



## **OEB Approves Guelph Hydro Merger with Alectra**

Guelph, Ont., October 18, 2018 – The Ontario Energy Board (OEB) has approved the merger of Guelph Hydro Electric Systems Inc. (Guelph Hydro) and Alectra Utilities Corporation.

In its decision on a Mergers, Acquisitions, Amalgamations and Divestitures (MAADs) application submitted by the two Applicants on March 7, 2018, the OEB stated the following:

- The OEB has determined that the Applicants have satisfied the no harm test with respect to price, cost effectiveness and economic efficiency. The evidence shows that the underlying cost structures to serve acquired customers following the proposed merger will be no higher than they otherwise would have been.
- The OEB is satisfied that the way in which the Applicants propose to provide service in the area currently served by Guelph Hydro will be effective in continuing existing levels of service. The OEB has determined that the Applicants have met the no harm test with respect to reliability and quality of electricity service.
- The OEB concludes that the proposed amalgamation of Alectra Utilities and Guelph Hydro, including the Applicants' ten-year deferral rate rebasing proposal, meets the no harm test.

Once the transaction is closed on January 1, 2019, the City of Guelph will receive an estimated 4.63 per cent ownership interest in Alectra, and one permanent seat on Alectra's Board of Directors. The transaction remains subject to the parties meeting certain closing conditions.

As part owner of a larger municipally-owned utility that will serve more than one million homes and businesses in Ontario's Greater Golden Horseshoe area, the City of Guelph is expected to receive higher annual dividends which can be used to, among other things, invest in local infrastructure, programs, and services. Guelph Hydro's current location will be home to Alectra's Southwest Ontario operations hub, and a new Green Energy & Technology Centre (GRE&T Centre).

The OEB's full decision on the MAADs application can be found on the [OEB website](#).

### **About Guelph Hydro Electric Systems Inc.**

Guelph Hydro is a medium-sized local distribution company delivering electricity in a safe and reliable manner to more than 55,000 customers in Guelph and Rockwood, Ontario. You can learn more about Guelph Hydro at [guelphhydro.com](http://guelphhydro.com)



## **About the City of Guelph**

Guelph is a growing, diverse and vibrant community of more than 120,000 people, located about 100 kilometres west of Toronto, Ontario, Canada. In February 2016, Guelph City Council directed the [Strategies and Options Committee](#) to explore the marketplace and learn how maintaining full ownership of Guelph Hydro compared with opportunities to merge with other publicly-owned utility companies. In December 2017, after more than a year of industry research, a comprehensive financial analysis and community engagement on a potential transaction, Guelph City Council voted in favour of a merger between Guelph Hydro Electric Systems and Alectra Inc.

## **About Alectra Inc.**

Alectra's family of energy companies distributes electricity to nearly one million homes and businesses in Ontario's Greater Golden Horseshoe area and provides innovative energy solutions to these and thousands more across Ontario. The Alectra family of companies includes Alectra Inc., Alectra Utilities Corporation and Alectra Energy Solutions. Learn more about Alectra at [alectrautilities.com](http://alectrautilities.com)

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