



Whitby Hydro
Electric Corporation



Veridian Corporation and Whitby Hydro Energy Corporation Take Step Forward with Signing of Memorandum of Understanding

(July 18, 2017) Veridian Corporation (“Veridian”) and Whitby Hydro Energy Corporation (“Whitby Hydro”) are pleased to announce that the entities have reached the first milestone in merger evaluations with the signing of a Memorandum of Understanding (“MOU”) on July 17th, 2017.

For the past few months, Veridian and Whitby Hydro have been working diligently on a new merger that could see the two utilities consolidate to drive greater efficiencies for their customers.

“This merger has potential to deliver significant benefits for both our customers and shareholders,” said Michael Angemeer, President and CEO of Veridian Corporation. “If it proceeds, we expect that it would provide greater efficiencies, maintenance of local ownership, diversification, and protection from potential rate increases in the future.

Angemeer added that the core values underscoring the potential merger are greater benefits to customers at lower costs, and enhanced long-term value for our respective municipal shareholders, including the municipalities of Ajax, Belleville, Clarington, Pickering and Whitby.

“Above all else, this merger is driven by one key element and that is to demonstrate benefit and savings to our shareholders and ratepayers,” said John Sanderson, President and CEO of Whitby Hydro. “Without this, the merger cannot move ahead.”

Veridian and Whitby Hydro are also committed to ongoing public consultation and engagement that will include dedicated microsites and regular status updates to the communities they represent.

“Ensuring all of our shareholders and customers play a part in this process is of critical importance,” said Sanderson. “We want to allocate time and resources to ensuring the value propositions of this merger are communicated and considered by the individuals that we serve.”

Both companies have launched their respective microsites where information about the merger is available including the fully executed MOU.

“We ask for our customers’ patience as we continue to gather all the information that you need to know, said Angemeer”. “As soon as more information is available, we will update the microsite accordingly to ensure your questions are answered. We are fully committed to utilizing our microsites as a channel to get you new information as quickly as we can.”

If the merger review process confirms that a merger would provide benefits to customers and shareholders, subject to the required approval of the municipal councils following a public report, the parties will endeavour to enter into a merger agreement by no later than December 31, 2017 and to complete the transaction by July 1, 2018.

“We are looking forward to the next step in this process and to our ongoing consultation with our communities” said Angemeer. “We set out to deliver benefits to all of our customers and shareholders and we remain wholly committed to delivering that result at the end of this process.”

About Veridian Corporation

Veridian Corporation owns and operates Veridian Connections, a subsidiary company that distributes electricity, generates power and provides energy services to more than 121,000 customers. The City of Pickering, the Town of

Ajax, the Municipality of Clarington and the City of Belleville jointly own Veridian Corporation. The utility is the fifth largest municipally owned electric utility in Ontario. Veridian has a successful history of effective growth through two mergers and five acquisitions, and now serves nine communities east and north of Toronto more efficiently than any other large non-contiguous utility in Ontario. Veridian has a keen focus on reliability, customer communication and helping to lower customers' electricity bills through the delivery of innovative conservation programs and reasonable rates. Veridian not only contributes to local communities through industry leading financial returns, but also helps build stronger communities through the support of youth, health, economic development, education, the arts, the environment and many charitable organizations. Industry leading employee programs, public safety, and a focus on employee engagement has created an environment that has earned eight consecutive Canada's Greenest Employer awards, one Top GTA Employer award and the EDA Performance Excellence award. Veridian has now diversified into renewable energy, and will be establishing other value added offerings for its customers.

Please visit: <http://learnmore.veridian.on.ca/>

About Whitby Hydro Energy Corporation

Whitby Hydro Energy Corporation is a holding company owned by The Town of Whitby. Contained within are two separate and distinct subsidiaries - Whitby Hydro Electric Corporation and Whitby Hydro Energy Services. Whitby Hydro Electric Corporation is an electricity distributor licensed by the Ontario Energy Board (OEB) to deliver electricity to homes and businesses in our service area of the Whitby, Brooklin and Ashburn communities. Our organization serves more than 41,500 customers.

Please visit: <http://learnmore.whitbyhydro.on.ca/>

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