped its major initiatives into five key Strategic Directions:

1. Being the Employer of Choice in the Water Industry;
2. Achieving Best-in-Class Water and Wastewater Operations and Maintenance Services;
3. Supporting Climate Action and Environmental Stewardship;
4. Partnering with First Nations on Sustainable Water Solutions; and
5. Ensuring Long-Term Organizational Sustainability.

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

OCWA's core business is the operation and maintenance of water, wastewater, and associated facilities. 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.

The Agency's Operations staff, who handle the operations and maintenance (O&M) and site-specific business and capital planning 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, innovation, operational technologies, capital delivery, and project management.

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

Being the Employer of Choice in the Water Industry

The people at OCWA are the foundation of the business. The Agency's success is built on workplaces where employees have a sense of purpose, belonging, support, and career growth opportunities. A healthy, safe and engaged workforce is essential to achieving OCWA's goals and objectives. 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.

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

To ensure that the Agency is able to attract and retain top talent, OCWA refreshed its Employee Value Proposition and employer brand strategy. This included defining the benefits and rewards employees receive from the organization, and positioning the employer brand strategy in a way to help the Agency identify and attract talent. Implementation of the employer brand strategy, including developing a communications, social media and marketing plan, will continue in 2026.

Another key focus for OCWA is developing a comprehensive talent acquisition strategy. This involves thinking about OCWA's hiring needs from a medium- and long-term perspective, instead of just focusing on recruitment, where the goal is to fill immediate vacancies. To develop the strategy, Agency staff will review current programs, assess the who, when, why, and how the Agency hires, identify gaps, and develop plans to address the gaps. An implementation plan will be developed based on recommendations and rolled out in 2026.

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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. The Agency is committed to enhancing the employee experience from onboarding to skills development and career progression.

In recognition of the role that strong leadership plays in meeting organizational objectives, OCWA's succession management and leadership development programs ensure continuity across management roles. OCWA will continue to support both of these programs, working to define and promote leadership behaviours and accountability, regularly reviewing their effectiveness, and implementing enhancements as required. The Agency will also work to ensure that all OCWA managers have the knowledge and resources required to manage their jobs and effectively lead their teams, by developing and implementing an onboarding program for new managers.

Ensuring the health, safety, and well-being of OCWA employees continues to be an ongoing priority for OCWA. Over the past few years, OCWA has developed a strong health, safety, and wellness culture by improving the Agency's health and safety management system, with a goal of continuous reduction in the number of workplace injuries, and other health, safety, and wellness incidents. Through an inclusive lens, the Agency has also developed a Mental Health and Wellness Strategy to support the mental health and well-being of OCWA staff. This includes a multi-year Mental Health and Wellness Roadmap, which outlines the key initiatives to be implemented in support of the Mental Health and Wellness Strategy.

In recognition of the importance of organizational equity, diversity, and inclusion, OCWA's Equity, Diversity and Inclusion (EDI) Blueprint serves as the Agency's compass on its transformation journey, connecting people, programs and priorities to OCWA's vision of a culture where every employee feels safe, valued, and empowered to achieve their full potential. In 2026 and once rolled out, OCWA will focus on leveraging the capabilities of Workday, the Agency's new Human Resources Information Management

System (HRIS), to track and analyze EDI data and trends.

OCWA's goal is to be recognized as the "best-in-class" water and wastewater service provider in Ontario, delivering consistently superior service to the Agency's municipal, First Nations, commercial, and other clients. To achieve this, the Agency operates for compliance, while also working proactively to improve efficiencies and maximize the life of client assets.

OCWA's client-facing operations managers and staff provide a direct connection to the Agency's clients, managing client relationships and earning trust through the delivery of industry-leading water and wastewater services. Being "best-in-class" contributes to the health and sustainability of client communities, including public health, environmental protection, and economic development. It also ensures that clients continue to renew OCWA contracts, extend the duration and scope of those contracts, and provide word-of-mouth recommendations to other potential clients.

Operating for Compliance

Operating for compliance is a critical component of delivering "best-in-class" services to Agency clients. To support this, OCWA is committed to implementing consistent and proactive operational practices; developing and employing programs to better identify and mitigate compliance risk; building, improving and sustaining process and compliance skills to ensure consistent knowledge transfer to new staff; and enhancing internal compliance reporting.

Work to identify operational best practices from across the Agency that help minimize non-compliances and exceedances, and implement them Agency-wide, has been ongoing for the past couple of years and will continue in 2026. OCWA is also working to ensure consistent knowledge transfer to new staff, and improve and sustain process and compliance skills for new and existing staff through training, mentoring, and other skills improvement programs.

Over the past few years, the Agency has developed a comprehensive Asset Stewardship Quality Management System (ASQMS), and worked hard to improve asset management practices knowledge and

expertise across the Agency. To maximize the life of the water and wastewater infrastructure assets that OCWA manages on behalf of its clients, additional resources have been directed towards refining and improving maintenance management practices, including hiring seven Asset Maintenance Specialists, located across the Agency, who are working to refine and advance asset data stewardship in partnership with operations and maintenance staff.

Priorities for 2026 include supporting asset management knowledge transfer and skills development within operations teams, providing ongoing asset registry training to the Asset Management Specialists, and utilizing the Agency's Work Management System to ensure that all necessary preventive maintenance activities are recorded, tracked, and completed on time.

Supporting Climate Action and Environmental Stewardship

As the operating authority for its clients' facilities who are the systems owners, OCWA is committed to supporting climate action and promoting environmental stewardship. By identifying climate-related risks, and advising and supporting clients with capital projects that include the lens of resilient infrastructure planning, sustainable resource management, and climate change mitigation opportunities, OCWA helps Ontario municipalities develop and promote sustainable practices to manage their water and wastewater infrastructure assets. The Agency is working to align its climate action priorities with those of the Province, by baselining the environmental footprint of the Agency's fleet, and acting as stewards of Ontario's water resources.

OCWA has been working to build a culture of climate awareness within the Agency in recent years, with an initial focus on the energy used and emissions produced by OCWA's fleet vehicles. OCWA is also working to assess if there are opportunities to apply a sustainability lens into its procurement practices, while continuing to abide by Ontario Public Service procurement policies and ensuring cost and value efficiency for the Agency's clients.

Helping clients 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 benefit. In addition to operating and maintaining client water and wastewater facilities, OCWA delivers a number of value-added services that help interested clients reduce their individual environmental footprints, improve decision-making, and enhance their capacity to prevent, withstand, respond or adapt to, and recover from disruptions due to climate change.

Over the past few years, OCWA has worked with clients, government organizations, and other industry stakeholders to achieve the combined goals of energy optimization and greenhouse gas (GHG) reduction. The Agency has prepared multiple Conservation, Demand Management (CDM) plans that provide a custom strategic framework for each client municipality to manage energy consumption, reduce GHG emissions, and improve overall operational efficiency in the facilities within the municipality's energy portfolio. Another area of focus includes working with clients to participate in various demand response programs offered by the Independent Electricity System Operator (IESO), which aim to manage overall energy usage in the Province during periods of peak demand.

OCWA is also working with clients to mitigate future climate change impacts by increasing organics diversion and the development and implementation of resource recovery facilities that use wastewater biosolids and concentrated organic waste, such as source-separated organics (SSO), 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.

Ontario has more than 250,000 lakes, including the Great Lakes. Together, they contain almost a fifth of the world's fresh surface water. OCWA is committed to protecting those resources, working with clients, academic partners, and other stakeholders. OCWA is also continuing to work with academics and technology providers to find solutions to issues related to environmental contaminants ranging from manganese in drinking water, to treatment approaches

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for per- and polyfluoroalkyl substances (PFAS) in source water, effluent, and biosolids.

In 2023, the Provincial government announced a funding allocation of \$24 million to design, build and operate a phosphorus reduction project in the Holland Marsh basin, located in the Lake Simcoe watershed, with a goal to protect and restore Lake Simcoe and its watershed by reducing phosphorus from the Holland Marsh basin drainage water. In support of this project, and at the direction of the Minister of the Environment, Conservation and Parks, OCWA prepared a research study in 2024. In early 2025, the Province signed a \$24-million funding agreement with the proponent and lead for this work, the Town of Bradford West Gwillimbury.

OCWA recognizes the importance of the Lake Simcoe Phosphorus Reduction Project for the Lake Simcoe watershed, and the community's significant future growth. The Agency will provide continued support to the Province in 2026 and beyond, as directed, in moving forward with this work.

Partnering with First Nations on Sustainable Water Solutions

OCWA is committed to working in partnership with Ontario First Nations communities and other government organizations to support sustainable water and wastewater solutions that ensure the effective operation and maintenance of First Nations water systems. Key elements of OCWA's First Nations Strategy include building trust through advancing reconciliation, providing services that meet the needs of First Nations, and helping to build water and wastewater capacity in First Nations communities.

As part of the Agency's commitment to working in partnership with Ontario First Nations, OCWA established a First Nations Advisory Circle, comprised of a diverse group of individuals who identify as Indigenous, representing a variety of backgrounds, experiences, and communities, to gain a greater understanding of the broader water issues facing First Nations communities from an Indigenous perspective. Incorporating Advisory Circle perspectives into the Agency's strategies and commitments is achieved through open communication, mutual respect, and a commitment to meaningful collaboration. In 2026,

OCWA will continue to support the Advisory Circle's capacity to engage in this process through training and other capacity-building initiatives.

Reconciliation is a significant commitment, which must be approached in a thoughtful, respectful, and meaningful way, through collaboration with Indigenous people. Working closely with a third-party reconciliation expert, in consultation with the First Nations Advisory Circle and other Indigenous organizations, OCWA has developed a Reconciliation Action Plan for the Agency, which assesses OCWA's current state with regard to its work with Indigenous people, identifies issues and gaps, and includes a plan to enhance the Agency's reconciliation actions within five strategic pillars: governance; education; employment; community and economic engagement; and environmental and social impact.

Priorities for 2026 include communication with stakeholders, expanding Indigenous learning opportunities for Agency staff and leaders, and community and economic engagement. This includes developing an external communications plan to support Agency reconciliation commitments, defining learning outcomes for different employee groups, and building learning pathways and engagement with Indigenous communities that are facing technical process or operations challenges in their water and wastewater facilities.

In order to ensure that the Agency is effectively supporting Ontario First Nations, OCWA regularly gathers direct feedback from its First Nations 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 regularly seeks feedback from the First Nations Advisory Circle regarding current water issues facing First Nations communities, and what should be done to address them.

OCWA is also working to build and promote water and wastewater services that respond to First Nations' needs, leveraging a small self-funded team within the Agency's resources. This includes refining and expanding existing service offerings that have been proven to be effective and valuable to First Nations, and developing or adapting services that address issues faced by First Nations communities. Areas of

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focus in the coming years include the provision of asset management and Supervisory Control and Data Acquisition (SCADA) services, utilization of remote monitoring and electronic logs, and the provision of capital project management and emergency response services.

Providing training and capacity building services that help OCWA's First Nations clients become more self-sufficient in managing their water and wastewater systems is another priority for the Agency. To achieve this goal, OCWA has developed programs and is providing opportunities for First Nations operators to develop their skills and knowledge through in-plant training, experience, and mentoring. The Agency is also working to promote water industry careers to First Nations youth and other individuals, including: offering scholarships targeted towards Indigenous recipients, and attending community events and educational fairs. OCWA will continue to work with its First Nations clients and provide support to First Nations operators through these and other initiatives throughout 2026.

Ensuring Long-Term Organizational Sustainability

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 water, wastewater, and stormwater systems.

OCWA competes in the marketplace to maintain 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. The Agency's focus is on retaining current clients and increasing the delivery of additional services for those clients. In addition to retaining the Agency's existing O&M client base, OCWA is working to acquire new clients by connecting with non-client municipal Councils and senior officials, and promoting the value of OCWA's operations and maintenance and other value-added services.

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FACTORS THAT WILL AFFECT FISCAL, OPERATING & MANAGEMENT OBJECTIVES 2026–28

EXTERNAL FACTORS

- ◆ The Economy
- ◆ Federal and Provincial Infrastructure Funding and Initiatives
- ◆ Provincial Government Priorities
- ◆ Industry Trends
- ◆ Federal and Provincial Legislation

INTERNAL FACTORS

- ◆ Workforce Issues
- ◆ Business Transformation Program

2.1 The Economy

2025 brought a number of challenges to the Canadian economy, the most significant of which was the impact of US tariffs imposed on a wide range of Canadian goods following the inauguration of Donald Trump as President at the start of the year, along with the counter-tariffs imposed by Canada on US imports.

As noted in the October 2025 Monetary Policy Report from the Bank of Canada, US tariffs have led to a fall in the demand for Canadian goods, along with reduced business investment, slowing economic growth and affecting the broader economy, with the reconfiguration of global trade and domestic production also leading to higher costs. With US tariffs still in flux, the future of trade in North America remained uncertain at the end of the year.

Canada's labour market remained soft throughout 2025. Unemployment in Ontario, as reported by Statistics Canada, remained relatively high at 7.6 percent in October of 2025, a slight drop of 0.7 from the prior month, but still significantly higher than the low of 4.8 percent in July of 2022. Despite some gains during the year, unemployment remained high among youth between the ages of 15 and 24. The Bank of Canada noted in an October press release that job losses were continuing to build in trade-sensitive sectors, and hiring has been weak across the economy.

Consumer price index (CPI) inflation remained around 2 percent throughout most of 2025, rising slightly to 2.4 percent in September, but remaining significantly lower than the high rates of inflation experienced in 2022, 2023 and early 2024, which peaked at 8.1 percent in August of 2022. Increased costs related to tariffs, the restructuring of global trade, and domestic production costs were offset by excess supply and the removal of the carbon tax, helping to keep inflation relatively modest. The Monetary Policy Report predicts that CPI inflation will remain steady at 2.1 percent in 2026 and 2027.

The Bank of Canada also reported a contraction in the Canadian economy in the second quarter of 2025, with growth in gross domestic product (GDP) at -1.6%, largely due to the disruptive impact of tariffs on exports, and the effect of heightened uncertainty on business investment. The Bank estimated growth to be weak for the rest of 2025, then strengthen gradually, with annual growth averaging 1.4% over 2026 and 2027, as the country adjusts to the new global trade environment.

In response to the weakening economy, the Bank of Canada dropped its key interest rate three times between January and October, 2025, going from a rate of 3.0 percent at the start of the year to 2.25 in October. This continues a trend that began in 2024, with rates steadily declining from a high of 4.75 percent in June, 2024, after having previously risen steadily from a pandemic-era low of 0.25 percent that lasted from March, 2020 until January, 2022.

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The Provincial government's 2025 Ontario Economic Outlook and Fiscal Review noted that CPI inflation was 1.7 percent (year over year) in August, 2025, and predicts that it will remain around 2 percent for the three-year (2026-28) horizon of this plan, in alignment with the Bank of Canada's predictions for the country as a whole. Likewise, the Provincial government is predicting GDP to grow by 0.9 percent in 2026, and by 1.8 and 1.9 percent respectively in 2027 and 2028.

A number of risks to these forecasts exist, both within Canada and Ontario, and from abroad. The Ontario Economic Outlook and Fiscal Review notes that increased trade tensions and tariffs in 2025 had led to much greater economic uncertainty and were contributing to a weaker global economic outlook, with the expectation that risk would remain elevated in the short to medium term. Globally, the International Monetary Fund (IMF) in its October, 2025 World Economic Outlook Update projected global growth to decelerate due to the impact of trade-related distortions, noting that further escalation of protectionist measures, including non-tariff barriers, could suppress investment, disrupt supply chains, and stifle productivity growth. Other potential global risks included changing immigration policies impacting local labour supply; financial market fragility; rising borrowing costs; and commodity price spikes stemming from climate shocks or geopolitical tensions.

All of these factors have the potential to impact the Agency's financial performance in 2026-28. A modest rate of inflation should have an overall positive impact, offsetting some of the risk associated with global trade volatility. Likewise, annual CPI adjustments included in existing client contracts and negotiated procurement contracts for chemicals and other major Agency purchases also help to offset some increases in Agency expenditures, as do clauses included in some contracts that enable these costs to be passed directly to clients. Should interest rates continue to drop in 2026, 2027, and 2028, interest revenue earned on some of the Agency's cash and investments would also decrease, negatively impacting the Agency's financial results.

2.2 Federal and Provincial Infrastructure Funding

OCWA works with clients on a fee-for-service basis to develop comprehensive water and wastewater asset management plans that prioritize their infrastructure needs for the next decade and beyond. The Agency also continues to monitor both federal and provincial infrastructure funding programs and other initiatives that can assist clients, and work with them to investigate and implement alternative forms of infrastructure financing and delivery as required.

In addressing the housing crisis, both the federal and provincial governments have recognized the need to assist municipalities with the building of municipal water/wastewater systems and other infrastructure needed to service new homes and address capacity challenges. At the federal level, the Canada Community-Building Fund provides up-front funding to provinces and territories which, in turn, flow this funding to local communities to make strategic investments in essential infrastructure, such as roads and bridges, public transit, drinking water and wastewater infrastructure, and recreational facilities. Approximately \$930 million has been allocated to Ontario through this fund for the 2026-27 fiscal year. The federal government has also committed \$1 billion over 8 years through the Canada Housing Infrastructure Fund, aimed at accelerating new construction, rehabilitation, and expansion of housing-enabling infrastructure, including drinking water, wastewater, stormwater, and solid waste.

The Ontario government has dedicated \$4 billion in funding through its Municipal Housing Infrastructure Program (MHIP), providing municipalities and Indigenous communities with resources to build roads, bridges, and water systems that make new housing possible. In addition to the MHIP, the provincial Housing-Enabling Water Systems Fund helps municipalities repair, rehabilitate, and expand critical drinking water, wastewater, and stormwater infrastructure. This program, which had grown to \$970 million by 2024, has provided funding for 54 projects across 60 municipalities. In early 2025, the provincial government committed an additional \$325 million for 23 projects across 26 municipalities.

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The provincial government also committed \$175 million in 2025 for the building, rehabilitation, and expansion of aging water, wastewater, and storm water infrastructure through the Health and Safety Water Stream funding program.

While the province and developers want to build houses, the market for new houses is not consistent, with some parts of Ontario are struggling because of high prices and other factors. New housing starts are down, which ripples into the support infrastructure being considered for investment, including water and wastewater systems.

Other provincial supports for infrastructure include the establishment of the Ontario Infrastructure Bank, a new, arms-length, board-governed agency that will enable public-sector pension plans, other trusted institutional investors, and Indigenous communities to further participate in large-scale infrastructure projects across the province. No additional information is publicly available to date regarding the launch of the Ontario Infrastructure Bank, and it remains unclear how funding programs from Infrastructure Ontario, the Ontario Infrastructure Bank, and the Canada Infrastructure Bank will be aligned in relation to program delivery for Ontario municipalities.

At the federal level, the Government of Canada has established the Canada Water Agency (CWA) under the Minister of Environment and Climate Change portfolio. The CWA's mandate is to improve freshwater management in Canada by providing leadership, effective collaboration federally, and improved coordination and collaboration with provinces, territories, and Indigenous peoples to address transboundary freshwater challenges and opportunities. Headquartered in Winnipeg, the agency has five regional offices across Canada to ensure responsiveness to regional freshwater issues.

The Agency is currently working to advance five strategic goals:

- Restoring and protecting Canada's transboundary and nationally significant freshwater ecosystems;
- Anticipating and proactively responding to Canada's most pressing freshwater challenges and opportunities;

- Creating impactful partnerships to responsibly steward and sustainably use Canada's transboundary freshwater ecosystems;
- Cultivating water awareness in Canada; and
- Translating freshwater science and data into knowledge to inform decision-making.

In support of these goals, the CWA has announced several funding initiatives aimed at protecting and restoring Canada's freshwater ecosystems, including a \$9.3-million investment in Great Lakes restoration projects; \$5.5 million to support 65 new projects across Canada under the EcoAction Community Funding Program and the Community Interaction Program; and over \$1.2 million to help address harmful algal blooms in Lake of the Woods. The CWA has also led several other freshwater initiatives, including the development of a National Freshwater Data Strategy, a review of the Canada Water Act, and the establishment of a Federal Freshwater Hub that brings together staff working on water from multiple federal departments.

OCWA will support the provincial Ministry of the Environment, Conservation and Parks (MECP) in working with the CWA to protect freshwater in Ontario.

2.3 Industry Trends

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

Infrastructure Planning and Investment

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.

Replacing, rehabilitating, and retrofitting aging water and wastewater infrastructure is a concern for many Ontario municipalities, particularly those with smaller populations and limited tax bases that may struggle to raise the funds required to make significant

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investments in long-term capital works. These municipalities also need to balance the investments that they make in their water and wastewater infrastructure with other municipal infrastructure priorities such as roads, bridges, and community buildings.

The Provincial government's focus on developing new housing in Ontario, in particular its target to build 1.5 million homes by 2031, has an impact on short- and long-term water and wastewater planning in municipalities targeted for growth. These municipalities not only need to ensure that aging water and wastewater systems are upgraded and replaced as required, but that they also have the capacity to meet increased service demands over time.

Municipalities are further challenged to prioritize their capital projects based on their system level risk, existing equipment performance, and service level expectations, while also determining how best to mitigate financial and other risks, including the impacts of climate change. In recent years the water/wastewater industry has faced significant cost escalation delivering capital works from inception to implementation. Unpredictable cost increases due to supply chain volatility, availability of equipment and supplies, price inflation, and tariffs for goods and construction services, have also impacted the timing and cost of capital projects.

While there have been significant increases in the availability of federal and provincial funding for municipal infrastructure upgrade projects in recent years, most funding programs still require individual 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 incurred when responding to the COVID-19 pandemic a few years back added additional pressure to already-stretched municipal budgets.

To maintain a state of good repair for existing facilities and build new facilities to support population growth, municipalities are considering more robust planning and greater collaboration in delivering capital works. American trade policy and the

resulting fiscal pressures have also motivated some Canadian municipalities to reevaluate their existing procurement practice and financing mechanisms. 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. These delivery approaches are viewed as positive supports to ensure the long-term affordability, reliability, and resilience of Canada's infrastructure.

One of OCWA's goals is to support clients by connecting them with applicable funding sources to address their long-term infrastructure needs. To access some of the funding available, municipalities need to invest in the planning and development of projects, bringing them to a "shovel ready" state that includes project definition, completion of planning and environmental assessments, and development of a detailed scope and budget. To assist interested clients in meeting shovel readiness requirements, OCWA works closely with them to complete feasibility and capacity studies, along with Asset Management Plans (AMPs) that define problem areas and develop mitigation projects to address them. This supports planning for future water and wastewater infrastructure needs.

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 AMPs, which factor in the full lifecycle costs of municipal assets, for all municipal infrastructure, including water and wastewater systems, to meet the level of service expected within the community. Plans showing costs to maintain current performance vs. costs to achieve desired performance 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, outlining proposed levels of service and the municipality's strategy to fund all infrastructure assets over the next 10 years, were required to be in place by July 1, 2025.

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OCWA supports a number of its municipal clients, the majority of which are small and rural, in developing effective AMPs that meet these provincial requirements. A key approach for the majority of these clients has been the implementation of the Agency's Work Management System, which enables the Agency's Operations staff to better track and manage the completion of required maintenance work. The Agency has also developed a comprehensive Asset Stewardship Quality Management Framework, which ensures that all staff understand the basic Asset Management requirements as applied to water and wastewater systems. In addition, OCWA continues to support clients on a fee-for-service basis by developing comprehensive AMPs, providing capital planning and other value-added services as required, and offering 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 informed, data-driven decisions regarding their infrastructure.

OCWA is working to help clients benefit from the use of these "smart" systems by developing services that municipalities and First Nations communities can use to optimize their investment in water and wastewater infrastructure. This includes utilizing multi-disciplinary teams to access and assess data, and provide Work Management System hosting services and associated maintenance advisory services for municipalities that do not have the capacity to implement an electronic work management and asset maintenance system on their own.

Enhanced availability of process, compliance, energy, and asset maintenance information to OCWA's operational and technical experts provides lasting benefits for the Agency and its clients, including extended asset life, reduced energy and chemical use, and more strategic asset management practices, leading to better client service and long-term client cost savings.

The 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 at companies and governments of all sizes and levels becoming more commonplace, and with a significant increase in digital attacks and other malicious activity noted in recent years.

OCWA utilizes third-party audits to assess and mitigate potential cyber security vulnerabilities, and has developed stringent security protocols to protect the Agency's network, operational and other data, and data centre assets. This includes testing the effectiveness of the Agency's data recovery plans for key enterprise-wide applications, and regularly updating them as required.

Exponential growth of Artificial Intelligence (AI) capabilities and adoption of AI tools in recent years presents both significant opportunities and potential risks for the Agency. The use of AI tools can enhance the Agency's data analysis capacity and enable the development of predictive models across a range of scenarios that add value to the daily operation and maintenance of water/wastewater infrastructure. However, it is equally important to ensure the use of AI tools is carefully managed – particularly those related to the security of confidential client and Agency information.

Climate Resilient Infrastructure

Managing the infrastructure impacts caused by severe weather events is another concern for many municipalities. Climate change modelling indicates that the frequency and intensity of weather events will continue to increase in the long-term. As a result, the need for resilience in Ontario's infrastructure systems is more critical than ever.

Large rainfall events can overwhelm municipal stormwater and wastewater systems, leading to flooding in residential homes, increased sewer overflows, and plant bypass events. Severe winter storms can lead to long-term power outages that impact the operation of treatment facilities and pumping stations. Ontario's lakes and rivers are

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regularly experiencing changes to water levels, increased nutrient loading from treatment facilities bypasses, and increases in water temperatures over time, all of which can negatively affect the water bodies and the plants and animals that live in them.

OCWA's Operations and emergency response teams are well equipped to support clients in preparing for and responding to climate related events. This includes implementing operational strategies to address environmental changes and proactively developing practical contingency plans to respond to increased frequency of significant weather events. OCWA works with municipal clients, who are the owners of the water and wastewater assets, to assist them in navigating the development and implementation of these climate adaptation and mitigation strategies.

Many OCWA clients are looking to build facilities that have redundancy of critical assets to ensure continued functionality during extreme weather events. The Agency's local Operations teams work closely with OCWA's process, energy management, engineering, technology, asset management, and capital delivery specialists to better understand the specific challenges that clients are facing regarding the resilience of their infrastructure. The teams then guide clients in incorporating a climate adaptation and resiliency focus into future facility optimization and capital improvement projects.

Emergency Preparedness

Effectively planning for unanticipated emergencies is another area of ongoing importance for municipalities and the water/wastewater industry. OCWA's Emergency Management Program includes both Corporate and facility plans to ensure that emergencies are managed in a timely and efficient manner. These plans are designed to ensure the continuous operation of client water and wastewater facilities in a wide variety of situations, including severe weather events, such as ice storms, flooding or drought; emergencies like wildfires that can result in unanticipated infrastructure outages; health emergencies, like the COVID-19 pandemic; and IT outages, including those resulting from cyber-attacks and ransomware demands. OCWA works closely with municipal clients who oversee their SCADA and operational technologies to ensure continuity of operations. Additional considerations

addressed in the Agency's emergency plans include workforce scheduling and planning, capital project execution, procurement, and protecting employee health, safety, and wellness.

Net-Zero and the Circular Economy

Municipalities, and the water industry as a whole, are striving to adopt more sustainable, innovative and environmentally friendly approaches to manage their water and wastewater systems. By embracing the principles of a circular economy, they are shifting their perspective, viewing treatment facilities not just as infrastructure for processing water but as opportunities for resource recovery. This shift enables municipalities to recover and generate renewable green energy within treatment facilities, yielding a net reduction in the energy consumption and the GHG emissions of treatment facilities.

A number of municipalities are looking to implement innovative energy and GHG reduction projects, along with alternative energy generation projects, shifting treatment facilities towards net-zero energy facilities. Specific initiatives include the completion of facility process and energy reviews and technical studies; the delivery of energy management programs; the development and implementation of waste diversion and resource recovery strategies; and the development of long-term infrastructure plans. All of these projects aim to shift the mindset of municipalities, encouraging them to reimagine waste from treatment processes as not just a byproduct but as a valuable resource.

OCWA partners with interested municipalities to support their net-zero energy goals. Since launching the Agency's energy management program, OCWA has assisted clients in securing more than \$19 million in funding for a variety of energy savings and other retrofit projects. Over 210 municipalities have accessed these services, with energy walkthroughs completed for 510 individual water and wastewater facilities, energy efficient equipment upgrades being made at various facilities across the Province, and renewable energy technologies such as biogas turbines and combine heat and power (CHP) units implemented. All of these services aim to provide OCWA clients with education on energy conservation, customized energy management solutions, and opportunities to implement operating strategies to

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optimize energy consumption for daily operations within their facilities.

Climate change impacts and potential future regulatory requirements have also resulted in a shift away from traditional approaches to biosolids management, including incineration and landfills. OCWA is working with interested municipalities to support the implementation of technologies that optimize overall biosolids management, guiding interested clients to consider implementation of waste diversion and resource recovery projects, where feasible, to reduce their waste carbon footprint, and sustainably manage biosolids storage and disposal. These initiatives create opportunities to reduce operating costs and GHG emissions from wastewater treatment facilities by diverting biosolids for beneficial use.

A select number of municipalities recognize that there are significant benefits to taking the biosolids from wastewater treatment plants, along with green bin waste and other organic materials where available, and turning them from waste products into renewable energy sources. Through enhanced biogas production from biosolids, a facility can aim to become net-zero in energy use by offsetting the energy used to treat wastewater. OCWA works with regulatory agencies to obtain the approvals required for execution of these projects in client communities. These approaches also enable municipalities to achieve or improve their financial sustainability over time by generating new revenue streams and/or offsetting energy costs.

OCWA also supports clients in optimizing their water and wastewater infrastructure through the Agency's Facility Optimization Program (FOP). This service for selected sites reviews the ability of facilities to meet community needs through a review of the design, operation, maintenance and administrative perspectives, prioritizing activities that help to defer expensive capital expansions, while supporting environmental protection and human health. OCWA has worked with nearly 30 small-to-medium size clients to optimize their facilities since the FOP was introduced.

Contaminants of Concern

Contaminants of emerging concern (CECs) 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 may not be fully understood. Wastewater treatment plants have been identified as a source of microplastics to receiving waters, including the Great Lakes, and microplastics have been found in municipal source water and some drinking water.

PFAS are additional contaminants of concern. PFAS are human-made chemicals widely used in many everyday products such as packaging, cosmetics and textiles, along with industrial uses like water-repellent coatings and firefighting foam. These are human-made "forever" compounds that persist in the environment and can now be found in wastewater and biosolids.

A national expert panel report released by the Canadian Water Network in 2018, entitled *Canada's Challenges and Opportunities to Address Contaminants in Wastewater*, provided a detailed overview of the environmental and public health concerns associated with CECs and what can be done to address them. The report noted that CECs include "a wide variety of industrial and household chemicals, plastics and 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.

A later report done by researchers at Toronto Metropolitan University and funded by a number of Canadian agencies in 2021 assessed if current analytical technologies, policy development, and industry guidelines were adequate to protect human and ecological health from CECs in wastewater. The report was based on interviews and a literature review, and included a finding that wastewater treatment plants should be modernized to address CECs and that innovative research and subsequent pilot testing of CEC removal techniques is needed.

In 2023, the Canadian Water Network released a brief entitled "Microplastics in Water Systems: Challenges, Considerations and Opportunities for Water

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Managers". This brief cited the gaps in knowledge related to microplastic removal in wastewater and water treatment plants and the extent to which microplastics bind with chemicals of concern such as PFAS. Microplastics in drinking water, wastewater, and sewage biosolids remain unregulated.

OCWA works with municipalities and academic researchers to understand how to analyze PFAS and the degree to which their forms can be concentrated in various process streams of water and wastewater facilities, ultimately impacting the environment and the public. Achieving an appropriate balance between the potential risks of these contaminants and the cost of implementing treatment solutions is a challenge that researchers, water industry professionals, and governments at all levels are jointly working towards answering in the years ahead.

Inflation and Supply Chain Management

Global volatility and other factors, such as the ongoing conflicts in Ukraine and Israel-Gaza, and US tariffs and Canada/Ontario countermeasures, including restrictions on the procurement of US goods, continue to impact supply chain pricing and the availability of goods and services required to manage client water and wastewater systems. Large mergers and acquisitions in the chemical market also have the potential to increase pricing for the chemicals utilized in water and wastewater treatment processes.

OCWA has mitigation plans in place to minimize the impact that supply issues and rising costs for critical goods and services resulting from tariffs and other market changes 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, the Agency's Procurement group routinely monitors federal and provincial trade statements and directives; revises service contract terms and templates to enhance risk sharing of tariff related costs; and engages with all levels of government to better understand how to mitigate the impact of tariffs impacting essential goods needed to operate client facilities.

OCWA has also established an internal chemical procurement committee to address supply issues and price increases due to market turbulence. Other mitigation actions undertaken include identifying alternative 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; improving contractual language about risk items; and building and maintaining relationships with vendors to ensure the continued delivery of critical goods and services.

Technology and Innovation

OCWA is a key stakeholder for the Ontario water technology sector, working with technology providers, industry associations, academia, municipal owners, and various Ministries and funding agencies to promote the development and implementation of new and innovative water technologies. 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.

Working with technology partners and other industry stakeholders, OCWA helps identify, assess, and implement new and emerging technologies with the goal of improving operations and infrastructure resilience of water and wastewater facilities across the province. Technology and innovative plans are piloted in OCWA-operated facilities, and the Agency's Operations teams and academia partners work in partnership with the Ministry of Environment, Conservation and Parks to ensure that operational compliance of OCWA client facilities is met and maintained throughout the pilot.

Public Education and Awareness

Municipalities and other water industry stakeholders have identified a 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

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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, help to educate the public about the value of water and how to play a role in protecting water and wastewater infrastructure, thereby increasing public trust in municipal water and wastewater systems. OCWA’s OneWater® Program, which targets Grade 8 students, was selected as a finalist for the 2025 Water Canada Awards in the Education category. This award recognizes an outstanding education project that has significantly advanced knowledge dissemination and community empowerment within Canada’s water sector.

OCWA also offers free “Water Talk” webinars, which are open to clients and prospective clients. These webinars are delivered by OCWA subject matter experts, in partnership with public and private sector partners where appropriate, and range in topics of interest, from operational issues and regulatory requirements to capital planning and environmental issues and concerns.

Staffing Shortages

Another significant industry trend is the ongoing industry-wide shortage of qualified water operators, engineers, skilled tradespeople, and other technical specialists. The industry has been managing, 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. OCWA works collaboratively with the Ministry of the Environment, Conservation and Parks (MECP) to develop and implement strategies that address the issue on an industry-wide basis. This includes collaborating with provincial colleges and universities, and communicating with them regarding the potential impact of recent decisions to cut some college environmental programs.

While staffing can be a challenge for OCWA, it also represents a potential business opportunity, as smaller municipalities that are struggling to replace retiring certified operators may decide 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 required and assist municipalities in need.

2.4 Federal and Provincial Legislation

As part of OCWA’s commitment to provide total water and wastewater solutions to its clients, Agency staff continually review and assess the impact of new and proposed legislative, regulatory, and policy changes on OCWA and its clients, and work with them to implement changes required to meet the new requirements.

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

- The MECP is continuing to implement their wastewater strategy to improve wastewater and stormwater management through the issuance of standardized area-wide Consolidated Linear Infrastructure Environmental Compliance Approvals (CLI-ECAs), which are based on a similar approach to that already in place for drinking water systems under the Municipal Drinking Water Licensing Program. The majority of municipal owners have submitted applications and are now operating under their new CLI-ECAs. The resulting increased reporting requirements for municipalities

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represents both a risk and a business opportunity for the Agency. The Ministry has also advised that they plan to reconvene a stakeholder working group to review and revise the standardized ECA template for municipal sewage treatment works, to align this template with the format and conditions within the templates for the wastewater collection CLI-ECAs.

- As part of the MECP's Municipal Drinking Water Licensing Program, all Municipal Drinking Water Licences must be renewed at least once every five years to ensure that the conditions associated with the infrastructure and operation of a municipal system are regularly reviewed from a technical perspective. In conjunction with the licence renewal, the MECP will be rolling out updates to the standard conditions within the Municipal Drinking Water Licence and the Drinking Water Works Permit, including new conditions for filter turbidity calculations, well inspections, disinfectant concentration and contact time (CT) calculations for primary disinfection, and fuel storage and handling assessments.
- The MECP has initiated stakeholder technical working groups to develop new Ontario procedures to supplement/clarify the American Water Works Association (AWWA) Standards for Disinfection [C652 – Disinfection of Water Storage Facilities, C653 – Disinfection of Water Treatment Plants, and C654 – Disinfection of Wells]. OCWA has been participating in the technical working groups for these proposed new Ontario procedures. All municipal residential drinking water systems are currently required to follow these AWWA standards as set out in their Drinking Water Works Permits. The intent of the consultations is to help identify challenges inherent in the use of the current AWWA standards for Ontario drinking water systems, and to assist with the development of guidance, clarification, or alternative disinfection methods that may be used. Final drafts of the three Ontario disinfection procedures for water treatment plants, water storage facilities, and wells are in the process of being circulated to municipal drinking water system owners and operators for comment prior to finalization and approval by the MECP. Implementation of the final procedures will be phased in as drinking water systems receive their renewed Municipal Drinking Water Licences and Drinking Water Works Permits.
- With support from the Ministry of the Environment, Conservation and Parks, the Water Environment Association of Ontario, and the Ontario Good Roads Association, a technical committee led by the CSA Group, one of the largest standards development organizations in North America, released a new standard for wastewater management systems in the spring of 2025. The standard, CSA W217, mirrors the structure of Ontario's Drinking Water Quality Management Standard [DWQMS]. While it is mandatory for municipal drinking water systems to be accredited to the DWQMS, CSA W217 may be adopted on a voluntary basis by any organization, public or private. OCWA intends to reference this standard in developing and implementing key elements to strengthen OCWA's Quality and Environmental Management System for wastewater systems.
- Environment and Climate Change Canada has announced it is moving to add PFAS to the official list of toxic substances, in light of growing scientific and public concern about the substances in Canada and around the world. Once the listing is finalized, the government can then make regulations to remove PFAS from products and industrial uses in the future. The proposed risk management plan for PFAS published by Environment and Climate Change Canada would reduce any future PFAS contamination into the environment, but would not affect drinking water standards, as those are managed by Health Canada, and in Ontario, by the MECP.
- Health Canada has established an objective value of 30 ng/L of total PFAS in drinking water, which represents a precautionary group-based approach (i.e., it is based on the sum total of 25 most commonly found and prevalent PFAS). This objective replaces the two previous drinking water guidelines and nine screening values derived for individual PFAS while these documents are undergoing reassessment in light of new scientific evidence and advancements in treatment and analytical technologies. Drinking water systems are not currently required to sample for PFAS under provincial or federal regulations.

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Previously, the MECP had presented a proposed consultation document on PFAS to the Ontario Drinking Water Advisory Council (ODWAC) with the intention of developing Ontario's strategy for regulating per-fluorooctane sulfonate (PFOS) and per-fluorooctanoic acid (PFOA), using total PFAS as a surrogate. It is unknown how this proposed objective may impact Ontario's strategy. Recently, the MECP initiated a voluntary monitoring study to understand how PFAS levels in drinking water may be influenced by local past or current PFAS use and to evaluate the effectiveness of treatment technologies for reducing PFAS in drinking water.

According to Health Canada, current data suggests PFAS levels in Canadian freshwater sources and drinking water are below the proposed objective. However, levels could be higher near facilities that use these chemicals, locations where firefighting foams were used, landfills, and wastewater treatment plants. Where monitoring data exists, it is often for a limited number of PFAS, and there is variability in the type of PFAS studied, the analytical methods used, the detection limits, and the sampling frequency, making it challenging to get an accurate picture of the concentrations of PFAS in drinking water.

- Created under Bill 194, the Strengthening Cyber Security and Building Trust in the Public Sector Act, 2024, the Enhancing Digital Security and Trust Act addresses cyber security and artificial intelligence (AI) systems at public sector entities, which include, among others, Ontario Government ministries, agencies designated as an institution in the regulations, and municipalities. This Act came into force on January 29, 2025. The Act allows regulations to be made respecting cyber security at public sector entities, including regulations requiring these entities to develop and implement a number of programs. Public sector entities may be required to comply with requirements respecting the use of AI, including requirements to provide information to develop and implement accountability frameworks and to take steps respecting risk management. Regulations may also set technical standards respecting cyber security and AI systems.

Although regulations have yet to be established under this Act, there is the potential that OCWA (and potentially the water/wastewater sector as a whole) may be named as an institution. Regardless of whether this Act and regulations apply to OCWA directly, OCWA will need to comply with any existing and future Ontario Public Service (OPS) policies and requirements related to cybersecurity and the use of AI. Whether OCWA-specific programs and policies will need to be developed is yet to be determined. In the meantime, OCWA is continuing to strengthen its safeguards against cyber security threats, including the development of a comprehensive Cyber Security Incident Response Plan, and meet its obligations under the provincial Agencies and Appointments Directive.

- The More Homes Built Faster Act aims to facilitate the construction of 1.5 million homes across the province by 2031. The Minister of Municipal Affairs and Housing issued an updated Provincial Planning Statement (PPS 2024), which came into effect on October 20, 2024. The PPS 2024 aims to provide more flexibility to municipalities to help reach the Province's new home building goal. Under the PPS 2024, guidelines for planning sewage, water, and stormwater services highlight the need for accommodating forecast growth by optimizing the use of existing municipal and private communal systems. These services must be sustainable, financially viable, and protective of public health, the environment, and water resources, including stormwater management. Municipalities, being the primary decision-makers for local communities, must ensure that municipal official plans and planning by-laws are consistent with the PPS 2024. Increased funding opportunities to help municipalities develop, repair, rehabilitate, and expand critical drinking water, wastewater, and stormwater infrastructure, such as Ontario's Housing-Enabling Water Systems Fund, may result in an increase in capital/major maintenance projects requiring OCWA support.

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:

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- ◆ Proposed updates to Ontario's DWQMS. The Safe Drinking Water Act mandates that an accredited operating authority must be in charge of a municipal residential drinking water system at all times. To be accredited, the operating authority must establish and maintain a quality management system that meets the requirements of Ontario's DWQMS. The DWQMS was first published in October 2006 and DWQMS Version 2.0 was released in February 2017. The MECP has posted a proposal notice on the Environmental Registry of Ontario to update the DWQMS (draft Version 3.0). The proposed revisions are mainly administrative in nature and intended to clarify existing requirements.
 - ◆ 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 (MACs) for lead and manganese, following a MECP review of updated Health Canada guidelines. Health Canada recently published their finalized guidance document on controlling lead corrosion. Corrosion in distribution and plumbing systems may cause the release of lead and other contaminants that could be a concern for public health.
 - ◆ Health Canada is proposing to lower the existing MAC of 0.01 mg/L (10 µg/L) for arsenic in drinking water to 0.005 mg/L (5 µg/L) based on municipal- and residential-scale treatment achievability and the estimated excess lifetime risk of lung cancer. Arsenic can be found in both surface water and groundwater sources, with arsenic concentrations typically higher in groundwater than surface waters. An analysis of arsenic concentrations in source waters within Canada revealed localized hotspots with levels exceeding the proposed MAC. The current MAC in Ontario is 0.01 mg/L (SDWA O. Reg. 169/03). Drinking water systems are required to sample for arsenic under SDWA O. Reg. 170/03 [Schedule 23]. The sampling frequency must be increased if the sample results exceed half the MAC [i.e., >0.005 mg/L].
- There would be no immediate impacts resulting from an update of the Health Canada guideline. However, should the MECP decide to adopt the more stringent MAC in Ontario, it is likely that water systems that have naturally occurring arsenic present in their source water will need to incur infrastructure, technology, and operating costs to meet the standard, which will be especially difficult for small communities with limited resources. As per the impact statement provided in the consultation document, it is estimated that about 64 drinking water systems in Ontario would be impacted if the Ontario drinking water quality standard is reduced from 10 µg/L to 5 µg/L. Of these 64 drinking water systems, the majority are small systems, and upgrading costs for them will be significant related to treatment upgrades and/or development of new water sources. Treatment technologies utilized in drinking water systems regulated in Ontario must be NSF certified. No certified treatment currently exists to meet 5 µg/L.
- ◆ Amendments have been made to the Ontario Labour Mobility Act, 2009, as a result of Bill 2 [Protect Ontario Through Free Trade Within Canada Act, 2025], which expands labour mobility by simplifying the movement of certified workers across Canadian jurisdictions and improving service standards. Currently, there are reciprocity agreements between the provinces (except for Quebec) that allow drinking water and wastewater operators from other provinces to transfer their certificates/licenses over to an equivalent Ontario certificate/license through an application process. The amendments would allow an operator from another province to use their out of province certification immediately for up to 6 months by registering with the MECP, prior to applying for official reciprocity [as per the current process].
- Although applications for reciprocity are infrequent [7-8 applications per year according to the MECP], this could impact OCWA's hiring processes if there are out-of-province operators applying to work at OCWA without Ontario certification. The MECP is working through the process and is anticipated to provide more guidance for Ontario Operating Authorities/municipalities, including a potential list of out-of-province operators that have been registered [separate from the current Operator

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Certification list on the Ontario Water Wastewater Certification Office's site). This may also apply to other types of certificates/licenses (e.g., Well Technicians) and potentially professional engineers from other provinces.

- ◆ The proposed Water and Wastewater Public Corporations Act, 2025, which would be enacted as part of Bill 60, the Fighting Delays, Building Faster Act, 2025 if passed, includes provisions for the establishment of a new water and wastewater public corporation to oversee water and wastewater infrastructure and services for the cities of Mississauga, Brampton, and Caledon, and the potential establishment of other water and wastewater public corporations in the future. The Region of Peel, which includes the municipalities of Mississauga, Brampton, and Caledon, is currently the Agency's largest client. The establishment of a new water and wastewater public corporation for these municipalities would have an impact on the Agency's contract with Peel, and potentially contracts with other clients in the future.

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

2.5 Provincial Government Priorities

Priorities of the provincial government, as set forth in the 2025 Ontario Budget: A Plan to Protect Ontario, include:

- ◆ Unleashing Ontario's economic potential while keeping costs down;
 - ◆ Protecting Ontario workers, businesses, and jobs in the face of US tariffs and economic uncertainty;
 - ◆ Investing in infrastructure, and critical mineral and resource development;
 - ◆ Boosting interprovincial trade capacity; and
 - ◆ Making Ontario a competitive place to invest, create jobs, and do business.
- Specific initiatives included in the 2025 budget with an impact on the Agency and its municipal, industrial, and First Nation clients include:
- ◆ Investing an additional \$400 million in the Municipal Housing Infrastructure Program and Housing-Enabling Water Systems Fund, to address high demand for these existing programs to help build the local infrastructure needed to make way for new homes;
 - ◆ Providing up to a further \$5 billion in funding to the province's infrastructure bank, the Building Ontario Fund, to co-invest in priorities like municipal infrastructure, long-term care, energy infrastructure, and affordable housing;
 - ◆ Investing \$500 million to create the new Critical Minerals Processing Fund that will help unleash the potential of the province's mineral sector by attracting investments in critical mineral processing capacity here at home, to help ensure that minerals mined in Ontario will be processed in Ontario, by Ontario workers;
 - ◆ Tripling the total amount of loan guarantees through the Indigenous Opportunities Financing Program (formerly the Aboriginal Loan Guarantee Program) to \$3 billion and expanding eligibility beyond the electricity sector to include eligible projects in energy, pipelines, mining including critical minerals, resource development, and other sectors;
 - ◆ Reconfirming a \$100 million increase to the Ontario Municipal Partnership Fund over two years, bringing the total envelope to \$600 million by 2026, to help municipalities in providing critical services in their communities; and
 - ◆ Doubling funding for the Rural Ontario Development program to \$10 million annually starting in 2025–26, for a total of \$20 million, providing cost-share funding aimed at creating strong rural communities in Ontario and opening doors to rural economic development, by funding projects that support communities, rural businesses and entrepreneurs in addressing barriers to business development and growth.
 - ◆ OCWA is committed to supporting the province and its clients in achieving these and other priorities.

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- ◆ In June of 2025, OCWA received its most recent Letter of Direction from the Minister of the Environment, Conservation and Parks. The letter, which is included in Appendix B of this plan, outlines the Ministry's expectations for the Agency in 2026. OCWA is working to achieve the Agency-specific objectives included in the letter by:
 - ◆ 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; 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 in building water and wastewater infrastructure projects, consistent with the Capital Investment Plan Act, 1993, S.O. 1993, c. 23, and subject to approval by the Ministry;
 - ◆ 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;
 - ◆ 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 Nations communities across Ontario, 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;
 - Supporting the Province in implementing the Lake Simcoe Phosphorus Reduction Project, as directed; 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 the 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

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- Support efforts to remove long-term drinking water advisories in First Nations communities.

OCWA is also working to support the government's priorities of innovation, sustainability and accountability for all agencies. Key actions in support of these objectives include:

1. Innovation:

- Identifying and pursuing opportunities for revenue generation, efficiencies, and savings through innovative practices and/or improved program sustainability;
- Exploring and implementing digitization for online service delivery to ensure customer service standards are met, where appropriate;
- Simplifying client interactions and improving client satisfaction using a variety of approaches or tools to ensure effective client-focused service delivery in all situations;
- Improving how the Agency uses data in decision-making, information sharing, and reporting, to inform outcome-based reporting and improve service delivery; and
- Sharing data with Supply Ontario, when requested, regarding procurement spending and planning, contract arrangements, and vendor relations to support data-driven decision-making.

2. Sustainability:

- Optimizing organizational capacity to support the best possible public service delivery and direct existing resources to priority areas;
- Aligning the Agency's human resource strategies with Ontario Public Service directives and policies, including adhering to Treasury Board/Management Board of Cabinet labour and bargaining mandates; and
- Prudently and efficiently managing operational funding and workforce size.

3. Accountability:

- Developing, reviewing, and updating outcome-focused Key Performance Indicators annually to effectively monitor and measure the Agency's performance and ensure efficiency, effectiveness, and sustainability;
- Abiding by all 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;
- Protecting individual, business, or organization data by actively managing data and cybersecurity and reporting Artificial Intelligence uses;
- Developing and implementing an effective process for the identification, assessment, and mitigation of Agency risks, including cyber security and any future emergency risks, and reporting to the Ministry on all high risks, including effective mitigation plans;
- Assessing office optimization opportunities to reduce office realty footprint and find cost reductions;
- Collaborating with the Ministry of Infrastructure to identify office space opportunities and aligning with the Management Board of Cabinet Realty Directive and the Ontario Public Service Modern Office Space Standards;
- Developing and encouraging diversity and inclusion initiatives by promoting an equitable, inclusive, accessible, anti-racist, and diverse workplace, including adopting an inclusion engagement process to ensure all voices are heard to inform policies and decision-making; and
- Identifying the appropriate skills, knowledge, and experience needed to effectively support the Board of Directors' role in Agency governance and accountability, including providing the Minister with annual skills matrices to ensure the Board has qualified appointees.

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2.6 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, a higher cost of living, a multi-generational workforce, mental health and wellness awareness, and the evolving knowledge and skills needed to meet changes in the water and wastewater industry.

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. 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 have compounded the problem, creating an extremely competitive environment for employers.

In the last number of years, the water and wastewater industry has changed significantly due to advances in technology, aging infrastructure, increased legislation, 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. In recognition of this, OCWA is continually monitoring, evaluating, and developing strategies to anticipate and respond to ongoing changes.

The recently announced provincial return to office mandate and Agency hiring freeze are also both anticipated to have an impact on the Agency's ability to attract and retain qualified staff, although the full impact on the Agency and its clients has not yet been assessed.

Two significant changes were implemented recently to support employee attraction, engagement, and retention. OCWA formalized its Operator Career Path program, which recognizes the efforts, dedication, and skills/experience that employees bring through their licenses. The program provides a path for

Operators to move into higher classified and compensated roles after they successfully pursue and achieve higher-level licenses.

The second significant event was the result of OCWA identifying positions that warranted consideration for a special wage adjustment. Concerns around staffing challenges and a desire to protect front-line services (where public health and safety are paramount) were the business imperatives for these changes. As a result, increased compensation for 14 front-line roles, above-and-beyond the across-the-board compensation increases implemented for Ontario Public Service employees, was negotiated in 2024. Compensation rates for these 14 positions are now more closely aligned with market rates. OCWA has been monitoring the impact of these changes and is starting to see a positive trend in staff retention. Additional data is being reviewed on how increased compensation is impacting the Agency's attraction efforts.

Equity, diversity, and inclusion (EDI) are ethical principles and actions that foster innovation, resilience, and wellness in today's dynamic landscape. Mental health and wellness play a vital role in employee success and overall workplace satisfaction. By embracing these priorities, an organization can attract and retain top talent, increase employee engagement, and improve connection and alignment with the clients and communities it serves. Recognizing this, EDI and mental health and wellness are key priorities included in OCWA's Strategic Plan. It is essential to have the right tools and systems in place to leverage data analytics for informed decision-making and to identify current and future risks. 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, with an expected go-live date in early 2026.

2. Environmental Scan

2.7 Business Transformation Program

OCWA has made a significant investment in upgrading its information technology (IT) and operational technology (OT) systems over the past decade, implementing innovative digital solutions that support the Agency's business, and facilitating efficient and effective service delivery for Agency clients. OCWA's Business Transformation Program (BTP) was established to oversee these investments and initiatives. The program aims to extend and enhance the Agency's IT and OT systems, and improve the Agency's business processes, ensuring that OCWA has the tools and skills necessary to deliver total solutions to its 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 identified, and solutions are designed, selected, configured, and implemented, before staff are trained and benefits are measured.

BTP represents a significant investment for the Agency, both financially and in terms of staff resources, which is why a program management office (PMO) was established to oversee the program. The PMO is responsible for keeping the program on schedule and on budget, and for providing governance and oversight of all BTP activities, including annual evaluation and planning, change management, communication, quality assurance, integration, and the tracking of benefits and outcomes.

OCWA will continue to make investments through BTP in 2026 and beyond, expanding and improving OCWA's IT and OT systems, along with the reliability, security, and mobility of the Agency's IT networks. Through BTP, the Agency is augmenting the functionality of existing systems, and assessing and integrating existing and new IT tools. The integration transformation 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.

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3.1 Core Business Activities

Every day, OCWA treats over a billion litres of source water to produce safe drinking water, and treats 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 (O&M) of water, wastewater, and associated systems. The Agency's Operations staff handle the O&M, and site-specific business and capital planning requirements of hundreds of municipal and other sector water and wastewater systems throughout Ontario. They are assisted by corporate resource specialists, who provide specialized support in a number of areas, including asset management, process optimization, energy management, innovation, operational technologies, 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 investment requirements, and sustainability planning; and
- ◆ Manage all applicable staffing requirements for the Agency's clients, including providing appropriate training to meet regulatory requirements, and ensuring 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. These facilities are tended to by operational staff during the week, and many can be continuously monitored remotely. OCWA staff are available 24 hours 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 systems. 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.

Work orders for each client are stored electronically in OCWA's computerized Work Management System (WMS). 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 their operational data. This information is also provided to clients quarterly for

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review and analysis. Electronic logbooks are 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 decades of experience delivering O&M services. Maintenance plans are developed based on best practices and servicing guidelines provided by manufacturers. Various maintenance and operational tactics ensure 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, which 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 completed work orders where applicable.

Routine maintenance consists of maintenance and care of client facilities, including 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 operational 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. This includes 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 mitigate emergency work through its 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 as an additional fee-for-service offering. These plans are developed utilizing the in-depth knowledge of local O&M teams, maintenance and operational data from the WMS system, and industry-leading philosophies. Data from all of these sources is compiled into reports that support clients in making informed decisions regarding capital expenditures and planning, ensuring the sustainability of their water and wastewater infrastructure.

3.2 OCWA's Strategies for 2026–2028

OCWA's Vision is to be "Your Trusted Water Partner for Life", which is supported by the Agency's Mission: "Together we deliver water and wastewater services for the health and sustainability of communities." OCWA's Strategic Plan reflects the Agency's Vision, Mission, and Values and aims to ensure that OCWA continues to adapt its services offering and employer brand to address the changing needs of the Ontario water sector. The strategies included in the Agency's Business Plan for 2026–28 flow out of the Strategic Plan, and build on the success of the growth strategies and other initiatives that have been the Agency's focus for the past few years.

OCWA has grouped its major initiatives into five key Strategic Directions:

1. Being the Employer of Choice in the Water Industry;
2. Achieving Best-in-Class Water and Wastewater Operations and Maintenance Services;

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3. Supporting Climate Action and Environmental Stewardship;
4. Partnering with First Nations on Sustainable Water Solutions; and
5. Ensuring Long-Term Organizational Sustainability.

The people at OCWA are the foundation of the business. They 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, inclusion, and innovation.

OCWA's success is built on workplaces where employees have a sense of purpose, belonging, support, and career growth opportunities. A healthy, safe, and engaged workforce is essential to achieving OCWA's goals and objectives. 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.

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 involve providing employees with the knowledge they need to perform their jobs effectively, ensuring a healthy, safe, and well environment, and fostering a work culture where they feel included, respected, and connected to a common purpose.

Attracting, Retaining, and Developing Great People

Without talent joining and staying with 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.

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

Employee Value Proposition and Talent Acquisition

To ensure that the Agency is able to attract and retain top talent, OCWA refreshed its Employee Value Proposition and employer brand strategy. This included defining the benefits and rewards employees receive from the organization, and positioning the employer brand strategy in a way to help the Agency identify and attract talent. Implementation of the employer brand strategy, including developing a communications, social media and marketing plan, will continue in 2026.

Another key focus for OCWA is developing a comprehensive talent acquisition strategy. This involves thinking about OCWA's hiring needs from a medium- and long-term perspective, instead of just focusing on recruitment, where the goal is to fill immediate vacancies. To develop the strategy, Agency staff will review current programs, assess the who, when, why, and how the Agency hires, identify gaps, and develop plans to address the gaps. An implementation plan will be developed based on recommendations and rolled-out in 2026.

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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. The Agency is committed to enhancing the employee experience from onboarding to skills development and career progression.

Key engagement 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
- ◆ Building workplace resiliency and agility.

To better understand employee needs and areas of concern, OCWA has worked hard to ensure that as many employees as possible participate in the biennial Ontario Public Service 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.

The most recent OPS Employee Engagement Survey was held in early 2024. While there was a slight decrease in the Agency's survey response rate and Inclusion Index in 2024, as compared to the previous engagement survey completed in 2022 (63 percent vs. 65 percent response rate, and a 77.4 vs. 74.5 Inclusion Index), the Agency's Engagement Index remained consistent at 69.9. There was also an increase in the Agency's Leadership Index from 64.4 to 68.3.¹

¹ The Engagement Index reflects overall employee commitment, motivation, and satisfaction with their jobs and the organization; the Inclusion Index reflects employees' feeling of respect, belonging, and being oneself at work; and the Leadership Index reflects how employees feel about their leaders (e.g., collaboration and accountability).

Key Agency strengths identified in the survey were: employee commitment to their jobs; satisfaction regarding independence and decision making; positive working relationships with managers; willingness of management to address discrimination, where required; and commitment to employee learning and development. Areas of concern included: workplace stress; compensation and benefits; fair hiring and promotion practices; and confidence that survey results would be addressed.

Key actions that will be undertaken in 2026 to achieve OCWA's engagement goals and address employee concerns include:

- ◆ Expanding OCWA's onboarding program to include non-Operations staff;
- ◆ Creating new learning pathways for employees;
- ◆ Ensuring the use of different learning methods to meet the Agency's employee learning and development objectives;
- ◆ Launching OCWA's new Human Resources Information Management System (HRIS);
- ◆ Implementing new career mentorship programs;
- ◆ Launching mental health training initiatives for staff and leaders as part of the Agency's Mental Health and Wellness Roadmap; and
- ◆ Participating in the 2026 OPS Employee Engagement Survey, the results of which will be compared with those from the 2024 survey to determine where the Agency is making progress, along with additional opportunities for improvement.

Inspirational and Effective Leaders

In recognition of the role that strong leadership plays in meeting organizational objectives, OCWA's succession management and leadership development programs ensure continuity across management roles. OCWA's succession management process 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

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for business-critical and at-risk Agency positions, and implementing succession plans for critical positions, including learning plans. OCWA's leadership development program helps the Agency to maintain a pipeline of potential successors for critical positions, and includes two streams:

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

OCWA will continue to support both of these programs, working to define and promote leadership behaviours and accountability, regularly reviewing their effectiveness, and implementing enhancements as required. The Agency will also work to ensure that all OCWA managers have the knowledge and resources required to manage their jobs and effectively lead their teams, by developing and implementing an onboarding program for new managers.

Enhance a Proactive Health, Safety and Wellness Culture and Mindset

Ensuring the health, safety, and well-being of OCWA employees continues to be an ongoing priority for OCWA. Over the past few years, OCWA has developed a strong health, safety, and wellness culture by improving the Agency's health and safety management system, with a goal of continuous reduction in the number of workplace injuries, and other health, safety, and wellness incidents.

Through an inclusive lens, the Agency has also developed a Mental Health and Wellness Strategy to support the mental health and well-being of OCWA staff. This includes a multi-year Mental Health and Wellness Roadmap, which outlines the key initiatives to be implemented in support of the Mental Health and Wellness Strategy.

OCWA's health, safety, and wellness priorities for 2026 include:

- ◆ The development of a comprehensive staff well-being program, which will address mental health as well as emotional and psychological well-being. This includes initiatives such as mindfulness skill

building, confidential counseling, peer support groups, mental health training, and manager-led wellness check-ins. The Agency plans to promote an environment focused on empathy, flexibility, and ongoing support to maintain psychological safety and resilience.

- ◆ Reviewing the Agency's Contractor Safety program and developing recommendations to ensure due diligence and compliance.
- ◆ Streamlining the Agency's Workplace Safety and Insurance Board (WSIB) claims management program training, including modules on injury prevention and reporting procedures, and enhancing Return-to-Work initiatives such as personalized plans and workplace accommodations.
- ◆ Promoting prevention programs, policies, and resources to staff.
- ◆ Procuring and implementing a new Health, Safety, and Wellness IT system for the Agency.

Demonstrating Equity, Diversity, and Inclusion Commitment and Accountability

OCWA's success is built on having an equitable, diverse, 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 equity, diversity, and inclusion (EDI), 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 equity, diversity, and inclusion, OCWA's EDI Blueprint serves as the Agency's compass on its transformation journey, connecting people, programs, and priorities to OCWA's vision of a culture where every employee feels safe, valued, and empowered to achieve their full potential.

The EDI Blueprint has four main objectives:

- ◆ **Create Awareness, Knowledge and Advocacy** by developing tailored EDI communication and training for different audiences, such as new staff and Agency managers;

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- ◆ **Create an Inclusive Workplace and Accountability** by refreshing the mandates of the Agency's Diversity and Inclusion Advisory Council and Young Professionals Networks, applying an EDI Lens throughout the employee life cycle, and developing opportunities for recognition through an EDI lens.
- ◆ **Build a Diverse Workforce** by utilizing external partnerships to build a diverse talent pipeline, and leveraging the Agency's new Human Resources Information System to support fair and equitable recruitment and advancement processes.
- ◆ **Lead the Industry** by sharing EDI initiatives with clients, industry partners and the Agency's First Nations Advisory Circle.

Key EDI activities in 2025 included:

- ◆ Working to complete an EDI Snapshot for the Agency;
- ◆ Delivering OCWA's first Women in Leadership conference;
- ◆ Prioritizing advocacy for women in the water industry and OCWA and allyship for gender equity at work;
- ◆ Including a diversity lens to the Agency's Career Mentorship Program;
- ◆ Including neurodiversity as part of the Agency's equity lens; and
- ◆ Increasing learning and awareness opportunities for managers and staff.

In 2026, OCWA will focus on leveraging the capabilities of Workday, the Agency's new Human Resources Information Management System, to track and analyze EDI data and trends. Additional priorities will be included in the 2026 EDI Action Plan, which will be finalized early in the new year.

Strategic Direction 2: Achieving Best-In-Class Water and Wastewater Operations and Maintenance Services

OCWA's goal is to be recognized as the "best-in-class" water and wastewater service provider in Ontario, delivering consistently superior service to the Agency's municipal, First Nations, commercial, and other clients. To achieve this, the Agency operates for compliance, while also working proactively to improve efficiencies and maximize the life of client assets.

OCWA's client-facing operations managers and staff provide a direct connection to the Agency's clients, managing client relationships and earning trust through the delivery of industry-leading water and wastewater services. Being "best-in-class" contributes to the health and sustainability of client communities, including public health, environmental protection, and economic development. It also ensures that clients continue to renew OCWA contracts, extend the duration and scope of those contracts, and provide word-of-mouth recommendations to other potential clients.

Operate for Compliance

Operating for compliance is a critical component of delivering "best-in-class" services to Agency clients. To support this, OCWA is committed to implementing consistent and proactive operational practices; developing and employing programs to better identify and mitigate compliance risk; building, improving, and sustaining process and compliance skills to ensure consistent knowledge transfer to new staff; and enhancing internal compliance reporting.

Work to identify operational best practices from across the Agency that help minimize non-compliances and exceedances, and implement them Agency-wide, has been ongoing for the past couple of years and will continue in 2026.

Key areas of focus include:

- ◆ Improving internal compliance reporting by identifying gaps in current reporting, developing standard reports for stakeholders, and optimizing processes for populating standard reports, including utilizing information technology tools;

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- ◆ Developing and implementing operational dashboards for the Agency's most common types of water and wastewater systems (e.g., lagoon systems, extended aeration plants, and water filtration systems);
- ◆ Reviewing and updating the Agency's Standard Operating Procedures for water and wastewater facilities, along with the roles and responsibilities of key Operations positions, as required, to ensure that they are up-to-date and meet the needs of the Agency and its clients.

OCWA is also working to ensure consistent knowledge transfer to new staff, and improve and sustain process and compliance skills for new and existing staff through training, mentoring, and other skills improvement programs.

Maximize Life of Client Assets

Over the past few years, the Agency has developed a comprehensive Asset Stewardship Quality Management System, working hard to improve asset management knowledge and practices, while building expertise across the Agency. To maximize the life of the water and wastewater infrastructure assets that OCWA manages on behalf of its clients, additional resources have been directed towards refining and improving maintenance management practices, including hiring seven Asset Maintenance Specialists, located across the Agency, who are working to refine and advance asset data stewardship.

Significant activities for 2026 include:

- ◆ Supporting asset management knowledge transfer and skills development through a series of "boot camps" for the Asset Management Specialists, members of the Agency's corporate Business and Asset Management Standards group, and other staff regularly using OCWA's electronic Work Management System;
- ◆ Providing ongoing asset registry training to the Asset Management Specialists; and
- ◆ Utilizing the Agency's Work Management System to ensure that all necessary preventive maintenance activities are recorded, tracked, and completed on time.

Strategic Direction 3: Supporting Climate Action and Environmental Stewardship

As the operating authority for its clients' facilities, OCWA is committed to supporting climate action and promoting environmental stewardship. By identifying climate-related risks, and advising and supporting clients with resilient infrastructure planning, sustainable resource management, and climate change mitigation opportunities, OCWA helps Ontario municipalities develop and promote sustainable practices to manage their water and wastewater infrastructure assets. OCWA is working to align its climate action priorities with those of the Province, baselining its own environmental footprint for fleet, and acting as stewards of Ontario's water resources.

Reduce OCWA's Environmental Footprint

OCWA has been working to build a culture of climate awareness within the Agency in recent years, with an initial focus on the energy used and emissions produced by OCWA's fleet vehicles. Key actions underway include establishing a greenhouse gas (GHG) footprint baseline for OCWA's fleet, and working to establish fleet metrics and statistics once Key Performance Indicators (KPIs) are established.

The Agency is also working to assess if there are opportunities to introduce a sustainability lens into its procurement practices, while continuing to abide by Ontario Public Service procurement policies and ensuring cost and value is met for our clients. This includes reviewing the environmental sustainable policies and practices of new vendors responding to publicly posted requests for proposal, along with those of existing vendors when current agreements expire and need to be retendered. Additional actions being undertaken include:

- ◆ Identifying a sustainable procurement approach for the Agency, including investigating the potential use-case for the utilization of a sustainable procurement consultant;
- ◆ Investigating how and what other municipalities and government organizations are implementing with regard to sustainable procurement;
- ◆ Investigating how and what the Agency's main competitors are implementing with regard to sustainable procurement;

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- ◆ Including a request for suppliers to provide information on their sustainability policies in their responses to publicly posted procurement requests;
- ◆ Awarding points for sustainability related criteria when requested to do so by the contract owner and awarding points in all new procurements for local benefits to ensure local, qualified, and trusted suppliers are not undervalued in comparison to large multi-nationals; and
- ◆ Asking vendors for Environmental Product Declarations, where possible (primarily for goods).

Improve Client Infrastructure Resilience and Environmental Footprint

Helping clients 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 benefit. In addition to operating and maintaining client water and wastewater facilities, OCWA delivers a number of value-added services that help interested clients reduce their individual environmental footprints, improve decision-making, and enhance their capacity to prevent, withstand, respond or adapt to, and recover from disruptions due to climate change.

Over the past few years, OCWA has worked with clients, government organizations, and other industry stakeholders to achieve the combined goals of energy optimization and GHG reduction. The Agency has prepared multiple Conservation and Demand Management (CDM) plans that provide a custom strategic framework for each client municipality to manage energy consumption, reduce GHG emissions, and improve overall operational efficiency in the facilities within the municipality's energy portfolio.

Other areas of focus include working with clients to participate in various demand response programs offered by the Independent Electricity System Operator (IESO). IESO's demand response programs aim to manage overall energy usage in the Province during periods of peak demand. Since water treatment processes are energy intensive, developing energy curtailment strategies, and deploying them during peak demand, has the combined benefit of

relieving stress on the energy grid during times of peak demand, and reducing the Province's need to purchase energy from other jurisdictions to meet overall demand. In addition, the Agency is continuing to explore opportunities to pilot a green battery energy storage system (BESS) – solar panels, energy battery storage, hydrogen fuel cells, etc. – that would reduce dependence on energy supply from Ontario's power grid, and shift load demand to the BESS during peak demands.

OCWA is also working with clients to mitigate future climate change impacts by increasing organics diversion and the development and implementation of resource recovery facilities that use wastewater biosolids and concentrated organic waste, such as source-separated organics (SSO), 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. In addition to supporting waste diversion and resource recovery projects that are currently underway throughout 2026, OCWA will work with interested clients to identify and implement new project opportunities in their communities.

Provide Stewardship of Ontario Water Resources

Ontario has more than 250,000 lakes, including the Great Lakes. Together, they contain almost a fifth of the world's fresh surface water. OCWA is committed to protecting those resources by working with clients, academic partners, and other stakeholders, including local Conservation Authorities, to:

- ◆ Study, quantify, and reduce impacts of water and wastewater treatment facilities on watersheds;
- ◆ Identify and address the environmental and health impacts of contaminants such as phosphorous on water bodies; and
- ◆ Support research initiatives that promote water resources stewardship and innovation.

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OCWA is also continuing to work with academics and technology providers to find solutions to issues related to environmental contaminants ranging from manganese in drinking water, to treatment approaches for per- and polyfluoroalkyl substances (PFAS) in source water, effluent, and biosolids.

In 2023, the Provincial government announced a funding allocation of \$24 million to design, build and operate a phosphorus reduction project in the Holland Marsh, located in the Lake Simcoe watershed, with a goal to protect and restore Lake Simcoe and its watershed by reducing phosphorus from the Holland Marsh drainage water. In support of this project, and at the direction of the Minister of the Environment, Conservation and Parks, OCWA prepared a research study in 2024, the scope of which included:

- ◆ Options for conceptual designs [i.e., engineered wetland, lagoon treatment, mechanical treatment] capable of treating drainage discharged from the Holland Marsh;
- ◆ An assessment of the feasibility of phosphorus recovery and reuse from the project;
- ◆ Preparing and comparing order of magnitude cost estimates [i.e., capital, operations and maintenance] for the conceptual design options;
- ◆ Project site selection criteria for each of the design options, excluding the identification of actual property sites;
- ◆ Identifying design and site considerations based on Holland Marsh drainage operations and agricultural activity; and
- ◆ Cost recovery mechanisms for the project's capital and operating costs, including analysis of benefiting parties.

In early 2025, the Province signed a \$24-million funding agreement with the proponent for this work, the Town of Bradford West Gwillimbury. Construction of the facility is targeted for completion by 2029. OCWA recognizes the importance of the Lake Simcoe Phosphorus Reduction Project for the Lake Simcoe watershed, and the community's significant future growth. The Agency will provide continued support to the Province in 2026 and beyond, as directed, in moving forward with this work.

Strategic Direction 4: Partnering with First Nations on Sustainable Water Solutions

OCWA is committed to working in partnership with Ontario First Nations communities and other government organizations to support sustainable water and wastewater solutions that ensure the effective operation and maintenance of First Nations water systems. Key elements of OCWA's First Nations Strategy include building trust through advancing reconciliation, providing services that meet the needs of First Nations, and helping to build water and wastewater capacity in First Nations communities.

As part of the Agency's commitment to working in partnership with Ontario First Nations, OCWA has established a First Nations Advisory Circle, comprised of a diverse group of individuals who identify as Indigenous, representing a variety of backgrounds, experiences, and communities, to gain a greater understanding of the broader water issues facing First Nations communities from an Indigenous perspective.

The First Nations Advisory Circle reports to OCWA's Board of Directors through the Board's First Nations Committee, and typically meets four times annually. The goal of the Advisory Circle is to advise the Agency 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.

Incorporating Advisory Circle perspectives into the Agency's strategies and commitments is achieved through open communication, mutual respect, and a commitment to meaningful collaboration. In 2026, OCWA will continue to support the Advisory Circle's capacity to engage in this process through training and other capacity-building initiatives. This includes implementing a clear communications plan to keep Advisory Circle members informed and engaged, ensuring transparency and accountability in all interactions, building trust through open communication and clear processes, and investing time in building strong, trusting relationships with both the Advisory Circle and the wider Indigenous community.

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Build Trust through Advancing Reconciliation

Reconciliation is a significant commitment, which must be approached in a thoughtful, respectful, and meaningful way, through collaboration with Indigenous people. Working closely with a third-party reconciliation expert, in consultation with the First Nations Advisory Circle and other Indigenous organizations, OCWA has developed a Reconciliation Action Plan for the Agency, implementation of which began in 2025. The Reconciliation Action Plan assesses OCWA's current state with regard to its work with Indigenous people, identifies issues and gaps, and includes a plan to enhance the Agency's reconciliation actions, which includes nineteen reconciliation commitments within five strategic pillars: governance; education; employment; community and economic engagement; and environmental and social impact.

The Reconciliation Action Plan also aims to build Indigenous knowledge across the Agency. This includes developing and delivering Indigenous knowledge training [e.g., history, culture, spiritual beliefs, and Truth and Reconciliation] to Agency management, staff, and other stakeholders, including the Agency's Board of Directors. Training delivered in 2025 focused on cultural awareness, effective working relationships, and reconciliation training.

Areas of focus in 2026 and beyond include communication with stakeholders, expanding Indigenous learning opportunities for Agency staff and leaders, and community and economic engagement. This includes developing an external communications plan to support Agency reconciliation commitments, defining learning outcomes for different employee groups, and building learning pathways and engagement with Indigenous communities that are facing technical process or operations challenges in their water and wastewater facilities.

Provide Services that Meet First Nations' Needs

In order to ensure that the Agency is effectively supporting Ontario First Nations, OCWA regularly gathers direct feedback from its First Nations 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 regularly seeks feedback from the First Nations Advisory Circle regarding current water issues facing First Nations communities, and what should be done to address them.

OCWA's engagement strategy with First Nations clients includes conducting in-person surveys specific to each client community, identifying organizations that have relationships with First Nations communities [e.g., the Ontario First Nations Technical Services Corporation (OFNTSC)], and connecting with them to discuss First Nations' needs.

Industry conferences can highlight potential partnerships, and promote peer connections and collaborative projects that benefit both First Nations communities and the water and wastewater industry. OCWA participates in a number of Indigenous water and wastewater conferences each year, including the Aboriginal Water and Wastewater Association of Ontario's (AWWAO's) annual conference and trade show, and OFNTSC's annual TechNations conference and trade show.

OCWA is also working to build and promote water and wastewater services that respond to First Nations' needs. This includes refining and expanding existing service offerings that have been proven to be effective and valuable to First Nations, and developing or adapting services that address issues faced by First Nations communities. Areas of focus in the coming years include the provision of asset management and SCADA services, utilization of remote monitoring and electronic logs, and the provision of capital project management and emergency response services.

Support First Nations Communities with Building Water and Wastewater Capacity

Helping First Nations move towards self-sufficiency with regard to managing their water and wastewater systems by providing training and capacity building services is another priority for the Agency. To achieve this goal, OCWA has developed programs and is providing opportunities for First Nations operators to develop their skills and knowledge through in-plant training, experience, and mentoring.

3. Strategic Direction

In 2025, OCWA trained First Nations operators to use the Agency's Work Management System to help maintain their water and wastewater assets, ensuring that maintenance activities are documented, helping to maintain a consistent maintenance schedule, and reducing the risk of equipment failures. The Agency is also working to promote water industry careers to First Nations youth and other individuals, including offering scholarships targeted towards Indigenous recipients and attending community events and educational fairs. OCWA will continue to provide support to First Nations operators through these and other initiatives throughout 2026.

Strategic Direction 5: Ensuring Long-Term Organizational Sustainability

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 planning for and managing their assets and ensuring the long-term sustainability of their systems, including working with them to obtain funding from eligible programs. It also includes investing in Information Technology tools and systems that enable Agency staff to make informed decisions, drive performance, and deliver total solutions to clients. 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.

Being a Total Solution Provider

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. This is achieved by:

- ◆ Building and maintaining strong relationships between OCWA management and staff at all levels and client decision makers at all levels (Mayors, municipal Councils, Chief Administrative Officers, public works officials, etc.);
- ◆ Demonstrating value to existing clients, and providing excellent performance reporting, particularly to decision makers;
- ◆ Regularly connecting with non-client 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;
- ◆ 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;
- ◆ 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;
- ◆ Communicating about new services and operational innovations through OCWA's "Water Talks" webinar series, conferences, and regular client meetings;
- ◆ Educating clients about funding and financing alternatives, and supporting them in pursuing funding opportunities;

3. Strategic Direction

- ◆ Recommending innovative solutions that support plant operations and save money, including grant applications;
- ◆ Supporting local community activities; and
- ◆ Developing and disseminating marketing materials that focus on OCWA as a total solutions provider, and show the value of OCWA.

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. The Agency's focus is on increasing the delivery of wastewater collection, water distribution, and stormwater services, along with the delivery of asset management and infrastructure services. In addition to retaining the Agency's existing O&M client base, acquiring new O&M clients is critical if the Agency is to achieve its revenue and net income targets for 2025 and beyond.

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
Operating and maintaining safe, reliable water, wastewater, and stormwater systems for clients	<ul style="list-style-type: none"> ◆ 4 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 3 or more non-compliance items (not related to effluent exceedances) ◆ Adverse Water Quality Incidents (AWQIs) <ul style="list-style-type: none"> ▪ Less than 10% microbiological re-samples are Adverse ▪ 20 or fewer disinfection AWQIs ▪ 20 or fewer combined filter effectiveness, filter turbidity and filter performance AWQIs ◆ Boil Water Advisories (BWAs) <ul style="list-style-type: none"> ▪ 4 or fewer BWAs resulting from disinfection AWQIs ▪ 4 or fewer BWAs resulting from microbiological AWQIs ◆ 3 or fewer wastewater facilities with less than 90% compliance with effluent limits (for 5 key parameters)
Enhanced financial performance	<ul style="list-style-type: none"> ◆ \$391.8 million in annual revenue by 2028
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 (by revenue and by number of clients)

3. Strategic Direction

3.4 2026 Initiatives and Performance Measures

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

Strategic Goal	Performance Measure(s)
Strategic Direction 1: Being the Employer of Choice in the Water Industry	
Attracting, Retaining, and Developing Great People	<ul style="list-style-type: none"> ◆ Year-over-year reduction in the Agency’s turnover rate, with a target of 10% or below for 2026 ◆ Increase in the Agency’s Employee Engagement Index from 69.9 in 2024 to 72 in 2026 [based on the results of the 2026 Ontario Public Service Employee Engagement Survey] ◆ Increase in the Agency’s Leadership Index from 68.3 in 2024 to 70.3 in 2026 [based on the results of the 2026 OPS Engagement Survey]
Enhancing a Proactive Health, Safety, and Wellness Culture and Mindset	<ul style="list-style-type: none"> ◆ Maintain or reduce the Agency’s Recordable Incident Rate, with a target for 2026 of 1.38 or lower ◆ Maintain or reduce the Agency’s Lost Time Injury Rate, with a target for 2026 of 0.36 or lower
Demonstrating Equity, Diversity, and Inclusion Commitment and Accountability	<ul style="list-style-type: none"> ◆ Increase in the Agency’s Inclusion Index from 74.5 in 2024 to 77 in 2026 [based on the results of the 2026 Ontario Public Service Employee Engagement Survey]
Strategic Direction 2: Achieving Best-In-Class Water and Wastewater Operations and Maintenance Services	
Operating for Compliance	<ul style="list-style-type: none"> ◆ See operational key performance indicators for 2026 included in Section 3.3
Maximizing Life of Client Assets	<ul style="list-style-type: none"> ◆ Year-over-year increase in the percentage of O&M work orders that include work logs and labour, with targets for 2026 of 90% including work logs and 85% including labour ◆ Year-over-year increase in the total percentage of O&M work orders that are marked as completed, with a target for 2026 of 85%

3. Strategic Direction

Strategic Goal	Performance Measure(s)
Strategic Direction 3: Supporting Climate Action and Environmental Stewardship	
Reducing OCWA's Environmental Footprint	<ul style="list-style-type: none"> ◆ Reduction in the Agency's Average Fuel Economy [L/100km] from the 2024 baseline of 14.47 L/100km to a target of 12.3 L/100km in 2028 ◆ Reduction in the Agency's GHG Emissions per kilometre [kg CO2e/km] driven from the 2024 baseline of 0.304 kg CO2e/km to a target of 0.258 kg CO2e/km in 2028
Improving Client Infrastructure Resilience and Environmental Footprint	<ul style="list-style-type: none"> ◆ Petawawa Net-Zero project diverting 7,000 tonnes of organics once implementation is complete and the renewable energy system is operational ◆ Develop a pilot project with a client to improve client infrastructure resiliency footprint in 2026
Providing Stewardship of Ontario Water Resources	<ul style="list-style-type: none"> ◆ Support the Province in implementing the Lake Simcoe Phosphorus Reduction Project, as directed by the Minister ◆ Participate in 6 projects or partnerships that address emerging issues and/or that align with the Provincial Great Lakes program mandate in 2026 ◆ Undertake a feasibility study or technology pilot that addresses emerging issues in 2026
Strategic Direction 4: Partnering with First Nations on Sustainable Water Solutions	
Building Trust through Advancing Reconciliation	<ul style="list-style-type: none"> ◆ Progressive Indigenous Learning Pathway that guides employees through increasing levels of cultural competency developed and implemented in 2026 ◆ 100 percent of Agency leaders and employees complete at least two hours of annual Indigenous Learning and progress along the Learning Pathway to foster cultural competency and support reconciliation
Providing Services that Meet First Nations' Needs	<ul style="list-style-type: none"> ◆ Increase the number of First Nations clients requesting OCWA's services per year, with a target of 4 or more new clients for 2026 ◆ Increase the number of new projects or services provided to existing First Nations clients, with a target of 2 or more in 2026 ◆ Conduct First Nations engagement activities (consultations, community meetings, etc.), with a target of 5 per year
Supporting First Nations Communities with Building Water and Wastewater Capacity	<ul style="list-style-type: none"> ◆ Provide hands-on practical experience and support to 5 or more First Nations operators per year

3. Strategic Direction

Strategic Direction 5: Ensuring Long-Term Organizational Sustainability

Being a Total Solution Provider	◆ Retain 97 percent of O&M client contracts up for renewal in 2026 (by revenue and by total number of clients)
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4. Risk Assessment and Management

OCWA has a comprehensive Enterprise Risk Management (ERM) program that complies with Ontario Public Service (OPS) risk management requirements, including the OPS ERM Framework and Directive. OCWA's ERM Policy and ERM 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 enterprise 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, in alignment 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. Agency risks are broken down into six categories:

- ◆ **Human Capital, Health and Safety** - Risk of loss resulting from inadequate or failed human performance or health, safety and environmental incidents;
- ◆ **Financial** - Risk of loss resulting from poor performance or mismanagement of financial assets, or inadequate finance-related processes;

- ◆ **Technology** - Risk of loss resulting from inadequate technology, systems and processes;
- ◆ **Operational** - Risk of loss resulting from inadequate or failed infrastructure or processes;
- ◆ **Strategic** - Risk arising from the organization's inability to develop and implement appropriate business plans and strategies and make effective decisions regarding resource allocation; risks may also arise from the organization's inability to adapt to changes in the operating environment; and
- ◆ **External** - Risks arising from external and environmental factors that can negatively impact ongoing operations.

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 ERM program lead'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;
- ◆ Risks with risk scores that deviate significantly from the identified target range; and
- ◆ Any risks with a high impact score, even if the probability is low [e.g., a drinking water incident].

4. Risk Assessment and Management

OCWA undertook an external review of its ERM program in 2022 to assess the effectiveness of the Agency's existing ERM processes and identify opportunities for improvement, most of which have been implemented. Key enhancements included refining the Agency's ERM Policy and Framework, strengthening the Agency's risk identification process, defining Agency risk appetite and tolerance levels, and expanding risk training and awareness activities. Additional improvements, including implementing a software solution to better track and manage Agency risks, are ongoing.

5. Business Plan Communication

Communication of key Business Plan initiatives will be managed as follows:

Strategic Initiative	Target Audience	Key Activities
Strategic Direction 1: Being the Employer of Choice in the Water Industry		
<p>Attracting, Retaining, and Developing Great People</p>	<ul style="list-style-type: none"> ◆ OCWA managers and staff ◆ Potential employees ◆ Ministry of the Environment, Conservation and Parks 	<ul style="list-style-type: none"> ◆ Human Resources to work with Communications to promote OCWA's refreshed Employee Value Proposition and implement the Agency's employer brand strategy. ◆ Human Resources to work with managers to communicate the goals of the Agency-wide and regional action plans developed in response to the results of the 2024 OPS Employee Engagement Survey to Agency staff, and provide progress updates on their implementation. ◆ Human Resources to work with managers to help ensure smooth and consistent orientation and onboarding processes for new employees. ◆ Agency managers to meet with their staff to discuss potential career paths and learning opportunities. ◆ 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. ◆ 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 electronic staff newsletter), and individual staff meetings.

5. Business Plan Communication

Strategic Initiative	Target Audience	Key Activities
Enhancing a Proactive Health, Safety, and Wellness Culture and Mindset	<ul style="list-style-type: none"> ◆ OCWA managers and staff 	<ul style="list-style-type: none"> ◆ Corporate Health, Safety, and Wellness 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, safety, and wellness programs and policies, 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. ◆ Corporate Health, Safety, and Wellness group to work with the Safety, Process, and Compliance Managers and other Regional Hub and Corporate staff to communicate the goals of the Agency's Mental Health and Wellness Strategy, and multi-year Mental Health and Wellness Road Map to staff.
Demonstrating Equity, Diversity, and Inclusion Commitment and Accountability	<ul style="list-style-type: none"> ◆ OCWA managers and staff ◆ Potential employees 	<ul style="list-style-type: none"> ◆ Human Resources to work with managers to communicate the goals of and progress on implementing the Agency's 2026 Equity, Diversity, and Inclusion Action Plan. ◆ Human Resources to include weekly communication on Equity, Diversity, and Inclusion initiatives in Weekly Flows, the Agency's electronic staff newsletter, including providing updates on upcoming days of significance for various cultural, religious, and other groups.

Strategic Direction 2: Achieving Best-In-Class Water and Wastewater Operations and Maintenance Services

Operate for Compliance	<ul style="list-style-type: none"> ◆ OCWA managers and staff ◆ Clients 	<ul style="list-style-type: none"> ◆ Safety, Process, and Compliance Managers and Process and Compliance Technicians to communicate with the Corporate Compliance group and Operations teams regarding the Agency's compliance performance, Standard Operating Procedures, operational best practices, and opportunities for improvement. ◆ Operations and Business Development to communicate with clients regarding the development and implementation of client compliance reports. ◆ Operations and Learning and Development groups to work together to ensure consistent knowledge transfer to new staff through training, mentoring, and other skills improvement programs.
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5. Business Plan Communication

Strategic Initiative	Target Audience	Key Activities
Maximizing Life of Client Assets	<ul style="list-style-type: none"> OCWA managers and staff 	<ul style="list-style-type: none"> Business and Asset Management Standards group to communicate with Operations management and staff, including the new Asset Management Specialists, regarding the Agency's Asset Stewardship Quality Management System and the implementation of improved maintenance management best practices across the Agency.

Strategic Direction 3: Supporting Climate Action and Environmental Stewardship

Reducing OCWA's Environmental Footprint	<ul style="list-style-type: none"> OCWA managers and staff Vendors 	<ul style="list-style-type: none"> Climate change training to be secured to provide training on sustainability and the impact of climate change to Agency staff. Procurement staff to explore environmentally sustainable policies and practices with vendors, municipalities, ministries, and other government partners and agencies, while balancing any ideas assessed to be a financially feasible plan and in line with OPS procurement Policy.
Improving Client Infrastructure Resilience and Environmental Footprint	<ul style="list-style-type: none"> 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.
Providing Stewardship of Ontario Water Resources	<ul style="list-style-type: none"> Clients Academic partners Other stakeholders (e.g. local Conservation Authorities) 	<ul style="list-style-type: none"> Innovation and Infrastructure Solutions group, and Operations managers and staff, to support research initiatives that promote water resources stewardship and innovation. Operations, Innovation and Infrastructure Solutions, and Business Development groups to support client community initiatives promoting water resources protection, resource recovery, and sustainability.

5. Business Plan Communication

Strategic Initiative	Target Audience	Key Activities
Strategic Direction 4: Partnering with First Nations on Sustainable Water Solutions		
<p>Build Trust through Advancing Reconciliation</p> <p>Providing Services that Meet First Nations' Needs</p> <p>Supporting First Nations Communities with Building Water and Wastewater Capacity</p>	<ul style="list-style-type: none"> ◆ First Nations communities and larger Tribal Councils representing regional areas ◆ First Nations Advisory Circle 	<ul style="list-style-type: none"> ◆ Operations and Business Development managers and staff to gather direct feedback from First Nations 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 Nations 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.

5. Business Plan Communication

Strategic Initiative	Target Audience	Key Activities
Strategic Direction 5: Ensuring Long-Term Organizational Sustainability		
Being a Total Solution Provider	<ul style="list-style-type: none"> ◆ Clients ◆ Potential clients 	<ul style="list-style-type: none"> ◆ OCWA staff to attend and present at industry conferences, publish articles in industry publications, and promote OCWA services through a variety of other marketing and communication channels, including social media platforms, Waterline, the Agency’s electronic client newsletter, and virtual “Water Talks” on various areas of interest to clients and prospects. ◆ 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, wastewater, and stormwater systems, including planning, securing financing for, 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.

5. Business Plan Communication

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 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, the Senior Leadership Team, and the Board of Directors.

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. 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.

A draft version of the Business Plan is provided to staff at the Ministry of the Environment, Conservation and Parks for review and comment prior to submission to the Agency's Board of Directors for approval, as per the requirements of the Agencies and Appointments Directive.

Internal Communication of the Business Plan

Information on the Agency's Strategic Plan and 2026-28 Business Plan initiatives will be communicated to OCWA management throughout 2026 in various management meeting sessions. In addition, "A Message from the President and CEO", which is an electronic bulletin from the President's Office, will be used to introduce key strategic initiatives and highlight the Agency's progress towards meeting those measures. Furthermore, all EMT members and strategic direction sponsors will also communicate with their staff on applicable strategic directions.

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
2026-28 Business Plan approved by OCWA's Board of Directors and submitted to the Ministry of the Environment, Conservation and Parks	December 2025
2026-28 Business Plan posted publicly	Q1, 2026 (following approval by the Minister)
Information on Strategic Plan and Business Plan initiatives provided to OCWA management	Throughout 2026
<i>Message from the President and CEO</i> / Executive Sponsors - communication to staff outlining key business goals and financial targets, and progress towards achieving them	As required throughout the year
2025 Annual Report submission to Board of Directors	Q2, 2026
Q1, 2026, Quarterly Progress Report to EMT and Board of Directors	Q2, 2026
2025 Annual Report posted publicly	Q2/Q3, 2026 (once approved by the Minister and tabled in the Legislature)
Q2, 2026, Quarterly Progress Report to EMT and Board of Directors	Q3, 2026
Q3, 2026, Quarterly Progress Report to EMT and Board of Directors	Q4, 2026
Q4, 2026, Quarterly Progress Report to EMT and Board of Directors (included as part of the 2026 Annual Report)	Q2, 2027

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 Nations communities, institutions, and private sector companies. OCWA complements its O&M expertise by providing 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, 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 2025. OCWA conducts its business in accordance with various Ontario Public Service policies and directives, as set out in the MOU.

6.2 Vision and Mission

OCWA's Vision and Mission

OCWA's Vision is to be "Your Trusted Water Partner for Life", which is supported by the Agency's Mission: "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. Appendix A – OCWA: An Overview

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 are also established as necessary by the Board to provide guidance to management and oversee specific Agency initiatives.

In addition, OCWA has established an Internal Audit function to provide independent and objective

assurance and advisory services to the Board and management, and to add value and improve the operations of the Agency. To ensure that the Internal Audit function remains independent and objective, the Director of Internal Audit reports functionally to the Audit and Finance Committee and the Board, and administratively (i.e., day-to-day operations) to the President and CEO to ensure that the Internal Audit function has sufficient authority to fulfill its duties and receive feedback.

The Board and/or the President and CEO have the authority to direct Internal Audit to undertake audits over any aspect of OCWA’s operations. For assurance engagements, Internal Audit reports directly to the Audit and Finance Committee and the Board. For advisory services, Internal Audit reports to the President and CEO. Assurance services include compliance reviews and effectiveness testing. Advisory services include system implementation and process design reviews, along with follow-up reviews of past audit recommendations.

6.4 Accountability

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

- ◆ Meeting the priorities outlined in the annual Letter of Direction from the Minister of the Environment, Conservation and Parks;
- ◆ Meeting the requirements of appropriate regulatory authorities (Ministry of the Environment, Conservation and Parks; Ministry of Labour, Immigration, Training and Skills Development; 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

6. Appendix A – OCWA: An Overview

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, and regular audits conducted by the Agency's Internal Audit group;
- Providing accessibility to Agency records under the Freedom of Information and Protection of Privacy Act;
- Complying with the requirements of applicable legislation, and Ontario Public Service policies and directives, including the Agencies and Appointments Directive; 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 Nations, 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 reduce 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. A few staff have been providing operational services to OCWA's municipal clients since before the Agency was established in 1993, having worked for OCWA's 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 1.66 million in the Region of Peel, or as small as a few thousand in rural communities across the Province. 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 by safeguarding drinking water for the people of Ontario; 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 - 2026 Letter of Direction

Ministry of the Environment,
Conservation and Parks

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

Office of the Minister

Bureau du ministre

777 Bay Street, 5th Floor
Toronto ON M7A 2J3
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357-2025-1128

June 19, 2025

Ms. Deborah Korolnek
Chair
Ontario Clean Water Agency
Email: Debbie.korolnek@gmail.com

Dear Ms. Korolnek:

I am pleased to share our government's 2026 priorities for the Ontario Clean Water Agency (OCWA).

Agencies are a part of government and 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.

Per the requirements of the Agencies and Appointments Directive, agencies are required to align goals, objectives and strategic direction with our government's priorities and direction. As Chair, you must ensure that the OCWA's business plan demonstrates the agency's plans in fulfilling the expectations and government priorities below and that progress and achievements are reported through your annual report. Compliance with these requirements is reported to the Treasury Board/Management Board of Cabinet annually.

This letter sets out my expectations for 2026 that the OCWA is innovative, sustainable and accountable through the following direction:

Innovative

1. Simplify client/customer interactions
2. Expand and optimize digital service offerings
3. Improve Client/ customer satisfaction
4. Share data with Supply Ontario, when requested, regarding procurement spending and planning, contract arrangements and vendor relations to support data-driven decision-making.

Sustainable

5. Strengthen public service delivery by optimizing organizational capacity and directing existing resources to priority areas
6. Use Public Resources efficiently and
 - a) Operate within agency's financial allocations
 - b) Prudently and responsibly manage workforce size. Where an agency requires a material increase in workforce size, the agency must provide the minister with an HR plan for approval that provides the rationale based on government priorities and/or agency mandate.

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Accountable

7. Develop and report on outcome-focused performance measures to effectively monitor and measure performance
8. Protect individual, business or organization data by actively managing data and cybersecurity and reporting Artificial Intelligence uses
9. Report all high risks including effective mitigation plans
10. Align hybrid work policies with the OPS and identify and assess office optimization opportunities to reduce office realty footprint and find cost reductions
 - a) Collaborate with the Ministry of Infrastructure to identify office space opportunities
 - b) Align with the MBC Realty Directive and the OPS Modern Office Space Standards
11. Develop and encourage diversity and inclusion initiatives by promoting an equitable, inclusive, accessible, anti-racist and diverse workplace.

These are the government-wide commitments for board-governed provincial agencies. Please see the attached guide for further details of each priority and the accompanying performance measures that can be utilized if measurements are not currently in place.

I am also sharing several priorities specific to the OCWA:

1. Managing the OCWA's operations efficiently, effectively and safely, with a focus on providing value to the 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.
2. Supporting the adoption of principled, evidence-based and strategic long-term infrastructure planning by:
 - a. Working with the OCWA's clients to develop comprehensive, long-term asset plans for their water and wastewater systems;
 - b. Working with the ministry and other government stakeholders to examine the most appropriate way for the OCWA to support their clients in building water and wastewater infrastructure projects, consistent with CIPA and subject to approval by the ministry; and
 - c. 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.
3. 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.
4. Enhancing municipal infrastructure resiliency, including supporting energy-savings and energy from waste programs and programs focused on flood management, and working with the OCWA's clients to optimize and upgrade their water and wastewater facilities.

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5. Providing emergency response support to the province by ensuring that the OCWA'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 OCWA's role as an emergency responder for drinking water and wastewater emergencies in Ontario.
6. Helping to protect water and the Great Lakes by:
 - a. 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
 - b. Educating the public, through education and awareness programs, about the importance of water and the Great Lakes, as well as the proper disposal of medications and other contaminants.
7. Helping to improve drinking water for Ontario's First Nations communities by working collaboratively with the ministry's Indigenous Drinking Water Projects Office as well as the Walkerton Clean Water Centre to:
 - a. 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
 - b. Support efforts to eliminate long-term drinking water advisories in First Nations communities.

At our next meeting, I would be pleased to discuss these priorities, 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 OCWA. Your work and ongoing support is invaluable to our government and the people of Ontario.

Sincerely,



Todd McCarthy
Minister of the Environment, Conservation and Parks

- c: Sarah Harrison, Deputy Minister of the Environment, Conservation and Parks
Iman Hashemi, President and CEO, Ontario Clean Water Agency
Sabrina Tao, Assistant Deputy Minister, MECP
Lee Hawke, Manager, Program Delivery Unit, MECP

8. Appendix C– Human Resources Plan

8.1 Staffing Overview

As of August, 2025, OCWA had 1105 employees. Staff information provided below includes:

	Regular	Fixed Term Contract	Total
Full-time	989	116	1105*

*Includes employees on leaves of absence

Employee Gender Distribution

Group	Male	Female	Unspecified	Total
Management	100	55	1	156
Non-Management	647	264	38	949
Total	748	319	39	1105

8.2 Key Human Resources Priorities

Strategic priorities around people and culture are designed to support the changing needs and expectations of OCWA's employees, support transformation of Agency services, and significantly improve the ways in which the needs of OCWA's clients and other stakeholders are met. OCWA recognizes that it owes its success to its people and understands the importance of investing in them, both now and for the future.

Attracting great people to the water industry, and to OCWA as an employer of choice, is a priority for the Agency. OCWA recognizes that in a world of talent shortages, employees want more value out of their jobs. In 2025, OCWA worked on defining the Agency's Employee Value Proposition to get a better understanding of the unique value OCWA offers as an employer to current and prospective employees. This plays a key role in attracting, engaging, and retaining top talent, and elevating OCWA's employer brand.

Enhancing the Agency's employer brand strategy, and implementing initiatives to increase awareness of careers in the water and wastewater industry, and at OCWA specifically, will continue to be a key priority in 2026. In addition, OCWA is developing a proactive talent acquisition strategy, with a focus on being able to predict and prepare for current and future hiring needs.

As new employees join the Agency, it is important that OCWA's onboarding program be streamlined to support new employees. OCWA's onboarding program is focused on new operations and trades employees, with work underway to expand the program to all new employees and managers. OCWA's Learning and Development team have developed various learning paths to assist staff in upskilling and reskilling, as well as increasing their levels of certification.

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 employee commitment to their jobs, satisfaction regarding independence and decision making, positive working relationships with managers,

a sense of belonging, and willingness of management to address discrimination where required.

The results also indicate there is more that can be done when it comes to workplace stress, perceptions of fair hiring and promotion practices, and employee confidence that survey results would be addressed. In an effort to improve the Agency's performance in each of these areas, OCWA worked with managers and staff to develop action plans that have a meaningful impact at the local level.

Building leadership strength across management roles is a priority for OCWA's Executive Management Team. 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 also has a succession management process in place to identify and develop successors for management and risk-critical positions.

A healthy, safe, and engaged workforce is essential to achieving organizational goals and objectives. Ensuring the health, safety, and well-being of OCWA employees continues to be an ongoing priority for the Agency. Over the past few years, OCWA has worked hard to develop a strong, prevention-centric health, safety, and wellness culture, and improve the Agency's health, safety, and wellness program, with a focus on reducing the number of workplace injuries over time.

Proactive planning and a prevention mindset have enabled the Agency to maintain safe work environments, and meet or exceed most of the Agency's annual health, safety, and wellness targets. Key initiatives include OCWA's "Don't Walk By" program, which aims to recognize and correct unsafe conditions before an incident occurs and has shown strong growth since its introduction a few years ago. Complementing the Don't Walk By program is the STOP program, which promotes taking time to Stop, Think, Organize, and then Proceed with planned work.

8. Appendix C – Human Resources Plan

The next step OCWA is taking to enhance its health, safety, and wellness programs is to develop a sustainable long-term approach to mental health and wellness. To date, OCWA has made good progress increasing mental health and wellness communication and learning opportunities, and providing employees with better access to available resources. A key achievement was the development of a new Mental Health and Wellness Roadmap and Action Plan, with a focus on employee empowerment, leadership competencies and commitment, and enhancing a culture of psychological health and safety.

This program will go beyond physical and mental health to include emotional and psychological well-being through initiatives such as mindfulness skills, access to confidential counseling, peer support groups, resilience workshops, and manager-led wellness check-ins. By creating a culture of empathy, flexibility, and continuous support, the Agency aims to foster a psychologically safe and resilient workforce.

Additionally, OCWA supports a work environment that promotes total wellbeing by encouraging open communication and feedback mechanisms that allow employees to express concerns confidentially and constructively without fear of retribution, ensuring workloads are manageable, providing managers with training to recognize early signs of stress or burnout, and including wellness training for all staff.

As a leader in the water industry, OCWA recognizes that the Agency's success is built on having a diverse, inclusive, equitable, and accepting workforce that brings different experiences, backgrounds, and perspectives together. Progressing equity, diversity, and inclusion is a journey and not a destination. OCWA recognizes that change requires consistent, persistent, and intentional action to drive true transformation. Recognizing this, OCWA's EDI Blueprint serves as a compass for the Agency's transformation journey, guiding the development of Agency programs and priorities to help ensure a culture where every employee feels safe, valued, and empowered to achieve their full potential.

8.2.4. Labour Relations

OCWA takes a proactive approach to building and maintaining positive working relationships with its four unions (OPSEU, 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 engagement 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, OCWA continues to 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 IT and OT systems. These investments allow the Agency to continue to upgrade its computing network, increase system availability, and ensure the security of the environment. This includes:

- ◆ Implementing OCWA's Digital Strategy, which includes leveraging Artificial Intelligence to optimize 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, which is used to monitor and control the water and wastewater systems that the Agency manages for its clients, with data capture sensors, power monitoring, and process data.
- ◆ Implementing a sophisticated SCADA system, which allows staff to gather real-time process data; making the data available for Operations staff 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 and OT services and application redundancy for OCWA's data centre sites, in order to further improve resiliency of client-hosted solutions, and improve recovery of business-critical operational systems, typically within 24 hours following a service interruption.
- ◆ Continuous strengthening of OCWA's cyber security posture to ensure resiliency, protect, detect, and respond to advanced malware threats, and increase staff cyber security awareness.
- ◆ Enhancing data integrity, data management, and the streamlining of processes.

These process and technology improvements provide a platform from which further enhancements can be made through the Agency's Business Transformation Program (BTP). BTP is focused on making strategic investments in OCWA's business practices, IT and OT 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 program objectives, 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 is 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 implementing a new cloud-based budgeting solution, which supports 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.

9. Appendix D – Information Technology Plan

- ◆ 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 numerous 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.
- ◆ Implementing a PDM improvement and sustainment solution that upgrades and enhances the Agency’s current PDM system, improving response times, enabling more efficient use, and providing updated and improved support for regulatory and client reporting requirements.
- ◆ Implementing an alarm feature in PDM which sends alerts to specific users, so that action can be taken in response to potential compliance issues.
- ◆ Implementing a SCADA process monitoring and control extension and improvement solution that modernizes and extends the Agency’s existing SCADA systems and services, providing coverage across more OCWA clients, supporting regulatory requirements, and leveraging the latest advancements in sensor/monitoring, storage, and network technologies.
- ◆ 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.

With regard to the Agency’s approach to managing the use of Artificial Intelligence (AI), OCWA currently has two corporate uses for AI:

- ◆ An Ontario government-vetted corporate tool for generative AI that is used to enhance general productivity in working with office documents, files, and processes; and
- ◆ A custom-created chat-bot only used internally to efficiently provide answers to users on specific, established Agency policies and procedures.

In addition to the initiatives included as part of BTP, OCWA has undertaken a number of initiatives to continuously improve the Agency’s IT and OT 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;

– 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 Agency's Vision, Mission, and Values and Strategic Plan, create the need to communicate about important information 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 "I Don't Flush" public awareness campaign.

OCWA's Audiences

OCWA has identified six 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;
- ◆ **Potential Employees**, who are considering joining Team OCWA, either from Colleges/Universities or as second-career, new Canadians, etc.;
- ◆ **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 1,000 water and wastewater facilities – more than any other operator in Canada.
- ◆ OCWA is an Operational Enterprise 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 one in three 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 Ontario First Nations communities have clean drinking water through its First Nations Regional Hub, as well as throughout the Agency, by providing training and support to the First Nations operators responsible for managing community water systems, along with providing direct O&M services where requested.

10. Appendix E – Communications Strategy

- ◆ 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 the Agency operates.
- ◆ 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 province-wide educational programs and awareness campaigns.
- ◆ With locations across Ontario, OCWA is nearby, ready, and able to provide emergency resources should the need arise.

Key Initiatives for 2026

In 2026, OCWA will focus on the following communications initiatives:

- ◆ Continuing to create promotional marketing and communication materials that focus on OCWA as a Total Water Solutions Provider, and publicizing the Agency's Vision statement: "Your Trusted Water Partner for Life". This includes materials highlighting OCWA's wide range of value-added services.
- ◆ Continuing OCWA's "Water Talks", a webinar series featuring Agency and industry experts targeting clients, prospective clients, and water/wastewater industry professionals.
- ◆ Increasing OCWA's profile by submitting papers and presenting at industry conferences and tradeshows.
- ◆ Continuing to expand OCWA's OneWater® Education Program by adding more partner schools.
- ◆ Continuing delivery of 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."
- ◆ Supporting OCWA's First Nations Regional Hub by helping to roll out OCWA's Reconciliation Action Plan to all stakeholders.

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 and Wellness Updates/ Safety Bulletins	Increase health and safety awareness	Ongoing
Staff Newsletter – “Weekly Flows”	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.	As needed

10. Appendix E – Communications Strategy

External Communication

OCWA will use its external newsletter, publications, website, and social media to promote 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 (ocwa.com)	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
Career/Recruitment Materials	Attract new employees to OCWA through social media campaigns and other avenues	Ongoing
Business Plan and Annual Report	Provide a comprehensive account of OCWA's planned and completed accomplishments and activities for the year, including financial targets and results 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
Social Media/E-blasts (X, 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

10. Appendix E – Communications Strategy

Initiative/Activity	Purpose	Timing
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	Educate students about the value of water	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 the Agency’s 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 many 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. This includes establishing and maintaining collaboration and partnerships with the following organizations and institutions:

- ◆ **Ontario Water Consortium (OWC)** – OCWA and OWC have established a long-term partnership 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 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. The OCWA/OWC partnership has 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 meet and discuss challenges and opportunities around co-digestion and net-zero projects.
- ◆ **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. The Agency looks forward to supporting opportunities to leverage 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 (U of T) Drinking Water Research Group (DWRG) 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 that are part of the research consortium. This program and the 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 in-kind 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 water 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 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** – Greenhouse gas emissions detection and monitoring from North American treatment sites, which includes both water and wastewater; and

11. Appendix F – Initiatives Involving Third Parties

- **York University** – Supervisory Control and Data Acquisition (SCADA) research and machine learning, with a long-term goal of supporting machine learning and artificial intelligence tools in water systems.

◆ **Canadian Water Network (CWN)** – OCWA provides support 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, CWN's Rapid Roundtable, the Accelerating Net-Zero Actions in Municipal Water Management Sharing Group, and the Climate Resilience through Stormwater Management 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.

◆ **The Canadian Council for Public-Private Partnerships (CCPPP)** – CCPPP is a national, not-for-profit organization with members from both government and the private sector that is committed to the advancement of public-private partnership [P3] models to shape the future of Canada's infrastructure and services. OCWA has a seat within the CCPPP's Municipal Engagement Advisory Group, where OCWA provides input on the challenges that Ontario municipalities experience in developing, managing, and expanding their water treatment infrastructure.

◆ **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 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.

◆ **Ontario Municipal Water Association (OMWA)** – The Ontario Municipal Water Association (OMWA) represents more than 180 municipalities and public drinking water authorities in Ontario. OMWA brings together a wide cross-section of expertise to provide direction and leadership on policy, legislative and regulatory issues. OMWA is oriented towards action aimed at ensuring the best possible safety, quality, reliability and sustainability of drinking water in Ontario. OCWA has a seat on the Board of Directors.

◆ **Ministry of the Environment, Conservation and Parks' Great Lakes Program – Biosolids Initiative** – This project reviews innovative practices on how municipalities can utilize solids from their wastewater treatment plants' waste stream and benefit the Great Lakes Basin.

OCWA has also established relationships and developed partnerships 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 2026 and beyond, while looking for opportunities to collaborate with new partners.