

HydroOne hopes to acquire all outstanding common stock of Avista. Avista will then be wholly owned by Olympus Equity LLC which is a wholly owned subsidiary of HydroOne. The combined company headquarters will be based in Toronto.

Of interest is the electrical generation of both companies. Particularly since HydroOne has a Canadian Five Year Climate Change Action Plan that call for customers to pay up to \$157 in monthly utility charges starting 2020. Further, HydroOne's electricity costs are the highest in North America.

HydroOne electricity is generated by

Nuclear 58%

Hydro 23%

Natural gas 10%

Wind 7%

Solar 2%

Avista electricity is generated by

Hydro 48%

Natural gas 35%

Wind 4%

Biomass 2%

Coal 10%

Also note that the Ontario Provincial government is the largest shareholder of HydroOne stock with “just under 50%”

Returning to the HydroOne nuclear electricity production, please, consider these factors...

*Nuclear power(58%) of its production is a non-renewable source. Remember the Canadian Green Laws!

*At some point the plant must close. Look at the case of Three Mile Island in Pennsylvania. To close and decontaminate just one tower of this plant took 14 years and \$973 million dollars. The nuclear waste was shipped to Hanford. Aren't Hanford cleanup efforts already a Washington nightmare? Will Avista customers be liable for such costs when HydroOne decides to close its nuclear plant? Will Canada's Green Laws be required of Avista customers?

Another point to keep in mind is that Merger Laws of the United States say, “Ratepayers need to be receiving a net benefit for the merger to go forward.”

*All the articles about the merger allude to the \$53 a share that will be received by stockholders. The headline

in the newspaper crowed about the stockholder approval. Stockholders should be only too happy to gain that kind of profit. For example, in October, 2017, Scott Morris owned 183,894 shares of Avista stock. Mr Morris, the current president of Avista, will make a one time profit of \$9,746,382.00 from this merger. Of course stockholders approved.

BUT information about ratepayers says that by the year 2020, the base electric bill for the typical Avista ratepayer will increase to \$100 per month and an increase in the base natural gas bill to about \$65 monthly. Where is the ratepayers benefit? Oddly enough, the HydroOne ratepayers, according to the Fair Hydro Plan in Ontario will see a 25% reduction in their electric bill by 2020.

Yes, Avista customers were advised that they would receive \$1.27 a month for five years in a recent newspaper article. But note, the proposed rate increase in electricity and gas by 2020 will be \$14.43 per month. Is this a net benefit to ratepayers?

Also consider this, have Avista customers been fairly warned that “reliance should not be placed on forward-looking statements or information” that is touted in all the letters and articles available to them. The market

understood the risk. When the merger was published HydroOne stock fell 5.4%.

Avista, on the other hand, was run so well that one analyst he said that was surprised to hear the company was being acquired.

*Avista doesn't need HydroOne, HydroOne needs Avista!

Consider, also, the following questions:

Does HydroOne have governance over Avista's subsidiaries? Avista lists seventeen businesses in which Avista has 85 to 100% stockholder control. Who will control these businesses? And to what advantage to the ratepayers?

The advertising affirms the payment of Avista's \$1.9 Billion debt by the merger. But do Avista ratepayers then assume the \$2.6 Billion debt of HydroOne?

Since HydroOne is a foreign entity, will they obligate U.S. customers to comply with Canadian power/electricity/gas regulations? If so, this equals "regulation without representation."

Is HydroOne subject to Washington UTC for future rate change requests? Or are requests only ruled by the Ontario government, which incidentally owns slightly less than half HydroOne stock?

An article in the Spokesman Review said that Avista, after the merger, would no longer be a publicly traded company. Why? HydroOne is listed on the TSX (H).

Colstrup, an Avista coal powered electric production plant is scheduled for closure in 2027. Yet all that is being allotted for the cleanup of that site with its impact on water pollution and neighbors is \$3million. This seems like a miniscule amount considering the damage. Will all the merged rate payers be responsible for this closure?

There are NO obvious advantages to the Avista ratepayer from this merger. It should not be allowed to go forward.

Let me repeat:

Avista does not need HydroOne; HydroOne needs Avista!

The facts in this presentation were gleaned from business journals, news articles, company information and notices to their ratepayers, public records, as well as website research.

Thank you for your time and consideration.

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