

City of Mississauga
Corporate Report



<p>Date: April 1, 2022</p> <p>To: Mayor and Members of Council</p>	<p>Originator's files:</p>
<p>From: Andra L. Maxwell B.A., LL.B., CIC.C, City Solicitor</p>	<p>Meeting date: April 20, 2022</p>

Subject

Reappointments to Alectra Board of Directors and Approval of Alectra Resolutions

Recommendation

That the Mayor and City Clerk be authorized to execute the Council Resolution and Enersource Shareholder Resolution attached as Appendices 1 and 2 to the report from the City Solicitor entitled "Reappointments to Alectra Board of Directors and Approval of Alectra Resolutions" dated April 1, 2022, confirming the reappointment of Bonnie Crombie, Norm Loberg and Gerry Beasley as Enersource Corporation's representatives on the Board of Directors of Alectra Inc. and approving the appointment of KPMG LLP as auditors for Alectra.

Background

On January 31, 2017, Enersource Corporation (Enersource), Horizon Utilities and PowerStream merged, creating Alectra Inc. which subsequently acquired Brampton Hydro and, most recently, Guelph Hydro. The City of Mississauga continues to hold 90% of the shares in the repurposed Enersource Corporation. The sole business of Enersource is the management of the Alectra shareholding.

Comments

Under the shareholders' agreement in place between the City of Mississauga, BPC Energy Corporation and Enersource, dated January 31, 2017, the City is entitled to select three of the four nominees of Enersource to the Board of Directors of Alectra. Two of those nominees must be Independent, as defined in the Alectra Unanimous Shareholder Agreement (USA), and cannot be a member of Council, a member of a Local Board or an employee of the City.

Norm Loberg and Gerry Beasley have been the Independent, City-selected, Enersource representatives on the Alectra Board of Directors. In 2021 Council and Enersource passed resolutions confirming the appointment of Loberg and Beasley as directors, but the resolutions did not specify the length of their terms. Appointments to the Alectra Board are for 3-year

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terms, with staggered start and end dates. As a matter of housekeeping, Alectra has requested a further resolution confirming the appointments of Norm Loberg and Gerry Beasley for 3-year terms commencing June 11, 2021 and expiring at Alectra's 2024 Annual General Meeting (AGM).

Mayor Bonnie Crombie is the non-Independent representative of Enersource on the Alectra Board of Directors. Her term will expire at the Alectra AGM to be held on April 29, 2022 unless she is reappointed for a further 3-year term expiring at Alectra's 2025 AGM.

In accordance with the Alectra USA, Enersource is being asked to approve the appointment of KPMG LLP as Alectra's auditors as set out in the resolutions at Appendix 3 prior to the AGM. As a shareholder in Enersource, the City must approve that action as set out in the Council Resolution at Appendix 1 and the Shareholder Resolution at Appendix 2.

Financial Impact

There is no financial impact from this report.

Conclusion

This report seeks authority to execute the required resolutions as set out in the appendices to this report, to confirm the appointments of Enersource's nominees to the Board of Directors of Alectra and to appoint KPMG LLP as Alectra's auditor.

Attachments

- Appendix 1: Resolution of the Council of the City of Mississauga respecting Alectra Board of Directors and Auditors
- Appendix 2: Resolution of the Shareholders of Enersource Corporation respecting Alectra Board of Directors and Auditors
- Appendix 3: Resolution of the Directors of Enersource Corporation respecting Alectra Board of Directors and Auditors (draft)



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