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Veridian Holds Fifth Annual Shareholders' Meeting

Ajax ON – Deer Creek Golf Club in Ajax was the setting for Veridian Corporation's fifth annual shareholders' meeting earlier today. The company reviewed financial and operational highlights from the past year, and announced new appointments to the positions of Chair and Vice-Chair of the Veridian Board of Directors. Municipal shareholder representatives from Ajax, Belleville, Clarington and Pickering attended the meeting.

Mayor John Mutton of Clarington was introduced as the new Chair of Veridian. He replaces outgoing Chair John Wiersma, who recently resigned from the Veridian Board to pursue an opportunity with the Board of the Independent Electricity System Operator. Mayor Mutton had served in the role of Vice-Chair at Veridian since January 2004.

In addition to his responsibilities at the Municipality of Clarington and Veridian Corporation, Mutton is Chair of the Regional Municipality of Durham's Finance and Administration Committee, the Canadian Association of Nuclear Host Communities, and the Ganaraska Conservation Authority.

Councillor Maurice Brenner of Pickering will replace Mutton as Vice-Chair of the Corporation. Brenner brings with him extensive experience in the electricity sector, having held the position of Commissioner with Pickering Hydro for three years. He also served on the Environmental Affairs Committee of the Municipal Electric Association.

In his address to the assembled shareholders, Veridian President and CEO Michael Angemeer highlighted the growth and operational improvements achieved since Veridian was formed five years ago. "We've grown from about 63,000 customers to almost 94,000 at the end of 2004", he said. "And with this growth we've tapped the economies of scale to keep costs low for customers."

Angemeer reported that Veridian achieved an after tax net income of more than \$4.5 million in 2004, representing a 38% improvement over 2003. He added that, on the strength of these earnings, dividends and interest payments totaling \$6.4 million had been distributed to Veridian's municipal shareholders for fiscal 2004.

According to Angemeer, one of the most satisfying accomplishments for the year was a dramatic improvement in the reliability of the electricity supply provided to customers. “On average, each of our customers experienced power interruptions totaling just 1.31 hours during 2004,” he explained. “That is an improvement of almost 20% compared to 2003 and has been achieved through investments in distribution system automation and improved work processes over the past few years.”

Veridian is poised to continue its growth trajectory. Earlier this year, the company announced that it had reached purchase agreements for Gravenhurst Hydro Electric Inc. and Scugog Energy Corporation. Angemeer reported that regulatory approval for the Scugog Hydro transaction had recently been received, and work was underway to finalize the purchase agreement. Approval of the Gravenhurst Hydro transaction is pending. “We are optimistic that both acquisitions will be completed over the next few months,” said Angemeer.

Through its subsidiary Veridian Connections Inc., Veridian Corporation is responsible for distributing electricity to more than 93,000 customers in the Cities of Pickering and Belleville, the Towns of Ajax and Port Hope, and the communities of Uxbridge, Bowmanville, Newcastle, Orono, Beaverton, Sunderland and Cannington. The Corporation also owns Veridian Energy Inc., a Pickering, Ontario based company that provides business-to-business and fibre optic communications services.

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