



MEDIA RELEASE

For Immediate Release

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Haldimand County Council to Discuss Sale Offer For Haldimand County Utilities Inc.

December 6, 2013 – Haldimand County council will meet on December 10 to review a proposal from Hydro One for the purchase of Haldimand County Utilities Inc., the local distribution company owned by Haldimand County.

Council agreed at its Dec. 2 meeting to consider the share purchase agreement proposal brought forward by Hydro One Inc. at its next Council in Committee Meeting. The meeting will be held December 10 at 11 a.m. at the County offices in Cayuga.

“This council’s main focus is on affordable, reliable and sustainable electricity distribution to our County as well as the employees of Haldimand County Hydro,” said Haldimand County Mayor Ken Hewitt. “We are continuing to explore options that will provide Haldimand County with the best value and return on investment for our residents.”

Key elements of the proposal include:

- The total value of the proposal is \$77 million. Hydro One will pay \$62 million to Haldimand County after assuming Haldimand County Utilities Inc.’s existing debt of \$15 million.
- Hydro One will lower residential and commercial electric distribution rates by one per cent and institute a five-year freeze on those rates.
- All Haldimand County Hydro employees will be offered employment and will receive a one-year guarantee to remain in their current location.
- Hydro One will also relocate approximately 30 of its current staff to Haldimand County, resulting in the expansion of the current Caledonia facility and the creation of a satellite facility in Dunnville.

- Hydro One will meet or exceed current service levels. If this is not met, Hydro One will provide a \$100,000 payment to Haldimand County to benefit community interests, including charities.
- Hydro One will establish an advisory committee, including representatives of Haldimand County Council, to monitor and provide input about customer service and other matters.

“Haldimand County Hydro Board finds the proposal of Hydro One Inc. fair and supports the decision of Haldimand County Council,” said Albert Marshall, Chair of the Haldimand County Hydro Board of Directors. “We evaluated the offer and find the proposed terms fair should the County decide to divest the utility.”

Council began exploring options for Haldimand County Utilities Inc. following a motion passed in November 2012. The motion followed a Ministry of Energy established panel review report that recommended a wide-scale consolidation of local electricity distribution companies.

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