



**London
Hydro**

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Powering London.
Empowering You.

March 11, 2016

Mayor Matt Brown
The Corporation of the City of London
Suite 214 - 300 Dufferin Ave.
London, Ontario
N6B 1Z2

City Clerk _____ **No.** _____
Subject _____

APR 07 2016

Ref. _____
C.C. _____

Re: Appointment of a new independent member and re-election/affirmation of continuing members of London Hydro's Board of Directors

Dear Mayor Brown:

Background

London Hydro's Board consists of seven Board members and it is made up of four classes. In each of Classes I, II and III there are two independent Board members and Class IV comprises one City Council representative. In essence, London Hydro's Board is made up of six independent Board members and one City Council representative. These classes were created to stagger the terms of the various directors for the purpose of good succession.

Current Update

London Hydro has been a very successful corporation with excellent performance and sound financial returns. This is the result of a well-functioning Board which has over the years maintained a high level of governance. The average tenure of the current Board members is about ten years and this longevity has been a significant factor in London Hydro's success.

This year, one member of Class I (Bernard Borschke) is not seeking re-election at the 2016 AGM, to be held on May 16th. Mr. Borschke is a financial expert; however, in this Class we also have Mr. Gabe Valente who is also a financial expert and who has expressed interest in re-election.

Recommendations and Succession Planning

1. In order to fill the vacancy created by the retiring Class I member, Mr. Bernard Borschke, we strongly recommend the appointment of a new Board member with legal background and demonstrated experience of acquisitions, mergers and forming new subsidiaries.
2. For a well-rounded Board consistent with the provisions of London Hydro's Shareholder Declaration, we have solicited all of the Class I – III Board members for their interest in seeking re-nomination. In order to have proper succession, while maintaining a good mix of skills and competencies, the term renewals as summarized in the table below (Nominations for 2016) are proposed.

Class	Number of Board Members	Board Members	Skills/Competencies	Term Status as at AGM to be held on May 16, 2016 for fiscal year 2015	Nomination for 2016
I	2	Bernard Borschke	Finance	Not seeking new term	Appointment of new member
		Gabe Valente	Finance	To be re-elected	Nominated
II	2	Peter Johnson	Legal	To be affirmed	Nominated
		Connie Graham	Strategy	To be affirmed	Nominated
III	2	Mohan Mathur	Engineering	To be affirmed	Nominated
		Marilyn Sinclair	IT/Business	To be affirmed	Nominated
IV	1	Michael VanHolst	Engineering & Community	To be affirmed	Council Rep

Sincerely,



Mohan Mathur
Chair, Board of Directors
London Hydro Inc.