



For Immediate Release

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Town of Newmarket and Tay Councils “The Shareholders” of Newmarket-Tay Power Distribution Ltd. Approve Landmark Transaction with Alectra Inc.

NEWMARKET, Ontario, March 2, 2026 – The Town of Newmarket and the Township of Tay “The Shareholders” of Newmarket-Tay Power Distribution Ltd. (NT Power) have formally approved a sale of Newmarket-Tay Power Distribution Ltd. (NT Power) to Alectra Inc. via a deferred payment structure, creating a new and innovative utility transaction structure in Ontario’s Local Distribution Company sector, which is a first of its kind.

“This is a historic and future-focused decision for our community as Alectra’s proposal gives Newmarket and NT Power the strongest combination of financial security, innovation, and community protection,” said Mayor John Taylor. “We were clear from the outset that protecting our employees and maintaining local service and improving our long-term financial sustainability were our top priorities. Alectra’s proposal delivers financial strength, innovation and long-term stability while guaranteeing job protection, preserving our local presence and providing multiple safeguards for taxpayers. This transaction positions Newmarket and Tay to thrive in a rapidly transforming electricity sector.”

The decision follows a rigorous, multi-year review that began in 2022 and included independent financial and legal analysis, sector benchmarking, and a competitive market testing process. Throughout the review, both Councils were guided by clear priorities: protecting all NT Power employees, maintaining local service presence, ensuring competitive electricity rates, preserving reliability and customer experience, securing long-term capital investment, and delivering a strong and prudent financial return for residents.

At the conclusion of the 45-day “Go Shop” process, Alectra’s proposal emerged as the strongest and most balanced option. While other utilities participated, they did not meet the core criteria to the level of the Alectra bid. As a result, the Shareholders determined that Alectra’s structure provides the most appropriate balance between opportunity, growth, and protection for employees and the community.

Alectra’s agreement includes an industry-leading deferred purchase price model. Under the approved terms, the municipalities will receive (i) fixed annual payments of \$4.35 million for the first seven years following closing, more than triple NT Power’s historical annual dividend, (ii) annual payments in years 8-13 that are equivalent to dividends received by Alectra shareholders, (iii) the opportunity to participate in equity growth of the combined entity, and (iv) protection from downside risk by a guaranteed minimum payout of \$110 million and multiple future decision points at years 7, 10 and 13. The valuation-based structure shields the municipalities from downside risk while allowing participation in future sector growth.

The guaranteed annual payments will support long-term municipal priorities, infrastructure planning and financial sustainability. Council will determine the most appropriate allocation of



the final payout of funds at the end of 7, 10 or 13 years within the Town's broader financial strategy.

Equally important are the commitments to employees and local operations. Alectra has guaranteed job protection for all NT Power employees. After closing, employment will continue for all NT Power employees on the same or no less favourable terms. They have also committed that no employee will be required to relocate before at least 2031.

Newmarket's operations centre will be maintained for a minimum of 10 years, ensuring continuity of service and rapid response for customers. The agreement also includes guaranteed capital investment in the local system and ensures distribution rates will be frozen at 2026 levels for 2027 and 2028, except for potential adjustments tied to inflation.

"NT Power's Board of Directors fully supports the approved direction and agreement with Alectra Inc.," says NT Power Board Chair, David Charleson. "As we move to the next steps, we truly believe this watershed agreement is the best option for our customers and employees as it provides infrastructure investment, community presence, and staff protection."

The agreement also opens the door to a potential future merger opportunity, subject to further consideration, and establishes a Transition Committee with senior executive participation and municipal oversight to safeguard community interests during integration.

The transaction will now proceed to the Ontario Energy Board (OEB) for regulatory review, which can take several months. NT Power will continue to operate as an independent entity under its existing Board of Directors throughout the OEB process. Closing is anticipated in late 2026, subject to regulatory approval.

This landmark partnership positions Newmarket and Tay as leaders in responsible and innovative stewardship of public assets, protecting employees, maintaining reliable local service, and securing long-term value for residents.

Background

[In December 2024, it was announced that the NT Power Shareholders were exploring a potential merger/sale of the utility company.](#)

In August 2025, [NT Power Shareholders entered into an agreement with Alectra Inc.](#) that outlined the key terms in an Indication of Interest (an "IOI") for the potential sale or merger of NT and commenced a 120-day exclusivity period to conduct due diligence.

In January 2026, [NT Power signed a securities purchase agreement with Alectra Inc.](#) that was subject to a 45 day "Go Shop" period that enabled shareholders to determine if there were any other parties willing to offer more favourable terms.

For more information visit [HeyNewmarket.ca/NTPower](https://www.heynewmarket.ca/NTPower).



About NT Power

Newmarket-Tay Power Distribution Ltd. (NT Power) is a local electricity distribution company licensed by the Ontario Energy Board. NT Power is jointly owned by the Municipalities of Newmarket (93%) and Tay (7%), serving 50,000 customers in the areas of Newmarket, Tay and Midland.

About Alectra's Family of Companies

Serving more than one million homes and businesses in Ontario's Greater Golden Horseshoe area, Alectra Utilities is now the largest municipally owned electric utility in Canada, based on the total number of customers served (Approximately one million businesses and families).

Alectra contributes to the economic growth and vibrancy of the 17 communities we serve by investing in essential energy infrastructure, delivering a safe and reliable supply of electricity, and providing innovative energy solutions.

Alectra Inc. (Alectra) is an investment holding company with a head office in Mississauga, Ontario. Alectra owns 100 per cent of the common shares of each of Alectra Utilities Corporation (AUC) and Alectra Energy Solutions (AES), which in turn has two wholly owned subsidiaries: Alectra Energy Services Inc. (AESI) and Alectra Power Services Inc. (APSI). AESI has two wholly owned subsidiaries – Util Assist Inc. (UA) and Holland Power Services Inc. (HPS). HPS has two subsidiaries: Holland New England and Gagnon Line Construction.

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