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Fact Sheet

Negotiating a Guelph Hydro-Alectra merger

Guelph Hydro and Alectra have signed a memorandum of understanding to begin formal merger negotiations.

In-depth analysis and evaluation against community-supported criteria shows a merger between Guelph Hydro and Alectra would provide the best possible value for customers, the City of Guelph and the community.

The City has and will continue to gather feedback from the community before City Council makes its final decision.

For Guelph Hydro customers, a merger with Alectra offers customer savings; even more reliable service; local response teams based in Guelph Hydro's current location, an increased focus on innovation; and a new Green Energy & Technology Centre.

Guelph City Council will consider and vote on the Guelph Hydro-Alectra merger on December 13, 2017.

Better rates

- Electricity distribution rates, which will be lower than they would have been without the merger – with more savings expected in the years to come.
- As part of the merger, customers would avoid rate increases otherwise expected when, Guelph Hydro rates are reset in 2021 and 2026.
- Merging Guelph Hydro with Alectra would help keep downward pressure on rates for at least 10 years.
- After that, customers should expect more value to be created through efficiencies, which will be used to harmonize rates into a common rate structure for all that will result in lowered energy costs.
- Guelph would become part of a larger municipally-owned utility that has a growing urban customer base, helping to offset costs and keep rates lower in Guelph.
- The Ontario Energy Board will evaluate the proposed merger to ensure it has no adverse effect on Guelph ratepayers.

Better service and more innovation

- Customer service, reliability and response times would be the same or better than they are today.
- Customers in Guelph and Rockwood can continue relying on a 24/7 control room; a technical call centre; and 24/7 access to customer self-service.
- Customers can rely on local crews responding to local calls, while gaining access to a much larger team of skilled workers during severe storms or emergencies.
- Given its greater scale, Alectra would make significant investments in innovations that could improve performance and responsiveness during emergencies.
- Through this merger, Guelph Hydro will be part of a municipally-owned utility that is investing in emerging technologies that will benefit customers and help attract new business to Guelph.

Commitment to our community

- Alectra would make Guelph the home of its Southwest Ontario Operations Hub for at least the next 10 years.
- Owning part of a larger municipal utility means the City of Guelph will get more money back each year through dividends. In turn, increased annual dividends would mean the City of Guelph would have more money to invest back into our community.

Strong environmental leadership

- Similar to Guelph Hydro, Alectra is a leader in energy conservation and environmental sustainability.
- Alectra is an innovation and sustainability-focused company with a successful record in conservation demand management and provincial smart grid development projects.
- Alectra would work closely with the City's Climate Change office on local mitigation and adaptation efforts.
- Following the merger, Alectra would establish a new Green Energy & Technology Centre. This Centre would cement Guelph as a leader in green technology solutions through a strong commitment to energy conservation and environmental sustainability.

Local jobs in Guelph

- Good paying jobs will stay in the community as local crews will continue to respond to local calls.
- Alectra is a strong cultural fit with Guelph Hydro. It is a municipally-owned utility that shares Guelph Hydro's caring, respectful employee culture, which would be maintained after the merger.
- The creation of the new Green Energy & Technology Centre and Southwest Ontario Operations Hub would result in more employment opportunities in Guelph.