

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
26th. Floor
Toronto ON M4P 1E4
Telephone: (416) 481-1967
Facsimile: (416) 440-7656

Commission de l'Énergie de l'Ontario
C.P. 2319
2300, rue Yonge
26e étage
Toronto ON M4P 1E4
Téléphone: (416) 481-1967
Télécopieur: (416) 440-7656



For Immediate Release

January 12, 2005

OEB Issues Decision Approving Amalgamation of Hamilton Hydro Inc. and St. Catharines Hydro Utility Services Inc.

Toronto – Today the Ontario Energy Board issued a decision allowing Hamilton Hydro Inc. (HHI) and St. Catharines Hydro Utility Services Inc. (SCHUSI) to amalgamate. The utilities made an application proposing the amalgamation to the Board on November 19, 2004.

The decision was made based on evidence that the amalgamation would allow the parties to capitalize on possible economies of scale through:

- Integration of management, billing and record systems;
- Lower financial costs and improved access to capital for investment in the distribution systems in both areas;
- The enhancement of customer service at competitive rates making the communities attractive to investors; and
- The ability to pursue productivity improvement strategies in the best interests of the customers involved.

The expected savings would be approximately \$5.4 million annually.

The benefits of the amalgamation are consistent with the Board's responsibility to:

- Protect the interests of consumers with respect to prices and the adequacy, reliability and quality of electricity service, and;
- Promote economic efficiency and cost effectiveness in the generation, transmission, distribution, sale and demand management of electricity and to facilitate the maintenance of a financially viable electricity industry.

The Ontario Energy Board regulates the province's electricity and natural gas sectors in the public interest. It envisions a healthy and efficient energy sector with informed consumers, and works towards this vision through regulatory processes that are effective, fair and transparent.

For more information on the Board, please visit our web site at www.oeb.gov.on.ca or contact the Customer Service Centre at 416-314-2455 or toll-free at 1-877-632-2727.

-30-

For more information please contact:
Donna Garant
416-440-8140