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September 1, 2023

Tracy Adams, CAO
City of Oshawa
50 Centre Street, South
Oshawa, ON L1H 3Z7

RE: Oshawa Power Group of Companies Board of Directors' Stipend

Dear Tracy,

I am writing today as a follow up to our meeting of February 14, 2023. In that meeting, we discussed that the Board of Directors stipend was last reviewed in 2007. With the growing business and the need to ensure we attract appropriately skilled talent as we head into recruitment for additional Board members, we are seeking approval to increase the Director Stipends.

As current stipends have not increased annually with inflationary increases since 2007, we are proposing a true up based on inflation using the Consumer Price Index ("CPI") as the basis for the calculation. The recommendation is slightly less than what the inflation true up would be. See Appendix for annual CPI increases for 2008 onwards. We are also proposing an additional increase for the Committee Chairs. It is industry best practice to compensate Committee Chairs a slightly higher stipend than other Directors to account for the added duties of chairing a Board Committee. As a reminder, Oshawa Power has the following Committees that support the Board:

- Finance and Audit Committee
- Human Resources and Governance Committee
- Project Monitoring Committee

As Oshawa Power Group of Companies has been growing, the demands on its Board members has also increased. Based on our analysis, we are proposing the following for Oshawa Power Group of Companies Board of Directors:

Board Position	Per Director Stipend		
	Current	Proposed	\$ increase
Directors	20,000	25,000	5,000
Cmtee Chair	20,000	30,000	10,000
BOD Chair	35,000	45,000	10,000
Total Extrapolated Annual Charge	175,000	235,000	60,000

We look forward to hearing back from you on the above proposal.

Sincerely,



Denise Carpenter, ICD.D, GCB.D
Chair, Oshawa Power Board of Directors
Attachments – Board Stipend Analysis CPI

Appendix

CPI Analysis

Year	CPI	Current Stipend	
		Directors 20,000	Board Chair 35,000
2008	2.3%	20,460	35,805
2009	0.3%	20,521	35,912
2010	1.8%	20,891	36,559
2011	2.9%	21,497	37,619
2012	1.5%	21,819	38,183
2013	0.9%	22,015	38,527
2014	2.0%	22,456	39,298
2015	1.1%	22,703	39,730
2016	1.4%	23,021	40,286
2017	1.6%	23,389	40,931
2018	2.3%	23,927	41,872
2019	1.9%	24,381	42,668
2020	0.7%	24,552	42,966
2021	3.4%	25,387	44,427
2022	6.8%	27,113	47,448