

Please Stop the Sale of Avista Utility to Hydro One

Posted on March 24, 2018 by Cindy Zapotocky <http://gemstatepatriot.com/blog/avista-utility-hydro-one/>

I agree with the Spokesman-Review op-ed editorial by former Spokane Prosecutor Don Brockett. (*See below.*) As part of my testimony, I also agree with the excellent 2017 commentary from geologist Dave Boleneus which is included in this issue of Gem State Patriot News. *See: [Links for 'Eye-Opening' Info on Ontario's Hydro One You Should Know BEFORE they Own Avista!](#)*

There are many other reasons to not support the sale of Avista to a shadowy “Canadian” company. Most concerning of all to me, is that, although we know the provincial government of Ontario claims to own 49% of Hydro One, WE RATEPAYERS DO NOT KNOW WHO OWNS THE OTHER 51%!! U.S. laws do not allow such suspicious secrecy. (Could it be a situation like the scandalous URANIUM ONE scandal being scrutinized by the U.S. Attorney General, whereby a Canadian company “fronted” for a secret partner to buy American-mined yellowcake uranium... FOR RUSSIA?????)

A vast extent of wind turbines stretches across the shorelines of our three U.S. Great Lakes that border Ontario and in the lakes as well. Ontario residents have expressed great hatred of these great bird chopping monsters because the Province has mandated the outlay of the turbines without regard of the public. Likely Hydro One will bring more turbines here. Ontario has 6,736 wind turbines that cover an area of 1,320,000 acres, more than 2,060 square miles. This is a very serious matter because, as local hydrogeologist Dave Boleneus, has said, his research shows that wind turbines cannot represent a primary power source. They are not consistent energy producers, and need huge areas of land and money to build and operate. The data collected by Bonneville Power Administration proves this.

Our state's irreplaceable dams are a treasure to our citizens. Hydropower is the safest and cleanest energy producer on the planet Earth. The massive reservoirs behind our dams are the most efficient storage systems of dependable and inexpensive. Our sturdy and well-managed dams are the envy of the world!! Why allow foreign countries to control and manage our system for us? This is suicide for our nation and state's protective sovereignty. Could not a co-op of the four states take over the management of our electric system?

I agree with Boleneus and Brockett and many other citizens. The sale of Avista to Hydro One is not in the best interests of U.S. citizens and state ratepayers like me. Say no, please. This sale would affect four states, including Washington. Alternatives need to be found to this sale. Would a four-state coop be an option for our utilities?

Don Brockett Spokesman-Review editorial — February 5, 2018

“Before the Avista sale to Hydro One, a Canadian company, is approved, several questions should be answered for us, the ratepayers, and the Washington Utilities and Transportation Commission:

1. Since Canada is a foreign and socialist country, how will that affect the legislation brought to bear on that corporation, and will it have to be implemented throughout the company regardless of where its subdivisions are located? A progressive country may want to implement policies that are not consistent with those we believe are in our best interest. As just one example, will Avista meet the needs of environmentalists in Canada by imposing companywide requirements that will affect our energy needs and the cost of providing the energy?
2. According to the post-closing corporate structure documents, there will be a multi-corporate structure. The Canadian company will have a subdivision, a Delaware corporation, of which the Washington corporation will be a part. The question arises: what laws will have to be followed by the corporation? Do legal questions and actions brought by or against Avista need to be filed in Washington, Delaware or Canada?
3. Is it good business for the company (and us, the ratepayers) to move the decisions of the local subdivision to a foreign country? It probably doesn't matter for the company, because it does not have to be competitive, but how will it affect us, its ratepayers? It appears there will still be a CEO and board of directors located here, although the reason is unknown, because the decisions will be made in Canada with the additional problem that the representatives of the local entity will be constantly arguing for an appropriate position with all the other sub-businesses of the parent company. Will our interests be best served by such a structure?
4. What will be the deciding factor for the parent company in requesting increases in rates? Since this is a private corporation, it obviously needs to be profitable and needs to have a dividend satisfactory for its

The company, since it does not have to be competitive will not have to be concerned for the ratepayers. That concern is theoretically shouldered by an unelected commission (the WUTC) and we have no choice. What effect will that have on the management of the company since the profits will be earned in Canada? Where will the taxes be paid?

An example of how business has been conducted under the current structure is shown by a recent flier in which Avista noted that “for the seventh consecutive year, Avista has been named to the top 25 corporate philanthropists in the State of Washington.” The flyer noted that it had distributed “more than \$2.2 million to charitable organizations in communities where our customers live and work.” Will that work of charitable contributions continue as it has in the past?

On the Avista website, there is a document detailing the contributions. Some of them are for:

Various food banks located in various places; matching gifts for money contributed by employees, e.g., to an ALS Association chapter in Kent, Washington; the Colonial Williamsburg Foundation in Williamsburg, Virginia, apparently an historical place showcasing the past; Move for Hunger Inc. in Neptune, N.J.; Northwest Harvest in Seattle; Gonzaga University's construction of the Hemmingson Center, \$50,000; etc. (To see a list of contributions go to the Avista website, The Avista Foundation, Schedule of Grants Issued in the Community.)

Avista and the WUTC contend that the shareholders pay for the charitable contributions, not the ratepayers. That argument will not stand scrutiny unless the shareholders actually vote to give some of their dividends to those charitable causes and receive less in dividends as a result.

Why has the WUTC allowed the contributions to be made instead of using those funds to lower the rates we pay for our energy? Why hasn't the attorney general, who is elected to look out for the interests of the citizens of the state, confronted this issue and allowed a non-competitive company to raise energy rates in order to continue its charitable interests?

Economics 101 teaches that in business money must come in before it can go out. So, obviously, the company must raise rates (the cost of the sale of its products) in order to have enough to pay business expenses, salaries, etc., before deciding on dividends. When some of the money is used to contribute to the charitable foundation (now the holder of \$8.9 million) for distribution to its chosen charities and invested to have more money available, why is it not used to lower the rates instead of being given to charitable causes of its choosing? By contributing to charity the company pays less in taxes, thereby having us pay what it would otherwise pay for the support of government – which also takes our money and hands it out to the charitable causes of its choice. When the company needs more money to sustain its “business,” including charitable giving, it must raise its rates because the money has to come in before it can go out.

Is it time for a public utility district with elected officials looking out for our interests in obtaining these necessary commodities? The sale should not be approved by the WUTC.”

Don Brockett is a former Spokane County prosecutor (1969-1994).

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Clay Cissell ·

Rogers High School, Puyallup, WA

This is wrong in so many ways it stinks of corruption. Palms are getting padded and backroom deals are being made to benefit a few and screw the public.

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Steve Lewey ·

Spokane, Washington

we have to stop this, here are the emails for the wa util commissioners, let's let them know!
ddanner@utc.wa.gov <ddanner@utc.wa.gov>; jay.balabas@utc.wa.gov
<jay.balabas@utc.wa.gov>; arendahl@utc.wa.gov <arendahl@utc.wa.gov>

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Ronald Nielsen ·

Carpel Tunnel tech

Avista you assholes your not going to gerty away with selling to Canbada and having the Queen own 51% of you.

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Angelo Lonziser

This must be stopped now, this is ongoing in the west. We will be forced off our lands if these corporate globalists get their way. They will make electrical power and water too expensive to live. Then they will take our lands for their outrageous power and water bills. This must be stopped by any means necessary. Our survival and freedom depends on these necessary utilities. CALL YOUR REPRESENTATIVES AND OUR PRESIDENT AND READ THEM THE RIOT ACT!!!!

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Larry N Kay ·

James A. Garfield High School

Good read I'm passing it on