Statement on Behalf of the Ontario Minister of Energy

“Ontario is pleased to see the announcement of today’s acquisition of XXXX by Hydro One Inc. Hydro One expects this transaction to deliver clear benefits for the company’s customers, employees and shareholders – including all taxpayers given the Government’s position as the single largest shareholder in Hydro One.

In particular, we note that this transaction will have no impact on the rates that Ontario customers pay. [Neither will it have any impact on local jobs, or Hydro One’s current workforce .] [NTD: What is our basis for this comment? It may well be true and if there is going to be a statement from Hydro One to that effect in its news release, then this would be fine. We could instead note that Hydro One will continue to have its principal executive office and head office in Ontario where substantially all of its strategic decision-making, corporate planning, corporate finance and other executive functions will be carried out (as required by the legislation), but that may sound defensive. As well, Hydro One is seeking local approvals where it will be important to assure regulators that local management is remaining intact, so we should be careful about undermining that.]

The potential for transactions of this sort was always considered and communicated as part of the *Premier’s Advisory Council on Government Assets*. In fact, one of the benefits to broadening the ownership of Hydro One was to unlock the potential for precisely this sort of transaction. It is to the shared benefit of Hydro One’s customers, employees and shareholders to see the company strengthened and growing.

Our Government’s legislation that enabled the broadening of ownership of Hydro One Inc. and strengthened the Ontario Energy Board’s regulatory process protects the interests of Ontario ratepayers.

[As the single largest shareholder in Hydro One, the Ontario Government would benefit from the company’s receipt of additional regulated returns anticipated to begin in 2019.] [NTD: What is the basis for this comment?] Those benefits will be above and beyond the proceeds already attributed to the *Ontario Trillium Trust* as a result of the IPO and subsequent secondary offerings.

While Ontario ratepayers will not be directly impacted by today’s announcement, our Government’s Fair Hydro Plan, which came fully into effect on 1 July, 2017 has lowered electricity rates by 25% on average for all residential customers and about 500,000 small businesses and farms.”