

If you are unable to attend, you may still contact the Commission with questions or to share your comments several ways. You can submit comment online at www.utc.wa.gov, click on the "Submit a Comment" link. You can also email comments to comments@utc.wa.gov, via telephone at 1-888-333-9882, or via letter at:

WA UTC
P.O. Box 47250
Olympia, WA, 98504-7250

With all comments, please include your name and a mailing or email address. Please include the name of the company (Avista) and the docket number U-170970.

The Commission is committed to providing reasonable accommodations to participants with disabilities. If you need reasonable accommodations, please contact the Commission at human_resources@utc.wa.gov or (360) 664-1132. For more information, go to www.utc.wa.gov.

Residential and small business customers are represented by the **Public Counsel Unit of the Washington State Attorney General's Office**. You can contact them via the web at <http://atg.wa.gov/utilities-regulated>, or by email at utility@atg.wa.gov.

Information about the filings can also be found at www.myavista.com. You can contact Avista by calling (800) 227-9187 or at 1411 E. Mission Ave., Spokane, WA 99202.



Washington merger customer notice



February - March 2018

Hydro One and Avista File for Regulatory Approval of Merger February-March 2018

On July 19, 2017 Avista, in partnership with Hydro One, Ontario, Canada's largest electricity transmission and distribution provider, jointly announced a unique transaction under which Avista would become a subsidiary of Hydro One.

On September 14, 2017, Hydro One and Avista filed a Joint Application with the Washington Utilities and Transportation Commission (Commission) requesting regulatory approval of the proposed merger of the two companies. The Joint Application requested approval of the merger on or before August 14, 2018. Washington law requires the merger to produce concrete benefits for customers in order to receive Commission approval. The Commission is allowed up to 11 months to make a decision from the time an application for merger is filed, but can extend the process by four months if necessary.

While this proposed merger changes our ownership structure, it doesn't change the things that matter most about Avista. We take our responsibility to be a good corporate citizen and community partner very seriously, and we believe this transaction is good news for our customers and the communities we serve.

Components of the Application

We worked hard to put in place a special set of agreements with Hydro One that add up to one thing: How we work, make decisions, and engage with our customers and communities will not change as a result of this transaction.

We will continue to operate under the Avista name, from the same headquarters in Spokane, with the same management team and existing employees, overseen by a Board of Directors with significant Pacific Northwest representation. Avista will have a Board of nine directors consisting of five members designated by Hydro One, including Mayo Schmidt, and four members designated by Avista, including Scott Morris. Scott Morris, our current board chair and CEO, will serve as chairman of the board. Of the five board members chosen by Hydro One, three of the five will reside in the Pacific Northwest.

Our decision to team up with Hydro One at a time of strength and growth for our company is a unique opportunity to secure a partnership that preserves our identity and strong legacy while allowing us to continue to define and control, to a significant degree, our future operations to continue to provide safe, reliable and affordable service.

We were deeply committed to joining with a partner that both understood and would be committed to helping us lock in the things that have long been important to us.

It was critical for us to create a 'win' for each of our important stakeholders. We believe we have achieved this goal as:

- Customers will continue to receive the same great service from Avista, because the merger is not designed to target the elimination of jobs or other cost-cutting that may affect customer service.
- Immediate cost savings will be passed on to customers, as well as the opportunity for longer-term benefits from efficiencies gained through the sharing of best practices, technology and innovation.
- Avista's communities will see increased charitable contributions, and a continuation of the strong support Avista provides in economic development and innovation.
- Avista employees will see a continuation of the company essentially as it is today.

How can you participate in the process?

The Commission is conducting an investigation and will hold four public hearings to examine the proposed acquisition. During the public hearings, you have the opportunity to provide comment directly to the Commissioners about the proposal. The Commissioners consider the public's opinion when reviewing Avista's proposal and have the authority to set final terms that may be different from what is requested, based on the results of the investigation. A variety of stakeholders, including Commission Staff, are participating in the regulatory process and will be present at the public hearings.

Public Hearing Dates and Locations

April 23, 2018 **1-4:30 p.m.**

Spokane Valley City Council Chambers
10210 E. Sprague Avenue
Spokane Valley, WA 99206

April 24, 2018 **12-3 p.m.**

Colville Public Library
195 S. Oak St. (Entrance on Astor St.)
Colville, WA 99114

May 2, 2018 **5-8 p.m.**

Othello City Council Chambers
500 E. Main St.
Othello, WA 993474

May 3, 2018 **12-4:30 p.m.**

Whitman County Parks and Rec Building (Auditorium)
310 N. Main St.
Colfax, WA 99111