



City of
Peterborough

To: **Members of Committee of the Whole**

From: **Allan Seabrooke, Chief Administrative Officer**

Meeting Date: **October 17, 2016**

Subject: **Report CAO16-012
Community Engagement Plan – Potential Sale of Peterborough
Distribution Inc. (PDI)**

Purpose

A report to seek Council approval of a community engagement plan to provide information to the public on the potential sale of Peterborough Distribution Inc. (PDI).

Recommendation

That Council approve the recommendation outlined in Report CAO16-012, dated October 17, 2016, of the Chief Administrative Officer, as follows:

That Report CAO16-012 outlining a community engagement plan to provide information to the public on the potential sale of Peterborough Distribution Inc. (PDI) be approved.

Budget and Financial Implications

The engagement of Navigant Consulting Inc. to provide third party review of the electricity distribution sector, recommendations and documentation from City of Peterborough Holdings Inc. (CoPHI) on potential divestment was approved by Council through Report CAO16-008 on June 27, 2016 and estimated at approximately \$30,000.

To date, approximately \$22,000 has been expended by the City to Navigant Consulting to complete the first part of the overall engagement. In addition, the City has expended approximately \$120,000 on external legal fees with respect to negotiations on a potential divestment of PDI.

There will be additional expenditures to complete the community engagement plan outlined in this report.

There are substantial financial considerations and options for the City should an eventual transaction occur divesting PDI.

Background

Previous Council Direction

On February 22, 2016, Committee of the Whole considered, and Council approved, the following recommendations based on Report CAO16-005:

- a) That Report CAO16-005, and presentation by Peterborough Utilities Group (PUG) providing an update on a potential transaction involving the sale of PDI to Hydro One be received for information;
- b) That staff be directed to initiate a public process to receive constituent input on the sale of PDI to Hydro One.

A public process was initiated, in the form of a public meeting hosted by the City on March 3, 2016 at Market Hall, Peterborough. The meeting consisted of a number of presentations with respect to PDI and potential divestment; speakers entertained and responded to questions; and the results of this first consultation were reported to Council in a June 20, 2016 report to Council.

On September 6, 2016, Committee of the Whole considered, and Council approved, the following recommendation based on Report CAO16-009:

That a presentation by Navigant Consulting Inc., providing information on the outlook for medium sized Local Distribution Companies (LDC's) be received for information.

At the meeting of September 12, 2016, the following recommendation was added:

That the recommendation for Report CAO16-009 be amended by adding as follows:

That staff be directed to report on a comprehensive community engagement plan to provide information to the public on the potential sale of PDI.

Community Engagement Plan

Plan Goals – What we will achieve

Through implementation of this engagement plan we will:

- Develop shared understanding with residents and businesses regarding key components of the draft agreement between the City and Hydro One in the divestment of PDI.
- Demonstrate responsiveness to constituents' need for information about the decision making process and how information will be used to inform decisions.
- Demonstrate how the agreement impacts Peterborough and its citizens.
- Articulate how constituents' ongoing concerns will be addressed.

The Approach – How will we achieve this?

Our approach will:

- Use a variety of communication channels to create opportunities for soliciting and gathering input and feedback from the community to inform decision making by Council.
- Make resources available that respond to questions that arise.
- Ensure that the process is transparent and respectful of people's time by providing sufficient notice to become aware of and participate in a manner that works for them.

Outcomes

The desired outcomes from implementation of the engagement plan are:

- Engage a broad and diverse type of community members, associations and stakeholders.
- Strengthen public awareness and confidence in the decision making process by sharing information in a clear, unbiased and open manner on the Hydro One draft agreement.

Objective 1: Engage constituents through different channels that encourage diversity of participation in a way that is respectful of their time and capability.

In Person Opportunities

Community Open Houses – We will host one community open house in each of the five wards. The tentative date, location and times are outlined in Appendix A.

Technical experts and advisors (City staff, Navigant, PDI) will support the event. Materials will include information boards, and takeaway materials to review in their own time. Input will be gathered through comment cards, written notes taken by support staff and entered directly on-line through on-site computers.

City Hall Drop In – Host 1-2 lunch hour information sessions to engage people working in the area and City staff. Information boards used at the Community Open Houses support the session and staff will be available to answer questions. Feedback will be solicited by way of comment cards. A proposed date is to be determined.

Public Pop Up Meetings – Similar to the City Hall Drop In session, a number of information outreach booths will be organized and set up in local venues such as library, farmers market, malls, sports events, etc. to reach people “where they are”. At least one of these booths will take place in Lakefield and Norwood.

Information Availability at City Facilities – Information will be made available at city facilities and Townships of Selwyn and Asphodel Norwood where residents will have the opportunity to take print material with them and/or leave comments on cards which will be collected at the venues.

Internet Opportunities

Website and E-Mail – The City website will be populated with supporting information, video, on-line comment capability, and frequently asked questions responses updated on an ongoing basis throughout the process. A PDI dedicated general e-mail account will be established to enable residents to ask their questions to the City and to submit their comments.

Traditional Format

Telephone – A PDI dedicated telephone line/ voicemail resource will be established and will use a prepared Frequently Asked Questions document that is continually refreshed. Residents will be afforded opportunity to provide their feedback via voicemail.

Objective 2 – Provide adequate notification and awareness of engagement opportunities

Press Release – A series of planned releases and advertisements will be prepared and disseminated to all local television, radio and print publishers and through City social media.

Community Notices – Will be posted at all available areas in the City and all local boards, advisory committees and community organizations will be notified.

Objective 3 – Obtain input from community leaders to provide a perspective on the impact of PDI divestment on the City's future.

An outreach to identified leaders in the Peterborough community is planned to solicit their views on the divestment of PDI and its impact on the broader community, including the social and economic implications for Peterborough and its residents. It is important for City representatives to have this input in advance of both the public engagement sessions and the ultimate Council decision making process. Their feedback will also inform public materials and the overall community engagement process.

The outreach will take the form of about 6 telephone interviews lasting 30 to 40 minutes with the identified community leaders. This outreach will be launched immediately following approval of this plan.

Objective 4 – Develop a robust body of supporting materials to support the engagement.

Video – A videotaped interview with the CAO, lasting about two to three minutes, will be prepared for posting as an information resource on the website and for use during community open houses, drop in and pop up sessions. The interview will address the divestment consideration process, key facts about the negotiated offer and describe the impact on the City's strategic plan.

FAQ's – A frequently asked questions document will be prepared, and continually updated to reflect new concerns raised by participants in the process. The document will be informed by comments received to date from the public, augmented by anticipated questions developed by staff and consultants, and community leader feedback. The document will align with/refer to PDI material.

Special Committee of the Whole and Council Meeting

Following completion of the community engagement, staff are recommending the scheduling of a special Committee of the Whole and subsequent special Council meeting where a staff report and recommendations will be tabled on potential divestment of PDI to Hydro One. The special Committee of the Whole meeting will include a staff report, public engagement synopsis and presentation from Navigant Consulting. Navigant will provide an evaluation of a potential transaction through a decision framework that examines the impact on shareholder, impact on the municipality and impact on ratepayers.

This final step affords a formal opportunity for the public to address Council as a delegation on the matter. It is anticipated that these meetings will be scheduled in early December.

Communication Plan – Community Engagement

A communications plan has been prepared by City staff to advertise and create awareness of the various engagement opportunities. The plan includes press releases, website notification, print and radio advertising, and social media. The Township of Selwyn and Asphodel Norwood administration will be consulted and included in communication efforts as requested.

Summary

At the September 12, 2016 Council meeting, staff were directed to report on a comprehensive community engagement plan to provide information to the public on the potential sale of PDI. Staff are recommending a plan that uses a variety of communication channels to develop a shared understanding with residents and businesses regarding the key components of the draft agreement between the City and Hydro One in the divestment of PDI. Through community open houses, drop in and pop up meetings, internet opportunities via websites, social media, dedicated PDI e-mail and phone lines, residents are afforded opportunities to be engaged, informed, provide feedback and have questions answered. A robust plan to create awareness of engagement opportunities is proposed. The process will conclude with a special Committee of the Whole and Council meeting for a Council decision on the matter.

Submitted by,

Allan Seabrooke
Chief Administrative Officer

Appendix A: Tentative Schedule, Community Open Houses

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Tentative Schedule – Community Open Houses

| Date | Location/Address | Ward | Time |
|------------------|--|-------------|-------------|
| November 1, 2016 | Canadian Canoe Museum 910 Monaghan Road | Otonabee | 5 – 8 p.m. |
| November 2, 2016 | Peterborough Lions Community Centre 347 Burnham Street | Ashburnham | 5 – 8 p.m. |
| November 3, 2016 | TBA | | |
| November 8, 2016 | TBA | | |
| November 9, 2016 | Peterborough Lawn Bowling Club 577 McDonnell Street | Town | 5 -8 p.m. |