



Veridian Corporation, Whitby Hydro to Move Forward with Merger Evaluations, Oshawa PUC not to proceed

(March 1, 2017, ONTARIO) - The CEO's of three leading Ontario utilities who are currently evaluating the benefits of a merger, namely Veridian Corporation ("Veridian"), Oshawa Power and Utilities Corporation ("Oshawa PUC") and Whitby Hydro Energy Corporation (Whitby Hydro"), have announced today that Oshawa PUC will be amicably withdrawing from further merger discussions. Both Veridian and Whitby Hydro have confirmed they are fully committed to moving forward with due diligence and review of a possible merger.

In late 2015, the respective leadership teams of Veridian, Oshawa PUC and Whitby Hydro began discussions to identify the potential benefits of a merger that would create value for all shareholders and customers, as well as position the combined entity for the future. Since that time, all parties have participated in rigorous business case analysis and valuations.

On March 1st, 2017, the parties jointly announced that Oshawa PUC had amicably withdrawn from future merger discussions and only Veridian and Whitby Hydro would proceed to the next stages of merger review.

"This is not uncommon in merger proceedings. Merger evaluations are designed to ensure all parties can deliver benefits to their respective shareholders and customers. Oshawa PUC has chosen to withdraw as they believe benefits to their shareholders and customers are not sufficient," said Michael Angemeer, President and CEO of Veridian Corporation.

In 2012, the Provincial government conducted a review of Ontario's distribution facilities and encouraged local utilities to drive efficiencies and find benefits to customers. Consolidation, or merging with other local utilities, was one pathway to achieve this if the right set of variables existed for all parties involved.

"It was an informative process and one that we were pleased to participate in together with our partners, Veridian and Whitby Hydro," said Ivano Labricciosa, President and CEO of Oshawa PUC. "We conducted a thorough review of the potential merger and for us, it was in the best interest of our customers and shareholders to withdraw at this time. We thank all of our stakeholders who contributed to this process and assisted with our investigation and we wish both Veridian and Whitby Hydro success in their ongoing evaluation of this merger."

Veridian and Whitby Hydro re-affirmed their commitment to the next phase in the process and stand by the prospective merits of the proposed merger.

"From our perspective, consolidation is a viable pathway to ensure that we can improve efficiencies, deliver safe and reliable service while also putting the customer first," said John Sanderson, President and CEO of Whitby Hydro. "Those are at the top of our list for core principles guiding this assessment." He also said that, "the merged company should also lead to an increased ability to participate in new business that will offset some of the risks of disruptive technology."

The core principles of the assessment also included ongoing municipal ownership and control, responsible and sound governance as well as diversification and growth.

"We look forward to next steps and to ongoing consultation with our communities. We set out to deliver benefits to all of our customers and shareholders and we look forward to delivering that result at the end of this process," said Angemeer.

More information on the proposed merger and upcoming opportunities for community consultation can be found at one of our dedicated websites.

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 120,000 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 the disadvantaged. Industry leading employee and public safety, environmental programs and a focus on employee engagement has created an environment that has attracted seven consecutive Canada's Greenest Employer awards and one Top GTA Employer award. Veridian has now diversified into renewable energy, and will be establishing other value added offerings for its customers

About Oshawa Power and Utilities Corporation

Oshawa Power and Utilities Corporation (OPUC) is the holding company for a diversified group of four subsidiaries involved in energy distribution, telecom ventures, clean power generation and solar energy generation. Through its subsidiaries OPUC provides: safe, reliable and efficient electricity distribution services to over 57,000 customers; develops, constructs and operates clean and green energy generation assets in Ontario; and provides a reliable dark fibre optics communications network within Oshawa and the Region of Durham. OPUC is wholly owned by the Corporation of The City of Oshawa.

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.

Media Contacts

For Veridian Corporation Michael Angemeer President & CEO 905-427-9870, ext. 2218 mangemeer@veridian.on.ca	For Whitby Hydro Electric Commission John Sanderson President & CEO 905-668-5878 jsanderson@whitbyhydro.on.ca	For Oshawa Power and Utilities Ivano Labricciosa President & CEO 905 723 4626 ilabricciosa@opuc.on.ca
---	--	--