

Proposed PowerStream Merger: Public Input Invited Online and at Upcoming Meetings

Within the next several weeks, Markham's General Committee and Council will receive the recommendations from its Holding Company, Markham Enterprises Corporation (MEC), and the Staff Report on the proposed merger of PowerStream, Enersource and Horizon Utilities, and the purchase of Hydro One Brampton. The merger opportunity was first announced by the Ontario Government on April 16, 2015.

The City of Markham owns 100% of MEC, which in turn, owns 34.2% of PowerStream Holdings Inc. MEC is governed by a Board of Directors, comprised of the 13 Markham Councillors.

The three PowerStream shareholders, the cities of Markham, Vaughan and Barrie (and their Holding Companies) have partnered to evaluate the proposed merger transaction. Navigant Inc. and BDR North America have been retained to provide independent advice and financial due diligence, and Gowlings LLP has been retained to provide legal advice.

The MEC Board has held numerous meetings in the past five months, to review details of the proposed merger and consider financial and legal advice on the potential transaction.

The MEC Board received a Staff Report on the merger transaction, on September 30, 2015. A further meeting of the MEC Board took place on October 5, 2015. Once MEC's recommendation is confirmed, it will be tabled at Markham's General Committee and Council.

A special evening meeting of General Committee took place on October 7, 2015 to hear presentations on the proposed merger from Brian Bentz, President CEO of PowerStream, and Benjamin Grunfeld, the City's independent advisor from Navigant and a status update report from Markham CAO Andy Taylor.

Final reports from the independent consultants from Navigant Inc., and BDR, and the merger business case report from PowerStream, are available online at Markham.ca. Copies of the presentations from October 7, 2015 are also posted online.

Comments from community members are welcome at markham.ca in the PowerStream Merger section of Markham's website in Major City Projects. Use the Feedback button to provide your input. To receive direct notice of upcoming meetings subscribe to Markham's E-News service at Markham.ca and check off the Media Releases and Upcoming Public Meetings box.

The public is also invited to attend the following upcoming meetings:

1. Special evening General Committee meeting in late October/early November 2015 to review the MEC Board Recommendation and Markham's Staff Report on the merger;
2. Special Council meeting in November 2015 to hear details on the merger transaction and make a final decision.

The confirmed dates and times of these upcoming meetings will be publicized in advance of the meetings on the City's website and advertised in local media.

Unanimous shareholder approval of the merger is required for the transaction to proceed. The transaction must also be approved by the Ontario Energy Board.

