

Mandate and Roles Document

*As required by the Alberta Public Agencies
Governance Act*

BALANCING POOL

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BALANCING POOL – Mandate and Roles Document

1.0 Preamble

This Mandate and Roles Document was developed collaboratively between the Minister and the Balancing Pool. It is intended to satisfy the requirements of the *Alberta Public Agencies Governance Act* (APAGA) and reflects a common understanding of the authority, respective roles, and responsibilities of the parties.

This document is not intended to replace the ongoing dialogue at the staff, Deputy Minister, Chief Executive Officer (CEO), Chair, and Ministerial levels that is expected and required to ensure that the agency and the Government of Alberta (GOA or Government) are operating collaboratively and effectively.

Unless otherwise stated, terms used in this document that are defined in the APAGA, *Interpretation Act*, or the *Electric Utilities Act* have the same meanings as defined in those Acts.

In this document, the term “Minister” refers to the Minister of Energy and “Department” refers to the Department of Energy, except where otherwise specified. Under the *Government Organization Act* the Minister may delegate powers, duties and functions of the Minister to a person. Wherever the Minister is referred to in this document, the Minister may designate officials to act in the Minister’s place in respect of the power, duty or function for which the reference to the Minister is made.

2.0 Background, Legislation, and Mandate

2.1 Background

The Balancing Pool is a corporation established under and subject to the *Electric Utilities Act* (EUA). The Balancing Pool is subject to the APAGA and other applicable legislation, but is not a Provincial corporation for the purposes of the *Financial Administration Act*, the *Auditor General Act*, or any other enactment.

The Balancing Pool interacts with the Department in carrying out its legislated mandate. This includes establishing goals that are compatible, efficient, cost effective, clear and consistent with legislation and Government objectives.

The Balancing Pool is responsible to help manage certain assets, revenues and expenses arising from the transition to competition in Alberta’s electric industry.

The governing statutes and regulations in force during the term of this document define the Balancing Pool’s mandate and purposes. A list of statutes of particular application to the Balancing Pool are set out below. This list is not exhaustive and may change during the term of this document.

2.2 Legislation

The following statutes establish and govern the Balancing Pool and its purposes:

- *Electric Utilities Act* (the EUA or the Act);
- *Alberta Utilities Commission Act* (AUCA); and
- *Alberta Public Agencies Governance Act* (APAGA).

2.3 Mandate

The EUA and certain regulations made under it, principally the *Balancing Pool Regulation*, establish the mandate of the Balancing Pool. The Balancing Pool's mandate can be briefly described as follows:

- Managing the financial accounts arising from the transition to a competitive generation market on behalf of electricity consumers; and
- Meeting obligations and responsibilities relating to Power Purchase Arrangements (PPAs) as such term is defined in section 1(1)(nn) of the EUA.

The Balancing Pool's legislated functions include:

- Managing generation assets in a commercial manner, specifically any PPAs held by the Balancing Pool that include the right to exchange electric energy and ancillary services, and any arrangements or agreements derived from these assets;
- Holding the Hydro PPA and manage associated payments;
- Forecasting revenues and expenses (incorporating estimates of Pool price and potential expenses related to risk backstop activities) and allocate the forecast surplus or deficiency to consumers through a Consumer Allocation or charge;
- Participating in appropriate regulatory, dispute resolution and other proceedings and processes to protect the interests of the Balancing Pool and the value of its assets; and
- Managing risks prudently in all aspects of its operations.

The Balancing Pool does not have any adjudicative functions as defined in the APAGA.

3.0 Accountabilities

The Balancing Pool is accountable to the Minister to ensure that it fulfills its mandate and for carrying out the roles and responsibilities assigned to the Balancing Pool under the statutes, this document, and applicable GOA policies.

The EUA sets out the manner in which the Balancing Pool must carry out its responsibilities, with s. 86 of that act imposing a duty to act in a responsible and efficient manner. The conduct of the Balancing Pool is subject to monitoring by, and where applicable, investigation and enforcement action by the Market Surveillance Administrator in accordance with its mandate.

The APAGA describes some general responsibilities of a public agency such as the Balancing Pool, namely that it shall:

- Make all reasonable efforts to fulfil its mandate;
- Participate with the Minister in setting its long term objectives and short term targets, if any;
- Monitor its activities for the purpose of ensuring that Agency is
 - i. Acting within its mandate;
 - ii. Acting in accordance with any policies made by Minister under APAGA and any regulations respecting those policies; and

- iii. Achieving its long-term objectives and any short-term targets.
- Inform the Minister respecting its significant activities and operations and any significant events that may affect those activities or operations; and
- Discharge any other responsibilities set out in the regulations.

The Balancing Pool may provide advice or comments in response to a request by the Minister and may volunteer to provide advice or comments to the Minister on any matter respecting the development, establishment, amendment, termination or repeal of any enactment, program, directive, guideline or policy that is related to the Agency's mandate.

In addition to this, Sections 8 and 9 of APAGA set out the obligations for the Minister to request information from the Balancing Pool, which may involve the disclosure of sensitive or confidential information.

In circumstances where the Minister requests records or information that is commercially sensitive, the Balancing Pool will inform the Minister of its concerns and offer alternative solutions to assist the Minister for considering his or her request.

4.0 Roles and Responsibilities

4.1 Chair

The Chair of the Balancing Pool (the Chair), is a member of the Balancing Pool Board and represents the Balancing Pool and its interests as the primary liaison in dealing with the Minister and the Department as directed by the Balancing Pool Board. The Chair leads the board of directors to ensure effective operation of the Balancing Pool's governance responsibilities. The Chair acts as the official spokesperson for the Balancing Pool.

The Chair, subject to the direction of the Balancing Pool Board, shall exercise general supervision and control over the business and affairs of the Balancing Pool in accordance with the terms of reference outlining the Chair's duties and responsibilities and the limits of authority delegated by the Balancing Pool Board.

The roles and duties of the Chair include:

- (a) Preside as chair at all meetings of the Balancing Pool Board;
- (b) Call regular meetings and special meetings of the Balancing Pool Board;
- (c) Approve the reasonable expenses of Members and the CEO; and
- (d) Carry out such other duties as may from time-to-time be assigned to the Chair by the Balancing Pool Board or as are incident to the office of Chair.

In addition to these responsibilities, the Chair also:

- Ensures a sound governance framework including compliance with applicable laws, regulations and Government directives;
- Manages the Member recruitment process to support the final selection by the Minister, and ensures the orientation of new Members to the practices of the Balancing Pool, including its governance practices, and provides ongoing development opportunities for Members to ensure continued competency and excellence;

- Assumes accountability for leadership development and development planning across the Balancing Pool;
- Leads in the selection of the membership for Balancing Pool Committees and in consultation with the Committee members appoints the Committee Chairs;
- Ensures that the annual evaluations and reviews of the performance of the Balancing Pool Board, CEO, its committees, and individual Members are conducted;
- Is accountable for assisting the CEO with his or her leadership development; and
- Ensures that the Department is provided with regular updates on Balancing Pool operations, at least quarterly, and informs the Department regarding emergent issues.

The Minister is responsible to the Legislative Assembly for the affairs of the Balancing Pool. The Chair is responsible to the Minister for providing the information necessary to allow the Minister to carry out this Ministerial responsibility.

4.2 Board

The Board of the Balancing Pool (Board) has responsibilities as defined in the EUA, regulations, and policies. Its main role is prudent corporate oversight with the day-to-day functioning of the Balancing Pool under the care of the CEO.

The fundamental responsibilities of the Board are to:

- (i) Appoint and oversee a competent executive team to manage the business of the Corporation;
- (ii) Identify and understand the risks associated with the business of the Corporation; and
- (iii) Ensure corporate conduct in an ethical and legal manner via an appropriate system of corporate governance, disclosure processes and internal controls.

The Balancing Pool Board establishes governance policies necessary to ensure that the Corporation is fully compliant with applicable securities laws and prevailing governance standards. These policies address the fundamental aspects of the Board's duties, Board member orientation, and the adopted governance model. The policies therefore speak to the terms of reference of Board committees, the appointment of members, their powers and duties as committee members, and their duty to report. The Board reviews the policies from time to time.

Meetings are held for decisions the Board feels are needed to properly guide the corporation. While the Chair and its members have the primary responsibility for meeting agendas, there is a requisite responsibility assumed by the CEO to ensure that all meetings address those key issues, on which he/she needs guidance. The Board has a fundamental role relative to corporate strategy to ensure a process is in place and to review and if it sees fit, endorse the corporate strategy presented by management. The Board is involved in the development of the strategy rather than simply endorsing it, with the details delegated to management.

The Board has a role in understanding (with the input of management) the key risks facing the Balancing Pool and any changes in those risks. It has the internal control systems in place to allow management to discharge its responsibilities and its financial reporting system allows for a comprehensive reporting. Its responsibilities with regard to finance do not end there: it must also provide strategic guidance relative to the budget (operational and capital), approval of the budget and the results relative to targets.

The Board's human resource functions include succession planning (as it pertains to the position of CEO), management recruitment and development (insofar as these apply to the policy framework), compensation (insofar as that applies to the Board and to the CEO), Board and CEO evaluation, and a policy framework as it applies to other Balancing Pool positions.

The Board has a responsibility to adopt a policy respecting disclosure of information and a communication policy for the corporation as a whole. The Board adopts a policy on relationships with its management and has authority to direct only the responsibilities of the CEO.

Finally, the Board has a role in ensuring that its conduct is above reproach and is distanced from any hint of conflict of interest (including bias).

4.3 Board Members

The Balancing Pool Board Members (Board Members or Members) are appointed under Section 76 of the EUA and in accordance with Balancing Pool bylaws, the Members of the Balancing Pool

- (a) Must recommend to the Minister individuals to be appointed as Members for all appointments after the appointment of the first Members; and
- (b) May recommend to the Minister an individual to be designated as Chair when a Chair needs to be designated.

A Member is eligible to receive the reasonable remuneration and expenses set out in the Balancing Pool bylaws.

In carrying out any duty, responsibility or function as a Member of the Balancing Pool, the Member must

- (a) Act honestly and in good faith;
- (b) Avoid conflicts of interest; and
- (c) Exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances.

4.4 Chief Executive Officer

The Balancing Pool Board appoints the Chief Executive Officer (CEO). The CEO reports to the Balancing Pool Board and is delegated certain duties and responsibilities by the Balancing Pool Board.

The CEO has the responsibility and accountability for the successful operation of the Balancing Pool in accordance with its legislated mandate and good business practices. The CEO is the leader of the Balancing Pool executive team, responsible for the development of organizational strategic plans, business plans and goals, budgets, compensation management, the risk identification and management program, corporate policies, internal controls, and operating plans.

4.5 Minister

The GOA has designated the Minister responsible for the Department of Energy to be responsible for the Balancing Pool. The Minister's duties and responsibilities in respect of the Balancing Pool are specified in the EUA as well as in the APAGA.

The APAGA sets out some particular responsibilities of the Minister.

The Minister shall:

- Participate with the public agency in setting the public agency's long-term objectives and its short-term targets, if any,
- Advise the public agency, as the Minister considers appropriate, respecting any Government policies applicable to the public agency or its activities or operations, and
- Monitor whether the public agency is
 - Acting within its mandate, and
 - Achieving its long-term objectives and short-term targets, if any.

The Minister may:

- Consult with the Balancing Pool and request its advice or comments on any matter respecting the development, establishment, amendment, termination, or repeal of any enactment, program, directive, guideline, or policy that is related to the Balancing Pool's mandate.
- Set policies that must be followed by the Balancing Pool in carrying out its powers, duties, and functions.

Other responsibilities of the Minister in relation to the APAGA are described further in this document.

4.6 Deputy Minister

The Deputy Minister of Energy is the deputy head of the Department and acts under the general direction of the Minister to advance the mandate of the Department and the Government. Under section 21 of the *Interpretation Act*, where an enactment directs or empowers the Minister to do something, or otherwise applies to the Minister, this includes the Deputy Minister or a person appointed as acting Deputy Minister, excepting only the authority to enact a regulation as defined in the *Regulations Act*.

The Deputy Minister will coordinate his or her actions and will work with the Chair and CEO, as appropriate, respecting the development and implementation of GOA, Department and Balancing Pool policies, priorities, business plans, resources, budget, and other matters of mutual interest.

The Deputy Minister has a supportive role to the Premier, Minister, and Executive Council that includes overseeing the operations and performance of the agencies to ensure they are operating effectively and in accordance with their mandates. This requires the Deputy Minister to be fully aware of what agencies, including the Balancing Pool, are doing and how they are doing it, managed through strong working relationships and direct communication with the Chair.

5.0 Recruitment, Orientation and Training and Evaluation

5.1 Recruitment

Balancing Pool Members recommend to the Minister individuals to be appointed as Members, and may recommend to the Minister an individual to be designated as Chair when a Chair needs to be designated. The recommended individuals must be qualified pursuant to the EUA, which requires that the individuals, in the opinion of the Minister:

- (a) Are independent of any person who has a material interest in the Alberta electric industry; and
- (b) Will enhance the performance of the Balancing Pool in exercising its powers and carrying out its duties, responsibilities and functions.

The recruitment search takes into account the any skills, knowledge, experience, or attributes required and selection is based on the assessment of the extent to which the person possesses these characteristics.

The profiles of qualified candidates, along with the documented recruitment process and any additional information required are sent to the Minister for consideration and selection.

5.2 Appointment

Members are appointed or reappointed according to the criteria listed in Section 76 of the EUA, Sections 14 and 15, as applicable, of the APAGA, and following GOA procedures for finalizing agency board appointments, which may include collecting Cabinet approval as necessary.

Remuneration for Members is based on criteria set out in the Balancing Pool Bylaws.

5.3 Term of Office

In accordance with Section 76 of the EUA, a Member is eligible to be appointed for a term of not more than three years, and a Member is eligible to be appointed for not more than three terms.

A Member continues to hold office after the expiry of the Member's term until the Member is reappointed, the Member's successor is appointed, or a period of three months has elapsed, whichever occurs first.

5.4 Orientation, Training and Development

The Chair ensures the orientation of new Members to the practices of the Balancing Pool, including its governance practices, and provides ongoing development opportunities for Members to ensure continued competency and excellence.

Board Members shall individually work with the Chair to establish development plans for the Board Member to maintain and enhance competency and excellence.

5.5 Evaluation of Members

Board Members will be evaluated annually by the Chair with due regard to performance in the execution of their responsibilities.

The Balancing Pool Board annually conducts a self-assessment of its operations including assessments of the Chair, Members, and Balancing Pool Board Committees. The Balancing Pool Board annually meets to review these assessments, identifies measures to improve performance and implements and monitors those measures.

5.6 Communication with the public

The Balancing Pool Board will publish the recruitment process in compliance with Section 13 of the APAGA.

Interaction and communication between the Minister and the Balancing Pool, and with the public will be discussed later in this document.

6.0 Code of Conduct

Under section 76(9) of the EUA, Balancing Pool Members must, in carrying out their powers, duties, and functions, act honestly and in good faith, avoid conflicts of interest, and exercise the care, diligence, and skill that a reasonably prudent person would exercise under comparable circumstances.

All dealings on the Balancing Pool's behalf must reflect high standards of ethical behavior. In particular, adherence to specific guidelines of the Code of Conduct (the Code) is required, including guidelines respecting conflicts of interests for Members.

New employees and Members complete a Certificate of Compliance regarding the Code. The Balancing Pool periodically checks its business activities to test conformance with the Code. This process requires that all Members, officers, employees and (if applicable) agents complete a Certificate of Compliance regarding the Code.

The Balancing Pool has Code of Ethics and Code of Conduct Guidelines, published on its public website.

7.0 Interaction and Communications

7.1 Interaction

The Balancing Pool's most common and ongoing interactions are with the Department. In general, the Chair and CEO will discuss and agree on these interactions and existing and emerging issues with the Deputy Minister (or representative) and/or Minister as applicable.

Where there are significant financial, policy, or other issues with implications for the Balancing Pool, industry or GOA, the Chair and CEO will attempt to resolve them through collaboration with the Deputy Minister, his or her designate, or the Minister as applicable, to ensure shared outcomes are achieved that are consistent, compatible, efficient, cost effective, and clear with legislation and GOA objectives.

The requirement of interaction between the Government and the Balancing Pool is not intended to impede the ability of either the Government or the Balancing Pool in timely execution of their respective mandates and taking appropriate action whenever it is required.

Such interactions include:

- Collaboration on development of regulatory instruments to ensure shared outcomes are achieved and regulations are consistent, compatible, efficient, cost effective, and clear;
- Regular contacts between the Chair or CEO and the Minister or Deputy Minister;
- Ongoing collaboration and communication at the staff level;
- Ongoing interactions with their respective operations staff to ensure efficient and effective work processes;
- Annual or semi-annual meetings between the Balancing Pool Board and the Minister and/or official of the Department;
- Reviewing the Balancing Pool's annual plan with the Minister and participation by the Minister with the Balancing Pool in setting the Balancing Pool's long-term objectives and short-term targets, if any;
- The filing of the annual report with the Minister;
- Advising on key policies which have a significant impact on the Balancing Pool's performance;
- Advising on changes to current policies; and
- Advising on changes to budget and finances.

The Balancing Pool and the Department will collaborate and cooperate with each other in the execution of their respective roles, facilitating work through:

- Participating in regular meetings with other electricity agencies chaired by the ADM, quarterly or more frequently, to allow for updates, sharing of annual operating plans, understanding of common concerns, and coordination;
- Collaboration on issues with implications to the Balancing Pool, the electric industry or GOA to ensure shared outcomes, such as agency alignment, are achieved that are compatible, efficient, cost effective, and consistent with legislation and GOA objectives; and
- Ongoing interactions with their respective operations staff to ensure efficient and effective work processes.

7.2 Information Sharing and Advisory Services

The purpose of this document is to ensure that the Balancing Pool and the Minister are working together to achieve the goals under APAGA and effectively discharging the Balancing Pool's mandate under the EUA. This includes a clear recognition that the GOA will determine policy and that, where the Balancing Pool has concerns and wants to engage on policy, there will be joint processes to facilitate input, collaboration, advice and direction.

The Balancing Pool manages financial accounts of behalf of Alberta electric consumers. The Department, other Government departments, and the Balancing Pool have regular and ad hoc needs for information, advice, or expertise from one another in policy, in the development of statutes and regulations, and in day-to-day operations.

The primary focus of the information, advice, and expertise sharing between the Balancing Pool and the Department is:

- The status of the Balancing Pool finances and issues with implications for the Balancing Pool financial accounts;
- Collecting and recording timely and useful dissemination of information regarding utility system costs in Alberta as appropriate;
- Discussion and input into Government policy proposals;
- Analysis of policies and issues which have implications for the Balancing Pool, industry, or Government;
- Timely and useful dissemination of information regarding the Balancing Pool, and its role in Alberta's competitive market as appropriate;
- Collecting, recording and assessing information and data on utility and market performance of industry activities; and
- Collaboration with Government of Alberta departments respecting monitoring, evaluation, and reporting.

In addition to complying with information requests made under the APAGA or the EUA, the GOA's requirements for new or *ad hoc* Balancing Pool information, advice, and expertise should, where possible, be anticipated and identified in ongoing planning and budget processes to prevent avoidable negative impacts on regular Balancing Pool services to industry, GOA, and public stakeholders.

7.3 Communications

The Minister, Balancing Pool Board, Chair, and CEO are accountable for the Balancing Pool's effectiveness in fulfilling its mandate and alignment with the objectives of the GOA.

The Minister through his or her delegate and through the efforts of the Department:

- Informs the Balancing Pool of GOA policies, legislation and direction affecting Balancing Pool operations and responsibilities; and
- Informs the Balancing Pool of, and makes available to the public, any GOA policy that must be followed by the Balancing Pool in carrying out its powers, duties and functions.

The Chair, through the CEO and the efforts of the Balancing Pool staff:

- Provides the Minister with advice on matters requested by the Minister or as deemed appropriate by the Balancing Pool Board; and
- Advise the Minister prior to making news releases, to ensure the Department is aware of and prepared for any necessary response.

The Chair, the CEO, the Minister, the Deputy Minister, and the Assistant Deputy Ministers responsible are committed to the timely exchange of information and effective consultation, where appropriate and necessary to enable the fulfillment of their respective responsibilities. They will communicate frequently to ensure there are no surprises between the Department and the Balancing Pool on appointments processes, significant files, finances, and issues. The timely sharing of information between GOA and Balancing Pool shall be the norm subject only to statutory exceptions where applicable. The Balancing Pool shall collect, maintain, and share information in formats consistent with GOA standards and formats, wherever possible

External communications shall be coordinated, whenever practicable, between the Department's communication staff and Balancing Pool staff so that proper planning and review can occur before information is communicated. Communications should be timely, clear, transparent, and constructive. The Minister and Chair are accountable for the agency's effectiveness in fulfilling its mandate and alignment with the objectives of the GOA.

The Balancing Pool through its Chair, Board and CEO will resolve key stakeholder issues in consultation with the Deputy Minister or representatives, as applicable, to ensure shared outcomes are achieved.

8.0 Committees of the Balancing Pool Board

The Balancing Pool is accountable for establishing and ensuring adherence to GOA policy, including this Mandate and Roles Document, in order to maintain a sound and robust governance framework. To address this responsibility, the Balancing Pool Board may establish one or more internal committees comprised of Members as it considers necessary and appropriate to support the governance responsibilities of the Balancing Pool Board.

At the time of signing of this Mandate and Roles Document, the Balancing Pool has established the following committees: The Governance and Human Resources Committee; and the Audit and Finance Committee.

The Balancing Pool also establishes an ad hoc nomination committee constituted from time to time by the Balancing Pool Board for the purpose of identifying potential new Members.

While the Board retains overall governance responsibilities, specific governance functions may be managed through the standing committees of the Board noted above.

8.1 The Governance and Human Resources Committee

The Governance and Human Resources Committee (the Governance and HR Committee) assists the Balancing Pool Board in meeting its responsibilities for:

- Annual monitoring, managing, and reporting of the corporate governance processes for the Balancing Pool Board;
- The appointment and compensation of the CEO and other officers of the Balancing Pool;
- Ensuring CEO and officer development planning;
- Managing of the Balancing Pool's human resource policies;
- Nominating Members and the Chair for Balancing Pool Board and Balancing Pool Board committee membership; and
- The orientation and training of new Members.

Key Responsibilities

- Provides assessments of and recommendations for the organizational structure and responsibility allocation within the Balancing Pool Board, Board Committees, the Chair, and the CEO;
- Monitors and recommends the appointment and compensation of the officers of the Balancing Pool;
- Monitors development, staffing, and development plans for key officer and management positions;
- Advises on benefit plans for all staff; and

- Assists with and advises on the review of the setting and achievement of performance goals and objectives of the CEO.

The Governance and HR Committee is governed by terms of reference which further outlines its scope and authority and roles and responsibilities.

8.2 Audit and Finance Committee

The Audit and Finance Committee is a standing committee that assists the Balancing Pool Board in fulfilling its oversight responsibilities by reviewing:

- The financial reporting process (internal and external);
- The system of internal control;
- The system for managing risk including credit;
- The audit process including relations with external audit and auditors; and
- The Balancing Pool's process for monitoring compliance with laws and regulations.

Key Responsibilities

- The Audit and Finance Committee will recommend an independent auditor of the Balancing Pool.
- Where appropriate the Audit and Finance Committee will make other recommendations to the Balancing Pool Board.

The Audit and Finance Committee is governed by the Audit and Finance Terms of Reference, which further outlines its scope, authority, and roles and responsibilities

9.0 Financial, Staffing, and Administrative Arrangements

9.1 Financial

The Balancing Pool receives its revenues primarily through the sale of energy from PPAs it manages, and from PPA derivative strip contracts it has sold, receipts of payments in lieu of taxes and returns from its investment portfolio. In the event of an annual shortfall, the Balancing Pool would receive revenues through a charge to customers.

The Balancing Pool must annually establish and approve a budget that includes all anticipated revenues and expenditures of the Balancing Pool for the up-coming fiscal year and include any other items as required by the Act, in particular, the annualized amount to be provided to the ISO for inclusion in its tariff in accordance with s. 30(2) of the EUA.

The Balancing Pool does not receive any funding from the GOA.

9.2 Audit

The Balancing Pool is required by the EUA to have an independent auditor review and audit its annual financial statements and to file those audited financial statements with the Minister, annually, within 120 days after the end of the Balancing Pool's fiscal year.

The Balancing Pool shall ensure that an adequate system of books and records in respect of the financial affairs of the Balancing Pool is installed and maintained.

9.3 Staffing

The Balancing Pool is not subject to the *Public Service Act* and retains staff and other resources as it deems appropriate on terms and conditions it determines. Balancing Pool human resource matters are overseen by the Balancing Pool Board through its Governance and Human Resources Committee and carried out by the CEO and other Balancing Pool management.

The Minister expects the Balancing Pool's staffing and human resource management systems to align with Government expectations of prudent fiscal management in the discharge of its powers, duties, and functions.

10.0 Planning and Reporting

Respecting the Minister's responsibilities identified in Section 6 of the APAGA, each year the Balancing Pool must share its business plan and budget with the Minister and participate with the Minister in setting its long-term objectives and short-term targets, if any.

To satisfy Section 85 of the EUA, the Balancing Pool issues an annual report containing audited financial statements and a full MD&A to the Minister on or before April 30th of each year for inclusion in the Ministry's Annual Report and subsequently makes the report available to the public.

The Balancing Pool shall maintain records of its affairs including the conduct of the independent audit. The Balancing Pool must submit that statement together with the summary of Balancing Pool activities to the Minister on an annual end of fiscal year basis and other reports as requested to the Minister.

11.0 Administration

11.1 Review of the Mandate and Roles Document

This Mandate and Roles Document must be reviewed by the Minister and the Balancing Pool and renewed, amended or replaced within three years after the date it is signed.

A review of the Balancing Pool's mandate and purpose will be carried out every seven years by the Minister in accordance with the APAGA.

11.2 Transparency

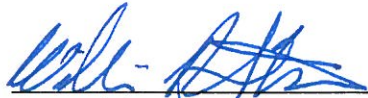
Copies of the Balancing Pool Mandate and Roles Document will be available to the public on the Balancing Pool's public website and on the Agency Governance Secretariat website.

11.3 Signatures

The *Balancing Pool Mandate and Roles Document* signed this 15th day of January, 2015 is accepted and agreed to by

A handwritten signature in blue ink, consisting of a stylized 'A' followed by a long horizontal line.

Minister of Energy

A handwritten signature in blue ink, consisting of a stylized 'A' followed by a long horizontal line.

Chair of the Balancing Pool