

November 2021

Dear Valued Customer:

**Re: Espanola Regional Hydro amalgamation with North Bay Hydro Distribution Limited**

As you may or may not know North Bay Hydro Holdings Limited acquired Espanola Regional Hydro Distribution Corporation (ERH) in 2019, with ERH being run separate from North Bay Hydro Distribution Limited (NBHDL) up until this time.

Today, it is my pleasure to announce that the amalgamation of the two utilities is underway, with full transition to one utility expected in 2022.

NBHDL will continue to provide you with the same, or a better, level of safe, reliable and efficient distribution of electricity that you are accustomed to. We are also committed to making the transition to one utility as seamless as possible.

The amalgamation of the two utilities will provide the following benefits to you, our valued customers:

- The achievement of operational efficiencies that will help keep rates as low as possible, saving you money.
- Levelized, affordable capital investment that will ensure the longevity and reliable operation of the grid powering your homes and businesses.
- The implementation of technology that will help improve reliability and power quality and allow access to more information.
- The operations centre in Espanola will be maintained ensuring local resources are providing local service.
- A larger pool of resources driving increased service levels and better response in major storm events.

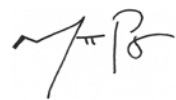
Over the coming months, we will issue several communiques that will address what is changing versus what is not, what your new bill will look like and contain, what is and how to use your new e-bill portal, what happens when we cut over, the go live date and several other things. Look for these in future letters or visit [www.erhydro.com](http://www.erhydro.com) to stay informed.

In addition, please feel free to contact us during regular business hours and talk with our great customer service team at 705-869-2771.

As an energy leader in the North, we are excited to bring our values, dedication to service, and progressive approach to the Town of Espanola and the Township of Sables-Spanish River.

We are Community Power!

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Payne".

Matt Payne, P. Eng.  
President and CEO  
North Bay Hydro Distribution Limited

