

NEWS RELEASE



Veridian Corporation and Whitby Hydro Energy Corporation Boards Recommending Shareholders Approve Proposed Merger

(January 16, 2018, Ontario) – The Boards of Directors of municipal electricity utilities Veridian Corporation (“Veridian”) and Whitby Hydro Energy Corporation (“Whitby Hydro”) are recommending shareholders approve the merger of the two companies to create a new yet-unnamed energy corporation.

“The world and the way we power it is changing. We can stand still and get left behind or we can grow and innovate for long-term sustainability and deliver greater value to customers and municipal shareholders,” says Adrian Foster, Chair of Veridian’s Board of Directors. “A merger is our best opportunity to deliver cost-effective, reliable energy services and mitigate against future rate increases as it allows us to achieve greater economies of scale, find efficiencies, and develop our competitive strengths.”

Veridian and Whitby Hydro entered a Memorandum of Understanding related to the merger on July 17, 2017. With their Boards of Directors support to proceed, Veridian and Whitby Hydro will seek municipal approvals for the proposed merger in the coming months. Subject to those approvals, a merger agreement will be finalized and submitted to the Ontario Energy Board for regulatory approval, a process that could take several months.

“The new company will continue to be 100 per cent municipally owned and dividends would continue to flow to the municipalities for reinvestment in their communities,” says Patrick McNeil, Chair of Whitby Hydro’s Board of Directors. “In addition, we expect the merger to produce about \$90 million in savings over the next 17 years and customers, on average, will experience approximately 3% lower rates than they otherwise would have as customers of either utility alone.”

The combined utility company would service more than 162,000 residential and business customers and would become the fourth largest municipally owned electric utility in Ontario. Further details and regular updates on the proposed merger are available online at: <http://learnmore.whitbyhydro.on.ca/> and <http://learnmore.veridian.on.ca/>

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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. 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. Whitby Hydro serves more than 41,500 customers. Please visit: <http://learnmore.whitbyhydro.on.ca/>

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