



City of
Peterborough

To: Members of the Committee of the Whole

From: Allan Seabrooke, Chief Administrative Officer

Meeting Date: November 24, 2016

**Subject: Report CAO16-017
Presentation – Navigant Consulting Evaluation Peterborough
Distribution Inc. (PDI) Potential Sale to Hydro One**

Purpose

A report to receive a presentation from Navigant Consulting, evaluating the potential sale of Peterborough Distribution Inc. (PDI) to Hydro One.

Recommendation

That Council approve the recommendation outlined in Report CAO16-017, dated November 24, 2016, of the Chief Administrative Officer, as follows:

That the presentation by Todd Williams from Navigant Consulting Inc., attached as Appendix A, be received for information.

Budget and Financial Implications

There are no direct budget or financial implications to receiving this report.

There will, however, be substantial financial implications should an eventual transaction occur involving the sale of PDI to Hydro One.

Background

Based on Council direction, City of Peterborough Holdings Inc. (CoPHI) has been engaged in exclusive negotiations with Hydro One to divest PDI. PDI is the regulated business of Peterborough Utilities Group (PUG), and is directly owned by CoPHI. The

City is the sole shareholder of CoPHI, and City Council approval is required to divest part or all of PDI.

The City of Peterborough received correspondence from CoPHI pertaining to the divestment of PDI to Hydro One on October 31, 2016. Navigant Consulting, who have been engaged by the City to provide an independent third party review of CoPHI's recommendation and documentation are present this evening to provide their evaluation and analysis to Council.

In terms of next steps, CoPHI's recommendations will be considered at a Special Committee of the Whole and Special Council meeting set for December 7, 2016 at Showplace and December 15, 2016 at Market Hall, respectively.

Submitted by,

Allan Seabrooke
Chief Administrative Officer

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Attachment: Appendix A – Navigant Presentation