



The Corporation of the
City of St. Catharines

www.stcatharines.ca

PO Box 3012, 50 Church Street
St. Catharines, ON L2R 7C2
Tel: 905.688.5600

News Release

Council approves hydro merger

Oct. 21, 2015 – St. Catharines City Council has approved a motion to merge Horizon Utilities with PowerStream and Enersource to create a larger local electricity distribution company capable of lowering costs for customer and increasing returns for municipal shareholders.

The City Councils in Barrie, Mississauga and Vaughan have also recently voted in favour of the proposed merger, with approvals still required from the municipalities of Markham and Hamilton. To move forward, the merger requires the approval of all the municipal shareholders and their holding companies, as well the Ontario Energy Board (OEB).

It is expected that, as a result of merging, the new utility will need \$1.9 million less in annual revenues, on average, from customers in St. Catharines. The average customer will save an average of \$40 annually on their utility bills, with commercial customers saving more.

“Throughout the discussions, Council has been focused on ensuring reduced costs to customers, maintaining service levels and increased returns for taxpayers,” stated Mayor Walter Sendzik. “Once approved, the new company will be one of the largest local electric distribution utilities in Ontario, creating savings and efficiencies that will be passed on to customers and reinvested in our communities. The City of St. Catharines will remain as a shareholder in the new company and the customer service centre will stay in St. Catharines. The new company will be well positioned to respond to emergencies, support local generation and innovate.”

If the merger is successful, the yet-unnamed utility provider would serve more than 900,000 customers in southern Ontario, including York Region, Simcoe County, Peel Region, Hamilton and St. Catharines.

The merger will create a new company owned by holding companies of the municipalities of St. Catharines, Hamilton, Mississauga, Barrie, Markham and Vaughan, with the Mississauga holding company also including Borealis – part of the Ontario Municipal Employees Retirement System. The new company would also purchase Hydro One Brampton.

The City of St. Catharines is the sole shareholder of St. Catharines Hydro Inc. (SCHI), and through this holding company the City owns a portion of Horizon Utilities. The vote to approve the merger was held during the Oct. 20 City Council meeting.

-30-

Contact:

Mayor Walter Sendzik
905.688.5601 ext. 1540