

Minister of Energy

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Mr. James D. Hinds
Director and Chair
Ontario Power Authority
1600-120 Adelaide Street West
Toronto ON M5H 1T1

Dear Mr. Hinds:

As you are aware, stakeholder engagement is an integral part of decision making in Ontario's electricity sector.

I have found that a robust stakeholder engagement framework that includes representation from the various aspects of the energy sector, allows an energy entity the opportunity to receive advice and recommendations from a diverse range of interests within the energy sector community. For example, along with various stakeholdering initiatives at the staff and management levels, the Independent Electricity System Operator (IESO) Board of Directors are observers at its Stakeholder Advisory Committee (SAC) engagements, which has proved to be extremely valuable. The SAC Committee members are qualified individuals nominated by interested parties in the electricity market and appointed by the IESO Board.

With this exemplary model in mind, I would direct that the Ontario Power Authority (OPA) further enhance its stakeholder engagement strategy by developing a stakeholder advisory committee of its own, which could be structured in a manner similar in nature to that of the IESO. I note that stakeholder engagement, in various forms, is built into the governance legislation for the OPA. Specifically, under section 25.12 of the *Electricity Act, 1998*, the OPA shall establish one or more processes by which consumers, distributors, generators, transmitters and other persons who have an interest in the electricity industry may provide advice and recommendations for considerations by the OPA.

In designing this committee, I would request that the OPA's Board of Directors give special consideration to the essential principles and processes, including:

- increased transparency;
- balanced representation;
- how recommendations are efficiently and effectively integrated into the decision-making of the OPA;
- OPA Board members are asked to attend the stakeholder advisory committee sessions, as observers; and
- at least five SAC meetings be held in each calendar year.

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In structuring this new stakeholder advisory committee, I would encourage you to discuss with the IESO their model and how a very similar approach can be adapted by the OPA. I trust that this approach will result in enhanced stakeholder engagement at the OPA's Board of Directors level, and further reinforce stakeholder input as a meaningful part of the OPA decision making process.

Having regard to the important role of a stakeholder advisory committee at the OPA, I appreciate that you work on this expeditiously and have the committee put in place this Summer. I look forward to hearing back from you with a detailed plan by the end of August. Minister's Office staff will be available to discuss how we might be of assistance to support timely implementation of this important initiative.

Sincerely,



Bob Chiarelli
Minister of Energy

c: Andrew Teliszewsky, Chief of Staff, Ministry of Energy
Serge Imbrogno, Deputy Minister, Ministry of Energy
Board of Directors, OPA
Colin Anderson, CEO, OPA