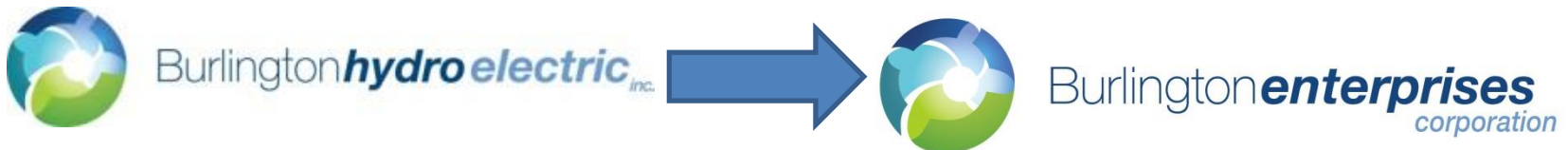


CORPORATE GOVERNANCE

- Ontario Energy Board (OEB) – issued guidance for regulated utility governance
- Includes new mandatory reporting and record-keeping requirements for utilities
- Recommending that Council adopt changes coming before them on May 13 to comply with OEB utility governance model – this will maximize the City’s return
- The overall operation will continue to perform as it always has
- Highlights:
 - Burlington Hydro Electric Inc. (BHEI) will be renamed Burlington Enterprises Inc.(BEC) to eliminate confusion
 - Independent (of the shareholder) Board members will be appointed to Burlington Hydro Inc
 - Board decision making and the majority of Board meetings and work will now happen at BHI (previously at the holdco)
 - BEC or the holding company will meet less frequently mostly to approve dividends and approve the business plan / audit



RECOMMENDED CORPORATE GOVERNANCE MODEL

