

## **Media Release**

For immediate release

March 9, 2018

### **Hydro One Ceases Negotiations for the Purchase of PDI**

Peterborough, Ontario

Hydro One has informed the City and City of Peterborough Holdings Inc. that it is withdrawing from negotiations regarding the sale of Peterborough Distribution Inc.

Hydro One approached the City in 2014 to express interest in purchasing PDI. City Council responded favourably to the opportunity when Hydro One entered into a letter of intent that included a competitive price, job and benefit guarantees for existing PDI workers, distribution rate and other rate protections for customers, and commitments for new jobs and new investments such as building a new regional Hydro One operations centre in Peterborough. Negotiations have been ongoing for more than two years.

Peterborough Distribution Inc. is a valuable community asset in a rapidly changing industry. In recent years, the Province has stated that well capitalized, larger distribution companies will be needed to achieve efficiency gains and cost reduction. Smaller distributors have been strongly encouraged to voluntarily sell or merge to reduce the number of electricity distributors in the Province.

Communities across Ontario have already made decisions or are continuing to explore various ownership options for their electricity distribution companies to respond to the dramatic ongoing changes in the sector.

PDI executives continue to monitor the pressures and changes affecting the electricity distribution sector on behalf of its sole shareholder, the Corporation of the City of Peterborough. PDI remains a well-managed company that delivers exceptional service to its customers thanks to the organization's employees and management.

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