

<b>TERMS OF REFERENCE FOR THE CHIEF EXECUTIVE OFFICER</b>
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**I. INTRODUCTION**

- A.** The President and Chief Executive Officer (the “CEO”) is appointed by and reports to the Columbia Power Corporation Board of Directors (the “Board”) and maintains open communication with the Board and the Board Chair.
- B.** The CEO is responsible for:
  - i) providing leadership, general supervision, management and control of the operations of the Corporation on a day-to-day basis in accordance with the strategies, plans and policies approved by the Board;
  - ii) providing overall leadership and vision in developing the tactics and plans necessary to realize objectives; and
  - iii) managing the Corporation to ensure strategic and annual plans are effectively implemented, the results are monitored and reported to the Board, and financial and operational objectives are attained.

**II. DUTIES AND RESPONSIBILITIES**

- A.** Lead and manage the Corporation within parameters established by the Board.
- B.** Develop and recommend strategic and service plans to the Board consistent with the Vision and Mission and the Shareholder’s Letter of Expectation. This includes updating and making changes as required, and involving the Board in the early stages of developing strategy.
- C.** Develop for Board approval and successfully implement the corresponding annual business, operating and capital budgets. Review and report regularly to the Board on the overall progress and results against operating an financial objectives and initiate courses of action for improvement.
- D.** Develop ongoing operating forecasts of revenue, expenditures, operational results and financial performance. These forecasts serve as operating and financial guidelines and do not require Board approval.
- E.** Keep the Board fully informed of all significant operational, financial and other matters relevant to the Corporation. This includes external items emanating from Governments and stakeholders.
- F.** Authorize the commitment of funds against capital and operational plans consistent with Tab 3.1 – Levels of Spending Authority in the Board Manual.

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- G.** Authorize commitment of corporate resources. Enter into agreements, contracts, leases, etc. in the ordinary course of business, in order to pursue the approved strategies, plans and objectives of the Corporation, provided however, that major commitments, exposures and risks shall be reported to the Board on a regular and timely basis.
- H.** Identify the principal risks of the Corporation's business and implement appropriate systems to manage these risks.
- I.** Review the Corporation's broad compensation strategy and philosophy with the Board.
- J.** Review compensation plans for senior management with the Board including salary, incentive, benefit and pension plans.
- K.** Develop and maintain a sound, effective organization structure, and ensure capable management succession and progressive employee training and development programs.
- L.** Annually establish and maintain a Board approved plan for senior management development and succession.
- M.** Provide the Board, at Board and committee meetings, with exposure to the Corporation's key management.
- N.** Ensure that employees have their responsibilities and authorities clearly established.
- O.** Establish effective control and co-ordination mechanisms for all operations and activities. Ensure the integrity of the internal control and management systems.
- P.** Ensure effective communications and maintain appropriate relationships with the Government and stakeholders.
- Q.** Manage and oversee the required interfaces between the Corporation and the Government and stakeholders and act as the principal spokesperson for the Corporation.
- R.** Ensure the safe, efficient operation of the Corporation and ensure compliance with the Corporation's environment, health and safety policies and practices.
- S.** Ensure all operations and activities of the Corporation are conducted in accordance with laws, regulations, the Corporation's Code of Conduct, sound business practice, in accordance with policies and practices approved by the Board of Directors.

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- T.** Foster a corporate culture that promotes ethical practices and encourages individual integrity and social responsibility.
- U.** Obtain Board approval prior to acceptance of significant public service commitments and/or outside Board appointments.