



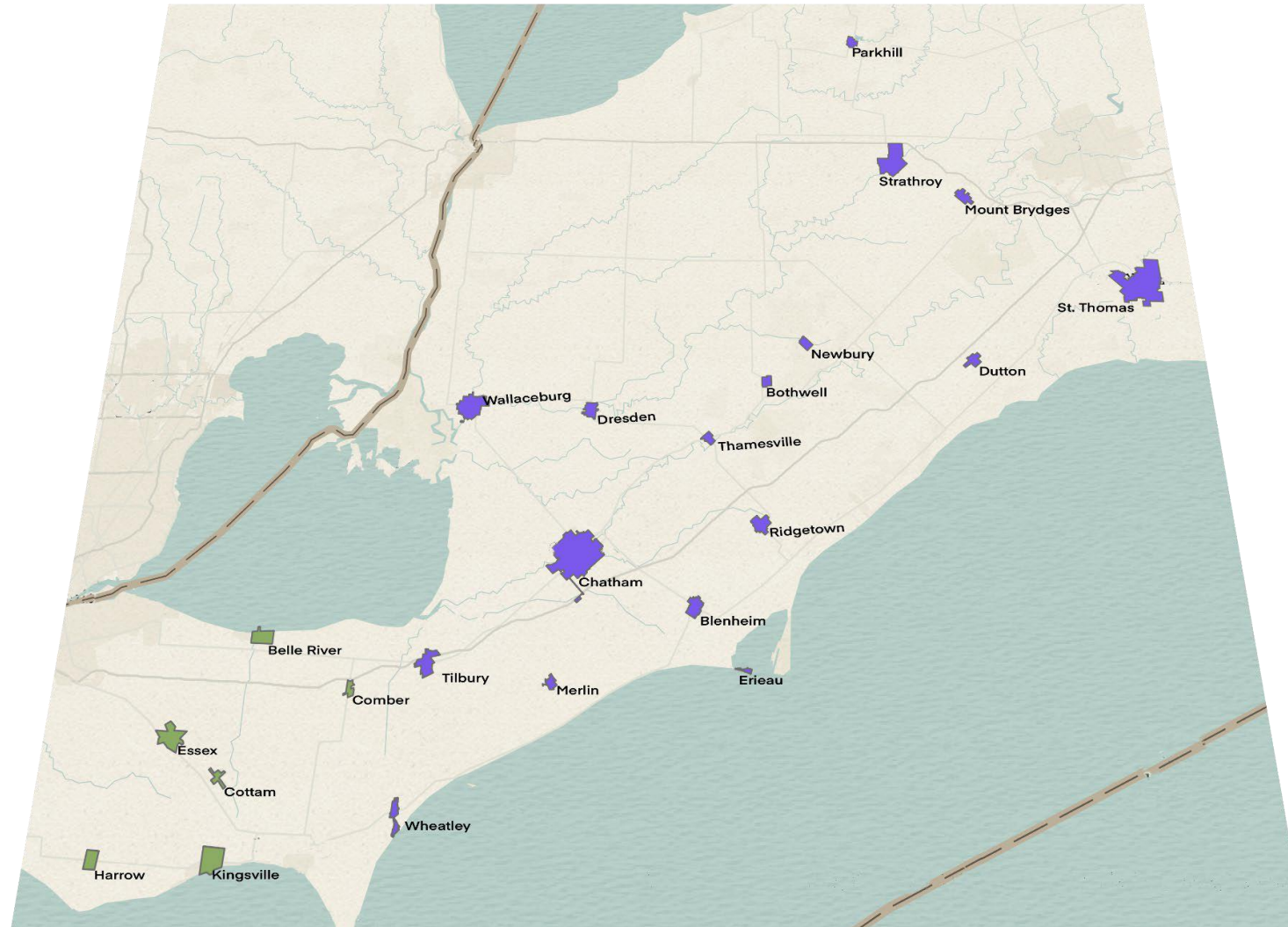
## Management Services Agreement (MSA)

- Agenda

- Introduction Management Service Agreement (MSA) service provider Entegrus Inc.
- E.L.K. Energy Board update



# Neighboring Utilities – E.L.K. Energy and Entegrus Communities They Serve



# Entegrus key statistics

- Serve 17 communities
- 2 service centers plus an additional work yard and garage
- More than 62,000 customers
- 125 employees, many engineers, CPAs, MBAs, trades staff
- Invest in modernizing the distribution system, smart grid and technology
- Ranked in 1<sup>st</sup> group for efficiency by the Ontario Energy Board
- Community minded, provide more than \$450,000 in donations annually
- Base level of dividends is \$5,800,000 with occasional additional dividends

# Management Services Agreement (MSA)

- Provide management services to support the staff and the Board
- The Entegrus team will provide information to the Board on many key functional areas such as finance, customer service, outside operations, health & safety, human resources and others
- Work with the E.L.K. Energy staff to develop a smart grid plan to modernize the distribution system and implement new technology that is the standard in the industry



# E.L.K. Energy Board Update

- The Board members are all new
- Board strongly supports the dedicated staff and look forward to working with them and providing them with the tools and resources to be successful
- Board wants to be more transparent and will provide a summary of their meetings and post it on the E.L.K. Energy website



# E.L.K. Energy Board Update

- The current Board's priorities are to modernize the distribution system by investing in renewing the system and introducing new technology which is a standard in the industry
- The new investments over time will improve the reliability of the distribution system, improve customer service and to provide the tools necessary for the employees to be successful



# E.L.K. Energy Board Update

- The investments that the Board has approved;
  - Additional tree trimming >\$200,000 per year
  - Additional line and customer service staff (posting has closed interviews to begin shortly)
  - New phone system (options being reviewed)
  - Backup generator for the building (RFP closes first week of July)
  - Smart grid investments
    - Continue the fault indicator program
    - New investments in GIS, SCADA (options being engineered) and automated switches (1 set of switches are on order, 2<sup>nd</sup> set has been approved by the Board in late June)





# E.L.K. Energy Board Update

- Member of Ontario Mutual Aid Group (registered as member for storm aid support)
- Implementing H&S systems for employees and the community
- Expand social media exposure
- Partnering with other regional utilities on electric vehicle charging stations (program to be available late 2023 or early 2024)
- Municipal access agreement (discussed at June meeting, team will reach out to Kingsville leaders)



# E.L.K. Energy Board Update

- Distribution system upgrades and investment
- System assessments are now implemented over a three-year period
  - Transformer replacements
    - 2022 – 8 transformers replaced
    - 2023 – 25 to 35 transformers to be replaced
  - Pole replacements
    - 2022 – 14 poles replaced
    - 2023 – 25 poles fully replaced; 15 poles refurbished on a pilot projects



# Questions

