

RE: For review | MO-approved Minister's statement on H1's proposed acquisition

From: "Forgione, Andrew (OPO)" <andrew.forgione@ontario.ca>
To: "Berry, James (ENERGY)" <james.berry5@ontario.ca>, "Bossin, Bryan (OPO)" <bryan.bossin@ontario.ca>, "MacKenzie, Rebecca (OPO)" <rebecca.mackenzie@ontario.ca>, "Killorn, Bill (OPO)" <bill.killorn@ontario.ca>, "Beaudry, Jennifer (OPO)" <jennifer.beaudry@ontario.ca>
Cc: "Teliszewsky, Andrew (ENERGY)" <andrew.teliszewsky@ontario.ca>, "Campbell, David (ENERGY)" <david.campbell2@ontario.ca>, "Den Heijer, Kevin (ENERGY)" <kevin.denheijer@ontario.ca>
Date: Wed, 19 Jul 2017 14:31:33 -0400

Bill is sending it up the chain now, sorry for the delay. Will let you know staff in Edmonton's edits asap.

From: Berry, James (ENERGY)
Sent: July-19-17 2:28 PM
To: Bossin, Bryan (OPO); MacKenzie, Rebecca (OPO); Killorn, Bill (OPO); Forgione, Andrew (OPO); Beaudry, Jennifer (OPO)
Cc: Teliszewsky, Andrew (ENERGY); Campbell, David (ENERGY); Den Heijer, Kevin (ENERGY)
Subject: RE: For review | MO-approved Minister's statement on H1's proposed acquisition

Looks good Bryan. I just tweaked the end so it's consistent with our most recent language. Anyone else have feedback?

We'd like to send it for translation asap.

Thank you,
James

From: Bossin, Bryan (OPO)
Sent: July-19-17 2:14 PM
To: Berry, James (ENERGY); MacKenzie, Rebecca (OPO); Killorn, Bill (OPO); Forgione, Andrew (OPO); Beaudry, Jennifer (OPO)
Cc: Teliszewsky, Andrew (ENERGY); Campbell, David (ENERGY); Den Heijer, Kevin (ENERGY)
Subject: RE: For review | MO-approved Minister's statement on H1's proposed acquisition

Hi James,

A few small changes highlighted below.

Thanks,
Bryan

From: Berry, James (ENERGY)
Sent: July-19-17 1:41 PM
To: MacKenzie, Rebecca (OPO); Bossin, Bryan (OPO); Killorn, Bill (OPO); Forgione, Andrew (OPO); Beaudry, Jennifer (OPO)
Cc: Teliszewsky, Andrew (ENERGY); Campbell, David (ENERGY); Den Heijer, Kevin (ENERGY)
Subject: For review | MO-approved Minister's statement on H1's proposed acquisition

Hi all,

As discussed, below is the MO and ministry legal approved Minister's statement. We would be sending the final version out (distribution to be discussed) between 4:30 and 5 p.m. this afternoon, following H1's news release. Please let me know if you have any feedback.

Thank you,
James

Today, Glenn Thibeault, Minister of Energy, issued the following statement in response to Hydro One's announcement that the utility has agreed to acquire XXXXXX, a utility company in the northwest United States:

"Ontario is pleased to see today's announcement of the proposed acquisition of XXXX by Hydro One, as it is expected to deliver clear benefits for the company's customers, employees and shareholders – including the people of Ontario, given the government's position as the single largest shareholder in Hydro One. In particular, we welcome the fact that this proposed acquisition will not impact the rates that Ontario customers pay. Neither will it have any impact on local jobs.

As the single largest shareholder in Hydro One, the Ontario government would benefit from the company's receipt of additional regulated returns expected to begin in 2019. 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.

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 of broadening the ownership of Hydro One was to unlock the potential for precisely this sort of transaction. Similar acquisitions are increasingly common practice for Canadian-owned utilities, including Newfoundland and Labrador-based Fortis' purchase of Michigan-based ITC and Edmonton-based EPCOR Utilities' purchase of two U.S. water utilities. 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 and strengthened the Ontario Energy Board's regulatory process protects the interests of Ontario ratepayers.

While Ontario ratepayers will not be directly impacted by today's announcement, our government's Fair Hydro Plan, which came fully into effect on July 1, 2017 has lowered electricity bills by 25 per cent on average for all residential customers and as many as half a million small businesses and farms. Our plan also holds any increases in electricity bills to the rate of inflation for four years."

James Berry
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