

ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF KITCHENER-WILMOT HYDRO INC. AND WATERLOO NORTH HYDRO INC.

**Kitchener-Wilmot Hydro Inc. and Waterloo North Hydro Inc.
have applied to the Ontario Energy Board for approval to amalgamate and
continue operations as a single new local electricity distribution company.**

Learn more. Have your say.

**Kitchener-Wilmot Hydro Inc. and Waterloo North Hydro Inc.
have jointly asked the Ontario Energy Board to approve:**

- **The amalgamation of their parent holding companies, Kitchener Power Corp. and Waterloo North Hydro Holding Corporation, to form a new holding company referred to in the application as Merged Holdco**
- **The amalgamation of Kitchener-Wilmot Hydro Inc. and Waterloo North Hydro Inc. to form a new electricity distribution company, referred to in the application as LDC MergeCo**
- **The issuance of an electricity distribution licence to LDC MergeCo**
- **The cancellation of the existing electricity distribution licences of Kitchener-Wilmot Hydro Inc. and Waterloo North Hydro Inc. when the electricity distribution licence for LDC MergeCo is issued**
- **The transfer of the rate orders of Kitchener-Wilmot Hydro Inc. and Waterloo North Hydro Inc. to LDC MergeCo and to allow LDC MergeCo to maintain two separate rate zones until the rates are harmonized at the conclusion of the proposed Rate Harmonization Period**
- **The tracking of costs by LDC MergeCo to the existing deferral and variance accounts of Kitchener-Wilmot Hydro Inc. and Waterloo North Hydro Inc.**
- **A deferral account to track certain grossed-up Payments in Lieu of tax impacts for Waterloo North Hydro Inc.'s service area and to track any resulting variances in a related sub-account**
- **A deferral account to track costs associated with the proposed Earnings Sharing Mechanism**
- **The deferral of LDC MergeCo's rate rebasing application for 10 years from the date the transaction is completed**
- **A 10-year Rate Harmonization Period, which is proposed to commence after the conclusion of the 10-year deferred rebasing period**

Kitchener-Wilmot Hydro Inc. and Waterloo North Hydro Inc. state that the transaction and integration costs will not be funded by ratepayers and that the proposed amalgamation is expected to deliver cost synergies and operational efficiencies.

THE ONTARIO ENERGY BOARD WILL HOLD A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider Kitchener-Wilmot Hydro and Waterloo North Hydro's application. We will question the companies on the case. We will also hear questions and arguments from individuals that have registered to participate (called intervenors) in the OEB's hearing. At the end of this hearing, the OEB will decide whether to approve the application.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process.

- You can review the application on the OEB's website now
- You can file a letter with your comments, which will be considered during the hearing
- You can become an intervenor. As an intervenor, you can ask questions about the application and make arguments on whether the OEB should approve Kitchener-Wilmot Hydro and Waterloo North Hydro's request. Apply by **March 8, 2022**, or the hearing will go ahead without you and you will not receive any further notice of the proceeding
- At the end of the process, you can review the OEB's decision and its reasons on our website

LEARN MORE

Our file number for this case is **EB-2022-0006**. To learn more about this hearing, find instructions on how to file a letter with your comments or become an intervenor, or to access any document related to this case, please enter the file number **EB-2022-0006** from the list on the OEB website: www.oeb.ca/notice. You can also phone our Public Information Centre at 1-877-632-2727 with any questions.

ORAL VS. WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. Kitchener-Wilmot Hydro and Waterloo North Hydro have applied for a written hearing. The OEB is considering this request. If you think an oral hearing is needed, you can write to the OEB to explain why by **March 8, 2022**.

PRIVACY

If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.

This rate hearing will be held under sections 18, 60, 77(5), 78, 86(1)(c) and 86(2)(b) of the Ontario Energy Board Act, 1998, S.O. 1998, c.15, (Schedule B).



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