



FOR IMMEDIATE RELEASE
October 25, 2016

At the October 25, 2016 Council meeting, Wasaga Distribution Inc. (WDI), with the assistance of Mr. Mark Rodger with Borden Ladner Gervais LLP, made a presentation to Wasaga Beach Town Council on potential options for the future of WDI. Wasaga Distribution Inc. is a local electrical distribution company (LDC) owned by the Town. Mr. Rodger was retained to assist WDI for the purpose of determining future options for WDI, and has extensive experience across the province in reviewing LDC's and providing advice to local municipalities. Mr. Rodger presented three potential options for Council's consideration: retaining and growing the utility in its current form, merging the utility, and selling the utility.

The review of options was prompted by the fact that major changes are occurring in the electrical distribution sector in Ontario as demonstrated through the sale or merger of a number of small LDC's, the "905 mega merger" and the privatization of Hydro One. These changes are in conjunction with the introduction of additional regulations to govern the sector. At the Association of Municipalities Conference in 2015, municipalities with LDC's such as Wasaga Beach were encouraged to review the changes taking place within the sector, and explore options to ensure the electrical needs of residents and business owners are met in an affordable manner now and into the future.

Mayor Brian Smith commented that "prior to the Town making any decisions about the future of Wasaga Distribution Inc., the Town will be undertaking a thorough public consultation with the residents and business owners of Wasaga Beach. It is our goal to ensure that the best interest of taxpayers, ratepayers and the broader community are at the forefront, while determining best options regarding the future delivery of electricity.

Currently, WDI and its affiliate company Wasaga Resources (WR) are owned by the taxpayers of Wasaga Beach, as represented by Council. These companies are responsible for the delivery of electricity to almost 12,000 households and the installation of infrastructure to deliver electricity. WDI controls about 17% of the total electricity bill, with the balance of the bill comprising of the cost of electricity, delivery, regulatory charges and debt retirement; WDI has no control over these factors.

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