

FINANCE/ADMINISTRATION/CUSTOMER SERVICE

OUTLINE OF MAJOR PROJECTS & TIMELINE

COLLUS & CPUSB

(DURING 2011 & 2012)

THE FOLLOWING OUTLINES THE MAJOR REQUIRED PROJECTS, TO BE COMPLETED DURING 2011 AND 2012, IN ORDER FOR THE MUNICIPAL ELECTRIC & WATER COMPANIES TO COMPLY TO REGULATIONS OR OPERATIONAL REQUIREMENTS. BOTH EXTERNAL (IE: OEB, CRA) & INTERNAL (IE: SUCCESSION, SHAREHOLDER'S USA TERMS, COLLUS & CPUSB BOARD GOALS)

1. SMART TIME-of-USE METER IMPLEMENTATION:

- Start date Jan. 1/12 – (Complete Province's mandated required work starting Feb. 2011)
- Approx. 16,000 meters replaced/installed at COLLUS customer locations by 3rd Q 2011
- Complete testing of metering early 4th Q 2011
- Upgrade CIS Billing/Cust. Serv. System & Staff Training thru 2nd & 3rd Q 2011
- Shadow Bill Customers Nov & Dec 2011 include Web Tool Upgrade-increase customer interaction
- Customer communication strategy planning & completing 4th Q 2011
- Monitor post-startup in 2012 for workload impacts & make necessary alterations as required
- Rate Rider reconciliation complete & filed in 3rd Q 2011 for May/12 inclusion in approved rate structure

2. CONVERSION OF COLLUS FINANCIAL REPORTING SYSTEM FROM GAAP TO IFRS:

- Utilize CHEC resources and members common interests template implementation plan
- Conversion date Jan. 1/12 – (Complete required work starting in Jan. 2011 thru to Dec. 2011)
- Establish Asset & Contributed Capital Balances in 1st half of 2011
- Set up Fixed Asset Module for ongoing tracking requirements once IFRS implemented late 2011
- Complete staff training thru 2nd half 2011
- Review Corp Structure and determine preferred structure under IFRS requirement

3. SUCCESSION PLANNING/IMPLEMENTATION:

- Immediate (Oct/10 -Jan/11): New Regulatory Manager & CIS Billing Manager (Both are retired)
- Complete Accountant Replacement training in 2011 (Current Acct to retire approx. Dec/11)
- Complete CIS Billing Assistant replacement training 2011(Current BA retire Dec/11)

4. CPUSB 2010-14 Ministry Of the Environment FINANCIAL PLAN FILING/COMPLETION:

- MOE approval required in by 1st Q 2012 to obtain new 5-yr approval of water license for 2nd Q
- MOE requires 5 yr plan to be filed for approval before issuing new 5 year water taking license
- Complete background study work and public process in 2nd&3rd Qs 2011
- Submit to MOE in 4th Q – review questions & clarifications early 2012 – approval by Mar/12

5. IESO REGULATION PRICE PLAN COMPULSORY AUDIT COMPLETION:

- Audit Requirements met and completed in 2nd& 3rd Qs 2011 – Approved with 0 issues

6. 2013 COLLUS POWER COST-OF-SERVICE RATE FILING/IMPLEMENTATION:

- Work in conjunction with other CHEC 2013 filers – utilize approved template to minimize costs

- Filing required to OEB Apr. 1/12 for approval by Dec/12 : Implement Jan. 1/13
- Updated COLLUS/CPUSB/COLLINGWOOD Shared Service Agmnts for Apr/12 filing

7. 2012 COLLUS POWER INCENTIVE REGULATION MECHANISM RATE FILING/IMPLEMENTATION:

- Work in conjunction with other CHEC 2013 filers – determine most efficient/minimize cost
- OEB timeline requirement of Nov/11 application filing to ensure May 1/12 implementation
- Monitor submissions and respond to requirements including public notification
- Implement approved plan for May/12 start up of updated rates & related changes

8. 2010 FINANCIAL STATEMENTS & 2011-13 ANNUAL REPORT/BUSINESS PLAN COMPLETION:

- 2010 Yearend Audit work complete by end of 1st Q 2011–Board approval Apr-May/11
- 2011-13 final draft readied in conjunction with Boards approval of statements
- Present to Council the required annual report including performance metrics end of May/11

9. 2012 COLLUS & CPUSB OPERATION BUDGETS and 2013-2014 FORECAST COMPLETION:

- 2012-14 Capital Expenditure Budget completed by July/11
- 2012-14 O&M and Administration Budget & Forecast completed by Sep/11
- Present draft plans to Board through Oct & Nov 2011
- Final approval Dec. 2011

10. 2011 INTERIM & 2010/11 YEAREND AUDIT BY EXTERNAL AUDIT FIRM (GAVILLER & CO.):

- Interim COLLUS & CPUSB audit work completed in Oct & Nov. 2011
- 2011 Yearend work completed Mar-Apr 2012
- Present draft statements to Board April 2012 for formal approval

The Major Projects Outline was developed for monitoring and assessing progress purposes when reporting and discussing work to date with Audit Committee. AC meeting discussions were reported on regularly to Boards during 2011 & 12. **Items 1-6 were additional workload requirements over and above the typical requirements.**

Further introduced in 2011:

(A) TOWN OF COLLINGWOOD(SHAREHOLDER) VALUATION OF COLLUS ASSETS:

- March 2011 implementation with ASAP Timeline for completion
- KPMG services utilized to assist meeting timeline due to excessive Finance workload already in place
- Finance resources utilized to provide as much data as possible for KPMG's use but not overseer

(B) TOC STRATEGIC PARTNER RFP:

- Valuation work reviewed by TOC June 27/11
- Direction provided from TOC & Board by July 8/11 to undertake RFP process/investigate
- KPMG services utilized for objective advice/assistance – Finance Dept a resource in process
- Finance resources participating to ensure data requirements are met for Data Room

- Finance resources participating in SPTT work, including meetings/evaluating&scoring RFPs
- Finance resources participating in completion of Share Sale process once P/S determined.