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CONSUMER COMPLAINT FORM
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

CONSUMER PROTECTION DIVISION
SEATTLE

File your complaint online at <https://fortress.wa.gov/atg/formhandler/ago/ComplaintForm.aspx> for faster processing. The Washington State Office of the Attorney General can only process complaints that involve either Washington state residents or businesses located in Washington state. Information marked with * is required.

I. CONSUMER INFORMATION

* Last Name: MORTENSON * First Name: DON Middle Initial: G

* Address: 8207 N. Weipert DR. * City: SPOKANE * State WA * Zip 99208

* Contact Phone: 509-467-0370 Alternate Phone: ()

* E-Mail Address: dmort25@comcast.net

Are you a member or former member of the U.S. Armed Forces, Guard, Reserves or a dependent?
(Optional): YES NO

If English is not your first language, what is your first language? (Optional):

For our statistics, please select your age group (Optional): 18-29 30-39 40-49 50-59 59+ Under 18

II. ABOUT YOUR COMPLAINT

* Business Name: AVISTA

* Address: 1411 E MISSION AVE * City: SPOKANE * State WA * Zip 99252-0001

* Business Phone: 509-227-9187 E-Mail: ask@myavista.com Website: myavista.com

Names/addresses/phone numbers of other businesses involved in your complaint:

AVISTA RATE PAYING CUSTOMERS

Transaction date: approx. 4-1-2018 Amount in dispute: \$

State your complaint and how you think this complaint can be resolved: SALE OF AVISTA TO HYDRO ONE. FOREIGN CONTROL OF OUR UTILITY CO. IS NOT IN OUR BEST INTEREST. ONTARIO, CAN. OWNS ABOUT 47 PER CENT OF THE CORPORATION. OUR LOCAL AVISTA GIVES GOOD SERVICE. WE DO NOT WANT TO BE A SMALL INSIGNIFICANT PART OF A HUGE FOREIGN CORPORATION WHICH IS "FOR PROFIT". IN 2015 THEIR PROFIT WAS \$713. BILL. AFTER MOVING TO SPOKANE IN 1971, OUR WATER COMPANY (CDN) WAS SOLD TO A PENNSYLVANIA COMPANY, WHO RAISED OUR RATES TOO MUCH. CUSTOMERS REVOLTED, BUYING THEM OUT, AND FORMING A WATER DISTRICT. RATES IMMEDIATELY STABILIZED. SEVERAL YEARS AGO, MY GARBAGE CO.

WAS SOLD TO A LARGE CORPORATION. OUR RATES
HAVE BEEN INCREASED SUBSTANTIALLY.

IN 2015, HYDRO ONE HAD \$8.5 BIL DEBT. THAT YEAR
THE AUDITOR GENERAL OF ONTARIO WAS CONCERNED ABOUT
SHARE SALES & BECAUSE INCREASED POWER OUTAGES, AGING
EQUIPMENT WITH A HIGH RISK OF FAILURE, AND \$46472 B.
REPAIR COSTS. WE DON'T WANT ANY PART OF THEIR PROBLEMS.
YOUR JOB IS TO PROTECT OUR RATEPAYERS.

WE NEED TO FORM A P.U.D. YES, IT IS POSSIBLE
PLEASE READ THE ENCLOSED ATTORNEY WRITTEN
ARTICLE, SHOWING LEGAL IMPLICATIONS. THANK YOU!

III ACKNOWLEDGEMENT & SIGNATURE (Required)

I understand that by submitting this complaint to the Washington State Attorney General's Office my complaint and any response from the business and all communications with Attorney General's Office will become public records under state law. Public records are subject to disclosure in response to requests for public records and my complaint and all related documents may be disclosed to the public. Complaint information received by this office will be exported into the Federal Trade Commission's (FTC) database, Consumer Sentinel, a secure online database. This data is then made available to thousands of civil and criminal law enforcement authorities worldwide. The Attorney General's Office may refer complaints to a more appropriate agency.

By signing this complaint form, I understand that the Washington State Attorney General's Office will contact the party (ies) against which I have filed a complaint in an effort to reach an amicable resolution. I authorize the party (ies) against which I have filed a complaint to communicate with and provide information related to my complaint to the Washington State Attorney General's Office. By submitting this consumer complaint, I understand that the Attorney General cannot answer legal questions or give legal advice to me and cannot act as my personal lawyer.

I declare, under penalty of perjury under the laws of the State of Washington, that the information contained in this complaint is true and accurate, and that any documents attached are true and accurate copies of the originals.

Signature: Dori Mortensen Date: 2-13-2018 City: SPOKANE State: WA

Please Read Important Information: If your complaint is submitted without the above acknowledgment and declaration signatures, we will not be able to process but will keep on file in our complaint database as a public record.

Mail Complaints To:

OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION
800 5TH AVENUE, SUITE 2000 SEATTLE, WASHINGTON 98104-3188
PHONE 1-800-551-4636 OR (206) 464-6684

ROUNDTABLE

LETTERS ♦ FEEDBACK ♦ COMMENTARY

GUEST OPINION

Proposed Avista sale raises important questions

By Don Brockett

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 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 stockholders. 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 commissioner (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 filer 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 filer 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 noncompetitive 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.

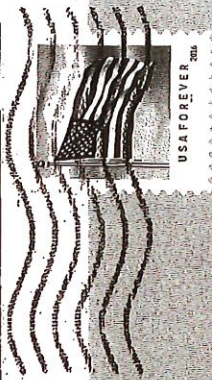
Don Brockett is a former Spokane County prosecutor (1969-1994).



Mr Don G Mortenson
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SPOKANE WA 990

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SEATTLE WA 98104-3188



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*Re: W. Omand
Forwarded to
2/26/18
E. S. J.*