

TERMS OF REFERENCE BOARD CHAIR

Introduction

The Board assumes responsibility for the stewardship of BC Hydro and as a consequence has accountability for the management of BC Hydro. Critical to meeting this accountability are the relationships between the Board, Government and Management, and among Directors.

The Board Chair (Chair) is appointed by Government and may act in a full or part-time capacity (or non- capacities), depending upon the requirements of the Corporation.

These Terms of Reference set out the core responsibilities and deliverables of the Chair. Separate Terms of Reference have been developed for the role of President and Chief Executive Officer (see *Tab 8*).

The Chair, as the presiding Director, provides leadership in guiding the Board and coordinating its activities in the best interests of BC Hydro. In performing this role, the Chair manages the affairs of the Board, works closely with the President and Chief Operating Officer, including ensuring effective relations with Government, other stakeholders and the public. The Chair also works with Government and the Chair of the Governance and Human Resources Committee to ensure that the Board composition meets professional and other requirements and that the Board's membership is renewed on a timely basis.

While the Board supports the concept that the role of Chair is separate from that of Chief Executive Officer, it acknowledges that there may be exceptional circumstances when it is appropriate to combine the roles of Chair and Chief Executive Officer. Refer to *Tab 2 – Board of Directors' Guidelines: Chair of the Board* - for more discussion on this matter.

The Chair's compensation shall be consistent with all applicable Public Sector Employers' Council rules and guidelines.

Chair Working with Management

- Act as a sounding board and counselor for the President & CEO, including helping to identify problems, reviewing strategy, maintaining accountability, building relationships and ensuring the President & CEO is aware of concerns of the Board and Government, and the Board is aware of the principal concerns of management.
- Lead the Board in monitoring and evaluating the President & CEO's performance.
- Ensure BC Hydro's public policy mandate is articulated and documented annually prior to the finalization of the strategic business plan.
- Together with the President & CEO, act as a primary spokesperson for BC Hydro and oversee the Corporation's interfaces with Government and other stakeholders including:
 - developing and implementing a communications program; and
 - representing the Corporation in its interface with Government, regulatory bodies and other stakeholders.

- Collaborate closely and rigorously exchange information with the President & CEO, including maintaining a close liaison regarding communication strategies with Government.
- Ensure corporate strategy, plans and performance are presented to the Board.
- Ensure the President & CEO presents management succession and development plans at least annually and implements them.
- Foster a constructive and harmonious relationship between the Board and management.
- Appoint, liaise with and provide direction to the Corporate Secretary.

Chair Managing the Board of Directors

- Provide leadership to the Board.
- Ensure the Board has full governance of the Corporation's business and affairs and is alert to its obligations to BC Hydro, Government, and stakeholders and under the law.
- Assist the Board in reviewing and monitoring the strategic business plan, policy and directions of BC Hydro and the achievement of its objectives.
- Ensure there is cohesion of direction and purpose at a policy and strategic level.
- Build consensus and develop teamwork within the Board.
- Communicate with the Board to keep it up to date on all major developments, including timely discussion of potential developments.
- Direct management to ensure that the Board has sufficient knowledge to permit it to make major decisions when required.
- Co-ordinate the agenda, briefing packages and related events for Board meetings with the President & CEO and the Corporate Secretary.
- In consultation with the Board and the President & CEO:
 - recommend the necessary committees, their mandates and the appointment of Committee Chairs and members to the Board for approval;
 - annually evaluate each Committee's appropriateness in the current environment and recommend such adjustments as are deemed necessary from time to time; and
- Attend committee meetings as appropriate.
- Set the frequency of Board meetings and review such frequency from time to time as considered appropriate or as requested by the Board.
- Establish annually, in advance, the Board Calendar and coordinate fulfillment of the requirements set by this Board Manual.
- Annually lead or conduct the review and assessment of Board composition, performance and compensation, all in conjunction with any relevant committees of the Board.
- Chair Board meetings.
- Ensure Board and Committee meetings are conducted in an efficient, effective and focused manner.
- Ensure, with the assistance of management, that there is an orientation program for new Directors and an ongoing development program for existing Directors aimed at increasing the Directors' familiarity with the Corporation, its industry, and their unique responsibilities as crown corporation Directors.

Relations with Government, Other Stakeholders and the Public

- The Chair is appointed by Government and as a result, has a unique relationship with and responsibility to Government. The Chair shall, in consultation with the President and CEO:

- Undertake speaking and/or other public engagements in connection with the Corporation's activities.
- Represent the Corporation in its interface with Government, regulatory bodies, other stakeholders in Canada and other jurisdictions.
- Ensure the Corporation's management and the Board are appropriately represented to Government and other stakeholders.
- Ensure BC Hydro's management and, where applicable, the Board are appropriately represented at official functions and meetings.

Acting Chair

- In situations where the Chair is unable to perform his or her duties as set out above or as otherwise authorized by the Board, the Board delegates the Chair's authority and responsibilities to the following Acting Chairs, in succession, for the period of the Chair's inability to perform such duties:
 - the Chair of the Governance & Human Resources Committee, or, if unable,
 - the Chair of the Audit & Finance Committee, or, if unable,
 - the Chair of the Capital Projects Committee, or, if unable,
 - the Chair of the Operations & Planning Committee.
- For the purposes of this delegation, an Chair is considered unable to perform duties in the following circumstances:
 - they are physically or mentally incapacitated;
 - where, in an emergency situation, it is impracticable to contact them within a reasonable time;
 - they declare a temporary inability or unavailability to perform their duties as Chair for any reason.
- Any actions taken by an Acting Chair in reasonable reliance upon the delegation of authority set out above are considered to have been performed under the authority granted to the Chair.