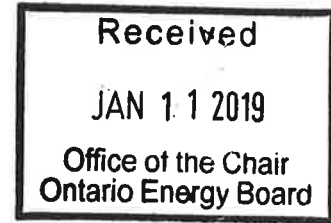


December 24, 2018

Ms. Rosemarie T. Leclair  
Ontario Energy Board  
2300 Yonge Street, 27th floor  
P.O. Box 2319  
Toronto, Ontario  
M4P 1E4



Dear Ms. Leclair,

Re: Sale of the Orillia Power Distribution Corporation to Hydro One

Orillia Soldiers' Memorial Hospital (OSMH) is respectfully submitting a response to the Ontario Energy Board (OEB) regarding the proposed sale of the Orillia Power Distribution Corporation (OPDC) to Hydro One. The OEB ruled earlier that Hydro One failed to meet the no harm test to ratepayers and denied the original application, which is being re-filed by OPDC and Hydro One.

As one of the largest consumers of electricity in Orillia, it would be appropriate for OSMH to provide insights on the potential impact of the sale. The outcome directly impacts OSMH's ability to improve the overall health of our community.

Based on our analysis, the cost savings anticipated in years 1 – 10 of this arrangement are significant. Based on the proposed offer from Hydro One of a 1% reduction in distribution costs for years 1 to 5 and inflationary increases from years 6 to 10, OSMH has estimated a total savings of over \$200,000 during the 10 year horizon. This is based on the understanding that rates beyond year 10 would be no worse than the status quo arrangement and OPDC rates would increase 2% annually on average in the absence of this deal.

The savings during this time frame would be available for direct patient care services. These savings could easily translate into improved access to care like additional surgical capacity or provide additional revenue to support the purchase of much needed equipment. In the current economic environment, any savings opportunities on utility costs will have a positive impact on our ability to enhance the health of the community.

It is well recognized that social determinants of health, such as income, ability to access housing and education have a profound impact on the health of a community. Based on 2016 census data, 18.3% of individuals in Orillia are categorized as low income status, one of the highest in Simcoe County, creating a significant barrier to the overall health of this community. The proposed Hydro One investment in infrastructure within Orillia will create jobs for highly trained technicians and stimulate the economy. In time, the new Hydro One opportunities will have a positive ripple effect, generate employment opportunities across a diverse array of service sectors.

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Although this may not fall into the OEB definition of no harm, OSMH maintains that addressing social determinants of health like employment opportunity is as important a consideration setting a threshold for harm.

There is no question that a stronger economic base in the community will create income and employment opportunities, benefiting overall health and well-being.

OSMH understands and appreciates the position of those in favour and opposed to the proposal and no matter the outcome, we will continue to focus our efforts on providing excellent, compassionate care, every day, while adapting to the ever-changing dynamics of the communities we serve. We believe the sale of OPDC to Hydro One will result in overall cost savings, improve the health of our community and therefore would support the Mergers, Acquisitions, Amalgamations and Divestitures application with the Ontario Energy Board.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'C. Stumpo', with a long horizontal flourish extending to the right.

Carmine Stumpo  
President & CEO

cc: Hon. Greg Rickford, Minister, Energy, Northern Development and Mines  
Mayor Steve Clarke, Mayor of Orillia