

Staff Report



To City Council as Shareholder of Guelph Municipal Holdings Inc.

Service Area Office of the Chief Administrative Officer

Date Monday, October 24, 2016

Subject Strategies and Options Committee Communications and Engagement

Report Number GMHI-2016-11

Report

The City of Guelph, through Guelph Municipal Holdings Inc. (GMHI), has established a Strategies and Options Committee to investigate how to optimize the value of the City's energy assets. The Strategies and Options Committee replaces the Guelph Hydro/GMHI Mergers and Acquisitions Committee.

Guelph's Strategies and Options Committee will investigate and recommend opportunities related to the sale, merger, acquisition, or maintaining the status quo of Guelph's energy assets.

The investigation is intended to identify the potential benefits of each option to Guelph Hydro ratepayers and the City. It is also expected to identify how best to future-proof Guelph Hydro by ensuring financial and management capacity to address evolving challenges in the electricity industry.

Back in 1996, Ontario had 307 separate electricity distribution companies. Today there are about 70. Provincial policy initiatives continue to facilitate consolidation, and many cities are considering new ways to maintain the highest levels of quality, reliability and customer service.

The Committee includes the following members:

- Derrick Thomson, CAO, City of Guelph (Co-Chair)
- Pankaj Sardana, CEO, Guelph Hydro (Co-Chair)
- Bob Bell, Board Member, Guelph Hydro
- Mark Goldberg, Entrepreneur-in-Residence, Innovation Guelph
- Richard Puccini, Former Managing Director and Consultant, Dillon Consulting

Committee members Mark Goldberg and Richard Puccini were appointed to bring the community's perspective to the Committee's work. The Committee is supported by City of Guelph and Guelph Hydro staff and will be supported as appropriate by external advisors.

The Strategies and Options Committee will review options and make a recommendation directly to City Council about which option, if any, to investigate in further detail. If further action is approved by City Council, the Committee will proceed and report back to City Council for direction and/or approvals. City Council has the ultimate authority to make decisions related to the City's energy assets.

The Committee recognizes the importance of engagement and communications during this process. The committee and City Council want to hear from industry stakeholders, Guelph Hydro employees and customers, and the community at large before Council makes any decisions regarding the future of Guelph's energy assets.

The committee has developed an engagement and communications plan that includes a website where people can learn about Ontario's changing electricity sector, understand the options available for Guelph, ask questions and receive answers, and contact the Strategies and Options Committee.

There will be several opportunities to participate online and in person as the committee reviews all options for making the most of Guelph's energy assets.

The committee plans to make a recommendation to Guelph City Council early next year. The community will be invited to participate as City Council discusses and votes on any recommendations made by the Strategies and Options Committee.

Corporate Strategic Plan

1.3 Build robust systems, structures and frameworks aligned to strategy.

2.3 Ensure accountability, transparency and engagement.

2.1 Build an adaptive environment for government innovation to ensure fiscal and service sustainability.

Attachments



Recommended By

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