

Algonquin completes buy of Empire District Electric

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OAKVILLE, ON, Jan. 1, 2017 /PRNewswire/ - Algonquin Power & Utilities Corp. ("APUC") (TSX: AQN, NYSE: [AQN](#)) announced today that a subsidiary of Liberty Utilities Co. ("Liberty Utilities"), APUC's wholly-owned regulated utility business, successfully completed its acquisition of The Empire District Electric Company ("Empire") for an aggregate purchase price of approximately Cdn\$3.2 billion (the "Transaction"). Empire is now a wholly-owned subsidiary of Liberty Utilities and will cease to be a publicly-held corporation.

With the closing of the Transaction, APUC has materially expanded its utility operations in the United States. APUC, through its 2,200 employees, now serves over 782,000 electric, gas, and water customers within its regulated utility business, and APUC's portfolio of power generating facilities now contains both regulated and non-regulated power facilities with a total capacity of over 2,500 MW.

"Empire is highly complementary to the scope of our current operations, brings valuable scale to our existing utility business, and adds further support to our annual dividend growth target of 10% through significant accretion to per share cash flows and earnings," said Ian Robertson, Chief Executive Officer of APUC. "The APUC and Empire teams have worked diligently to successfully bring our companies together, and we are excited about the many opportunities that our newly expanded platform brings to our growth prospects in North America."

As previously announced, Empire's shareholders will receive US\$34.00 per common share which, including the assumption of approximately US\$0.8 billion of debt at closing, represents an aggregate purchase price of approximately US\$2.3 billion (Cdn\$3.2 billion).

As a result of the closing, Empire's common stock is being delisted from the New York Stock Exchange. Empire shareholders will be provided with instructions on how to receive the merger consideration for their shares by Wells Fargo, in its capacity as paying agent for the transaction.

APUC will issue shortly a final instalment notice (the "Final Instalment Notice") notifying holders of its 5% convertible unsecured subordinated debentures ("Debentures") represented by instalment receipts of the date for payment of the final instalment (the "Final Instalment Date"), which shall not be less than 15 days nor more than 90 days following the date of such notice in accordance with the terms of the instalment receipts. Additional details will be set out in the Final Instalment Notice regarding, among other things, the right of holders of Debentures who have paid the final instalment to receive a make-whole payment and to convert their Debentures into APUC common shares.

About Algonquin Power & Utilities Corp.

APUC is a North American diversified generation, transmission and distribution utility with \$10 billion of total assets. The distribution business group provides rate regulated water, electricity and natural gas utility services to over 782,000 customers in the United States. The generation business group owns a portfolio of regulated and long term contracted North American based wind, solar, hydroelectric and thermal powered generating facilities representing more than 2,500 MW of installed capacity. The transmission business group invests in rate regulated electric transmission and natural

gas pipeline systems in the United States and Canada. APUC delivers continuing growth through an expanding pipeline of renewable energy development projects, organic growth within its regulated distribution and transmission businesses, and the pursuit of accretive acquisitions. Common shares, preferred shares, and instalment receipts are traded on the Toronto Stock Exchange under the symbols AQN, AQN.PR.A, AQN.PR.D, and AQN.IR. APUC's common shares are also listed on the New York Stock Exchange under the symbol AQN. Visit APUC at www.AlgonquinPowerandUtilities.com and follow us on Twitter [@AQN Utilities](https://twitter.com/AQN_Uilities).

For information on how to subscribe to [GenerationHub](#) call 1.800.823.6277 or follow the link.

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