







FOR IMMEDIATE RELEASE

Tillsonburg Hydro and ERTH Power to Explore Strategic Collaboration

Tillsonburg and Ingersoll, ON (September 9, 2025) - The Town of Tillsonburg along with ERTH Corporation and its municipal shareholders announced today that Tillsonburg Hydro Incorporated (THI) and ERTH Power Corporation (EPC) are exploring a strategic collaboration to strengthen local utility operations and meet the future energy needs of their communities.

The decision by municipal shareholders to explore a potential collaboration is driven by several key factors, including:

- Capacity: Existing infrastructure is nearing its capacity and must be expanded to support projected industrial growth. For a small, standalone utility like Tillsonburg Hydro, securing the capital required for these investments is challenging and would result in significant rate increases for customers.
- **Capability**: As the energy sector evolves, there is an increasing demand for specialized expertise in engineering, regulatory compliance, and senior leadership.
- **Connectivity**: Utilities must modernize outdated systems to ensure reliability, enable automation, and protect against cybersecurity threats—all of which requires ongoing investment and technical expertise.
- **Compliance**: Smaller utilities are held to the same regulatory standards as larger utilities yet often lack the resources and capacity to meet these obligations efficiently.
- **Consolidation**: Recent history has demonstrated that proactive consolidation among like-minded local utilities can result in improved service delivery, increased operational efficiency, and long-term benefits for customers, communities, shareholders, and employees.

For Tillsonburg Hydro, addressing these challenges as a stand-alone utility is likely to require an investment of at least \$29 million. With only 8,600 Tillsonburg Hydro customers to absorb that cost, the fixed distribution portion of monthly utility bills could more than double, resulting in financial hardship for residents and businesses alike.

Under the proposed collaboration, the Town of Tillsonburg is considering acquiring ownership shares in ERTH Corporation, a municipal holding company which owns ERTH Power Corporation and other non-regulated companies serving the utility and municipal sectors. The Town of Tillsonburg would become the second largest of 10 shareholders in ERTH Corporation and Tillsonburg Hydro would join with ERTH Power under the ERTH Power brand. The result would be a stronger 'Hometown Utility' serving 33,000 customers across 16 communities.

Community members stand to benefit from a larger, local and publicly owned utility in four key areas:

• **Economies of Scale** – Sharing administrative, regulatory, and capital costs across a larger customer base will help stabilize rates and improve cost-efficiency.

- **Enhanced Financial Stability** Financial flexibility and diversified revenue streams will support long-term stability and profitability while helping to protect against significant rate increases.
- **Expanded Expertise and Capacity** A larger, locally owned utility will have access to a broader pool of skilled professionals and expertise, enabling infrastructure modernization, efficient emergency response, and opportunities for employee growth.
- **Empowered Communities** Local oversight will remain a top priority, with continued reinvestment in communities and decisions that reflect local values and customer needs.

Tillsonburg Hydro and ERTH Power have a proven history of working together to service their respective customers across Oxford County and throughout southwestern Ontario. Most recently, ERTH Power has been managing the operations of Tillsonburg Hydro on behalf of the Town of Tillsonburg under a management contract. The two utilities have also shared resources, supported storm response, delivered conservation initiatives, and participated jointly in community events and sponsorships.

"The community's need for increased hydro capacity has been building for more than a decade," says Tillsonburg Mayor Deb Gilvesy. "With Tillsonburg's rate of industrial growth, our system has reached a critical juncture. Key decisions must be made to secure the future and ensure that rates remain fair and sustainable."

"Ontario's electricity sector is evolving rapidly in response to growing energy demand, aging infrastructure, and changing customer expectations," says Chris White, President and Chief Executive Officer of ERTH Corporation. "By bringing together two local utilities that share common values and priorities, we are better positioned to navigate these changes and meet the energy needs of our communities. Together, we can build a stronger, more resilient hometown utility with the resources to invest in infrastructure and technologies that will benefit our customers for years to come."

At this stage, a decision has not yet been made. Both utilities are committed to engaging customers and employees through timely and transparent communications. The Town of Tillsonburg will be hosting community information sessions on September 29 from 3:00 p.m. – 6:00 p.m. at the Tillsonburg Community Centre (Lions Den), and October 6 from 3:00 p.m. – 6:00 p.m. at the Tillsonburg Town Centre. Community members can also learn more and provide input online by visiting tillsonburg.ca/strongertogether or erthpower.com/strongertogether.

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About Tillsonburg Hydro

Tillsonburg Hydro Inc. (THI) is a local electricity distribution company that is 100% owned by the Town of Tillsonburg. THI delivers electricity to approximately 8,600 customers across its 24 square kilometer service territory.

About ERTH Corporation

ERTH Corporation is a diverse group of companies with its origins in the utility industry. Owned by nine municipal shareholders, ERTH distributes electricity to 15 communities in southwestern Ontario, and has grown to be a leading provider of products and services in many industries including utility, energy retailer, municipal, commercial and industrial to name a few. With customers across North America, ERTH is committed to improving the overall customer experience while helping to lower operating and maintenance expenses for our customers. For further details, visit www.erthcorp.com.

About ERTH Power Corporation

ERTH Power Corporation is a local distribution company (LDC) that provides safe and efficient delivery of electricity to approximately 25,000 residential and commercial customers within our licensed boundaries, including the municipalities of Aylmer, Beachville, Belmont, Burgessville, Clinton, Dublin, Embro, Goderich, Ingersoll, Mitchell, Norwich, Otterville, Port Stanley, Tavistock, and Thamesford. For further details, visit www.erthpower.com.

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