



April 27, 2018

Ms. Kirsten Walli
Board Secretary, Ontario Energy Board
2300 Yonge Street, Suite 2700, Toronto, ON M4P 1E4

Draft Report of the Board: Corporate Governance Guidance for OEB rate-regulated Utilities (Board File No.: EB- 2014-0255)

Dear Ms. Walli:

On behalf of Tillsonburg Hydro Inc., I would like to thank you for this opportunity to engage with the Ontario Energy Board on the proposed Corporate Governance Guidance.

Tillsonburg Hydro is very pleased that this initiative is moving forward quickly. We are very supportive of the value Board Governance will bring to our Rate Payers.

On independence: Tillsonburg Hydro concurs with the requirement of at least 5 Board members and whom are primarily independent Board members. We feel it is acceptable to have representation from the Shareholder(s) but should be limited. It is important that the Board of Directors have the opportunity to select and interview new members and be able to exercise their independence separate from the Shareholder without prejudice. Any shareholder/Hydro agreements must allow the Directors and Board members the autonomy to exercise their fiduciary and related duties. Any restrictive wording limiting the independence of the Board should be minimized or eliminated from these agreements.

On skills: : Providing oversight requires the Board to have a diversity of skills. We are in agreement that a skill matrix should be developed along with the requirement that the Board member be able to demonstrate their skills, that they are current and that there is a history of experience to support the utilization of these skills.

On Committees: Providing oversight of key functions is of utmost importance. As a small Board however, we do not feel it is necessary to manage by committee but as a committee of the whole. Any business matter requiring additional attention can be addressed by a separate meeting of the whole Board, or where necessary by forming an Ad Hoc committee to address and report to the Board as a whole. This approach allows for Boards to utilize the expertise of the many rather than the few. We feel, therefore, that the OEB should consider this option when constructing your Board Governance Guidance.

On Procedure and Documentation: it is important that there are mandates, codes of conduct and continuing education. On this point we concur with the OEB recommendations.

On Reporting and Record Keeping Requirements: we have no concerns with the additional reporting requirements as proposed.

On Confidentiality: we follow the rules set out in MFIPPA and believe these are the rules that should be followed.

Again, we appreciate the opportunity to dialogue on this important matter with you and thank you once again.

Yours truly,

A handwritten signature in black ink, appearing to read 'Michael Desroches', written in a cursive style.

Michael Desroches, P.Eng
CEO Tillsonburg Hydro Inc.
10 Lisgar Ave.,
Tillsonburg, Ontario, N4A 5G7