

December 8, 2006

Parkinson gone

Society President **Andrew Müller** reacted quickly. "The resignation of Mr. Parkinson clears the way for the organization to restore public confidence in this important crown corporation," he said, in a release welcoming the resignation, distributed to the media just after 3 p.m. today.

Parkinson has been under fire since Tuesday's release of the Ontario Auditor General's report on an audit of Hydro One procurement practices. While the audit found more than \$127 million in charges on corporate credit cards were insufficiently documented, the clunker that charged up the media for days was the finding that a "senior executive" had charged \$50,000 to his secretary's charge card, "a significant percentage of which was for [him]", and had then approved the purchases himself, a clear violation of the approvals policy. Parkinson was outed the next day by a Ministry of Energy spokesperson as the senior executive involved, and the calls for his resignation began.

In the Society release, Müller repeated an undertaking he'd made to the Ontario Legislature's Committee on Government Agencies on September 7th:



Former Hydro One CEO Tom Parkinson in happier times

This is an important opportunity for the government to restore leadership that will

Hydro One President and CEO Tom Parkinson has resigned.

At 2 p.m. this afternoon Hydro One Board Chair Rita Burak announced that Parkinson had offered her his resignation, and she had accepted it "with deep regret."

improve employee morale and have the public's confidence," said Müller. "To that end the Society is prepared to work with the government in finding a solution at Hydro One and restoring positive labour relations. We welcome the opportunity to work together on this important issue.

Hydro One later announced that General Counsel and Secretary Laura Formosa has been appointed Acting President and CEO. In June, the Financial Post credited Formosa with implementing the legal strategy that kept

Hydro One operating during the Society strike in 2005. It was she who arranged for the helicopters and "passenger vans with security-trained drivers" that ferried non-striking employees through picket lines.

"It was a constant battle of wits," she said. "We had to scramble. It was constantly thinking on your feet to keep the lights on."

Hydro One has begun a search for a new, permanent CEO.

Society NewsFLASH 2006:02

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