

London Hydro Restructuring Amendment

October 25, 2020

Dear Colleagues,

Concerning the affiliate, there was an important item of urgency not mentioned in the report or our discussion.

London Hydro (LHI) has been working for two years on a unique collaborative green initiative for Sifton's West 5 development. LHI will have to abandon the project if they do not have an affiliate to sign the agreement by the Feb 2021 deadline since the OEB does not allow utilities to enter these types of metering arrangements. I am very concerned that LHI will lose this significant opportunity (and one other) because of delays associated with the report.

There are about 63 utilities in Ontario, and the large majority of them have the exact same structure that LHI is proposing. Examples of such Holdco structure can be found at Oakville, Ottawa, Vaughan, Oshawa, Brantford, Burlington, Chatham Kent, Ingersoll, Sarnia, Thunder Bay, Niagara Peninsula, and Grimsby to name a few. The small number of legal firms that specialize in electricity distribution will have been asked many times to prepare similar comparisons, and our administration could draw on their expertise to meet the LHI deadlines, if necessary.

Having provided this concern and suggestion, I hope you will support the following **amendment to part b)** of the committee recommendation so that our utility does not lose opportunities due to delay:

b) the Civic Administration BE DIRECTED to investigate the option of creating an unregulated company and bring forward a report that would compare this option with the options outlined in the above-noted report **in a timeframe that allows for the chosen affiliate structure to be in place by the first week of February.**

Moved by: Michael van Holst