

NLIS 3
Executive Council
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Strong Governance for Crown Corporations

Premier Announces Changes to Nalcor Energy Governance

The Honourable Paul Davis, Premier of Newfoundland and Labrador, today announced changes to the current governance model for Nalcor Energy, the province's energy company including its subsidiary Newfoundland and Labrador Hydro.

“Nalcor Energy is the people’s energy company and one that is quickly becoming a major global energy player. The Provincial Government is committed to ensuring the company is guided by qualified, experienced and deeply committed directors so that our residents’ needs are served. The Provincial Government, in consultation with the current Nalcor Energy Board of Directors, recognizes that the time is right to supplement the existing board expertise with additional knowledge and resources to reflect the evolution of the company and the needs of the business.”

- The Honourable Paul Davis, Premier of Newfoundland and Labrador

In keeping with best practice in other utilities and jurisdictions, the following steps have been undertaken:

- An external consultant has been engaged to identify the full suite of skills and experience needed at the board level to meet the current needs of the business and a process has been initiated to identify candidates with the skills required for board appointment.
- Individuals will be identified by an independent group using a best-practice, matrix approach identified by the consultant for assessing qualifications and making recommendations to the Board of Directors and the Provincial Government.
- Existing skilled and qualified directors will be supplemented with an increase in the number of directors at the Nalcor level and the appointment of additional independent directors to the Board of Newfoundland and Labrador Hydro.

“Nalcor’s governance structure has continued to evolve to meet the needs of the business. We have been advancing a comprehensive plan towards governance excellence. Over the past ten years, the company has grown from three to 13 companies with a projected asset base of \$14 billion by 2020. We are managing these assets on behalf of the province and the governance structure is growing in parallel. We will seek to broaden the current experience on the board with additional expertise and experience. As well, the appointment of additional independent directors to the board of Hydro will provide the required autonomy and focus on customers, in keeping with best practice in other jurisdictions and energy companies.”

- Ken Marshall, Chair, Nalcor Energy Board of Directors

The Provincial Government created Nalcor Energy to manage energy projects on behalf of the people of Newfoundland and Labrador, to position the province as a global player in the resource sector, and to bring long-term revenue to the province.

QUICK FACTS:

- Today, Premier Davis announced changes to the current governance model for Nalcor Energy, the province's energy company including its subsidiary Newfoundland and Labrador Hydro.
- Nalcor is becoming a major global energy player and the Provincial Government, in consultation with the current Nalcor Energy Board of Directors, recognizes that the time is right to supplement the existing board expertise with additional expertise and resources to reflect the evolution of the company and the needs of the business.
- The Provincial Government is committing to supplement the existing skilled and qualified directors with an increase in the number of directors at the Nalcor level and the appointment of additional independent directors to the Board of Newfoundland and Labrador Hydro.

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