Connecting Local Power

Consulting the Community on the Proposed Merger of Kitchener-Wilmot Hydro and Waterloo North Hydro

Public Engagement Report

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November 2021

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<u>Connecting Local Power – Consulting the Community on the Proposed Merger of Kitchener-Wilmot</u> <u>Hydro and Waterloo North Hydro</u>

Public Engagement Report November 2021

Executive Summary

On October 1, 2021, Kitchener Power Corporation and Waterloo North Hydro Holding Corporation made a public announcement about the proposed merger of Kitchener-Wilmot Hydro and Waterloo North Hydro. The announcement launched the public engagement phase of this proposed merger.

The objectives of the communications strategy and public engagement plan were:

- 1. Inform and engage customers, residents, and employees.
- 2. Raise awareness and understanding of the rationale, details, and benefits of the merger.

Key messages and various communications products, such as a news releases and FAQs were developed to support the announcement. A microsite — www.connectinglocalpower.ca — was launched to be the public hub for all communications and engagement with the public. The announcement was made in a virtual news conference where media reporters were invited to participate, and a subsequent public information session was held to inform residents, ensure a high level of transparency, and answer any questions residents had about the proposed merger.

Conclusion

All communications and public engagement activities have been met with relatively positive community feedback, as well as fair and factual media coverage. Based on interactions and questions received during the four-week public engagement effort, we conclude that there are no major community concerns related to this proposed merger.

Background

Like several other local power utilities in communities across Ontario, Kitchener-Wilmot Hydro and Waterloo North Hydro decided to take the next step in their ongoing collaboration efforts by combining operations to create a larger, local, and publicly owned power utility.

In October 2021, a public announcement was made about the proposed merger between Kitchener-Wilmot Hydro and Waterloo North Hydro. All five municipalities that would be impacted by the merger approved the commencement of the merger process during their respective municipal council meetings on October 4 or 5.

A communications campaign – Connecting Local Power – was launched, including the website, with the primary objective being to keep residents and key stakeholders informed while seeking public input.

Communications

Before the public announcement on October 1, presentations were delivered to each of the five municipal shareholder councils to outline the communications approach and public engagement phase.

On October 1 and in the subsequent days and weeks, internal and external communications materials were prepared and/or distributed including:

- Key messages.
- Communications package for municipal Councillors.
- FAOs.
- Media release.
- Social media posts.
- Ads in local newspapers including the Waterloo Region Rural Post, Waterloo Chronicle,
 Woolwich Observer and New Hamburg Independent.

See Appendix 1 for a copy of select public communications.

In addition, the Connecting Local Power website was launched with graphics, external resources, and other informative content. Two versions of the site were developed, one with preliminary information for the October 1 announcement, and then the full website, which was launched following the October 4 and 5 municipal Council approvals of the merger, including a call to action for residents to submit questions and provide feedback on the proposed merger

News Conference

A virtual news conference was held on October 1 through Zoom to announce the proposed merger and featured prepared remarks from:

- David Petras, Board Chair, Waterloo North Hydro Holding Corporation
- Jim Phillips, Board Chair, Kitchener Power Corporation

The following officials were available for media Q&A session following the remarks:

- Les Armstrong, Mayor of Township of Wilmot
- Rene Gatien, Chief Executive Officer of Waterloo North Hydro
- Dave Jaworsky, Mayor of Waterloo
- Joe Nowak, Mayor of Township of Wellesley
- Sandy Shantz, Mayor of Township of Woolwich
- Jerry Van Ooteghem, Chief Executive Officer of Kitchener-Wilmot Hydro
- Berry Vrbanovic, Mayor of Kitchener

Five local journalists attended the conference. Following the announcement, coverage was picked up by CBC, CTV Kitchener, The Record, and more. See Appendix 3 for media coverage.

Website

A website, <u>www.connectinglocalpower.ca</u>, was developed ahead of the official announcement and launched on October 1. Users could visit the site to find key stats, the official news release sharing details about the proposed merger, external resources, and were presented with an option to submit inquiries. The website also hosted the public information session registration and related information.

Following the municipal council approvals of the Memorandum of Understanding on October 4 and 5, an updated version of the website was made available with additional information and resources, as well as a timeline to help residents understand what the next steps would entail. The update also included the call to action for public input.

As of November 23, the website has received a total of 16 inquiries from residents with comments and questions. See Appendix 2 for a list of responses for each resident inquiry received.

Within the first month of the website launch (October 1- November 11) there were a total of 3,806 visitors to the connectinglocalpower.ca website. The highest number of users were from the following five municipalities: Kitchener, Toronto, (City of) Waterloo, Cambridge, and Brampton. The single largest number of website visitors came from Kitchener, at 407. About 173 users downloaded files, which were available as resources on the site.

See Appendix 4 for a full website analytics report, including a breakdown of website visitors by region.

Social Media

Content and graphics were created for social media posts related to the proposed merger and the public information sessions. These posts were shared with all five municipalities, as well as Kitchener-Wilmot Hydro and Waterloo North Hydro, who then shared these posts on their Twitter and Facebook pages. The social media posts were also included in a communications package that was shared with municipal Councillors.

See Appendix 5 for a thorough overview of engagement across Twitter and Facebook for the period of October 1-19.

Earned Media

Earned media is any placement or publicity that is gained without paid advertising.

From October 1 to shortly after the public information session on October 19, various outlets covered the proposed merger. The estimated total media reach is approximately 5,462,600 unique visitors for all online, print and broadcast media hits. A full list of media coverage since October 1 can be found in the Appendix.

Paid Advertising

Ads were placed in local newspapers that promoted the announcement of a proposed merger and encouraged readers to visit connectinglocalpower.ca to learn more. The local newspapers were the Waterloo Region Rural Post, Waterloo Chronicle, Woolwich Observer and New Hamburg Independent. The average reach of these ads was approximately 83,499 people.

Engagement

A virtual public information session was held on October 19 at 7:00 PM. Residents could register through www.connectinglocalpower.ca, by email info@connectinglocalpower.ca or a designated phone line.

The session was held on Zoom. Residents who attended received an overview of the proposed merger and had their questions answered by the following panelists:

- Jim Phillips, Board Chair, Kitchener Power Corporation
- Rene Gatien, Chief Executive Officer of Waterloo North Hydro
- Jerry Van Ooteghem, Chief Executive Officer of Kitchener-Wilmot Hydro

There were 25 residents who RSVP'd to the information session.

There were 23 people in attendance, 17 of whom were residents, and six who were speakers, tech support, a note-taker, and the moderator. Of the 17 residents in attendance, nine were from Kitchener, three were from Waterloo, two were from Woolwich, and two were from Toronto. One identified their municipality as 'Other'.

The session consisted of a steady flow of questions, with three attendees submitting theirs in advance.

Following the launch of the website, there have been a total of 16 inquiries submitted via the 'Have Your Say' section. Of these inquiries, seven residents were located in Waterloo, five in Kitchener, two in Wilmot and two in Woolwich.

Questions have been received consistently and the majority are focused on rates increasing following the merger. Other inquiries include:

- Electric vehicle rebates
- Service impacts
- Investments in innovation and climate change

Key Themes and Community Feedback

While community engagement with residents is ongoing, the proposed merger has received relatively positive feedback and limited opposition from community members.

Residents of all five municipalities raised several key concerns in their inquiries through the website form and questions posed at the information session. Sixteen inquiries were received via info@connectinglocalpower.ca and responses were emailed directly to the residents. The questions and feedback from residents and full answers provided are in Appendix 2. Key themes from the information session and the website are summarized below.

Rates

Hydro distribution rates are by far the largest concern of community members. Concerns that the merger would increase rates and how the harmonization between Kitchener-Wilmot Hydro and Waterloo North Hydro's would affect certain customers' rates were frequent questions.

Solar Panels

Some customers of both utility companies were concerned that their existing contracts related to solar panels would expire under a new entity.

Impact on Service

Customers posed questions about how the merger will impact their quality-of-service.

Other Mergers

Residents of the five municipalities are aware of other hydro mergers happening across Ontario including in nearby Brantford and Cambridge. There were several questions related to this theme.

Innovation and Climate Change

While not being directly mentioned, innovation and climate change were themes of many inquiries, including ones related to solar panels and electric vehicles.

Jobs

A question related to jobs and staffing challenges was posed at the information session.

Electric Vehicles

A resident inquired about how this merger will affect any factors as they consider purchasing an electric vehicle.

Timeline

At the information session, a few residents inquired about next steps and the proposed name for the new entity.

Next Steps

Over the next few weeks, each of the five municipalities will have to make a final decision on the status of the proposed merger.

If approved by all municipalities, in January of 2022, the utility companies must submit an application for approval to the Ontario Energy Board (OEB). Following approval, it is anticipated that operations will commence in the summer of 2022.

There will be continued monitoring of traditional and social media to assess public perception of the process. As well, replies will be issued consistently for all resident inquiries that come in through the website and designated email.

<u>Connecting Local Power – Consulting the Community on the Proposed Merger of Kitchener-Wilmot</u> <u>Hydro and Waterloo North Hydro</u>

Public Communications – Appendix 1 November 2021

1) Media Releases

(I) October 1 Release – Proposed Merger Official Announcement

Kitchener Power Corporation and Waterloo North Hydro Holding Corporation Announce Proposed Merger

October 1, 2021

Combined local and publicly-owned utility to benefit customers through innovation, enhanced service and operational efficiencies

After thorough discussions and in-depth analysis, Kitchener Power Corporation and Waterloo North Hydro Holding Corporation today announced a proposed merger of their local power utilities, Kitchener-Wilmot Hydro and Waterloo North Hydro. The municipalities of Kitchener, Waterloo, Wellesley, Wilmot and Woolwich are the shareholders of the two holding corporations.

Like several other local power utilities in communities across Ontario, Kitchener-Wilmot Hydro and Waterloo North Hydro are considering taking the next step in their ongoing collaboration efforts by combining operations to create a larger, local and publicly-owned power utility that will provide reliable service, invest in new technologies, generate cost savings through operational efficiencies and keep local jobs in our communities.

If approved by the five municipal councils and the Ontario Energy Board, combining the two utilities would create the seventh largest utility in Ontario by number of customers. A larger customer base will allow the combined utility to focus on efficiency and innovation to better provide for the needs of our growing communities.

With a proposed contiguous service territory serving the municipalities of Kitchener, Waterloo, Wellesley, Wilmot and Woolwich, customers will benefit from having a larger, local and publicly-owned utility that can maintain the highest quality of service for customers while having the capacity to modernize and adapt to significant changes in Ontario's electricity sector. The combined utility will have more resources to invest in new technologies that benefit customers, such as managing smart home and energy data, automated restoration of power outages, microgrids and local renewable generation.

"By combining with Kitchener-Wilmot Hydro, our board believes this is a good deal for Waterloo North Hydro customers and our shareholders in Waterloo, Woolwich, and Wellesley. Ontario's electricity sector is changing quickly and this proposed merger is a local solution that will help our communities adapt to these changes and thrive in the years ahead. This larger, locally-owned utility will have more resources to invest in technologies that benefit customers while helping our communities' transition to a lower carbon economy."

David Petras, Chair, Waterloo North Hydro Holding Corporation

The size and stability of the combined utility will help ensure distribution rates remain competitive and stable for customers. Distribution rates for all customers are projected to increase at less than the rate of inflation over the 10 years following the merger, leaving more money in customers' pockets. Thereafter, the combined utility will harmonize distribution rates over time between Kitchener-Wilmot Hydro and Waterloo North Hydro customers.

Residents stand to benefit from the larger, local and publicly-owned utility as municipalities are projected to receive an increase in incremental dividends and interest on their investment over the 10-year period following the merger. Municipalities can re-invest these dividends into local services that residents rely on.

Residents, through the five municipal stakeholders involved in the merger, will continue to have oversight of their local power utility. Each municipality will receive proportional ownership in the combined utility and representation on the new Board of Directors.

This announcement is accompanied by the launch of a community website, connectinglocalpower.ca, where residents of all five municipalities can visit to learn more.

"Waterloo North Hydro is a natural merger partner for Kitchener-Wilmot Hydro given the utilities' shared values, strong record of dedicated service to customers and vision to build a stronger utility that can invest in our future. This is a win-win-win scenario for customers, municipal shareholders and employees. When it comes to service, customers will benefit from having the same reliable service – and more – as the combined utility will have greater resources to invest in new technologies. From a financial standpoint, this merger is a win for customers and municipal shareholders as the combined utility will keep rates competitive while reducing costs through operational efficiencies. And when it comes to employees, this local merger will keep jobs here in our community."

- Jim Phillips, Chair, Kitchener-Power Corp

Layoffs are not expected at either utility company because of the merger. There are vacancies that have not been filled and some pending retirements. The head office will be the current Kitchener-Wilmot Hydro office in the City of Kitchener, with a second work location at the current Waterloo North Hydro office, at which activities will include leading innovation and new technology development.

A Memorandum of Understanding (MOU) for the proposed merger will be presented to all five participating municipal councils for approval on Monday, October 4 and Tuesday, October 5.

Kitchener-Wilmot Hydro and Waterloo North Hydro are committed to engaging customers and employees through timely, respectful, transparent, and reliable communication throughout this entire merger process. Community engagement is expected to begin the first week of October 2021, subject to municipal council approvals of the MOU. The planned community engagement will include public information sessions and information available on a new community website: connectinglocalpower.ca.

Following the community information and engagement initiative, the five municipal councils are expected to make a final decision on the proposed merger in December 2021. If approved by the municipal councils, the merger application will be submitted thereafter to the Ontario Energy Board for regulatory approval, which is expected in the third quarter of 2022. The new company is expected to begin operations soon after regulatory approval.

(II) October 6 Release – Municipal Councils approve MOU for proposed merger

Municipal councils approve Memorandum of Understanding for proposed Kitchener-Wilmot Hydro and Waterloo North Hydro merger October 6, 2021

Public information session on October 19

The municipal councils of Kitchener, Waterloo, Wellesley, Wilmot and Woolwich have approved a Memorandum of Understanding (MOU) as a first step in the proposed merger of Kitchener-Wilmot Hydro and Waterloo North Hydro. The approvals, which came on October 4 and 5, follow the October 1 announcement that Kitchener Power Corporation and Waterloo North Hydro Holding Corporation are moving forward on a proposed merger of the utilities.

Now that all five participating municipal councils have passed the MOU, community engagement on the proposed merger begins. Customers and residents of the municipalities of Kitchener, Waterloo, Wellesley, Wilmot and Woolwich are encouraged to visit www.connectinglocalpower.ca to learn more about the proposed merger and provide feedback.

"Our board welcomes the news that Waterloo North Hydro's municipal shareholders, the councils of Waterloo, Woolwich, and Wellesley, have passed the Memorandum of Understanding supporting this proposed merger. We believe this a good deal for the three municipalities and Waterloo North Hydro's customers. This larger, locally-owned utility will have more resources to invest in technologies that benefit customers while helping our communities' transition to a lower carbon economy. We look forward to hearing from customers and community members in the coming weeks."

David Petras, Chair, Waterloo North Hydro Holding Corporation

Kitchener-Wilmot Hydro and Waterloo North Hydro will host joint public information session on Tuesday, October 19 at 7 p.m. Due to the COVID-19 pandemic, the public information session will be held online along with access by telephone.

Customers and residents can register for the virtual public information session at www.connectinglocalpower.ca or by email at info@connectinglocalpower.ca or by telephone at 519-747-6334 ext. 78334.

"Kitchener-Wilmot Hydro welcomes the approval of a Memorandum of Understanding by the municipal councils of Kitchener and Wilmot. Waterloo North Hydro is a natural merger partner for Kitchener-Wilmot Hydro given the utilities' shared values, strong record of dedicated service to customers and vision to build a stronger utility that can invest in our future. This is a win-win-win scenario for customers, municipal shareholders and employees. We're excited to start our public engagement and receive feedback from community members of all five municipalities."

Jim Phillips, Chair, Kitchener-Power Corp

Following the public information session and community engagement initiative, the five municipal councils are expected to make a final decision on the proposed merger in December 2021. If approved by the five municipal councils, the merger application will be submitted thereafter to the Ontario Energy

Board for regulatory approval, which is expected by the third quarter of 2022. The new company is expected to begin operations soon after regulatory approval.

Like several other local power utilities in communities across Ontario, Kitchener-Wilmot Hydro and Waterloo North Hydro are planning to take the next step in their ongoing collaboration efforts by combining operations to create a larger, local and publicly-owned power utility that will provide reliable service, invest in new technologies, generate savings through operational efficiencies and keep local jobs in our communities.

2) Links to virtual news conference and public information session recordings

<u>Latest News – Connecting Local Power</u> (Virtual News Conference – October 1, 2021)

<u>Public Information Sessions – Connecting Local Power</u> (Virtual Public Information Session – October 19, 2021)

3) Ads in local newspapers

ConnectingLocal Power

A Proposed Merger Between Kitchener-Wilmot Hydro and Waterloo North Hydro

Virtual Public Information Sessions

October 19th 3 p.m. & 7 p.m.



Visit connectinglocalpower.ca to register and learn more.

Ad placed in the Woolwich Observer and The New Hamburg Independent.

ConnectingLocal Power

Kitchener-Wilmot Hydro and Waterloo North Hydro are planning to combine operations and create a larger, local, and publicly owned power utility.

- ✓ Putting customers first
- \checkmark Reinvesting in local communities
- √ Keeping jobs in our region



Visit connectinglocalpower.ca to learn how this will benefit your community.

Connecting

Local Power

Kitchener-Wilmot Hydro and Waterloo North Hydro are planning to combine operations and create a larger, local, and publicly owned power utility.

- ✓ Putting customers first
- ✓ Reinvesting in local communities
- √ Keeping jobs in our region



Visit connectinglocalpower.ca to learn how this will benefit your community.

Ads placed in the Waterloo Chronicle and the Waterloo Region Rural Post.

4) Website FAQs

Question	Answer
Why merge now?	Ontario's electricity sector is changing quickly, and this proposed merger is a local solution that will help our communities adapt to these changes and thrive in the years ahead. This larger, local, publicly owned utility will have more resources to invest in technologies that benefit customers while helping our communities' transition to a lower carbon economy.
Of all electric utilities in the province, why is a merger between Kitchener-Wilmot Hydro and Waterloo North Hydro the best solution?	This proposed merger is about Kitchener-Wilmot Hydro and Waterloo North Hydro taking the next step in their ongoing collaboration efforts by combining operations to create a larger, local and publicly-owned power utility that will provide reliable service, invest in new technologies, generate cost savings through operational efficiencies and keep local jobs in our communities. Kitchener-Wilmot Hydro and Waterloo North Hydro are natural merger partners given the utilities' contiguous service areas, shared values, strong record of dedicated service to customers and vision to build a stronger utility that can invest in our future.
What's going to happen with our hydro rates? Are they eventually going to go up?	The size and stability of the combined utility will help ensure distribution rates remain competitive and stable for customers. Distribution rates for all customers are projected to increase at less than the rate of inflation over the 10 years following the merger, leaving more money in customers' pockets. Thereafter, the combined utility will harmonize distribution rates over time, between Kitchener-Wilmot Hydro and Waterloo North Hydro customers.

Having a larger customer base will boost our How does this merger align with climate change capacity for collective climate action. The larger, action? combined utility will allow for greater investments in new technologies and services that will benefit customers and help reduce emissions, such as managing smart home and energy data, automated restoration of power outages, renewable microgrids and supporting local renewable generation. Initially, your billing cycle will not be affected by What's going to happen to my billing cycle? Will the merger. The municipalities of Kitchener, there be any service changes? Waterloo, Wellesley, Wilmot, and Woolwich are committed to ensuring the smoothest transition possible through the merger process. We will ensure that there are no impacts on service reliability to customers because of the merger. Our commitment to affordable, reliable power is why we're always looking at new and innovative solutions, including this merger and streamlining of operations, to improve our service to the communities we serve. Layoffs are not expected at either utility company How many jobs will be lost because of this because of the merger. There are vacancies that merger? Which utility company is expected to have not been filled and some pending *lose the most jobs?* retirements. There may be adjustments made to work locations and day-to-day duties as we combine the assets and services of Kitchener-Wilmot Hydro and Waterloo North Hydro. The head office will be the current Kitchener-Wilmot Hydro office in the City of Kitchener, with a second work location at the current Waterloo North Hydro office, at which activities will include leading innovation and new technology development.

How will this affect collective bargaining agreements at both utility companies?	Kitchener-Wilmot Hydro and Waterloo North Hydro will work with IBEW Local 636 and PWU Local 1000 to ensure a smooth transition to the new utility company. Both companies will support all unionized and non-unionized employees throughout this process and will be open and transparent with employees along the way.
Where will the head office be?	The head office will be the current Kitchener-Wilmot Hydro office in the City of Kitchener, with a second work location at the current Waterloo North Hydro office, at which activities will include leading innovation and new technology development.
What's your brand? What will this new company be called?	What we're focused on right now is engaging with the community, and if approved, seeing this merger through to a successful completion. Once approved, the new utility will unveil a new company name and brand.
What's next in the process?	Community engagement will begin the first week of October 2021. Following the community information and engagement initiative, the five municipal councils are expected to make a final decision on the proposed merger in December 2021. If approved by the municipal councils, the merger application will be submitted thereafter to the Ontario Energy Board for regulatory approval, which is expected in the third quarter of 2022. The new company is expected to begin operations soon after regulatory approval.

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Resident Inquiry Responses – Appendix 2 November 2021

Resident Inquiry	Response
Waterloo Resident: I think that the merger makes a lot of sense. Go for it.	Thank you for sharing your feedback, it has been noted. If you have any additional comments or questions, please feel free to submit them again through this <u>website</u> .
Kitchener Resident: I am very much in favour of the merger – have been for many years.	Thank you for sharing your feedback, it has been noted. If you have any additional comments or questions, please feel free to submit them again through this <u>website</u> .
Waterloo Resident: This appears to be a reasonable initiative, but I have a couple of points I wish to make. Given the increasing number of those working from home due to the pandemic (a situation I do not think will change in the foreseeable future), I believe adjustment to the billing structure needs to be made. I suspect, but have no data to check this, that due to increased day-time demand, the electrical companies have done rather well during the pandemic. Under the circumstances, I believe charges should be reduced. I personally have changed from TOU to constant billing because I believed it would offer a small saving. That seems to be the case, but I will not be able to confirm until we are into the winter season. This raises a further issue. I think that seniors (i.e., retired folks) should have a lower rate than others. This should be easy to put in place and would be much fairer. Finally, I would like to know that incentives will be made available to	Thank you for sharing your feedback on the proposed merger between Kitchener-Wilmot Hydro and Waterloo North Hydro. Rate structures are determined and set by the Ontario Energy Board. For residential customers, the distribution charge on the bill, from your local utility, is a fixed charge per month and is not impacted by the amount of electricity used. Your point is noted, however, that residents who work from home, likely have higher bills due to higher consumption, as well as seniors who are not working. Your point is noted regarding the expense of installing electric vehicle chargers and the need for incentives especially considering our climate change goals, which electrical vehicles help us achieve. If you have any additional comments or questions, please feel free to submit them again through this website.
those who opt for either fully electric or hybrid electric vehicles. My next vehicle will be one of those and I am	

concerned about both the cost of installing an adequate supply line as well as increased use of electricity. Thank you. Waterloo Resident:	Thank you for sharing your feedback, it has been noted.
I am concerned about prices increasing even more.	The size and stability of the combined utility will help ensure distribution rates remain competitive and stable. Distribution rates for all customers are projected to increase at less than the rate of inflation over the next 10 years, leaving more money in your pocket. If you have any additional comments or questions, please feel free to submit them again through this website.
Kitchener Resident:	Thank you for your inquiry and feedback, which has been noted.
With Kitchener Wilmot having the lowest rates, and Waterloo North having the highest, how will merger this be a saving to the residents of Kitchener and Wilmot?	The size and stability of the combined utility combined with operational savings will help ensure distribution rates remain competitive and stable for customers. Distribution rates for all customers are projected to increase at less than the rate of inflation over the 10 years following the merger, leaving more money in customers' pockets.
Has there been any other offers to buy Kitchener Wilmot?	Kitchener Wilmot Hydro and Waterloo North Hydro are constantly having conversations with other utilities to see how we can provide more value to our customers and municipal shareholders. Over the years, we have been approached by other utilities, however the municipalities of Kitchener, Waterloo, Wellesley, Wilmot, and Woolwich decided on a local solution through this merger process and are committed to ensuring the smoothest transition possible.
	If you have any additional comments or questions, please feel free to submit them again through this <u>website</u> .
Kitchener Resident:	Thank you for your inquiry.
I currently have solar panels on my roof and a contract with Kitchener Wilmot Hydro as per the MicroFIT	Your contract with Kitchener Wilmot Hydro will not be impacted at this time. This proposed merger strives to provide the same, if not better quality of service.
program. Will this impact that contract or will it be terminated?	For specific information related to your contract, it is recommended you contact the hydro company directly.
	If you have any additional comments or questions, please feel free to submit them again through this website.
Waterloo Resident: I am in full support of this proposed	Thank you for sharing your feedback, it has been noted. If you have any additional comments or questions, please feel free to submit them again through this website.
merger.	

Wilmot Resident:

As a former customer of Waterloo North Hydro and now a customer of Kitchener Wilmot my query surrounds the assumption of debt. Waterloo North built a new facility costing millions and was it seemed always in debt. Is this paid for and if not how will this be allocated? Thank you for your feedback and inquiry. It has been noted,

The facility was built in 2011 and was a necessary move for the continued growth and expansion of Waterloo North Hydro.

The existing debt (including any outstanding amount for the new facility) and promissory notes with each of the municipalities, will be assumed by the new corporation and is reflected in the ownership shares for each municipality.

Through streamlining and efficiencies, an additional \$15 million in incremental dividends over the first 20 years, is projected to be available for municipalities in proportion to their ownership shares, which can be re-invested into local services that residents rely on.

If you have any additional comments or questions, please feel free to submit them again through this <u>website</u>.

Waterloo Resident:

Kitchener Utilities is responsible for electricity, water, and natural gas services. Will customers in Waterloo see any changes to their water (City of Waterloo) or natural gas (Enbridge) service providers?

Thank you for sending in an inquiry.

Kitchener Utilities is responsible for water and natural gas services while Kitchener Wilmot Hydro is responsible for electricity distribution services. The proposed merger of Kitchener-Wilmot Hydro and Waterloo North Hydro will not result in any changes to your current water or natural gas service providers.

If you have any additional comments or questions, please feel free to submit them again through this <u>website</u>.

Waterloo Resident:

While I will support the merger, it is based on the assumption that the rate payers will benefit from these efficiencies. The savings should be used to offset the need for rate increases. Broadly, I feel the costs of municipal services (property tax, water, etc.) have routinely increased at a rate in excess of inflation, and some benefit to the rate payer would be a nice benefit and is being stated here. The commitment should be met and kept.

Thank you for sharing your feedback.

Kitchener-Wilmot Hydro and Waterloo North Hydro are working to ensure that distribution rates remain competitive and stable for customers. Savings from efficiencies will offset rate increases so that rates in the merged entity will be lower than what they would be on a stand-alone basis.

Distribution rates for all customers are projected to increase at less than the rate of inflation over the next 10 years. Thereafter, the combined utility will harmonize distribution rates over time, between Kitchener-Wilmot Hydro and Waterloo North Hydro customers. The utility portion represents about 25% of the typical total bill for a residential customer, with the remainder being the energy consumed by a customer.

If you have any additional comments or questions, please feel free to submit them again through this <u>website</u>.

Kitchener Resident:

As a business owner, what will this merger mean for my hydro rates? A lot of my business/services are done during peak rate times and that is not something I can change. Kitchener Wilmot's lower hydro rates are important to me and my business, I don't want to see that jeopardized.

Thank you for your inquiry.

Kitchener-Wilmot Hydro and Waterloo North Hydro are working to ensure that distribution rates remain competitive and stable for customers. Distribution rates for all customers are projected to increase at less than the rate of inflation over the next 10 years. Thereafter, the combined utility will harmonize distribution rates over time, between Kitchener-Wilmot Hydro and Waterloo North Hydro customers. The utility portion represents about 25% of the typical total bill for a residential customer and less than that for a business customer, with the remainder being the energy consumed by a customer. Advisors at KWH

and at the new utility would be pleased to discuss energy efficiency initiatives that may help our customers to reduce their energy consumption and their total bill.

If you have any additional comments or questions, please feel free to submit them again through this website.

Kitchener Resident:

What are the projected hydro rates for Kitchener Wilmot customers after the proposed merger? My concern is my rates increasing after the merger, this would not be acceptable.

Thank you for your inquiry.

The size and stability of the combined utility will help ensure distribution rates remain competitive and stable for customers. Distribution rates for all customers are projected to increase at less than the rate of inflation over the 10 years following the merger, leaving more money in customers' pockets. Thereafter, the combined utility will harmonize distribution rates over time, between Kitchener-Wilmot Hydro and Waterloo North Hydro customers. The utility portion represents about 25% of the typical total bill for a residential customer, with the remainder being the energy consumed by a customer.

If you have any additional comments or questions, please feel free to submit them again through this <u>website</u>.

Woolwich Resident:

If this action is going to make my hydro more reliable and doesn't increase the price . I support this merger.

Thank you for sharing your feedback. Having a larger, local and publicly-owned utility will help deliver reliable and affordable service.

If you have any additional comments or questions, please feel free to submit them again through this <u>website</u>.

Woolwich Resident:

The proposed merger should only be done to benefit those that pay the fees. In one section above it states "to ensure distribution rates remain stable and competitive.....while returning higher dividends to municipalities." If this merger is returning higher dividends then that means rates or monthly connection charges can be lowered. The electrical service was never designed to be a revenue source for the municipalities, but a service provider. Stop using rate payers as a cash cow to support unnecessary projects for cities. Any benefit of this should be for the rate payers benefit. Being in Woolwich, we will get the short end of the profits while Waterloo, Kitchener and Cambridge will benefit the most.

Thank you for your feedback.

This proposed merger will help to ensure distribution rates remain competitive and stable for customers. Distribution rates for all customers are expected to increase at less than the rate of inflation over the next 10 years, leaving more money in your pocket.

We project the combined utility could save as much as \$2.9 million/year through streamlining and efficiencies. As you stated, this will result in additional dividends that can be reinvested into every municipality that will be impacted by this proposed merger. The five municipalities in aggregate are projected to receive a return of approximately \$15 million in incremental dividends and interest over the 20-year period following the merger. Each municipality will receive its share based on their ownership in new company. Municipalities can re-invest these dividends into local services that residents and rate payers, such as yourself, can rely on.

If you have any additional comments or questions, please feel free to submit them again through this <u>website</u>.

Wilmot Resident:

Hello, I am hoping that this proposed merger will lead to a greater capacity for innovation in terms of greening our power supply, specifically an investment in more solar panels and batteries at the home or microgrid level. Green Mountain Power (in

Thank you for your feedback.

The larger, combined utility will allow for greater investments in new technologies and services that will boost capacity for collective climate action and help to reduce emissions.

It will help municipalities achieve their climate change goals by having a larger customer base that will allow the combined utility to focus on efficiency and innovation.

Vermont) is doing very innovative things with virtual battery-based microgrids using batteries and solar panels in residences. I would love to see that level of innovation here.

Investments in new technologies and services that will benefit customers and help reduce emissions include the management of smart home and energy data, the automated restoration of power outages, renewable microgrids and local renewable generation such as solar panels and battery storage as you suggested.

If you have any additional comments or questions, please feel free to submit them again through this <u>website</u>.

Waterloo Resident:

This sounds like a great plan. I suggest that the money saved be reinvested in improvements to the electricity transmission grid, including energy storage that complements renewable energy projects. Such investments would support the emissionsreduction efforts that have been undertaken by the region's eight municipalities, specifically TransformWR and 50by30. These plans call for fuel switching for heating of buildings, replacing natural gas with electrically-powered heat pumps. This will require careful attention and coordination to ensure the electricity supply and transmission can power the heating of buildings. It would make sense to use the savings of this merger to invest in the necessary upgrades.

Thank you for sharing your feedback. We appreciate your thoughtful consideration on reinvestments within our local community. We have received similar inquiries/suggestions before.

This merger is good news for local climate action. The larger, combined utility will allow for greater investments in new technologies and services that will boost capacity for collective climate action and help to reduce emissions.

It will help municipalities achieve their climate change goals by having a larger customer base that will allow the combined utility to focus on efficiency and innovation such as energy storage and renewable generation.

Both utilities have and will continue to invest in the necessary distribution system upgrades to enable new technologies as we move towards a low carbon future.

If you have any additional comments or questions, please feel free to submit them again through this <u>website</u>.

Other feedback and inquiries that were raised during the public info session and News Conference include:

- Can you speak to what the projected impacts are if the two companies do not merge?
- Will this merger slow down your efforts to provide solar customers with a feature that allows them to use mid-peak or peak rates?
- As a solar owner, Waterloo North Hydro allows the solar credit to be applied to the administrative and distribution fees. Will this continue for solar customers such as myself that have taken advantage of this program?
- Would the new entity consider merging with the new entity that will be formed by Energy+ and Brantford Hydro?
- Why are Kitchener-Wilmot Hydro and Waterloo North Hydro pursuing a merger together and not with other utilities nearby? I know London Hydro expressed an interest publicly a few years ago about acquiring local distribution companies. What happened to those discussions?
- Why is now a good time for this merger?
- Are you experiencing staffing challenges across your organizations or within specific areas such as unionized field staff, engineering, administration, etc.?
- Are there any proposed names for the new entity or timelines?

<u>Connecting Local Power – Consulting the Community on the Proposed Merger of Kitchener-Wilmot</u> <u>Hydro and Waterloo North Hydro</u>

Media Coverage - Appendix 3 November 2021

The numbers in bold brackets provide an average circulation number for each publication.

Online/Print

- October 1 Waterloo Region hydro companies announce plan to merge (800,000)
- 2. October 1- Kitchener and Waterloo power utilities announce merger (175,000)
- 3. October 1- <u>Proposed merger between Kitchener-Wilmot Hydro and Waterloo North Hydro</u> (320,000)
- 4. October 1 Kitchener-Wilmot Hydro, Waterloo North Hydro eyeing potential merger (64,000)
- 5. October 1 Merger proposed for Kitchener-Wilmot Hydro and Waterloo North Hydro (75,000)
- 6. October 1- Waterloo Region hydro companies announce plan to merge (1,550,000)
- 7. October 4 <u>Kitchener Power Corporation and Waterloo North Hydro Holding Corporation</u>

 <u>Announce Proposed Merger</u>
 (150,000)
- 8. October 6 Area councils approve MOU for proposed hydro merger (64,000)
- 9. October 7 Local power utilities to move ahead with formal merger (5,000)
- 10. October 20 Waterloo Region power plants say no job cuts in planned merger | CTV News (74,000)
 - 11. October 2021 Kitchener and Waterloo power utilities plan to merge (8,500)

Broadcast

October 1:

- 1. <u>570 News, 1:00 pm</u> (5,000)
- 2. <u>570 News, 12:30 pm</u> (5,000)
- 3. **CBC Kitchener-Waterloo, 12:30 pm (6,000)**
- 4. CTV News Kitchener, 12:20 pm (320,000)
- 5. **570 News, 12:00 pm (5,000)**
- 6. **570 News, 11:30 pm (5,000)**
- 7. **CBC Kitchener-Waterloo, 11:30 pm (20,000)**
- 8. <u>570 News, 6:40 pm</u> (6,500)

- 9. <u>570 News, 6:25 pm</u> (6,500)
- 10. <u>570 News, 6:05 pm</u> (6,500)
- 11. <u>570 News, 5:35 pm</u> (6,500)
- 12. <u>570 News, 5:06 pm</u> (6,500)
- 13. <u>570 News, 4:50 pm</u> (3,700)
- 14. <u>570 News, 4:38 pm</u> (3,700)
- 15. **570 News, 4:05 pm (3,700)**
- 16. **CHYM FM, 4:00 pm (16,000)**
- 17. **570 News, 3:44 pm (3,700)**
- 18. <u>570 News, 3:39 pm</u> (3,700)
- 19. **570 News, 3:24 pm (3,700)**
- 20. **570 News, 3:05 pm (3,700)**
- 21. **CBC Radio One, 2:30 pm (6,000)**
- 22. **570 News, 2:30 pm (3,700)**
- 23. **CBC Radio One, 1:30 pm (6,000)**
- 24. CTV News Kitchener, 6:38 pm (295,000)
- 25. CTV News Kitchener, 5:45 pm (295,000)

October 2:

- 26. CTV News Kitchener 6:15 am (250,000)
- 27. <u>1460 CJOY 6:00 am</u> (1,800)

October 4:

28. CTV News Kitchener, 6:57 pm (295,000)

October 6:

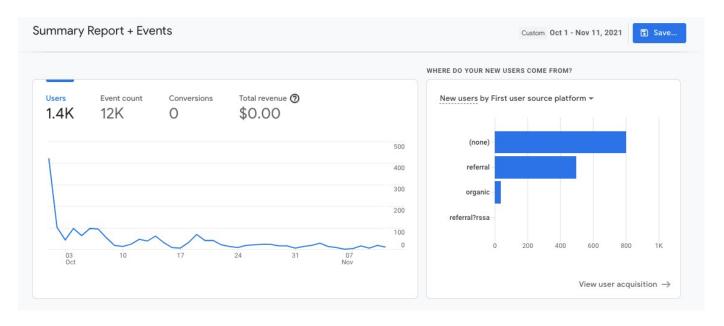
- 29. 570 News, 4:37 pm (3,700)
- 30. <u>570 News, 5:10 pm (6,500)</u>
- 31. 570 News, 6:09 pm (6,500)
- 32. 570 News 6:42 pm (6,500)

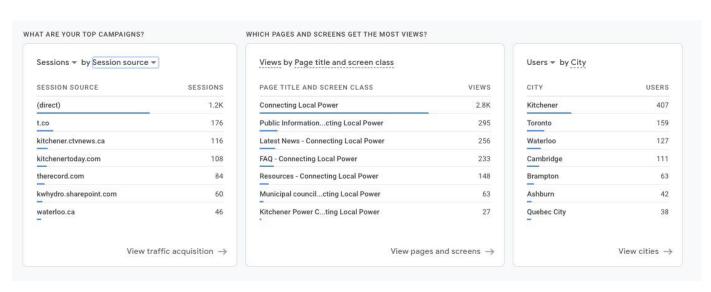
October 7:

- 33. FM 98.5 CKWR, 6:00 am (4,000)
- 34. FM 98.5 CKWR, 7:00 am (1,000)
- 35. FM 98.5 CKWR, 7:52 am (1,000)
- 37. CTV News Kitchener, 7:49 am (250,000)

Connecting Local Power - Consulting the Community on a Proposed Hydro Merger

Website Metrics - Appendix 4 November 2021







EVENT NAME	EVENT COUNT
page_view	3.8K
user_engagement	2.7K
session_start	2K
scroll	1.9K
first_visit	1.3K
file_download	173
click	98
	View events

□

Website User Breakdown – Regional (Canadian Cities)

The following website user visit tracking is based on IP addresses that Google can detect.

Municipality	Number of Visitors
Kitchener	407
Toronto	159
Waterloo	127
Cambridge	111
Brampton	63
Ashburn	42
Quebec City	38
Unknown Region	35
Hamilton	33
London	20
Baden	18
Guelph	17
Mississauga	13
New Hamburg	13
Montreal	11
Halifax	10
Windsor	9
Elmira	8
Ottawa	8
Markham	7
Burlington	6
Halifax	6
Kawartha	6
Oakville	6
Whitby	6
Barrie	5
Milverton	4
Newmarket	4
Ajax	3
Brantford	3
Chatham - Kent	3
Erin	3
Kingston	3
Oshawa	3
Stratford	3
Calgary	2
Dartmouth	2
Fergus	2
Georgina	2
Greater Sudbury	2

Grimsby	2
Kincardine	2
Lakefield	2
Lambton	2
Langley	2
Listowel	2
Milton	2
Orangeville	2
Peterborough	2
Pickering	2
Port Elgin	2
Quinte West	2
Richmond	2
Saugeen Shores	2
Sault Ste. Marie	2
Vancouver	2
Vaughan	2
Woodstock	2
Aurora	1
Bradford	1
Brant	1
Brighton	1
Caledon	1
Collingwood	1
Courtice	1
Dublin	1
Elora	1
Enfield	1
Fort Erie	1
Goderich	1
Halton Hills	1
Hanover	1
Hawkesbury	1
Lakeshore	1
Leamington	1
Lincoln	1
Longueuil	1
Niagara Falls	1
Parksville	1
Pelham	1
Penetanguishene	1
Regina	1
Richmond	1
Sainte-Adele	1
Sarnia	1
Simcoe	1
Jiiicoe	<u> </u>

Smithville	1
South Bruce Peninsula	1
St-Bruno-de-Montarville	1
Strathroy	1
Surrey	1
Thunder Bay	1
Utica	1
Victoria	1
Welland	1

<u>Connecting Local Power – Consulting the Community on the Proposed Merger of Kitchener-Wilmot</u> Hydro and Waterloo North Hydro

Social Media Insights - Appendix 5 November 2021

OBJECTIVE & METHODOLOGY

OBJECTIVE

The objective of this report is to provide a summary of top social media conversations around the proposed merger between Kitchener -Wilmot Hydro and Waterloo North Hydro, with coverage focusing on:

- Posts published by The City of Waterloo, Waterloo North Hydro, City of Kitchener, Kitchener - Wilmot Hydro, and Wilmot Township
- Breakdown of coverage engagement, as well as key metrics
- Posts with the largest engagement and reach (likes, shares, comments)

METHODOLOGY

Timeframe: October 1 – 19, 2021

Location: Canada

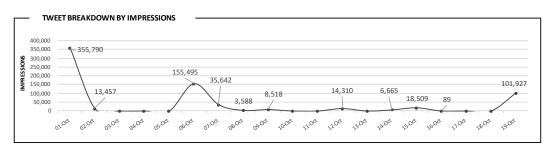
Language: English

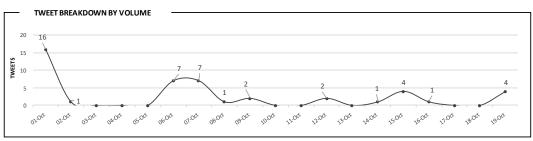
Social Media 1: Twitter, Facebook, LinkedIn

1 Twitter posts were captured using Meltwater, while all other social posts required the use of manual research. There is an especially limited line of sight on Linkedln and Facebook content, as majority of it is private media which means it is not available for nothly civeving.



TWITTER - OVERVIEW





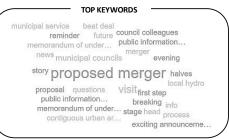
TWITTER - OVERVIEW

KEY METRICS 46 Total Tweets (25 Original Tweets) 472K Reach









TWITTER - CITY OF KITCHENER





Connecting Local Power Virtual Public Information Session Visit connectinglocalpower.ca to register and learn more. 38 AM - Oct 19, 2021 - Sprout Social

City of Kitchener

REMINDER: Join us this evening to ask questions and learn more about the proposed merger between Kitchener-Wilmot Hydro and Waterloo North Hydro. To register for our public information session at 7 p.m.

today, visit connectinglocalpower.ca/public-info

* Hover over images for direct link to posts

SUMMARY

- The City of Kitchener published a total of two posts, which were engaged with 4 times (2 likes, 2 retweets)
- The reach of the @CityKitchener Twitter platform is 83.8K

TWITTER - KITCHENER-WILMOT HYDRO



$KWHydro\ published\ a\ total\ of\ four\ posts,\ with\ a\ combined\ engagement\ of$ 8 (5 likes, 3 retweets)

The reach of the @KWHydro Twitter platform is 7.6K

SUMMARY

KWHydro @KWHydro Join us this evening to ask questions and learn more about the proposed merger between Kitchener-Wilmot Hydro and Waterloo North Hydro. To register for our public information session at 7 p.m. on October 19, Connecting Local Power Visit connectinglocalpower.ca to register and learn more. October 19th 7:00 p.m. :00 AM - Oct 19, 2021 - Hootsuite Inc







TWITTER - WILMOT TOWNSHIP





* Hover over images for direct link to posts

SUMMARY

- Wilmot Township published a total of one post, which was engaged 11
- times (4 likes, 6 retweets, 1 quote tweet)
 The reach of the @WilmotTownship Twitter platform is 3.6K

^{*} Hover over images for direct link to posts

TWITTER - CITY OF WATERLOO



* Hover over images for direct link to posts

SUMMARY

- The City of Waterloo published a total of one post, which received 15 pieces of engagement (5 retweets, 10 likes)
- The reach of the @CityWaterloo Twitter platform is 58.5K

TWITTER – WATERLOO NORTH HYDRO



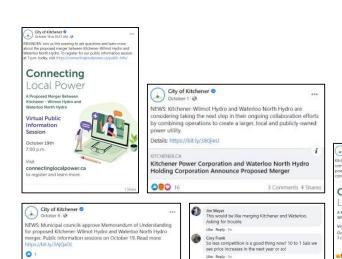
SUMMARY

- WN Hydro published a total of four posts, with a combined engagement of 17 (11 likes, 6 retweets)
- The reach of the @KWHydro Twitter platform is 6.6K



^{*} Hover over images for direct link to posts

FACEBOOK – CITY OF KITCHENER



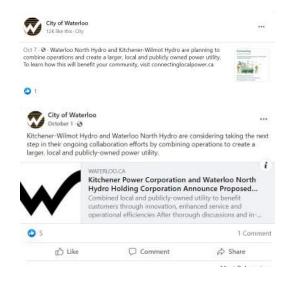
^{*} Hover over images for direct link to posts

SUMMARY

- The City of Kitchener Facebook posts were engaged with 34 times (5 comments, 22 reactions, and 9 shares)
- Of the 5 comments, two were not relevant to the announcement and one was deleted/is no longer visible to the public
- The City of Kitchener Facebook group has a reach of 35K



FACEBOOK – CITY OF WATERLOO



SUMMARY

 The City of Waterloo's three Facebook posts about the proposed merger were engaged with 10 times (1 comment and 9 reactions)



TWITTER - OTHER COVERAGE







TWITTER - OTHER COVERAGE







