

Press Release- Mississauga

Mississauga City Council Approves Proposed Utility Merger

Sep 30, 2015

Today, Mississauga City Council approved a proposed plan for Enersource to merge with Horizon Utilities and PowerStream and jointly purchase the shares of Hydro One Brampton. In addition, Council approved a new bylaw to authorize the execution of the agreements necessary to complete the merger of Enersource with Horizon and PowerStream and provide for the acquisition of Hydro One Brampton.

“Enersource has presented a comprehensive business case that outlines the benefits for residents and the City of Mississauga,” said Mayor Bonnie Crombie. “Merging with other leading utility companies creates better efficiencies and translates into savings for our residents and benefits for municipal shareholders.”

As Enersource’s largest shareholder at 90 per cent, the proposed merger required City Council approval before it could proceed.

A merged company will provide service to more than 900,000 customers in the Greater Golden Horseshoe Area including Mississauga, and will be the second largest electrical utility in Ontario. The proposed plan also specifies there would be no single controlling interest in a new, larger company and all municipal shareholders would have proportional representation on the Board of Directors.

“As a majority shareholder in Enersource, we want to ensure the best value for our investment and ensure residents receive a consistent level of service that they’ve come to rely on with the new plan,” said Janice Baker, City Manager and Chief Administrative Officer. “After careful consideration, the business plan presented by Enersource clearly prioritizes benefits for customers, shareholders and communities.”

The plan presented by Enersource identifies benefits for residents and the City including:

- lower distribution rates for customers
- increased dividends to the City which can be used for reinvestment into local priorities for our community
- a head office and an existing local service centre will remain in Mississauga
- an increase in shareholder value in the new larger utility

Should the proposal be endorsed by all shareholders of the merger participant companies, it will proceed to the Ontario Energy Board for final review and approval; a process which is expected to take several months.