

**Undertaking No. J3.1**

**Reference: Transcript Volume 3**

**To provide complete job descriptions for Messrs. Bentz, Cananzi and Gregg including indication of the governance structure. Who, of Messrs. Bentz or Cananzi, will be on the Board of Directors of LDC Co.**

**1 Response:**

2 The Applicants provide the job descriptions for Messrs. Bentz, Cananzi and Gregg on the  
3 following pages.

4 The governance of LDC Co is aligned with the governance of the three amalgamating entities.  
5 Currently, each has a parent holding company with a Board of Directors and a regulated  
6 distribution company with its own Board of Directors, one third of which is independent.

7 The Board of Directors of LDC Co has not been appointed as yet, but will be appointed by the  
8 Holdco Board of Directors, at the time that the Holdco Board of Directors is in place. LDC Co will  
9 be Affiliate Relationships Code ("ARC") compliant. One third of the LDC Co Board of Directors  
10 will be independent directors, compliant with OEB requirements.

11 The President of LDC Co has overall accountability for the distribution system and its related  
12 assets. The President of LDC Co will be accountable for compliance with all OEB Codes and  
13 related regulations to the OEB and accountable to the LDC Co Board of Directors.

14 Mr. Cananzi, in his role as President of LDC Co, will be responsible for the certification of all OEB  
15 Reporting and Record Keeping Requirements ("RRR") and electricity distribution rate  
16 applications.

<b>Job Title: Chief Executive Officer</b>	<b>Number of Customers: 960,000</b>
<b>Number of Direct Reports: 6</b>	<b>Annual Gross Revenues: &lt; \$3.0 billion</b>
<b>Number of Indirect Reports: 1361</b>	<b>Annual Net Revenues: \$600 million</b>
<b>Date: March 10, 2016</b>	<b>Total Assets: &lt; \$2.8 billion</b>

## Position Purpose

Please provide a brief statement describing the main purpose of the role:

The Chief Executive Officer ("CEO"), in partnership with the Board of Directors, leads the development, implementation and execution of the Corporation's strategic direction and is responsible for its overall success. He or she provides leadership, guidance and direction to the Executive Management Team and broader organization in fulfilling its strategic plans in accordance with the vision, mission and values. This position serves as a role model – setting the "tone at the top" -- and creates and fosters a culture of safety and performance and customer service excellence.

The CEO develops constructive relationships with external stakeholders and regulators to further the interests of the business.

## Key Accountabilities

Describe the key accountabilities of the role:

1. Strategic Planning
  - Develop and implement a framework and methodology for establishing strategic objectives, and ensure they can be measured in terms of their performance impact
  - Monitor trends in business and in the evolving utility sector specifically with a view to positioning the Corporation and its affiliates as an industry leader
  - Develop and update strategic plans to reflect current and forecasted regulatory and market conditions
  - Assume responsibility for the overall operations of the Corporation including business planning and financial management all of which align to the strategic framework
  - Ensure the development and implementation of effective organizational structures , operational policies and procedures and safety standards
  - Formulate, communicate implement and ensure alignment of corporate strategies, annual business/operating/capital plans, policies, principles and other supporting initiatives based on the objectives and strategies identified in the strategic plan and present related operating and capital budgets to the Board for approval
  - Lead the strategic growth agenda for the organization, ensuring it has the financial and organizational capacity to grow, by identifying, considering and recommending growth and acquisition opportunities to be pursued. Ensure the efficient utilization of available resources to meet strategic objectives
  - Negotiate mergers, acquisitions and partnerships with other companies that are part of the organization's growth strategy
2. Financial Planning/Results
  - Ensure a financial structure is in place for the effective execution of the Corporate strategy
  - Set business goals on a quarterly, annual and multi-year and ensure fiscal integrity consistent with the overall strategic plan.

- Identify the principal risks of the Corporation's business and implement appropriate systems, as practicable, to manage/mitigate these risks
- Direct the Presidents of the company and review operational and financial results and redirect activities and resources as appropriate

### 3. Leadership

- Create and direct a clear vision and strategy for the organization, and ensure that a common understanding of business objectives, standards, ethics and values are communicated throughout the organization and the Board of Directors
- Assume accountability for the organization in meeting objectives as agreed to with the Board of Director . In turn, delegate responsibility for the management of key functions to the Executive Management Team
- Provide ongoing leadership to the organization and ensure that the Corporate vision, mission and values are supported by strategic business objectives
- Act as Chief Spokesperson for the Corporation
- Personally adhere to the Core Values and Code of Conduct in exercising his/her responsibilities
- Ensure that management is held accountable for adherence to Core Values and Code of Conduct
- Develop and maintain an annual plan as approved by the Board for the development and succession of Officers and Senior Management
- Foster a corporate culture that promotes innovation, collaboration, entrepreneurship, ethical practices and encourage individual integrity, corporate social responsibility and sustainability
- Demonstrate and coach effective leadership skills and direct activities of the Executive Management Team to ensure successful implementation of the strategic plan

### 4. Safety

- Foster a corporate culture of safety and a belief that all injuries can be prevented. In this regard ensure that the business operations are conducted in a manner consistent with the Corporate Health & Safety Policy, recognizing the priority of employee health & safety and environment
- Identify and drive improvements and opportunities for the Corporation to take a leadership role with its Health & Safety Leading Indicator philosophy and initiatives

### 5. Government, Industry, Customer & Community Relations

- Act as the primary liaison, building and maintaining effective relationships with Shareholders and stakeholders
- Ensure business operations are conducted in a manner that fosters positive and constructive stakeholder relations (employee, customer, City, shareholder, government & regulatory agencies, financial community, media/public, supplier, contractor, etc.)
- Advocate on behalf of the Corporation through involvement in industry related groups, associations and by providing input to the Corporation's regulators and government officials and law makers
- Interact with large customers, customer groups, business leaders on a regular basis to discuss issues of mutual interest

### 6. Board of Directors Relationship & Corporate Governance

- Accountable to the Board of Directors and to the Shareholders for the long-term success and viability of the Corporation
- Working with the Board of Directors ensure a Governance structure is in place for effective execution of the Corporate strategy
- Formulate, in consultation with the Board Chair, the broad guidelines for effective corporate governance
- Collaborate with the Chair in setting Board agendas; ensuring that the Chair and Board of Directors are kept appropriately informed of the overall business operations and of major issues facing the organization
- Ensure that the Board of Directors' policies with respect to ethical, moral, safety and environmental standards are met and the organization is in full compliance with applicable laws and regulations
- Maintain effective communication link with the Chair and the Board of Directors as a whole

## Qualifications, Knowledge, Skills and Competencies

State the minimum qualifications required to successfully perform the role:

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- Education
  - Bachelor's Degree in Business or Engineering
  - Graduate degree in business or finance preferable
- Specialized knowledge
  - Board of Directors experience both as management and as a director
  - Director's college an asset
  - Knowledge of the energy and utility industries, including a solid understanding of the regulatory environment and a fundamental knowledge of electrical distribution systems
- Experience
  - Minimum 15 years progressive leadership experience of which, at a minimum, 5 years are at an executive leadership level
  - Project management experience
  - Experience in a unionized environment
- Skills/Abilities/Competencies
  - Acute understanding of financial reporting, profit/loss statements and general corporate financing
  - Strong knowledge of relevant legislative and regulatory environment
  - Demonstrated ability to effect successful change organizationally at the strategic level
  - Demonstrated ability to build relationships with all stakeholders
  - Demonstrated ability to negotiate and secure new business opportunities.
  - Awareness of changes in the evolving electricity sector
  - Experience in dealing with and building relationships with municipal, provincial, and federal government agencies and staff.
  - Demonstrated ability to develop corporate strategy and inspire a vision for change
  - Excellent verbal and written communication skills
  - Excellent presentation skills

## Organizational Structure

MergeCo organizational chart for this position

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<b>Job Title: President, LDC</b>	
<b>Number of Direct Reports: 4</b>	<b>Budget Responsibility:</b> <b>Approx. \$220 (OPEX)</b> <b>Approx. \$300 (CAPEX)</b>
<b>Number of Indirect Reports: approx. 960</b>	
<b>Date: May 15, 2016</b>	

## Position Purpose

Please provide a brief statement describing the main purpose of the role:

Reporting directly to the CEO, the President, LDC has direct responsibility for the operations of the electricity distribution business and customer services. He or she will also be responsible for the long term capital programs to ensure the assets deliver reliably and cost effectively.

In partnership with the CEO, the President will lead the pursuit of mergers and acquisitions of other local electricity distribution businesses.

## Key Accountabilities

Describe the key accountabilities of the role:

1. LDC Operations & Customer Services
  - Act as a leader and change agent in the strategic management of operations and system control, distribution design, system planning/asset management and services and standards
  - Hands-on leader responsible for the day-to-day operations of the business in support of financial and growth targets
  - Develop a customer focused, high performance culture through a competent and cohesive management team and ensure that the company delivers on its customer promises
  - Operate and maintain a cost effective and reliable system delivering superior customer service
  - Ensure the development and implementation of effective organizational structures, operational policies and procedures and safety standards to implement safety policies and procedures as formulated by the head of Human Resources and/ or President, Corporate Services and Development
  - Reinforce focus on continuous improvement of the quality of the enterprise's operations and the efficient utilization of resources by ensuring the establishment of necessary business processes and internal control systems
  - Ensure the LDC unit operates in accordance with the legislated and regulatory framework and has the appropriate infrastructure and resources concerning people and technology
  - Deliver the capital plan to meet annual performance targets through the optimization of asset maintenance and capital budgets
  - Serve as a member of the Executive Team and assist the CEO in overall decision-making and management of the organization.
2. Regulated Business Development
  - Create and direct a clear vision and strategy for the regulated business in consultation with the CEO and aligned to the CEO's overall strategic vision, and ensure that a common understanding of business objectives, standards, ethics and values is communicated throughout the LDC business

- Translate the agreed strategic direction, goals and objectives into operational plans and activities in accordance with the approved business plan and engage the parties necessary to effectively carry out the mandate
  - Create and drive the growth strategy in consultation with the CEO and aligned to the CEO's overall strategic vision and ensure the efficient utilization of available resources to meet the strategic objectives
  - Build and maintain effective relationships with shareholders and other stakeholders, customers and business partners
  - Ensure that policies with respect to ethical, moral, safety and environmental standards are adhered to and that the business is in full compliance with all federal and provincial legislation and industry codes, regulations and standards
3. Leadership
- Provide ongoing leadership to the LDC organization and ensure that the Corporate vision, mission and values are supported by strategic business objectives
  - Personally adhere to the Core Values and Code of Conduct in exercising his/her responsibilities and ensure that management is held accountable for adherence to Core Values and Code of Conduct
  - Foster a corporate culture that promotes innovation, collaboration, entrepreneurship, ethical practices and encourage individual integrity, corporate social responsibility and sustainability
  - Demonstrate and coach effective leadership skills and direct activities of the portion of the Executive Management Team reporting to this role to ensure successful implementation of the CEO's overall strategic plan
  - Provide input to and take overall responsibility for the financial planning process as it relates to the LDC business
  - Implement the CEO's LDC strategy internally and run the day-to-day LDC operations
4. Safety
- Foster a corporate culture of safety and a belief that all injuries can be prevented. In this regard ensure that the business operations are conducted in a manner consistent with the Corporate Health, Safety & Environment Policy, recognizing the priority of employee health & safety and environment
  - Identify and drive improvements and opportunities for the Corporation to take a leadership role with its Health & Safety Leading Indicator philosophy and initiatives, and communicate these to the head of Human Resources for inclusion in formal policies, to then be executed by the President, LDC

## **Qualifications, Knowledge, Skills and Competencies**

State the minimum qualifications required to successfully perform the role:

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- Education
  - A post-secondary degree and/or a professional designation in engineering or a combination of related education and experience
  - MBA is an asset
- Specialized knowledge
  - Knowledge of the energy and utility industries, including a solid understanding of the regulatory environment and a fundamental knowledge of electrical distribution systems
  - Sound knowledge of engineering principles and emerging technologies that apply to the LDC space
- Experience

- Minimum 15 years progressive leadership experience of which, at a minimum, 5 years are at an executive leadership level
- Senior level experience in a leadership role involving input to strategic planning, business development, project management, utility operations, customer service operations and business operations
- Considerable experience in developing and managing budgets, forecasting, input to strategy design and analysis, developing proposals, briefings and submissions. Knowledge of present and future trends and practices.
- Skills/Abilities/Competencies
  - Acute understanding of financial reporting, profit/loss statements and general corporate financing
  - Strong knowledge of relevant legislative and regulatory environment
  - Demonstrated ability to effect successful change organizationally at the strategic level.
  - Demonstrated ability to build relationships with all stakeholders
  - Demonstrated ability to negotiate and secure new business opportunities
  - Awareness of changes in the evolving electricity sector (e.g., technology, customer focus, efficiency)
  - Demonstrated ability to drive operational and cultural change in a large, unionized environment, in line with the above industry evolution
  - Experience in dealing with and building relationships and productive partnerships with municipal, provincial, and federal government agencies and staff
  - Demonstrated ability to input to and develop corporate strategy, as directed by the CEO, and to inspire a vision for change
  - Ability to foster a collaborative, team oriented work environment
  - Excellent verbal and written communication skills
  - Excellent presentation skills

## **Organizational Structure**

MergeCo organizational chart for this position

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<b>Job Title: President, Corporate Services &amp; Development</b>	
<b>Number of Direct Reports: 5</b>	<b>Non-Regulated Business Assets: ~\$150MM; CDM Budget: ~\$300MM Procurement of goods and services: ~\$250MM Payroll: \$27MM OPEX: Approx. \$100MM</b>
<b>Number of Indirect Reports: 284</b>	
<b>Date: May 15, 2016</b>	

### Position Purpose

Please provide a brief statement describing the main purpose of the role:

Reporting directly to the CEO, the President, Corporate Services & Development has direct responsibility for leading the corporate services of human resources, technology, and supply chain logistics. He or she acts as a leader and change agent in the management of a transformation/organizational effectiveness office that will direct the planning and execution of integrating the business and realizing the synergies and economies aligned with strategic and business plans, in consultation with the CEO.

The President, Corporate Services & Development will lead the strategic non-regulated growth agenda for the enterprise. He or she will ensure the organization has the financial and organizational capacity to grow, by identifying, considering and recommending acquisition opportunities or revenue streams with potential value-added benefits to the business in partnership with the CEO.

### Key Accountabilities

Describe the key accountabilities of the role:

- Corporate Services
  - Provide oversight for all aspects of the human resources function, including health, safety and environment and sustainability
  - Ensure human resource strategies, policies, programs and practices are aligned with the organization's structure, capacity and skills to operate and achieve its strategic direction/goals
  - Ensure solid relations with union executive and employees and engage with the union on business ventures to ensure a mutually beneficial environment
  - Oversee IT network systems, including hardware infrastructure, software systems, and voice and data systems to optimize the organization's performance, accountability and security
  - Drive innovation, influence cultural change and leverage emerging technologies that are aligned with business strategies and goals.
  - Stay apprised of advances in technology and play a strategic role in planning out the required resources needed for continued growth of the business.
  - Provide strategic oversight to the supply chain/logistics function including inventory management, replenishment, supplier management, warehousing, strategic sourcing, and facilities management.
  - Serve as a member of the Executive Team and assist the CEO in overall decision-making and management of the organization.
- Non-Regulated Business Development
  - Create and direct a clear vision and strategy for the non-regulated business, and ensure that a common understanding of business objectives, standards, ethics and values is communicated throughout



- Translate the strategic direction, goals and objectives into operational plans and activities in accordance with the approved business plan and engage the parties necessary to effectively carry out the mandate
  - Create and drive the growth strategy and ensure the efficient utilization of available resources to meet the strategic objectives
  - Build and maintain effective relationships with shareholders and other stakeholders, customers and business partners
  - Ensure that appropriate policies with respect to ethical, moral, safety and environmental standards are drafted and kept updated, and are adhered to and that the business is in full compliance with all federal and provincial legislation and industry codes, regulations and standards
3. Transformation/Organizational Effectiveness
- Oversees the organizations cost reductions targets, provide for business transformation initiatives, and ensure that resources are available for priority projects.
  - Champions change management principles and works with business leaders to mobilize change in business models and process management through transformation across the organization
  - Provide leadership in project management with the development of policies, methodologies, tools, standards and services promoting consistency, collaboration and application of best practices.
4. Leadership
- Provide ongoing leadership to the organization and ensure that the Corporate vision, mission and values are supported by strategic business objectives
  - Personally adhere to the Core Values and Code of Conduct in exercising his/her responsibilities.
  - Ensure that management is held accountable for adherence to Core Values and Code of Conduct
  - Foster a corporate culture that promotes innovation, collaboration, entrepreneurship, ethical practices and encourage individual integrity, corporate social responsibility and sustainability
  - Demonstrate and coach effective leadership skills and direct activities of the Corporate Services & Development Executive team to ensure successful implementation of the strategic plan
  - Implement the CEO's CSD strategy internally and run the day-to-day CSD and administrative functions (HR, IT, supply chain)
5. Safety
- Both independently and through the head of Human Resources and the LDC President, foster a corporate culture of safety and a belief that all injuries can be prevented. In this regard ensure that the business operations are conducted in a manner consistent with the Corporate Health, Safety & Environment Policy, recognizing the priority of employee health & safety and environment, for example through inspections/ audits and training
  - Identify and drive improvements and opportunities for the Corporation to take a leadership role with its Health & Safety Leading Indicator philosophy and initiatives, independently and through the head of Human Resources, by proactively drafting and updating policies and keeping abreast of industry best-practices as an input to policy formulation

## **Qualifications, Knowledge, Skills and Competencies**

State the minimum qualifications required to successfully perform the role:

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- Education
  - Bachelor's Degree in Business, Finance and/or Engineering
  - MBA is an asset
- Specialized knowledge

- Knowledge of the energy and utility industries, including a solid understanding of the regulatory environment and a fundamental knowledge of electrical distribution systems
- Experience
  - Minimum 15 years progressive leadership experience of which, at a minimum, 5 years are at an executive leadership level
  - Senior level experience in a leadership role involving strategic planning, business development, project management, utility operations, customer service operations and business operations
  - Considerable experience in developing and managing budgets, forecasting, strategy design and analysis, developing proposals, briefings and submissions. Knowledge of present and future trends and practices.
- Skills/Abilities/Competencies
  - Acute understanding of financial reporting, profit/loss statements and general corporate financing
  - Strong knowledge of relevant legislative and regulatory environment
  - Knowledge of IT and human resource operations and supply chain functions
  - Demonstrated ability to effect successful change organizationally at the strategic level.
  - Demonstrated ability to build relationships with all stakeholders
  - Demonstrated ability to negotiate and secure new business opportunities, particularly in entering emerging sectors
  - Awareness of changes in the evolving electricity sector
  - Experience in dealing with and building relationships and productive partnerships with municipal, provincial, and federal government agencies and staff, as well as innovation-focused partnerships
  - Demonstrated ability to provide input to/ develop corporate strategy as directed by the CEO, and to inspire a vision for change
  - Ability to foster a collaborative, team oriented work environment
  - Excellent verbal and written communication skills
  - Excellent presentation skills

## Organizational Structure

MergeCo organizational chart for this position

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