

December 6th, 2019

The Corporation of the Town of Tecumseh c/o: Marg Misek-Evans 917 Lesperance Road Tecumseh, Ontario N8N 1W9

Subject: Digital Transformation Strategy & Water Billing Savings

Background

Given recent announcements related to local municipalities and the County declaring "environmental states of emergency" across the region, as well as calls to action globally for more political action on Climate Change, Essex Powerlines Corporation ("EPLC") is acting on this call by prioritizing green and environmentally conscious initiatives that are aimed at doing our part as community leaders. As one of our most ambitious and exciting initiatives to date, the Essex Power Corporation ("EPC") Board of Directors has passed a motion mandating paperless billing for EPLC electricity customers. EPLC currently has 22% of its customer base on paperless and our goal, by mandating paperless, is to hit 75% by January 1st, 2021 and even more through 2022!

The primary reasoning for EPLC moving forward with mandatory paperless billing is to do our part as community leaders for the global Climate Change crisis. EPLC currently issues more than 400,000 paper bills per year and when considering the full lifecycle carbon impact (harvesting, manufacturing, transportation, distribution, etc.), produces more than 14,000 kg CO2e per year in the billing department alone. With this letter, EPLC invites the Town of Tecumseh to join them on this call to action and to actively reduce CO2e by committing to digital billing for both electric and water customers across the municipality.

Potential Environmental & Financial Benefits

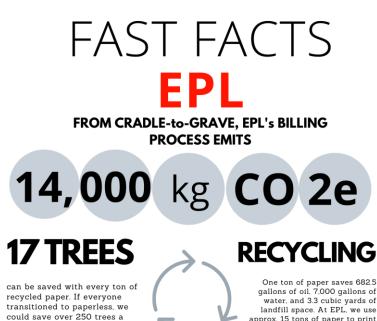
EPLC, on behalf of the Town of Tecumseh, currently issues 6,220 multi-use (i.e. electricity and water, issued monthly) and 2,810 water-only bills (issued bi-monthly). The mailing of these paper bills, not including the harvesting, transportation, and manufacturing steps of the lifecycle, equates to approximately 3,849kg CO2e per year. As such, by joining EPLC in its mission to transition to digital billing, the Town of Tecumseh is demonstrating its commitment to the sustainability of the community and actively doing its part in reducing its carbon footprint!



In addition to the environmental benefits, EPLC is pleased to pass along significant monetary savings associated with our joint digital transformation as well as savings incurred as a result of a reduction in 3rd party costs.

EPLC plans on continuing to share in the benefits of paperless billing through continued

support of local charities. Just recently, paperless EPLC ran two campaigns; Power Up for Paperless and Go Paperless with a Purpose, where more than \$8,000 in proceeds from the campaigns benefited the Fight Like Mason Foundation and Coats for Kids program at the Unemployed Help Centre, respectively. Both campaigns saw an uptake of over 800 customers switching to paperless, which equates to a total of 4% increase in paperless billing. Both campaigns were a great success for EPLC and the local communities we serve and acts to further substantiate our belief that customers are willing to participate and no longer require the abundance of waste created by paper.



As part of EPLC's evolution to digital, the mandatory transition to paperless billing for all customers will act as a catalyst to create new local initiatives and engage our shareholder



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approx. 15 tons of paper to print

bills each year!

municipalities. EPLC is committed to giving back to its communities through creative programs over the coming years and with the support of our local leaders, hopes that we can work together to champion this initiative across our community beyond 2020. EPLC wishes to engage our municipalities in the paperless billing efforts by having our municipal leaders participate in the campaigns by choosing a registered non-profit organization specific to their respective municipality, in which EPLC will donate a portion of the proceeds to. Working together, we can simultaneously reduce our carbon imprint and maximize our community support through this initiative.





It is important to note that EPLC will take careful consideration of and properly manage customers who have limited or no access to the internet or mobile/computer devices, as well as those who are not technologically capable or savvy and are therefore not ready to receive a digital bill. To cater to these customers and as part of the campaign, EPLC representatives plan to reach out to these vulnerable candidates, such as senior citizens, through senior citizen clubs and outreach programs to aid them in the transition to paperless, educate them on the process and tools, and ensure that customers who request or ultimately require paper bills are accommodated.

We look forward to the opportunity to work closely with the Town of Tecumseh to work together to address Climate Change and to bring added value into our organization and yours. As always, if you have any questions or concerns, please do not hesitate to contact us at any time.

Yours truly,

Joe Barile

General Manager

Essex Powerlines Corporation

Cc: Kristopher Taylor, Essex Power Corporation

Raymond Tracey, Essex Power Corporation

Gary McNamara, Town of Tecumseh