

Terms of Reference

Independent Electricity System Operator
Stakeholder Advisory Committee to the Board of Directors
and Executive

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Stakeholder Advisory Committee Terms of Reference

1. Introduction

The Electricity Act, 1998 requires the IESO to establish one or more processes by which consumers, distributors, generators, transmitters and other persons who have an interest in the electricity industry (collectively, stakeholders) may provide advice and recommendations for consideration by the IESO. The IESO Board has established this Stakeholder Advisory Committee (the Committee) as part of its stakeholder engagement processes.

These terms of reference are intended to provide pragmatic guidelines for the Committee and assist it in providing advice and recommendations to the IESO Board and Executive. However, these terms of reference are not exhaustive and the Committee may encounter circumstances not covered in this document. In these instances, the Chair of the Committee is encouraged to consult with the Chair of the IESO Board and to use his or her best judgment as to how best to address such circumstances.

2. Purpose of the Committee

2.1. Purpose

2.1.1. The Committee is a forum for its members to be informed of IESO activities and to provide timely policy level advice directly to the IESO Board and Executive on material matters relating to the existing IESO-administered markets, the future evolution of the markets, IESO plans and any other matter of concern to stakeholders. Matters concerning reliability standards, such as those set out by the Northeast Power Coordinating Council (NPCC) or the North American Electric Reliability Council (NERC), continue to be developed in their established processes.

2.2. Relationship to Other IESO Stakeholder Engagement Mechanisms and Processes

2.2.1. Stakeholder engagement mechanisms and processes established by the IESO should not be duplicative.

2.2.2. The Committee's primary role is to provide the IESO Board and Executive with policy level advice, while the primary role of other IESO stakeholder engagement mechanisms and processes is to seek advice from stakeholders on operational and implementation-related decisions at a more detailed working level.

3. Composition of the Committee

3.1. Members

3.1.1. Members of the Committee consist of:

- 2 persons representing the constituency of generators
- 2 persons representing the constituency of distributors
- 2 persons representing the constituency of marketers/retailers
- 1 person representing the constituency of transmitters
- 1 person representing the constituency of wholesale consumer market participants (typically large industrial consumers)
- 1 person representing the constituency of embedded industrial consumers (typically small to medium industrial consumers)
- 1 person representing the constituency of commercial consumers
- 1 person representing the constituency of residential consumers
- 1 person representing the constituency of the environmental community
- 1 person representing the constituency of public service consumers

At its discretion, the Board may amend the sector representation of the Advisory Committee and may also appoint one or more ad hoc members for specified terms.

3.2. IESO Member

3.2.1. The IESO Board will appoint one individual from the IESO executive team to sit on the Committee as a non-voting member.

3.3. Process for the Nomination and Appointment of Committee Members

3.3.1. Parties having an interest in the IESO-administered markets may nominate qualified persons to be Committee members, from which the IESO Board will appoint members of the Committee.

3.3.2. The IESO Board may seek additional nominees to expand the slate of candidates for a particular constituency, although it is anticipated that this would be done on an exception basis.

3.4. Qualifications of Members of the Committee

3.4.1. Nominees to the Committee should be senior members of their respective organization who are committed to represent their constituency's position on various issues and to participate on the Committee for its stated purposes.

3.4.2. Nominees should have a breadth of knowledge about both Ontario's electricity markets and the constituency they are to represent.

3.4.3. In the case of members representing constituencies of market participants, the IESO Board will give preference to nominees who are directors, officers, or senior level employees of market participants.

3.4.4. Nominees may not have more than one (1) representative from their organization who is a member of the Stakeholder Advisory Committee at any one time.

3.5. Committee Membership Term

3.5.1. Other than the IESO Committee member, Committee members will be appointed for three year terms and may serve up to six consecutive years. Membership terms will be staggered so as to provide continuity to the Committee. Notwithstanding the forgoing, for the purpose of implementing staggered membership terms the Board may extend the term of current Committee members.

3.5.2. When a new member is appointed mid term due to the resignation of a current member, then the new member will continue with the remaining term of the current member.

4. Leadership of the Committee

The Chair and Vice Chair of the Committee will play leadership roles in order to provide effective governance and administration of the Committee. Administrative support to act as Secretary to the Committee will be provided by the IESO.

4.1. Chair and Vice Chair

4.1.1. The Chair and Vice Chair will be elected by the members of the Committee and are responsible for the conduct of all matters before the Committee.

4.1.2. The term of the Chair and Vice Chair will be one year and each may be reelected.

5. Organization and Administration of Meetings of the Committee

5.1. Number of Meetings and Agenda Preparation

5.1.1. Six regular meetings of the Committee will be pre-scheduled to occur approximately every two months during a calendar year. If the Chair determines that a meeting is not required or must be re-scheduled, the Secretary will notify members in advance of the scheduled meeting.

5.1.2. The Chair may call additional meetings as required including in-camera sessions of the Committee in support of Committee activities.

5.1.3. The Chair of the Advisory Committee will call an agenda meeting to set the agenda for each meeting. Input on the matters to be included on the agenda will be solicited from Committee members, the IESO Board of Directors and the IESO.

5.1.4. The Secretary shall endeavour to distribute meeting agendas and related materials to Committee members at least two weeks in advance of each regular meeting.

5.2. Quorum

5.2.1. The quorum for meetings of the Committee is a member of at least six of the ten constituencies participating in a meeting in person, by telephone conference call or by proxy.

5.3. Meeting Authority and Normal Order of Business

5.3.1. The Chair or, in the absence of the Chair, the Vice Chair shall preside at meetings of the Committee.

5.3.2. Regular Committee meetings will be open to any individual wishing to attend the meeting but he or she may only address the meeting with the permission of the Chair.

5.4. Meetings with the IESO Board

5.4.1. The Chair of the IESO Board and the Chair of the Committee will ensure effective communications between the Committee and the Board including, not less than once per year, a joint meeting.

6. Polling, Voting, Proxy, and Augmenting Polling with Written Comments

6.1. Polling

6.1.1. Polling will be the primary mechanism by which Committee members may formally register their constituency's position on issues and thereby clearly communicate those positions to the IESO Board and Executive.

6.2. Voting Rights

6.2.1. Where voting is required for electing the Chair or Vice Chair, establishing a working group and procedural matters, each Committee member shall carry one vote, other than the IESO Committee member, who shall not be entitled to a vote.

6.3. Proxy

6.3.1. No alternate members are permitted on the Committee. A member who is not able to attend a meeting may give his or her proxy for the purpose of polling and/or voting to another Committee member, provided that the member giving the proxy provides written notice to the Chair of the proxy before the meeting.

6.4. Augmenting Polling with Written Comments

6.4.1. Committee members may submit brief written comments regarding their constituency's position within three business days after the meeting, and those comments will be appended to the meeting minutes and made part of the record.

6.4.2. Non-Committee members may submit brief written comments within three business days after the meeting, and those comments will be included as an attachment to the meeting minutes.

6.5. Recording of Polling and Voting Results

6.4.1 The Secretary shall record the issue and the results of the poll by individual and sector for the meeting minutes.

6.4.2 The Secretary shall record the issue and the results of the vote by individual and sector for the meeting minutes.

6.4.3 The results of all polls and votes are a matter of public record with the exception of the election or removal of the Chair or Vice Chair.

7. Finalization of Meeting Minutes

7.1.1. The Secretary shall prepare the meeting minutes in consultation with and at the direction of the Chair and Vice Chair. The Secretary will endeavour to distribute draft meeting minutes, including any accompanying written submissions, to all Committee members within one week following a meeting.

7.1.2. Committee members will review the draft minutes and provide any comments to the Secretary within one week of receipt of the draft.

7.1.3. The Chair will finalize the minutes with the assistance of the Secretary. The Secretary will then distribute the minutes and related written submissions to the Committee members and the IESO Board and Executive and will post those materials on the IESO web site.

8. Committee Working Groups

8.1. Establishing a Working Group

8.1.1. The Committee may establish by majority vote a Working Group comprised of some of its members for specific matters that require more detailed consideration and deliberation than can occur at a regular Committee meeting. The Committee shall specify in writing a Working Group's purpose, objectives and estimated duration.

8.2. Working Group Support, Operation and Reporting

8.2.1. Working Groups will be supported by the IESO Stakeholder Engagement Unit and, as reasonably required, by subject matter experts from the IESO.

- 8.2.2. Working Groups shall regularly report their progress to the Committee
- 8.2.3. Working Group meetings shall be open to any individual wishing to attend the meeting. Any documentation considered by the Working Group shall be posted on the IESO web site.

9. Remuneration of Members of the Committee

- 9.1.1. Each Committee member, other than the IESO member, shall be entitled to receive an annual retainer of \$3,500 plus \$850 for each day on which he or she attends a meeting of the Committee and remuneration of \$175/hour for special meetings. Members residing outside of the Greater Toronto Area are entitled to be reimbursed for reasonable travel and accommodation expenses they may incur in attending meetings.