

President's Bulletin



December 09, 2016

Ontario Energy Board Approves Largest Utility Merger in Ontario's History

On Thursday, December 8th the Ontario Energy Board (OEB) issued its decision regarding the Merger Application that would combine four local distribution companies – PowerStream, Enersource, Horizon Utilities and Hydro One Brampton into the second largest distribution company in Ontario – second only to Hydro One.

The decision stated, *“The OEB concludes that the proposed amalgamation of Enersource, Horizon, PowerStream and Hydro One Brampton meets the no harm test and therefore the OEB approves this transaction.”*

The new company (MergeCo), which has yet to be formally named, will serve 950,000 electricity customers and 350,000 water/wastewater customers. It will stretch geographically from Penetanguishene to St. Catharines, including Aurora, Brampton, Barrie, Hamilton, Markham, Mississauga, Richmond Hill, and Vaughan. The four companies currently employ over 1,500 people.

The next steps in the legal process will be to legally establish the new corporation which will then purchase Hydro One Brampton to finalize the formation of the new corporate entity. These steps could be completed in January or February of the coming year.

What the merger holds for employees, both unionized and non-represented, remains to be discussed and finalized. All existing collective agreements remain in effect governing the working conditions, wages and benefits of the affected unionized employees. Full time permanent employees, who are Power Workers' Union members, have employment and location security provisions in the PowerStream/PWU Collective Agreement, which is in effect until December 31, 2017. This should provide valuable time for engagement with the new employer in building a sound and respectful labour management relationship that recognizes the importance of the success of the business and the value of its employees and their families in achieving that success.

The Power Workers' Union congratulates all of the people who have worked so hard to bring this merger/acquisition to fruition. We look forward to helping build a world-class business with world-class workplaces and working relationships in the new company.

In Solidarity,

Don MacKinnon
PWU President