



For Immediate Release

Thursday, March 24, 2016

Shareholders Sign Legal Agreements to Consolidate Leading Ontario Utilities

Transaction will create province's second largest electricity distribution company

Hamilton - The plan to merge three leading Greater Golden Horseshoe Area utilities and jointly purchase a fourth has taken another step forward, with the completion of legal agreements among the seven shareholders.

Enersource Corporation, Horizon Utilities Corporation and PowerStream Inc. are looking to merge and jointly purchase Hydro One Brampton Networks Inc. from the Ontario Government, effectively creating the second largest electricity distribution company in Ontario, with a service territory of approximately 1,800 km.

The legal agreements milestone was marked at a signing ceremony held at Horizon Utilities in Hamilton today. The event was attended by the Hon. Bob Chiarelli, Ontario's Energy Minister, mayors for the shareholder communities of City of Mississauga (Enersource), cities of Hamilton and St. Catharines (Horizon Utilities), cities of Barrie, Markham and Vaughan (PowerStream) and a representative for the Enersource shareholder Borealis (owned by the Ontario Municipal Employees Retirement System).

Subject to regulatory approval, the transaction will enable a new, larger company to use its collective resources to reduce upward pressure on distribution rates. It will also deliver more efficient services and innovative technologies for customers, while providing significant benefits for communities and shareholders.

In April 2015, the four utilities announced their intention to work together to become one company.

Since 1998, various provincial governments in Ontario have sought to increase efficiencies in the electricity distribution sector. The 2012 Ontario Distribution Sector Review Panel and the 2015 Premier's Advisory Committee on Government Assets made recommendations that encouraged consolidation of the province's electricity distribution sector.

The signing of legal agreements – **Merger Participation Agreement** (MPA) and **Share Purchase Agreement** (SPA) is the final step before seeking regulatory approval.

Within the coming weeks, the shareholders will submit a **Mergers, Acquisitions, Amalgamations and Divestitures** (MAADs) application to the Ontario Energy Board (OEB) for approval; a process estimated to take a minimum of six months.

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