

SCHEDULE "F"

NON- REGULATORY BUSINESS POLICY ("Policy")

ELECTRICAL SAFETY AUTHORITY

LEGAL AUTHORITY

The statutory mandate of the Administrative Authority is the exercise of the authority delegated to the Administrative Authority pursuant to the SCSAA.

Nothing within the SCSAA limits the ability of the Administrative Authority to engage in other activities in accordance with its objects; consequently, the Administrative Authority has the ability to undertake non-regulatory business, that is business in addition to its statutory mandate. For further clarity please see the attached diagram "A".

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

The Administrative Authority will only enter into non-regulatory business ventures that promote electrical safety within Canada and are consistent with its Letters Patent and objects unless prior approval by the Minister has been obtained in accordance with this Policy. The Administrative Authority will operate in compliance with the principles outlined in this Policy.

POLICY PRINCIPLES

- Commitment to Core Responsibilities and Regulatory Integrity: The Administrative Authority will at all times conduct itself in a manner that maintains its ability to effectively, with high standards of integrity and in a non-conflicted manner, deliver its statutory mandate.

- Fair Business Practices: The Administrative Authority will not use its authority as a regulator to create an unfair business advantage.
- Fair Competition: The Administrative Authority will not use its authority as a regulator to enter into contracts, agreements, or understandings that unfairly restricts business competition.
- Financial Independence: The Administrative Authority in entering into non-regulatory business ventures will seek to enhance safety and generate revenues generally to the benefit – but never to the detriment – of its regulatory responsibilities. The Administrative Authority will ensure independent financial management and reporting of non-regulatory business services.

COMPLIANCE

Current Non-Regulatory Business Ventures

Upon signing of this Schedule, the Administrative Authority will submit to the Minister a statement listing each of its existing non-regulatory business ventures (by line of business) confirming that they will not negatively impact its statutory mandate and they are consistent with the principles of this Policy.

New Non-Regulatory Business Ventures within Ontario

For any new non-regulatory business venture where a beneficiary or party to the agreement are within Ontario and is different from the type of non-regulatory business venture described in the above paragraph, ESA will submit to the Minister a statement of notification within ten (10) days of entering into the business venture. The statement will confirm that the business venture does not negatively impact its statutory mandate and is consistent with the principles set out in this Schedule. The statement will contain the nature of the work and, where appropriate, the duration and parties of each business venture.

New Non-Regulatory Business Ventures Outside Ontario but within Canada

For any new non-regulatory business ventures where a beneficiary or party to the agreement is located outside of Ontario, but within Canada, the Administrative Authority will submit to the Minister a statement of notification within ten (10) days of entering into the business venture. The statement will confirm that the business venture does not negatively impact its statutory mandate and is consistent with the principles set out in this Schedule. The statement will contain the nature of the work and, where appropriate, the duration and parties of each business venture.

New Non-Regulatory Business Ventures outside Canada

Where the Administrative Authority intends to enter into an agreement where a beneficiary or party to the agreement is located outside Canada, the Administrative Authority shall provide the Minister with a proposal regarding the proposed new business, that includes the supporting material necessary for the Ministry to assess the proposal.

The Administrative Authority will not enter into the business venture prior to receiving the Minister's approval. The Minister will make every effort to respond to the Administrative Authority's proposal within thirty (30) business days of receiving the required information.

New Non-Regulatory Business Venture outside the Administrative Authority's Objects

Where the Administrative Authority intends to enter into any business venture that is not within the Administrative Authority's objects, it will provide the Minister with a proposal regarding the proposed new business that includes the supporting material necessary for the Ministry to assess the proposal.

The Administrative Authority will not enter into the business venture prior to receiving the Minister's approval. The Minister will make every effort to respond to the Administrative Authority's proposal within ninety (90) business days of receiving the required information.

The Minister may require that a specified change be made to the objects of the Administrative Authority prior to the Administrative Authority commencing the proposed business venture.

REPORTING

The Administrative Authority will communicate its Non-Regulatory Business Policy to its stakeholders to ensure a broad base of understanding. The Administrative Authority will monitor its business development activities to ensure this Policy is being consistently applied.

The Administrative Authority will implement this Policy so as to ensure appropriate treatment of confidential information, proper disclosure of the Administrative Authority's role, and decision-making that is fair and sound.

The Administrative Authority will engage a third party to conduct a periodic review of compliance with this Policy as part of its normal internal audit processes. A summary of findings of the review will be made available to the public, including posting on the Administrative Authority's web-site.

Electrical Safety Authority

Her Majesty the Queen in Right of Ontario

Chair of the Board

Minister of Consumer Services

Date:

Date: