

**PROPOSED MERGER PARTNERSHIP NOT APPROVED FOR GUELPH HYDRO ELECTRIC SYSTEMS INC.  
AND HORIZON UTILITIES CORPORATION**

**RELEASE: ON RECEIPT**

**GUELPH, ON – SEPT 30** - The Boards of Directors of Hamilton Utilities Corporation, St. Catharines Hydro Inc. and Guelph Hydro Inc. announced today that they have terminated discussions regarding a proposed merger between their two local electricity distribution companies, Horizon Utilities Corporation and Guelph Hydro Electric Systems Inc.

Last evening Guelph City Council voted to turn down the proposed merger that was initiated with a Memorandum of Understanding between Horizon Utilities and Guelph Hydro in June 2007.

In a joint statement, Horizon Utilities Corporation Board Chair, Robert Dolan, and Guelph Hydro Electric System Inc. Board Chair, Paul Truex, thanked staff and Board members at both organizations for their efforts in working as a team through the development of the business case that was presented to all municipal shareholders.

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