

City of Mississauga Corporate Report



Date: April 5, 2023

To: Mayor and Members of Council

From: Andra L. Maxwell B.A., LL.B., CIC.C, City Solicitor

Originator's files:

Meeting date:
April 19, 2023

Subject

Approval of Alectra resolution regarding appointment of auditors

Recommendation

That the Mayor and City Clerk be authorized to execute the Council Resolution and Enersource Shareholder Resolution attached as Appendices 2 and 3 to the report from the City Solicitor entitled "Approval of Alectra resolution regarding appointment of auditors" dated April 5, 2023, approving the appointment of KPMG LLP as auditors for Alectra Inc.

Background

On January 31, 2017, Enersource Corporation ("Enersource"), Horizon Utilities and PowerStream merged, creating Alectra Inc. Alectra subsequently acquired Brampton Hydro and Guelph Hydro. The City of Mississauga continues to hold 90% of the shares in the repurposed Enersource and BPC Energy Corporation ("Borealis") holds the remaining 10%. The sole business of Enersource is the management of the Alectra shareholding.

Comments

Enersource has received notice that Alectra's Annual General Meeting will be held on April 28, 2023 (the "AGM").

Prior to the AGM, Enersource is being asked to approve the Alectra Resolution attached as Appendix 1, appointing KPMG LLP as Alectra's auditors. Under s.218 of the Enersource Shareholders Agreement, the Enersource Board requires authorization from the City before approving the Alectra Resolution. Appendix 2 is the resolution to be signed by the City in its capacity as shareholder of Enersource. Appendix 3 is the Council resolution authorizing the City to do so.

Under the Enersource Shareholders' Agreement, the City is entitled to select three of Enersource's four nominees to the Board of Directors of Alectra and Borealis selects the fourth:

Enersource Appointees to Alectra Board		
Name	Nominating Party	End of Term
John Knowlton	Borealis	April 28, 2023 (Alectra AGM)
Norm Loberg	City of Mississauga	2024 Alectra AGM
Gerry Beasley	City of Mississauga	2024 Alectra AGM
Bonnie Crombie	City of Mississauga	2025 Alectra AGM

The Borealis nominee's term expires this year, but Borealis has advised Enersource it intends to re-appoint John Knowlton for a further 3-year term. None of the City's nominees have terms expiring this year, therefore, the City does not need to take any steps regarding the appointment of directors.

Attached for information as Appendix 4 is the resolution to be passed by the Enersource Board of Directors.

Financial Impact

There is no financial impact from this report.

Conclusion

This report seeks authorization to execute the required resolutions appended to this report to appoint KPMG LLP as Alectra's auditors.

Attachments

- Appendix 1: Alectra Resolution
- Appendix 2: Enersource Shareholder Resolution
- Appendix 3: Council Resolution
- Appendix 4: Enersource Directors' Resolution



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