



ORILLIA DISTRICT CHAMBER OF COMMERCE

150 Front Street South,
Orillia, Ontario L3V 4S7

www.orillia.com
info@orillia.com

Tel: 705-326-4424
Fax: 705-327-7841

January 31, 2019

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON
M4P 1E4
To Whom it may concern,

REC'D

FEB 01 2019

ONTARIO ENERGY BOARD

EB-2018-0270

Re: Orillia Power Distribution Sale to Hydro One

The Orillia District Chamber of Commerce is writing in support of the City of Orillia's Mergers, Acquisitions, Amalgamations and Divestitures application to the Ontario Energy Board.

It is our understanding from the City of Orillia, that the sale will result in the following economic impact for Orillia:

- Orillia Power Distribution would result in \$26 million proceeds from the sale
- The deal would also include \$15 million in debt retirement in which the City of Orillia would receive \$10 million dollars
- The net result will be a \$36 million investment into City of Orillia Legacy Fund resulting in \$1,000,000 interest per year for Municipal purposes.
- City of Orillia will remain as full owner of Orillia Power Generation
- Hydro One will build three facilities within the Horne Business Park in West Orillia that will include; Back-up Ontario Grid Control Centre/Integrated Systems Operation Centre (ISOC) on 16 acres of land; Provincial Warehouse on 10 acres of land; Regional Operations Centre on 10 acres of land.
- Investment in the above Hydro One facilities is estimated at more than \$150 million.
- The short-term economic impact of the construction and buildings and related activity will result in an anticipated \$200 to \$300 million dollars in our local economy.
- The economic development opportunity would create improved infrastructure for existing business and entice further investment in our community.
- The economic development will result in 100-300 employees from the three Hydro One buildings in the Horne Business Park.
- Future investment in distribution infrastructure for the delivery of power would be Ontario Hydro's cost moving forward.
- Hydro Rates for local ratepayers would result in a reduction of 1% in years one to five after the sale.
- Hydro Rates for local ratepayers would only be inflation rate increases in years six to 10.

- Hydro One has provided evidence that the cost to serve former customers of Orillia Power Distribution is no more than it would have been in the absence of the transaction.

...2

We believe the economic impact of the above will support the growth and prosperity of our membership. Orillia District Chamber of Commerce is in favour of investment in our community, and as such, the Chamber would endorse the deal, as long as all aspects of the deal indicated above receive approval from the Ontario Energy Board.



Allan Lafontaine

Managing Director

Orillia District Chamber of Commerce

CC:

Hon. Greg Rickford
Ministry of Energy, Northern Development and Mines
Whitby Block
Room 5630
5th Floor
99 Wellesley Street West
Toronto, Ontario M7A 1W1

Mayor Steve Clarke
City of Orillia
50 Andrew Street South, Suite 300
Orillia, Ontario L3V7T5