

**ADMINISTRATIVE AGREEMENT
BETWEEN:**

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO
AS REPRESENTED BY THE
MINISTER OF GOVERNMENT AND CONSUMER SERVICES**

- AND -

**ELECTRICAL SAFETY AUTHORITY
A NOT-FOR-PROFIT CORPORATION WITHOUT SHARE CAPITAL
INCORPORATED UNDER THE LAWS OF ONTARIO
(hereinafter referred to as the "Administrative Authority")**

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Recitals

WHEREAS the Minister and the Administrative Authority are required to enter into an administrative agreement pursuant to the *Safety and Consumer Statutes Administration Act, 1996* (“SCSAA”);

AND WHEREAS the Minister is accountable to the people of Ontario as a member of the Legislative Assembly and to the Legislative Assembly as a Minister of the Crown in right of Ontario;

AND WHEREAS the Administrative Authority is accountable to the Minister and the government for its administration of the designated legislation, in this case, all provisions in Part VIII of the *Electricity Act, 1998* (“the Act”);

AND WHEREAS the Administrative Authority provides valuable information to the government regarding the operational effectiveness of the Act and advice on measures that may strengthen public safety, and that both parties acting in the public interest are dependent on a collaborative relationship;

AND WHEREAS the Minister and the Administrative Authority recognize the benefit of maintaining a strong collaborative relationship and the importance of resolving any disagreements as amicably and expeditiously as possible;

AND WHEREAS the Administrative Authority is not a Crown agent, is self-funded and is not self-regulating;

AND WHEREAS the Minister is responsible for recommending legislative and regulatory changes to the Lieutenant Governor in Council;

AND WHEREAS the Minister and the Administrative Authority intend to exercise their powers and duties under the SCSAA and the Act in such a manner as to protect, enhance, and improve public safety and carry out and perform this Agreement in a manner consistent with the objective of ensuring a fair, safe and informed marketplace that supports a competitive economy;

NOW THEREFORE in consideration of the promises and the mutual covenants contained in this Agreement and subject to the terms and conditions hereof, the parties hereby enter into this administrative agreement.

1 Definitions and Interpretation

- 1) In this Agreement, the following terms have the following meanings:
 - a) “**Act**” means the legislation designated by the Lieutenant Governor in Council being the *Electricity Act, 1998*, S.O. 1998, Part VIII, and the regulations under it;
 - b) “**Administrative Authority**” means the Electrical Safety Authority (“ESA”);
 - c) “**Agreement**” means this administrative agreement, all attached schedules and any agreement or schedule in writing supplementing or amending this administrative agreement or any of its schedules;
 - d) “**Board**” means the Board of Directors of the Administrative Authority;
 - e) “**Chair**” means the Chair of the Board;
 - f) “**Crown**” means Her Majesty the Queen in Right of the Province of Ontario;
 - g) “**Minister**” means the Minister responsible for the administration of the Act or of the SCSAA, as the case may be, by Order in Council of the Lieutenant Governor acting for and on behalf of the Crown;
 - h) “**Ministry**” means the ministry of the Minister;
 - i) “**SCSAA**” means the *Safety and Consumer Statutes Administration Act, 1996*; and
 - j) “**Statutory Mandate**” means the exercise of the authority delegated to the Administrative Authority pursuant to the SCSAA, excluding non-regulatory business ventures.
- 2) In this Agreement, for the purposes of interpretation:
 - a) Words denoting the singular include the plural and vice versa and words denoting any gender include all genders;
 - b) The word “including” or “includes” shall mean “including (or includes) without limitation”;
 - c) Any reference to a statute shall mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same

may be amended, re-enacted, consolidated and/or replaced, from time to time, and any successor statute thereto, unless otherwise expressly provided;

- d) The division of this Agreement into separate sections and subsections, and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement; and
 - e) This Agreement should be read together with the SCSAA and the Act. This Agreement does not affect, modify or limit the powers of the SCSAA, the Act or the Administrative Authority as set out in the SCSAA or the Act, or interfere with responsibilities of any of its parties as established by law.
- 3) The powers and responsibilities of the Minister set out in this Agreement may be exercised by the Minister, the deputy minister of the Ministry or another authorized official of the Ministry.

2 Purpose of the Agreement

- 1) This Agreement between the Minister and the Administrative Authority:
 - a) Clarifies the roles, duties and responsibilities of the Minister and the Administrative Authority in relation to the administration of the Act and the administrative matters as set out under the Act and the SCSAA; and
 - b) Clarifies the administrative, financial, auditing, accountability, legislative and regulatory development, and working and reporting relationships between the parties.

3 Designation and Delegated Administration

- 1) The parties acknowledge that responsibility for the administration of the provisions of the Act is as provided for in the regulation made under the SCSAA. For greater clarity, a copy of the relevant provisions of the regulation designating the Act and the Administrative Authority is attached as Schedule "A" to this Agreement.
- 2) The Administrative Authority has assumed responsibility for the administration of all provisions in the Act provided for in the designation.
- 3) The Statutory Mandate of the Administrative Authority is established by the Act and the SCSAA.

4 Accountability Relationships

- 1) The Minister is accountable to the Legislative Assembly for the fulfilment of the Statutory Mandate by the Administrative Authority.
- 2) The Board is accountable to the Minister through the Chair, for the performance of the Administrative Authority.

5 Roles and Responsibilities of the Parties

5.1 The Minister

- 1) The Minister is responsible for the Administrative Authority's fulfilment of its Statutory Mandate. For this purpose, the Minister requires timely access to information from the Administrative Authority as set out in the Information Sharing Protocol, attached as Schedule "B".
- 2) The Minister is responsible for bringing forward proposed changes to the Act and the SCSAA to the Lieutenant Governor in Council and the Legislative Assembly.
- 3) The Minister may engage the Administrative Authority:
 - a) throughout the policy development process,
 - b) in coordinating public and stakeholder communications regarding any proposed legislative, regulatory or policy changes, and
 - c) in the development of communication strategies for critical or on-going issues.
- 4) The Minister may provide the Administrative Authority with an annual letter outlining the government's expectations and priorities with respect to the Administrative Authority during the specified fiscal year. The letter would provide measurable expectations from the Minister that align with the Administrative Authority's mandate as well as government priorities and commitments.
- 5) Pursuant to section 13.1 of the SCSAA and subject to section 13.7 of the SCSAA, the Minister may issue policy directions to the Administrative Authority relating to its administration of the Act after giving the Administrative Authority the notice that the Minister considers reasonable in the circumstances. The parties acknowledge that a policy direction issued to the Administrative Authority is deemed to form part of the Agreement and is binding on it.

- 6) The Minister may, where the Minister deems appropriate, delegate, make or assign to the Administrative Authority such additional authority, appointments or consents as are within the Minister's authority, if the Administrative Authority requires such additional authority, appointments, or consents to carry out its Statutory Mandate.
- 7) The Minister may, where the Minister deems appropriate, assist the Administrative Authority in obtaining any additional authorities, appointments or consents which cannot be granted by the Minister.
- 8) The Minister may, where the Minister deems appropriate, assist the Administrative Authority in working with other ministries to facilitate agreements and relationships with the Administrative Authority.
- 9) The Minister may, where the Minister deems appropriate, in consultation with the Administrative Authority and as approved by the Lieutenant Governor in Council or such other government personnel or bodies as are required, conduct intergovernmental relations and negotiate trade and other binding intergovernmental agreements.
- 10) The Minister shall not interfere with the independent exercise of the statutory functions fulfilled by the Administrative Authority's inspectors, investigators, statutory directors and other officials exercising statutory and regulatory duties.
- 11) The Minister shall make reasonable efforts to meet with the Chair from time to time.

5.2 The Administrative Authority

- 1) The Administrative Authority shall, in accordance with subsection 7(1) of the SCSAA, administer its designated legislation in accordance with the law, the SCSAA, the Act and this Agreement.
- 2) The Administrative Authority shall, in accordance with subsection 4(3) of the SCSAA, comply with the principles of maintaining a fair, safe and informed marketplace and promoting the protection of the public interest.
- 3) The Administrative Authority, through the Chair, shall ensure that the Board is aware of the terms of this Agreement.
- 4) The Administrative Authority is responsible for ensuring that it has adequate resources, including financial resources, to comply with this Agreement, the SCSAA, the Act, and other applicable law, and for acting in accordance with

the business plan that it has provided to the Minister under clause 7(1)(a) of this Agreement.

- 5) The Administrative Authority is responsible for developing and maintaining corporate by-laws and shall make such by-laws available on its website within 30 days after the by-laws are passed by the Board.
- 6) The Administrative Authority is responsible for developing and maintaining up-to-date written policies and procedures for each functional area of its business.
- 7) If the Minister appoints the Chair pursuant to subsection 8(5.2) of the SCSAA, the Administrative Authority is responsible for developing, maintaining and making publicly available on its website up-to-date written procurement policies and procedures that comply with the Ontario Public Service Procurement Directive. If the Minister does not appoint the Chair, the Administrative Authority is responsible for developing, maintaining and making publicly available on its website, up-to-date written procurement policies and procedures in keeping with the spirit and principles of the most recent Ontario Public Service Procurement Directive to ensure that goods and services, including consulting services and information technology are acquired through a process that is fair, open and transparent.
- 8) The Administrative Authority is responsible for developing, maintaining and making publicly available on its website up-to-date written travel, meal and hospitality expenses policies and procedures in keeping with the spirit and principles of the most recent Ontario Public Service Travel, Meal and Hospitality Expenses Directive in order to set out principles for the reimbursement of expenses to ensure fair and reasonable practices, and to provide a framework of accountability to guide the effective oversight of resources in the reimbursement of expenses.
- 9) The Administrative Authority is responsible for developing and maintaining appropriate performance measurements, governance, and financial management processes with sound internal controls to conduct the Administrative Authority's operations effectively and efficiently.
- 10) The Administrative Authority is responsible for developing, maintaining and making publicly available on its website up-to-date written policies and procedures for responding to and assisting in the resolution of consumer and other complaints received by the Administrative Authority related to its administration of the Act.

- 11) The Administrative Authority is responsible for providing the Minister with timely information in relation to any matter requested by the Minister and shall also provide the information identified in the Information Sharing Protocol attached as Schedule "B".
- 12) The Administrative Authority is responsible for developing, maintaining and making publicly available on its website up-to-date written policies and procedures regarding service standards for licensing applications.
- 13) When able and appropriate, the Administrative Authority shall coordinate its enforcement activities in relation to the investigation of serious incidents with the enforcement activities of other provincial and federal enforcement authorities.
- 14) The Administrative Authority shall maintain a protocol respecting the process to be followed in the investigation of incidents under the Act.
- 15) When engaged by the Minister, in accordance with subsection 5.1(3), the Administrative Authority shall participate in:
 - a) the policy development process;
 - b) coordinating public and stakeholder communications regarding any proposed legislative, regulatory or policy changes, and
 - c) the development of communication strategies for critical or on-going issues.
- 16) If the Minister exercises any of the Minister's powers under the SCSAA, the Administrative Authority shall take all necessary and advisable steps to ensure compliance with the power that has been exercised.
- 17) The Administrative Authority may appoint representatives to cross-jurisdictional and standards development organizations and may make such representations and communications as it deems appropriate for such purposes subject to Section 10 of the SCSAA.

6 Board and Statutory Appointments Board Composition and Appointment of Board Members

- 1) Subject to any Minister's order made under the SCSAA and any other legal obligations, the composition of the Board, the competency criteria, and term of office of Board members, other than Ministerial appointees, shall be established by by-law with the approval of the membership. The

Administrative Authority shall provide such by-laws to the Minister for review and approval prior to submitting them to the Board or membership as the case may be.

- 2) Regarding Ministerial appointees, the by-laws of the Administrative Authority may include provisions that reflect the content of section 8 of the SCSAA for completeness.
- 3) The Administrative Authority shall obtain the Minister's prior approval of any change in the by-laws or letters patent respecting Board composition, the competency criteria and term of office of its Board members.
- 4) No person may sit as a member of the Board while the person is an employee of a trade association representing the interests of the regulated industry.
- 5) The by-laws of the Administrative Authority shall not grant to any person who is not a Board member the right to notice of meetings of the Board or the right to attend meetings of the Board.
- 6) Subject to any order made by the Minister under subsection 8.2(1) of the SCSAA, the Administrative Authority shall develop and maintain competency criteria for the Board setting out the types of skills and competencies that are required on the Board, which shall be approved by the Minister and attached to this Agreement as Schedule "C". A Minister's order is deemed to be an addendum to Schedule "C".
- 7) In the Administrative Authority's selection of new appointees to the Board, the process shall be inclusive and shall require reasonable efforts to include members on the Board who reflect a variety of perspectives, including consumer protection or public interest perspectives and the diversity of Ontario, including gender, geographic distribution, and ethnicity. The Administrative Authority shall make the competency criteria public.
- 8) The Minister shall have regard to the competency criteria used by the Board and the spirit of subsection 6.1(7) when making appointments to the Board.
- 9) The Board recognizes that Board members appointed by the Minister in accordance with the Act may include representatives of consumer groups, business, government organizations, or such other interests as the Minister determines.
- 10) The Minister shall endeavour to make appointments to the Board in a timely manner.

- 11) Board members appointed by the Minister shall be remunerated by the Administrative Authority in an amount and on a basis that is equivalent to all other Board members. If such a Board member is employed by the public service of Ontario as defined in the Public Service of Ontario Act, 2006, the Board member shall not receive any remuneration unless permitted under the Ontario Public Service Agencies and Appointments Directive or any successor directive.
- 12) The Board shall ensure that new Board members complete any training required by the Minister within six (6) months of being elected or appointed, or when next available.

6.2 Information Required from the Board

- 1) The Board shall conduct a Board evaluation in accordance with best practices at least once every two years. The evaluation may be facilitated by an independent third party. The results of the evaluation shall be summarized in a report and a copy of the report shall be provided to the Chair. The Chair shall provide a copy of the report to the Minister upon request.
- 2) The Board shall adopt a binding code of conduct for the Board members to prevent the possibility of any Board member advancing his or her personal or business interests, or the interests of another person or organization, ahead of the interests of the Administrative Authority. The code of conduct for Board members, as it may be amended from time to time, is subject to the approval of the Minister. Upon approval by the Minister, such code shall be attached to this Agreement as Schedule "D".
- 3) The annual meeting, at which the Board shall present its annual report and audited financial statements, and report on the affairs of the Administrative Authority for the immediately preceding year, shall be open to the general public and the Board shall make reasonable efforts to inform the general public of such meeting.
- 4) Subject to any Minister's order made under section 13.3 of the SCSAA, the Board shall establish an advisory process for input to the Board on issues of importance to consumers. The terms of reference of such a process shall be made public. The Administrative Authority shall also establish advisory councils as it deems advisable. Information on the activities and advice provided by the Consumer Advisory Council's advisory process shall be included in the annual report by providing a link to where the Council minutes are published.

6.3 Minister's Appointment of Chair

In accordance with subsection 8(5.2) of the SCSAA, the Minister may appoint the Chair from among the Board members and for this purpose the Minister shall have regard to the views of the Board, the competency criteria used by the Board, the Administrative Authority's succession planning, and any other matter the Minister considers advisable in the circumstances.

6.4 Statutory Appointments

- 1) As provided for in s. 113.1(1) of the Act, the Authority shall appoint one or more directors.
 - a) The director(s) shall not:
 - i) be a member of the Board unless the Board has approved guidelines providing for the independent exercise of the director's statutory duties;
 - ii) be an employee or director of a trade association representing the interests of the regulated sector;
 - iii) be a licensee under the Act other than as a Master Electrician Licence holder.
- 2) The Administrative Authority acknowledges that inspectors, investigators, statutory directors and any other officials appointed by statute, exercise statutory duties that require independent decision-making and, for that purpose, the Administrative Authority agrees that the Board, or any employee of the Administrative Authority, shall not interfere with the independent exercise of these statutory responsibilities but may review the manner in which those responsibilities are carried out, consistent with the Board's corporate and regulatory governance responsibilities.

7 Corporate Reporting

- 1) The Administrative Authority shall:
 - a) each year, provide the Minister with a business plan (as described in Schedule "E") for the forthcoming year, in a format acceptable to the Minister, no later than thirty (30) days before the end of the current fiscal year;
 - b) each year, provide the Minister with an annual report (as described in Schedule "E") in a format acceptable to the Minister, no later than one hundred and twenty (120) days after the end of its previous fiscal year;

- c) enable the Minister to review and comment on the documents referred to in clauses (a) and (b) within a reasonable time period, estimated to be approximately thirty (30) days from the receipt of the documents, under normal circumstances, and prior to the Board's final approval of the business plan and of the audited financial statements for the annual report.
- 2) The Administrative Authority's business plan shall set out a summary of the activities it will undertake to ensure that its goods, services and facilities are accessible in accordance with the Accessibility for Ontarians with Disabilities Act, 2005, and any relevant additional accessibility related activities. The Administrative Authority's annual report shall account for how these accessibility-related activities were provided.
- 3) The Administrative Authority's business plan shall set out the means by which services related to the administration of the Act are provided in French in accordance with section 13.8 of the SCSAA, and the Administrative Authority's annual report shall account for how these French language services were provided.
- 4) The Administrative Authority's business plan shall set out the means by which complaints received by the Administrative Authority related to the administration of the Act are managed and resolved and the Administrative Authority's annual report shall account for how these complaints were responded to and resolved.
- 5) The Administrative Authority:
 - a) shall make the business plan referred to in clause (1)(a) available to the public, including by posting on the Administrative Authority's website, no later than thirty (30) days after final approval of the Board;
 - b) shall publish the annual report referred to in clause (1)(b) to the Administrative Authority's website and by any other method no later than thirty (30) days after the Authority's audited financial statements receive final approval of the Board.
- 6) The Administrative Authority shall conduct a client satisfaction/value survey of all or a sampling of its clients, stakeholders and licensees at least once every two years. The client satisfaction/value survey may be facilitated by an independent third party. The Administrative Authority shall share a summary of the survey results with the Minister. The Administrative Authority's annual report and website shall also include a synopsis of the results of the client

satisfaction/value survey, as conducted.

- 7) The Administrative Authority shall have a risk management framework and risk management plan for managing risks that the Administrative Authority may encounter in meeting its program and service delivery objectives as described in Schedule "E".
- 8) The Administrative Authority shall establish performance measures regarding the administration of the Act, subject to the approval of the Minister. This stable set of performance measures will reflect the regulated sector and enable a year-to-year comparison. Where a year-to-year comparison is not possible because of a change in performance measures, the Administrative Authority shall give the Minister sufficient information to enable a proximate comparison of the changed performance measure.
- 9) The Administrative Authority shall provide the Minister with performance targets and results for the performance measures approved by the Minister in subsection (8) on an annual basis and upon request by the Minister. Where the Administrative Authority does not meet any one or more of its performance targets, the Administrative Authority shall identify any variance from the target and provide a written rationale to the Minister.

8 Regulatory Governance

- 1) The Board shall be responsible for carrying out the following regulatory governance functions:
 - a) reviewing the adequacy and effectiveness of the Administrative Authority's licensing, enforcement and safety framework to ensure compliance with the Act;
 - b) reviewing implementation of and reporting on the enforcement of the Act, as well as the operations of the safety framework; and
 - c) providing strategic advice to the Minister on potential or proposed legislative or regulatory changes.

9 Financial Arrangements

- 1) The Administrative Authority shall ensure that it has adequate resources to comply with this Agreement, the Act and the SCSAA consistent with the business plan that it has provided to the Minister under clause 7(1)(a) of this Agreement.

- 2) The Administrative Authority acknowledges it cannot collect or retain as revenue any fines imposed by a court further to proceedings taken by the Administrative Authority under the Provincial Offences Act.
- 3) The Administrative Authority may establish fees, subject to any limitations on the amount imposed by the Act and by the SCSAA, costs and other charges related to its administration of the Act in accordance with the process and criteria approved by the Minister, as set out in the attached Schedule "F".
- 4) The Administrative Authority shall make publicly available, including by posting on its website,
 - a) its fees, costs and other charges,
 - b) the process and criteria by which its fees, costs and other charges are established, and
 - c) any rules governing the payment of its fees, costs and other charges.
- 5) The Administrative Authority agrees to pay to the Minister such amounts as set out in the attached Schedule "G".
- 6) Any payments by the Administrative Authority to the Minister shall be made payable to the Minister of Finance, drawn on the account of the Administrative Authority and paid on a timely basis and on the terms as set out in the attached Schedule "G".
- 7) The Minister will charge interest on any late payments on the terms set out in the attached Schedule "G".
- 8) The Administrative Authority shall report to the Minister at the earliest opportunity if there is any reason for concern about the financial state of the Administrative Authority.

10 Records, Privacy and Access

- 1) To the extent permissible by law, all records obtained from any source, created, or maintained by the Administrative Authority in the course of carrying out its administration of the Act are the property of the Administrative Authority and the Administrative Authority is the sole owner and custodian of such records and may use them for its legitimate purposes in the administration of the Act.
- 2) All records that are the property of the Administrative Authority shall be

maintained in keeping with the records retention and destruction schedules established by the Administrative Authority.

- 3) Subject to any regulation made under section 12.2 of the SCSAA, the Administrative Authority shall have an access and privacy code addressing issues of access to its records, protection of personal information, and effective procedural rights and remedies. This code shall protect privacy and provide access in accordance with the principles of the Freedom of Information and Protection of Privacy Act and provide an effective procedure in support of these principles. Upon approval by the Minister, the code shall be attached to this Agreement as Schedule "H".
- 4) The Administrative Authority shall comply with the access and privacy code referred to in subsection (3), and shall make the code available to the public, including by posting on the Administrative Authority's website.
- 5) The Administrative Authority shall obtain the Minister's approval of any changes to the access and privacy code.

11 Litigation

- 1) The following provisions address any litigation arising after or as a result of the Administrative Authority's designation under the SCSAA.
- 2) Civil and administrative litigation, including inquests, related to the Act in which the Crown is a defendant or an interested party, which was commenced prior to the date of designation of the Administrative Authority or which was commenced after that date but which relates in whole or in part to any event, act or omission, or to any alleged event, act or omission occurring prior to that date, shall be defended or otherwise carried out by the Crown unless the parties agree otherwise, and the Crown shall be responsible for all costs of the litigation and for the payment of any settlement costs agreed to and payable, and any damages awarded against it, as a result of any act, omission or fault of the Crown subject to order of the court or agreement of the parties otherwise. The parties agree that the Administrative Authority reserves the right to defend or otherwise carry out any such litigation on its own behalf and at its own cost where it determines that it has an independent interest in the litigation.
- 3) The Administrative Authority shall cooperate with the Crown for the purpose of the Crown's defence or other participation in the litigation referred to in subsection 11(2) of this Agreement including providing documentation or information and providing witnesses in such litigation, where appropriate.

- 4) Civil and administrative litigation, including inquests, related to the Act in which the Crown is a defendant or an interested party, as a result of any alleged act or omission of the Administrative Authority in its administration of the Act shall be defended or otherwise carried out by the Administrative Authority (with full right and power to choose legal counsel and with full right and power to reach a settlement which binds the Administrative Authority and, with the Crown's consent, binds the Crown), unless the parties expressly agree otherwise. The Administrative Authority shall be responsible for all costs of the litigation and for the payment of any settlement costs agreed to and payable by it and any damages awarded against it, as a result of any act, omission or fault of the Administrative Authority subject to an order of the court or agreement between the parties. The parties agree that the Crown reserves the right to defend or otherwise carry out any such litigation on its own behalf and at its own cost in respect of its own interest where it determines that it has an independent interest in the litigation.
- 5) Any proceedings, and any civil, criminal or administrative litigation, including inquests, not related to the Administrative Authority's administration of the Act, in which the Crown is a defendant or an interested party, arising from or in any way connected with any activity undertaken by, or alleged act or omission of the Administrative Authority, shall be defended or otherwise carried out by the Administrative Authority. The Administrative Authority shall be responsible for all costs of the proceedings or litigation and for the payment of any settlement costs agreed to and payable by it and any damages awarded against it. The parties agree that the Crown reserves its right to defend or otherwise carry out any such proceedings or litigation on its own behalf and at its own cost where it determines that it has an independent interest in the proceedings or litigation.
- 6) The Minister or the Crown shall cooperate with the Administrative Authority for the purpose of the Administrative Authority's defence or other participation in the litigation referred to in subsections (4) and (5) including providing documentation or information and providing witnesses in such litigation, where appropriate.
- 7) The Administrative Authority shall carry out all prosecutions related to the Act on its own behalf and in its own name, all in accordance with, pursuant to and in furtherance of the obligations of the Administrative Authority to administer the Act. The Administrative Authority shall develop policies for the conduct of prosecutions that accord with the principles set out in any Ministry of the Attorney General prosecution-related policies, guidelines, codes or similar documents provided to it by the Minister. In carrying out prosecutions related

to the Act, the Administrative Authority shall conduct prosecutions in the public interest and in a manner consistent with such policies.

- 8) The Minister shall keep the Administrative Authority informed of any litigation by or against the Crown or in which the Crown is an interested party that may affect the interests of the Administrative Authority.
- 9) The Administrative Authority shall keep the Minister informed of any litigation by or against the Administrative Authority or in which the Administrative Authority is an interested party that may affect the interests of the Crown.

12 Indemnification

- 1) The Administrative Authority acknowledges that, pursuant to subsection 11(4) of the SCSAA, it is required to indemnify the Crown in respect of damages and costs incurred by the Crown for any act or omission of the Administrative Authority or its members, officers, Board members, employees or agents in the exercise or performance or intended exercise or performance of their duties or powers under the SCSAA, a Minister's order, the Act or the Agreement or for any act or omission otherwise connected to the SCSAA, a Minister's order, the Act or the Agreement.
- 2) This indemnification survives termination of this Agreement for the maximum period permitted by law or contract.

13 Insurance

- 1) The Administrative Authority shall take all reasonable steps to protect itself from and against all claims which might arise from the carrying out of the administration of the Act and the exercise or performance of its duties under the Act by the Administrative Authority, its Board members, appointees, officers, employees and agents. The Administrative Authority shall at all times maintain adequate insurance against liability arising out of the Administrative Authority's carrying out of the administration of the Act, the exercise or performance of its duties or powers under the Act and this Agreement including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than fifteen million (\$15,000,000) per occurrence, fifteen million (\$15,000,000) products and completed operations aggregate. The policy is to include the following:
 - a) Her Majesty the Queen in Right of Ontario as represented by the Minister as additional insureds with respect to liability arising in the course of

performance of the Administrative Authority's obligations under, or otherwise in connection with, the Act;

- b) cross-liability clause;
 - c) thirty (30) day written notice of cancellation, termination or material change; and,
 - d) non-owned automobile coverage with blanket contractual coverage for hired automobiles.
- 2) The Administrative Authority shall provide the Minister with certificates of insurance or other proof as may be requested by the Minister, that confirms all of the insurance coverage as provided for in subsection (1), and renewal replacements on or before the expiry of any such insurance.
- 3) If the Crown imposes an obligation on the Administrative Authority by obtaining the enactment of legislation, making a regulatory change or otherwise, which gives rise to exposure to liability on the part of the Administrative Authority for which the Administrative Authority cannot reasonably obtain appropriate liability insurance, the Administrative Authority shall provide immediate notice to the Minister in writing of the uninsured risk and subject to government approvals that may be required, if any, the Administrative Authority and the Minister shall identify appropriate measures to resolve the issue to the satisfaction of both parties. Where government approval is required, the Minister shall make reasonable efforts to obtain the necessary approvals.

14 Non-Regulatory Business

- 1) The Administrative Authority shall only enter into non-regulatory business ventures that promote electrical safety. For this purpose, the Administrative Authority shall comply with the principles set out in the Non-Regulatory Business Policy set out in Schedule "I".
- 2) For any non-regulatory business venture, the Administrative Authority shall submit to the Minister a statement confirming that such non-regulatory business venture will not negatively impact the Administrative Authority's regulatory business. The form and content of the statement shall be as detailed in Schedule "I".
- 3) The statement shall be provided to the Minister prior to the Administrative Authority entering into a business venture for the non-regulatory business.

- 4) The Administrative Authority acknowledges that, in accordance with subsection 7(3) of the SCSAA, it shall not engage in commercial activity through an individual, corporation or other entity that is related to the Administrative Authority.

15 Code of Conduct for Compliance Personnel

- 1) The Administrative Authority shall maintain documents that govern the conduct of its compliance personnel relating to the Administrative Authority's compliance and enforcement responsibilities under the Act and any other legislation that is in keeping with the spirit and principles of the most recent Ontario Public Service Regulators' Code of Practice.
- 2) The Administrative Authority shall demonstrate to the Minister how these requirements are being met and post the documents on the Administrative Authority's website to make them available to the public.

16 Revocation or Restriction of the Administrative Authority's Administration

- 1) Without limiting the powers of the Crown under the SCSAA or otherwise, the revocation or restriction of the Administrative Authority's authority to administer the Act may result from the failure of the Administrative Authority to comply with the Act, the SCSAA, or the Agreement or may occur if the Lieutenant Governor in Council considers it advisable in the public interest to revoke or restrict the Administrative Authority's designation.
- 2) The Administrative Authority may request the Lieutenant Governor in Council to revoke or restrict its designation and in that case the Lieutenant Governor in Council shall, by regulation, revoke or restrict the designation on the terms it considers advisable in the public interest.
- 3) If the Administrative Authority fails to comply with the SCSAA, the Act, or the Agreement, the Minister shall allow the Administrative Authority the opportunity of remedying its failure within the time period that the Minister considers reasonable in the circumstances.
- 4) The Minister shall advise the Lieutenant Governor in Council whether or not the Administrative Authority has remedied its failure within the time period that the Minister specifies.
- 5) The parties shall use reasonable efforts to resolve financial and other issues resulting from a proposed revocation or restriction that impact the Crown or

the Administrative Authority, in keeping with the principle of fairness in light of the nature of the proposed revocation or restriction.

- 6) Any agreement under subsection 16(5) that may increase, directly or indirectly, the indebtedness or contingent liabilities of the Crown will require the prior written approval of the Minister of Finance, the President of the Treasury Board or both, as applicable, in accordance with section 28 of the Financial Administration Act, and will be subject to approval by Treasury Board. The Minister shall make reasonable efforts to obtain this and any other necessary approvals.

17 Administrator

The parties recognize that the Minister has the power under section 5.1 of the SCSAA to appoint an administrator if the Minister is of the opinion that it is advisable in the public interest because at least one of the following conditions is satisfied:

- a) The appointment is necessary to prevent serious harm to public safety or to the interests of the public or consumers.
- b) An event of force majeure has occurred.
- c) The Administrative Authority is facing a risk of insolvency.
- d) The number of members of the board of the authority is insufficient for a quorum.

18 Dispute Resolution

The parties agree to use reasonable efforts to resolve any disputes that may arise out of or in connection with this Agreement or the administration of the Act.

19 Communications and Information Sharing

- 1) Each of the parties shall designate an individual who will be the primary contact for all issues and communications related to this Agreement, the SCSAA and the administration of the Act.
- 2) The parties shall develop procedures for the sharing of information and the resolution of issues that may arise during the course of the Administrative Authority's administration of the Act. Upon approval by the Minister, such procedures shall be attached to the Agreement as Schedule "B".

20 Reviews and Audits

- 1) The Administrative Authority acknowledges that pursuant to section 13.4 of the SCSAA, the Minister may require that:
 - a) policy, legislative or regulatory reviews related to the Act or this Agreement be carried out.
 - b) reviews of the Administrative Authority, its operations, or both, including performance, governance, accountability and financial reviews, be carried out.
- 2) If the Minister requires the Administrative Authority or a person on behalf of the Administrative Authority to carry out a review mentioned in subsection 20(1), the Administrative Authority shall share the results of any reviews with the Minister.
- 3) If the Minister specifies another person or entity to carry out a review mentioned in subsection 20(1), the Minister shall ensure that the person or entity consults with the Administrative Authority as appropriate during any such review.
- 4) Pursuant to section 12.4 of the SCSAA, the Auditor General appointed under the Auditor General Act may conduct an audit of the Administrative Authority other than an audit required under the Not-for-Profit Corporations Act, 2010.
- 5) Upon the Auditor General conducting an audit under the SCSAA, the Administrative Authority shall provide the Auditor General and its employees access to all records and any information required to conduct the audit, as may be requested by the Auditor General.
- 6) The Administrative Authority shall forthwith notify the Minister upon receiving notice from the Auditor General of an audit conducted on the Administrative Authority.
- 7) The Administrative Authority shall cooperate in any review or audit required by the Minister or the Auditor General.

21 Severability of Provisions

The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision will be deemed to be severed.

22 Assignment

Neither the Administrative Authority nor the Minister shall assign this Agreement in whole or in part without the express written consent of the other.

23 Waiver

If a party fails to comply with any term of the Agreement, that party may only rely on a waiver of the other party if the other party has provided a written waiver. Any waiver must refer to a specific failure to comply and will not have the effect of waiving any subsequent failures to comply.

24 Independent Parties

The Administrative Authority is not an agent, joint venture, partner or employee of the Crown, and the Administrative Authority shall not represent itself in any way that might be taken by a reasonable person to suggest that it is, or take any actions that could establish or imply such a relationship.

25 Jurisdiction

This Agreement shall be governed by the laws of the Province of Ontario and applicable laws of Canada.

26 Conflict

In the event of a conflict between the provisions of this Agreement and the SCSAA, the Act, or a Minister's order made under the SCSAA; the SCSAA, the Act or the Minister's order as the case may be, prevails.

27 Amendment and Review of Agreement

- 1) Subject to subsection 4(4) of the SCSAA, the terms of this Agreement may only be added to, deleted, varied or amended with the consent of both parties. Such amendments shall be in writing, dated, and signed by both parties and attached to this Agreement.
- 2) The parties shall amend this Agreement as required to accommodate any changes to the SCSAA or the Act.
- 3) Pursuant to subsection 4(4) of the SCSAA, prior to any Minister's amendments to this Agreement, the Minister shall give such notice to the Administrative Authority as the Minister considers reasonable in the circumstances. The Minister shall provide the Administrative Authority with a time period that the Minister considers reasonable for the Administrative Authority to comply with the amendments.

- 4) Upon a change in the Minister or Chair of the Board, the new Minister or new Chair, as the case may be, must, within six months of the change, send a letter to the other party affirming their awareness of the Agreement in order to facilitate compliance with the requirements of the Agreement.
- 5) The parties shall conduct a review of this Agreement within five (5) years of execution to ensure it is current. Despite the foregoing, either party may initiate a review of the Agreement when advisable in the public interest upon giving notice in writing to the other.

28 Public Document

The parties agree that this Agreement shall be made available to the public by either party upon request to that party by any member of the public. The Administrative Authority shall post this Agreement on its website within thirty (30) days of the effective date of this Agreement and thirty (30) days of execution of any amendments thereafter.

29 Entire Agreement

The Minister and the Administrative Authority agree that this Agreement, as amended from time to time in accordance with section 27 of this Agreement forms the entire Agreement between the parties and, subject to Schedule "J", supersedes any prior understanding or agreement, collateral, oral or otherwise, existing between the parties at the date of execution of this Agreement.

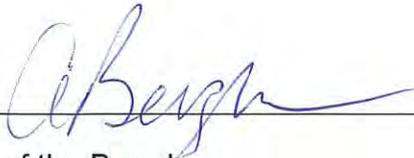
30 Effective Date

Subject to Schedule "J", this Agreement comes into effect on the later date of execution by the parties and will supersede and replace any prior administrative agreements made between the parties.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

Electrical Safety Authority

**Her Majesty the Queen in right of
Ontario**



Chair of the Board

Minister of Government and Consumer
Services

Date: *March 9, 2022*

Date: March 29, 2022

SCHEDULE "A" – REGULATION

ELECTRICAL SAFETY AUTHORITY

ONTARIO REGULATION

made under the

Safety and Consumer Statutes Administration Act, 1996
Loi de 1996 sur l'application de certaines lois traitant de securite et de services aux consommateurs

ONTARIO REGULATION 187/09 (in part) PART I ADMINISTRATION OF VARIOUS ACTS

DESIGNATED LEGISLATION

Designated legislation

1. The provisions that are specified in Column 2 of the following Table and that are provisions of the Act or regulations specified opposite in Column 1 are designated as designated legislation for the purposes of subsection 3 (1) of the Act:

Column 1	Column 2
<i>Electricity Act, 1998</i>	all provisions in Part VIII
the regulations made under Part VIII of the <i>Electricity Act, 1998</i>	all provisions
...	...

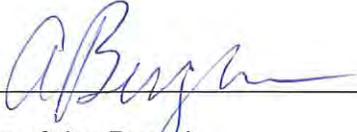
DESIGNATED ADMINISTRATIVE AUTHORITIES

Electricity Act, 1998

2. For the purposes of subsection 3 (2) of the Act, the Electrical Safety Authority, that is incorporated under the laws of the Province of Ontario by letters patent dated January 12, 1999 and with which the Minister of Consumer and Business Services entered into an administrative agreement dated March 11, 1999 for the purposes of section 4 of the Act, is designated as the sole administrative authority for the purposes of administering the provisions of the *Electricity Act, 1998* and the regulations made under that Act that are designated legislation under section 1.

Electrical Safety Authority

**Her Majesty the Queen in right of
Ontario**



Chair of the Board



Minister of Government and Consumer
Services

Date: *March 9, 2022*

Date: March 29, 2022

SCHEDULE "B" – INFORMATION SHARING PROTOCOL

ELECTRICAL SAFETY AUTHORITY

This Schedule outlines information sharing protocols recognizing that the Electrical Safety Authority (ESA) shall respond in an expeditious manner to all requests made by the Minister, including requests in respect of:

- 1) the governance of the ESA
- 2) the administration of the Act by the ESA; or
- 3) the Agreement.

This Schedule outlines information sharing protocols not already specified in the Agreement or other schedules to the Agreement.

Unless specifically outlined in this Schedule, when making information requests of the ESA, the Minister shall inform the ESA of the timeframe in which the information is needed.

Prior to any personal information being shared, the Minister and ESA will confirm how it will be used, that there is legal authority to share it, that any notice requirements have been addressed, as well as the method for sharing, securing and disposing of the personal information. For this purpose, "personal information" has the same meaning as in the Freedom of Information and Protection of Privacy Act.

To facilitate information sharing, the ESA and the Minister will seek to achieve a "one-window" policy with the ESA and the Ministry's Public Safety and Operations Policy Branch (PSOP) unless otherwise specified by the Minister, being the access points.

In addition, the ESA and PSOP shall make reasonable efforts to meet quarterly to discuss current issues, needs and other matters necessary for the proper administration of this Schedule.

Description	Responsibility	
	Minister	ESA
Information requests made by the Minister to ESA	The Minister shall make reasonable efforts to share with the ESA the context in which the request for information is being made.	The ESA shall respond in an expeditious manner to all requests made by the Minister.
Cabinet Submissions		

Description	Responsibility	
	Minister	ESA
All Issues	PSOP will develop Cabinet submissions, as required, in cooperation with other Ministry branches.	The ESA is consulted where appropriate.
Correspondence		
The Minister and the ESA will work together to draft responses whenever possible, in a timely fashion, respecting that PSOP is required to respond to all correspondence within five (5) business days.		
On all subjects directed to the Minister	PSOP will: <ul style="list-style-type: none"> • action to the ESA; or • draft a reply indicating referral to the ESA for direct response; or • draft a reply. 	The ESA will: <ul style="list-style-type: none"> • respond directly under ESA's signature and copy PSOP as appropriate, or • supply PSOP with information required for the Minister to reply.
Briefing Notes		
For Minister meetings with the ESA's stakeholders	PSOP will coordinate preparation of meeting materials and make reasonable efforts to notify the ESA of any such meetings and discuss with ESA.	The ESA will provide PSOP with relevant information on stakeholders/issues.
For the ESA's meetings with Minister stakeholders (e.g. other ministries or agencies)		The ESA will make reasonable efforts to notify PSOP of the meeting, discuss outcomes with PSOP and provide a briefing note upon request.
Issue Notes		
The Minister and the ESA will work together to issue responses in a timely fashion respecting the requirement for the PSOP to respond to all requests for issue notes within specific timeframes (i.e., short notice or outside of regular business hours).		

Description	Responsibility	
	Minister	ESA
On any subject (designed for use in the Legislature)	<p>PSOP will prepare the issue note and provide it to the Ministry's Communications Branch.</p> <p>Requests for information made to the ESA to develop the issue note will be accompanied by a timeline for response.</p>	The ESA will provide information to PSOP within timeframe specified.
Issues Management		
Emergencies, accidents and fatalities	When the Minister is informed by the ESA or through media reports, PSOP will provide the Ministry's Communications Branch with key information as quickly as possible and monitor for updates.	The ESA will inform PSOP and provide relevant details, key messages and response strategy as appropriate.
Other possible contentious issues (e.g. stakeholder grievances/concerns, etc.)	PSOP will inform the Ministry's Communications Branch.	The ESA will inform PSOP and provide relevant details, key messages and response strategy as appropriate.
Media Relations		
Requests made to the Minister for interviews and background material on the ESA operational issues	Ministry's Communications Branch will notify PSOP, who will then, as appropriate, refer the request to the ESA or obtain the required information from the ESA.	The ESA will provide the required information or, if requested by the Minister, respond directly and advise PSOP of the outcome from the media engagement.

Description	Responsibility	
	Minister	ESA
Media releases issued by the ESA	PSOP will share a copy of the ESA's media release with the Ministry's Communications Branch for information and review.	<p>The ESA will prepare and share a copy of its media release with PSOP in advance or its earliest opportunity and before the release is issued to media.</p> <p>The ESA will request the Ministry's review if required under its agreed upon media protocol with the Ministry.</p>
Speeches/Speaking Notes		
All Minister speeches/speaking notes (any topic)	Ministry's Communications Branch will prepare, and PSOP will advise the ESA	The ESA will supply PSOP with information.
Performance Measures		
Metrics and performance measure results	PSOP may request metrics and performance measure results from the ESA from time to time.	The ESA will supply PSOP with metrics and performance measure results, as available, at the time of request or when the ESA determines there is a high/significant risk that it will not achieve its target performance measure.
Marketing / Public Relations Events		

Description	Responsibility	
	Minister	ESA
Collaboration on Marketing / Public Relations Events	<p>PSOP and the Ministry's Communications Branch will work collaboratively with the ESA to:</p> <ul style="list-style-type: none"> plan and develop joint marketing and public relations events between the Minister and the ESA; and obtain information on the ESA specific events and, industry events to be attended by the ESA, communications research and best practices. <p>PSOP will be the lead in contacting the ESA about communications activities, respecting the one-window approach. However, the Communications Branch may follow up directly with the ESA while keeping PSOP fully informed of discussions and planned activities.</p>	<p>The ESA will work collaboratively with PSOP and the Ministry's Communications Branch to:</p> <ul style="list-style-type: none"> plan and develop joint marketing and public relations events between the ESA and the Minister; and provide information on the ESA specific events and, industry events to be attended by the ESA, communications research and best practices. <p>The ESA will initially contact PSOP about communications activities, respecting the one-window approach. However, the ESA may subsequently follow up directly with the Ministry's Communications Branch, while keeping PSOP fully informed of discussions and planned activities.</p>
Other		
Information concerning Board member competencies	PSOP will make requests to the ESA for information as and when required.	The ESA shall provide PSOP with the Board's skills profile upon request.
Information concerning communications campaigns/activities undertaken by the ESA	PSOP will make requests to the ESA for information regarding planned communications campaigns/activities, including public education campaigns.	The ESA will provide information on key communication activities to PSOP on request.

Electrical Safety Authority



Chair of the Board

Date: *March 9, 2022*

**Her Majesty the Queen in right of
Ontario**



Minister of Government and Consumer
Services

Date: March 29, 2022

SCHEDULE “C” – COMPETENCY CRITERIA FOR MEMBERS OF THE BOARD OF DIRECTORS

ELECTRICAL SAFETY AUTHORITY

Board of Directors Core Attributes, Competencies and Experience

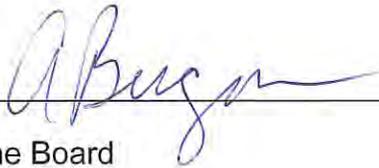
The following attributes, competencies and experience are the skills and behaviour that are required to be demonstrated amongst the Directors of the ESA Board:

1. **Safety:** is defined as experience in promoting and undertaking activities that enhance public electrical safety, including training, authorization, registration, audit, quality assurance, inspection, investigation, enforcement and other public safety services.
2. **Corporate Governance:** is defined as experience in the overseeing and directing of a corporation by supervising and contributing to the executive functions of management.
3. **Regulatory Governance:** is defined as experience in the overseeing and directing of a regulator including rulemaking, communication of rules, monitoring, enforcement, adjudication, sanctions, and evaluation.
4. **Government Relations:** is defined as experience in collaborating and liaising with government to enhance public electrical safety.
5. **Corporate Social Responsibility:** means experience in directing, contributing to or managing a business in a manner that contributes positively to the environment, employees, communities, stakeholders and other members of the public sphere.
6. **Organizational Leadership:** is defined as experience in organizational development, design and effectiveness.
7. **Stakeholder Relations:** is defined as experience in enhancing relationships and aligning persons or organizations with strategic objectives.
8. **Communication:** is defined as experience in creating, developing and implementing appropriate messaging to enhance stakeholders' understanding and knowledge.
9. **Financial:** is defined as experience or knowledge regarding audit, finances, accounting, risk management and compliance requirements.
10. **Risk Management:** is defined as experience in the process of assessing risk and acting in such a manner, or prescribing policies and procedures, so as to avoid or minimize loss associated with such risk.
11. **Legal:** is defined as experience interpreting and applying legislation, regulations and compliance requirements.
12. **Information Technology:** is defined as experience with the development, installation and implementation of information systems and applications.

- 13. **Electrical:** is defined as general knowledge of the electrical industry and experience in the electrical distribution or electrical product sectors.
- 14. **Consensus Builder:** is defined as a person who has superior conflict-resolutions skills. They act as a mediator amongst the directors disarming and resolving conflict. They are usually able to prevent differences of opinion from escalating into major disputes.
- 15. **Challenger:** is defined as a person who respectfully asks tough questions, speaks up and challenges management as well as other directors. They are always well prepared on issues that they are asking questions about and when challenging management they are direct and fair.
- 16. **Counsellor:** is defined as a person with strong persuasive skills, with high credibility and the ability to work with a variety of people (both inside and outside of the company). They generally prefer to work out problems behind the scenes.
- 17. **Change Agent:** is defined as a person who thinks broadly about the future direction in which the company should go. They are a catalyst for bringing about fundamental change when they perceive that change is needed.
- 18. **Conductor:** is defined as a person who relates very well to management, understands group and individual dynamics and possesses remarkable leadership skills (both inside and outside the boardroom) and has a keen interest in good governance and serves as a hub of all important board activities. They lead the setting of the agenda, run meetings effectively, moderate discussion appropriately, manage dissent, work towards consensus and set the tone and culture for effective corporate governance.

Electrical Safety Authority

Her Majesty the Queen in right of Ontario



Chair of the Board



Minister of Government and Consumer Services

Date: *March 9, 2022*

Date: March 29, 2022

SCHEDULE “D” – CODE OF CONDUCT FOR DIRECTORS

ELECTRICAL SAFETY AUTHORITY

This Schedule incorporates in part Section III of the Administrative Authority’s Charter of its Board of Directors as revised September 30, 2021 pertaining to its Code of Conduct provisions as well as an additional section pertaining to compliance to this Schedule.

CODE OF CONDUCT

A) Accountability

ESA’s delegated responsibility makes the Board accountable to the public for its electrical safety mandate. This mandate is the cornerstone upon which the Board’s actions are found. A director’s duty is owed first and foremost to the corporation. A Director must act honestly in good faith and avoid conflicts of interest in accordance with Section 41 of the Not-for-Profit Corporations Act, 2010.

B) Conduct

In recognition of the Board’s accountability to the public and statutory obligations, Board members are expected to:

- maintain independence and objectivity;
- act ethically, fairly and with personal integrity;
- adhere to the ESA’s Code of Conduct and ensure their conduct is consistent with the standard of conduct governing employees of ESA; and
- disclose any actual or potential conflict of interest to the Board in a timely fashion

C) Collective Responsibility

Board members are expected to act in the best interests of ESA as a whole rather than the interests of particular stakeholders. In recognition of this commitment, Board members are not eligible to serve on any industry or consumer advisory council providing advice to the ESA.

The Board governs collectively, not individually. No individual Board member, unless by delegation of power by the Board, has authority to bind the ESA, its officers or employees.

Board members:

- A. will not exercise or purport to exercise any authority as a Board member except at a meeting of the Board or a Board Committee or as specifically delegated by the Board;
- B. will direct requests of ESA management, other than requests for information only, through the CEO;
- C. may express an alternative position to other Board members, but will not establish themselves in an adversarial position with the Board or ESA employees

D) Confidentiality

In the course of their duties Board members may become aware of information which is private, privileged, confidential or proprietary in nature. Board members shall not disclose any such information either during or after their term of office.

E) Differing Views

A healthy exchange of views among Board members regarding ESA’s strategy, business plans, policies, procedures or practices is encouraged and contributes to effective decision making. Substantive disagreements among Board members are to be discussed only at formally constituted Board meetings.

F) Compliance

Board members have an obligation to raise with the Chair, any concerns with respect to their own conduct or that of another Board member, regarding compliance with this Code, the ESA Code of Conduct and any applicable legislation. The Chair will consider the matter, and if considered appropriate may consult the Regulatory Affairs & Governance Committee. The Chair will communicate his or her decision to the Board member who raised the issue and the Board member whose conduct is at issue.

If a Board member does not accept the decision of the Chair, the director who raised the issue or whose conduct is at issue, may request that the matter be submitted to the full Board for consideration. In that event, the matter will be submitted to the Board with a recommendation from the Regulatory Affairs & Governance Committee, for a motion to approve, amend or replace the Chair’s decision.

Electrical Safety Authority

Her Majesty the Queen in right of Ontario



Chair of the Board

Minister of Government and Consumer Services

Date: *March 9, 2022*

Date: March 29, 2022

SCHEDULE “E” – CORPORATE PLANNING AND REPORTING

ELECTRICAL SAFETY AUTHORITY

The corporate planning and reporting documents of the Electrical Safety Authority (ESA) are essential communications vehicles for demonstrating responsible stewardship of regulatory authority in the achievement of consumer protection and public safety. As such, the ESA will strive to continuously improve and strengthen linkages between strategic planning, business planning and reporting.

Recognizing that corporate planning and reporting documents have a broad audience that includes government, sector stakeholders and the public, the ESA will use plain language so that the objectives and performance of the ESA are clear and easy for the average reader to understand.

The corporate planning and reporting documents should easily allow for comparisons between them. For example, the strategic objectives, commitments and activities in the business plan should be aligned with the outcomes contained in the annual report.

The ESA's corporate planning and reporting documents will support the accountability framework as laid out in the Agreement and the SCSAA.

In addition to the requirements specified directly in the Agreement, the ESA's corporate planning and reporting documents shall include, at a minimum, the following:

1. BUSINESS PLAN

The ESA will draft a business plan annually that identifies a coordinated set of activities to achieve the ESA's strategic objectives for the next one-year period with linkages to the five-year strategic plan as appropriate. The business plan will state the specific activities that will be undertaken in the fiscal year, as well as identify resources to achieve the ESA's strategic objectives and successfully deliver its services. The business plan shall include, at a minimum, the following:

1.1 Corporate Overview

A general overview of the ESA, including its mandate, mission, vision and values. It will also describe the ESA's structure, services, regulated sector and include a description of the nature of the relationships between the ESA and the government and the Minister.

1.2 Business Planning Overview

An explanation of the connections between strategic planning, the business plan and the annual report.

1.3 Objectives, Activities and Performance Measures

Details on the performance measures that link the ESA's objectives to the statistical outcomes that will be reported in the annual report, including, at a minimum, the following:

- (a) **Strategic Objectives** (priority outcomes that the ESA proposes to achieve to successfully administer the Act, including those aimed at enhancing protections for consumers and the professionalism of licensees):
 - **Core strategic objectives** relate to the ESA's Statutory Mandate, focus on consumer protection and electrical safety objectives, and address high priority risks;
 - **Supporting strategic objectives** relate to other aspects of operations such as governance, financial objectives, communication, risk management or stakeholder relations;
 - Should the ESA's objectives change at any point during a given year, the ESA will notify the Minister prior to the start of the next fiscal year.
- (b) **Strategies** (the initiatives and approaches that will be employed to undertake activities in order to achieve objectives);
- (c) **Outcome measures** (details about how outcomes for the planning period will be measured or assessed);
- (d) **Outcome targets** (annual targets for the outcome measures):
 - Outcome measures and targets should enable year-to-year comparisons demonstrating the ESA's:
 - Effectiveness (primarily related to core strategic objectives),
 - Efficiency (could be related to supporting strategic objectives, including things such as overhead costs, administration to program delivery ratios), and
 - Performance based on customer and stakeholder satisfaction.
 - Where a year-to-year comparison is not possible because of a change in performance measures, the ESA shall provide a rationale regarding

the change, and sufficient information to enable a comparison.

(e) **Activities** (planned annual actions that will support the execution of the strategies to achieve the objectives):

- The activities in the business plan usually reflect core strategic objectives;
- The business plan may also include activities that reflect supporting strategic objectives;
- The business plan must include descriptions of the ESA's means to:
 - manage and resolve complaints;
 - provide French language services to the public; and
 - undertake activities to ensure that the goods, services and facilities are accessible in accordance with the Accessibility for Ontarians with Disabilities Act, 2005 and any other relevant accessibility activities.

(f) **Activity measures** (details about how activities will be measured or assessed to evaluate performance):

- Measures can be quantitative or qualitative.

(g) **Activity targets** (measurable activity targets set for the fiscal year).

1.4 Resources Needed to Meet Objectives

- Assess the adequacy of financial, human and other resources required by the ESA to meet its objectives over the planning horizon.
- Forecast anticipated revenues (derived from regulatory and non-regulatory business, if applicable) and planned expenditures for the current five-year strategic plan period.

2. ANNUAL REPORT

The ESA's annual report is the primary mechanism for reporting results for the previous year. The annual report shall include, at a minimum, the following:

2.1 Organizational Overview

This section of the annual report shall set out:

- Introduction
- Mandate, mission, vision and values
- Overview of the organization
- Message from the Chair
- Message from the CEO

2.2 Report on Performance

The ESA shall report results for each performance measure as set out in the business plan. If the target has not been met, the ESA shall explain why achievement was not possible in that fiscal year.

(a) Performance Statistics:

When possible, statistical reports should be in chart form to facilitate comparisons over time. The ESA may include any statistics it considers relevant to its administration of the Act in this section. Performance statistics reported should, at a minimum, include:

- The activities completed over the prior year which reflect the activity measures in the business plan;
- The outcome results achieved in the previous year, which reflect performance against outcome measures and targets established in the business plan, in these areas:
 - Compliance and enforcement, such as licensing, complaint resolution, inspections, investigations, prosecutions;
 - Efficiency, such as turn-around times for licensing, complaints, inspections, discipline; and
 - Education and awareness initiatives, and handling of complaints;

(b) Review of Legislation, By-Law and Policy Changes:

Outline any changes made to the Act and regulations, the ESA by-laws or policies during the fiscal year.

(c) French Language Services:

Report on the provision of French language services pursuant to section 13.8 of the SCSAA including how those services were provided, the total number of inquiries that were received in French during the reporting period, and any other statistics that the ESA considers relevant.

(d) Complaint Handling Process and Outcomes:

Review of the complaint handling and dispute resolution processes provided by the ESA including outcomes, appeal procedures and information to the public on how to register complaints against licensees and against the ESA.

(e) Accessible Goods, Services, or Facilities:

Report on the provision of accessible goods, services or facilities pursuant to the Accessibility for Ontarians with Disabilities Act, 2005, including how those goods, services or facilities were provided, the total number of inquiries that were received for accessible goods, services or facilities during the reporting period, and any other statistics that the ESA considers relevant.

2.3 Corporate Governance

This section shall provide a summary of how the ESA is governed by providing, at a minimum, the following information, which may alternatively be posted on its web site:

- Role of the Board
- Election/appointment process of the Board
- Basic qualifications of the Board
- Committees of the Board
- Code of Conduct for Directors
- Board of Directors (including biographies)
- Directors' terms of election/appointment
- Officers (including biographies)
- Organization chart
- ESA contact information and address

2.4 Financial Statements and Notes

The annual report shall include the audited financial statements, including any notes.

2.5 Management Discussion and Analysis

This section shall provide a discussion and analysis intended to assist with an understanding of the material financial changes in the ESA's operations over the past fiscal year, to be read along with the financial statements and accompanying notes. This discussion shall include a breakdown of regulatory and non-regulatory business, if applicable.

3. RISK MANAGEMENT FRAMEWORK AND RISK MANAGEMENT PLAN

Utilizing a risk-based approach to mandate fulfillment and service delivery, the ESA will conduct a risk assessment to identify, assess and mitigate risks and develop a risk management plan that will include:

- (a) The ESA's objectives;
- (b) Risks to the achievement of those objectives
- (c) Risk mitigation strategies;
- (d) Maintenance of a system of internal controls to minimize risk; and
- (e) Documentation of policies and procedures to manage risk.

In order to facilitate informed and coordinated responses to any issues that emerge, twice annually the ESA will provide the Minister with reports on high and medium risks with corresponding mitigation strategies.

A summary of the risk management plan including a summary of key information that conveys how the authority will ensure continuous delivery of critical business services in the event of an emergency (e.g. expansion of digital service delivery), shall be provided to the Minister annually for review at the same time as, or as a component of, the ESA's annual business plan. The occurrence of any risk(s) that required the use of any mitigations can be reported through the Annual Report.

4. ANNUAL BURDEN REDUCTION PLAN

Upon request from the Minister (or Ministry), the ESA must provide a burden reduction plan that identifies opportunities that the ESA could implement to respond to the government's commitment to cut red tape and reduce regulatory burden in Ontario. These opportunities could include legislative and regulatory proposals but should also consider how the ESA can operate more effectively and efficiently and provide improved or increased digital services to their regulated sectors and consumers.

Electrical Safety Authority



Chair of the Board

Date: March 9, 2022

Her Majesty the Queen in right of Ontario



Minister of Government and Consumer Services

Date: March 29, 2022

SCHEDULE “F” – FEE SETTING PROCESS AND CRITERIA

ELECTRICAL SAFETY AUTHORITY

Application

This Schedule applies exclusively to fees, costs or other charges (“fees”) set in accordance with clause 12(1)(b) of the SCSAA by the ESA. This Schedule does not apply to administrative monetary penalties or any fines imposed by a discipline or appeals committee.

Objectives

In setting fees, the ESA has the following objectives:

- To comply with clause 12(1)(b) of the SCSAA to set and collect fees relating to the administration of the Act;
- To ensure the development of fees that are consistent with the ESA’s operating principles and obligations under the SCSAA, the Act and this Agreement, including the obligation to ensure that the ESA has adequate resources to comply with the Agreement, the SCSAA and the Act;
- To achieve full recovery of all delivery costs, consistent with the ongoing viability of the ESA as a not-for-profit corporation and at the same time provide service delivery value for stakeholders;
- To ensure that the Board considers the impact of a new fee or a fee change on consumers; and
- To ensure that, in the case of new fees or fee changes greater than of the cost of inflation, stakeholders have the opportunity to provide input into the fee setting process.

No new fee, or fee change, shall come into effect unless it has been approved by the Board and the relevant steps outlined in this Schedule have been completed. The Minister may waive the process, steps in the process, or the required notice timeframes if the Board provides evidence satisfactory to the Minister that the requirement to undertake any or all of these steps would result in the ESA not having the resources needed to comply with the Agreement, the Act and the SCSAA.

Process for fee change reduction

Where the Board has approved a fee change that would temporarily or permanently reduce the amount of, or eliminate, a fee, the ESA shall provide the Minister with at least 30 days advance written notice of the proposed fee change, following which at least 60 days written notice shall be provided to the regulated sector. In this

circumstance, the Fee Review Analysis including the Consultation and Criteria described below is not required. However, in the notice to the Minister, ESA must provide an effective date for the reduced or eliminated fee, the timeframe over which the change would be in effect, and a summary of the ESA's forecasted revenue and expenditures during this effective period to ensure that the reduced revenue does not adversely impact its operations and financial sustainability.

Process for fee changes no greater than the cost of inflation

Where the Board has approved a fee increase that is no greater than the cost of inflation, the ESA shall provide the Minister with at least 30 days advance written notice of the proposed fee change, following which at least 60 days written notice shall be provided to the regulated sector. In this circumstance, the Fee Review Analysis including the Consultation and Criteria described below is not required.

Process for new fees or fee changes greater than the cost of inflation

Every proposal to establish a new fee, or a fee increase greater than the cost of inflation, shall be subject to a Fee Review Analysis and consultation conducted by the ESA in accordance with the Fee Review Analysis, Consultation and Notice, and Criteria sections set out below.

Fee Review Analysis

The ESA shall prepare a Fee Review Analysis that shall be in the form of a business case consisting of a written analysis for the new fee or fee increase greater than the cost of inflation that shall include:

- a scan of trends that may be occurring in the regulated sector or otherwise that could impact the ESA;
- estimated costs for new, existing or expanded programs as outlined in the ESA's business plan;
- estimated costs associated with implementing new or amended legislation;
- a rationale based on the ESA's historical, actual and projected revenues and expenses as well as impact on standards of service;
- a summary of stakeholder comments solicited in accordance with the Consultation and Notice process set out below; and
- a statement of compliance with the Criteria set out below.

The ESA shall provide the Minister with advance written notice of the new fee or fee change proposal and await the earlier of receiving written acknowledgment from the Minister to proceed, or 45 days, before soliciting comments from licensees and sector stakeholder groups, or the fee proposal otherwise becoming public. The Fee Review

Analysis (not including the summary of stakeholder comments) shall be submitted to the Minister at this time.

Consultation and Notice

The ESA shall solicit comments from licensees and sector stakeholder groups on the proposed new fee or fee change greater than inflation for a period of at least 30 days, in advance of the written notice described below. A summary of the comments, once received, shall be forwarded to the Minister for information, and shall complete the Fee Review Analysis. The ESA shall also provide the Minister with a copy of the draft notice, informing licensees and sector stakeholders that a new fee or fee change greater than inflation will take effect, at this time.

Concurrent written notice shall be given to the Minister and licensees and sector stakeholders at least 60 days prior to the new fee or fee change greater than the cost of inflation taking effect.

Criteria

In developing a proposed new fee or fee change greater than the cost of inflation, the ESA shall give appropriate consideration to the ESA's business plan and to the potential impact of the fee or fee change on consumers and the regulated sector. In addition, the following criteria shall be considered and addressed:

- Fees shall be set on a cost recovery basis and designed to cover all of the ESA's costs including those which cannot be directly attributable to the payees, including complaint handling, inspection, investigation, prosecution, public awareness campaigns, website development and maintenance, governance programs, government oversight and reporting, and general administration.
- The relative fees charged for different licensing types shall reflect:
 - the comparative costs to the ESA for processing applications or providing the services;
 - the period during which a licence shall be effective; and
 - uniformity of application regardless of geographic location.
- All fees shall be payable when an application is made or when a service is requested or provided unless otherwise agreed upon by the parties involved. Refunds and late fees may be applied depending on the circumstances and in line with the ESA's policies.
- In establishing or revising a fee, appropriate consideration shall be given to deterring breaches of the Act.

Electrical Safety Authority

**Her Majesty the Queen in right of
Ontario**



Chair of the Board

Minister of Government and Consumer
Services

Date: *March 9, 2022*

Date: March 29, 2022

SCHEDULE “G” – PAYMENTS

BY THE ELECTRICAL SAFETY AUTHORITY

The ESA agrees to pay an oversight fee to the Minister for each Provincial fiscal year (April 1 to March 31) unless otherwise specified by the Minister on the following terms:

1. An annual amount (“the payment”) as determined by the Minister. The purpose of the oversight fee the Minister charges to the ESA is to recoup the government’s costs of the regulatory regime in its entirety. This includes the cost to government of oversight of the ESA, the development of legislation and regulations administered by the ESA, and advice to the Minister in the execution of his or her duties in respect of the public safety regulatory regime within his or her mandate. The Minister will share with the ESA the detailed information regarding the calculation of the cost of regulatory oversight upon request.
2. For the 2019-20 to 2022-23 fiscal years, the ESA agrees to pay to the Minister the following amounts

2019/20	2020/21	2021/22	2022/23
\$684,793.00*	\$684,793.00*	\$684,793.00	\$684,793.00

*Note: ESA has paid these amounts in full.

For 2023/24 and subsequent fiscal years, the Minister shall determine the payment for each year and will notify the ESA at least 18 months in advance of the payment being due. If during the fiscal year, the costs of regulatory oversight as determined by the Minister exceed the payment amount, the Minister may, after reasonable notice and prior consultation with the ESA, increase the payment amount accordingly.

3. The payment for each fiscal year ending March 31 will be remitted to the Minister by way of cheque payable to the Minister of Finance or an electronic funds transfer (EFT) payment within 30 days of the date of the invoice sent by the Minister each year.
4. Late payments will be subject to interest charged at the interest rate for unpaid debts to the Crown as fixed from time to time by the Lieutenant Governor in Council in accordance with subsection 10(4) of the *Financial Administration Act*.

Electrical Safety Authority

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Ontario**



Chair of the Board

Minister of Government and Consumer
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Date: *March 9, 2022*

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SCHEDULE "H" – ACCESS AND PRIVACY CODE

ELECTRICAL SAFETY AUTHORITY

Access and Privacy Code to be completed and included here according to the implementation timeline set out in Schedule "J".

Electrical Safety Authority



Chair of the Board

Date: *MARCH 9, 2022*

**Her Majesty the Queen in right of
Ontario**



Minister of Government and Consumer
Services

Date: March 29, 2022

SCHEDULE "I" – NON-REGULATORY BUSINESS POLICY

ELECTRICAL SAFETY AUTHORITY

Authority

The SCSAA authorizes the ESA to carry out other activities in accordance with its objects except it cannot engage in commercial activity through an individual, corporation or other entity that is related to the ESA.

This Schedule authorizes the ESA to undertake non-regulatory business, that is, business in addition to its Statutory Mandate.

Policy

The ESA will only enter into non-regulatory business arrangements that promote and enhance electrical safety and are consistent with its objects, vision and mission. It will operate in compliance with the principles outlined in this policy. The ESA will ensure that all of its employees are aware of and act in accordance with this policy.

Objects

The objects of the Administrative Authority as set out in its Letters Patent dated January 12, 1999 are:

- A) to promote and undertake activities which enhance public electric safety including training, authorization, registration, audit, quality assurance, inspection, investigation, enforcement and other public electric safety services;
- B) to act in any capacity under all legislation and regulations designated and delegated to the Corporation under the Safety and Consumer Statutes Administration Act, 1996, S.O. 1996, C. 19 as amended from time to time and any other legislation or regulations under which responsibilities are delegated to the Corporation in the future;
- C) to inform, educate and work with industry, government and the public;
- D) to promote and undertake activities that enhance the competitiveness of the Ontario and the Canadian economy;
- E) to promote and undertake activities that encourage the harmonization of electric safety standards and compliance practices;

F) to encourage industry to responsibly enhance electric safety

Policy Principles

- Commitment to Core Responsibilities and Regulatory Integrity: The ESA will at all times conduct itself in a manner that maintains its ability to effectively deliver its Statutory Mandate, with high standards of integrity and in a non-conflicted manner.
- Fair Business Practices: The ESA will not use its authority as a regulator to create an unfair business advantage.
- Fair Competition: The ESA shall ensure that all contracts, agreements or understandings are consistent with competition law.
- Financial Independence: The ESA will only deliver non-regulatory business services that enhance electrical safety and generate revenues generally to the benefit – and never to the detriment – of its regulatory responsibilities. The ESA will ensure independent financial reporting of non-regulatory business services.

Compliance

The ESA will submit to the Minister a statement for each non-regulatory business arrangement confirming that it will not negatively impact its Statutory Mandate and regulatory business and is consistent with this policy. This statement shall be provided to the Minister a minimum of ten (10) business days prior to entering into or bidding on a legally binding contract in a new line of Non-Regulatory Business. The statement shall contain the duration and parties of each contract, and the nature of the work.

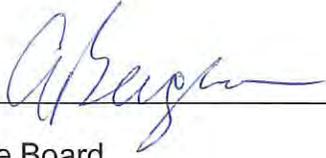
The ESA will communicate this policy to its stakeholders and licensees to ensure a broad base of understanding. The ESA will monitor its business development activities to ensure this policy is being consistently applied.

The ESA will implement this policy to ensure appropriate treatment of confidential information, proper disclosure of the ESA's role, and decision-making that is fair and sound.

Upon request of the Minister, the ESA will engage a third-party to conduct a review of compliance with this policy. In addition, the ESA shall make a summary of findings of the review available to the public, including by posting on the ESA's website.

Electrical Safety Authority

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Chair of the Board

Minister of Government and Consumer
Services

Date: *March 9, 2022*

Date: March 29, 2022

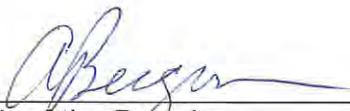
SCHEDULE “J” – EFFECTIVE DATES OF CERTAIN PROVISIONS OF THE ADMINISTRATIVE AGREEMENT

ELECTRICAL SAFETY AUTHORITY

The provisions of the Agreement specified in column A of the table below take effect on the date specified in column B of the table. For any provision listed below, the equivalent provision of the most recent prior agreement continues in effect until the date listed in column B.

A. Provision	B. Effective Date
Section 10 – Records, Privacy and Access Schedule “H” – Access and Privacy Code	October 1, 2022. ESA’s existing access and privacy code to remain in effect until this time. A copy of ESA’s code is available at the following link on ESA’s website : 2019 - Amended Access and Privacy Code.pdf (esasafe.com)
Section 7(3) of the Agreement and s. 2.2(c) of Schedule E on Corporate Reporting	The date on which section 16 of Schedule 8 of the Rebuilding Consumer Confidence Act, 2020, SO 2020, c 14 is proclaimed into force by the Lieutenant Governor in Council

Electrical Safety Authority



Chair of the Board

Date: *March 9, 2022*

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Ontario**



Minister of Government and Consumer Services

Date: March 29, 2022