

# **Terms of Reference of the Operations Committee**

## **PURPOSE**

Pursuant to Article 131 of the Articles of Incorporation, the purpose of the Operations Committee of the Board of Directors is to review the operations of the Company and give technical advice to the officers of the Company and advise the Board on matters relating to the Company's performance.

The Committee will assist the Board in the performance of its functions and will review and approve technical matters brought forward by the Officers of the Company with respect to the operations of the Company subject to the powers, authority, direction and control of the Board. The authority of the Operations Committee is therefore subordinate and subject to the Board of Directors. This is an efficient approach to the conduct of business as it facilitates a thorough examination of essential details by the Committee, who can then effectively deal with questions and issues that may arise at board meetings.

## **STRUCTURE AND MEMBERSHIP**

**Composition:** The Operations Committee shall consist of the following members in accordance with the Shareholders' Agreement and the Articles of Incorporation:

1. Two (2) members who shall be appointed by the EWP Shareholder
2. Two (2) members who shall be appointed by the MaruEnergy Shareholder
3. Two (2) members who shall be appointed by Minority Shareholder

Other Attendees include:

1. President & CEO
2. Chief Financial Officer
3. The Secretary/Assistant Secretary
4. SVP Generation
5. SVP Energy Delivery
6. Other Leadership Team members as may be required

**Chair:** The Chairman of the Operations Committee shall be chosen by the majority of the members including the affirmative votes of one (1) committee member nominated by EWP (Barbados) and one (1) committee member nominated by MaruEnergy.

**Compensation:** The compensation of the Operations Committee members shall be the same as is payable to Directors in accordance with Article 101 of the Articles of Incorporation.

## **AUTHORITY AND RESPONSIBILITIES**

### **General**

The Operations Committee shall discharge its responsibilities, and shall assess the information provided by the Company's management, in accordance with its business judgment. In general, the Operations Committee will exercise its responsibility in the following areas:

- Receive and review reports from the Company management relating to the Company's operations.
- Review company operational and health & safety policies and procedures to determine if there is a need for improvement.
- Evaluate operational performance and provide recommendations as needed.
- Review and recommend to the Board of Directors major corporate procurement or pre-procurement files.
- Review proposals, new strategies and equipment replacements as they apply to company-wide operations.

## **FUNCTIONS**

The following functions shall be the key responsibilities of the Operations Committee of the Board of Directors of the Company in carrying out its oversight function:

- Keep minutes of meeting and report significant Committee activities and findings to the Board of Directors on a regular basis and shall provide reports to the Board.
- Provide technical reviews for the business as directed by the Company's Board of Directors and provide feedback to the President & CEO and the rest of the management team.
- Establish methodologies, review systems, procedures for making operational decisions and provide technical advice to the Board of Directors and the Company's management on activities and projects.
- Review procurement of products and services within the delegation of authority parameters defined by the Board of Directors to ensure compliance of procurement practices and provide recommendations to the Board of Directors.

- Review ongoing major capital projects ensuring that they remain within the scope of approval, are on schedule and remain within budget. Where there is a variance from the originally approved project, ensure that appropriate approvals are put in place, ideally before the variance occurs.
- Review the long term capital programs to evaluate if it will achieve the goals of Company as set out by the Board of Directors within the delegation of authority parameters defined.
- Review operational components of the annual business plan and provide recommendations to the Board of Directors.

### **Meetings**

The meetings of the Committee shall be every two months alternating with Board of Directors meetings where possible. The Committee may however, have special meetings if and when required and as determined by the Chairman of the Committee. For the transaction of business at any meeting of the Committee, a majority of the members consisting of at least one shareholder representative from EWP and MaruEnergy shall constitute a quorum. Any action taken by the Committee shall require the affirmative approval of more than fifty percent (50%) of the members of the Committee.