

Mark Etchieson
214 E. Heroy Ave.
Spokane, Washington
509-482-5724

RECEIVED
APR 18 2018
WASH. UT. & TP. COMM

WUTC
P.O. Box 47250
Olympia Washington
98504-7250

Re: **Avista Corporation (AVA)**
Docket # **U-170970**

Comment title: An acquisition merger designed and sold to us on fraud.

Dear WUTC board members;

I'm writing this commentary on the proposed acquisition of Avista Utilities by Hydro One.

1. **Is the transaction consistent with the public interest under the WAC 480-143-170.**
2. **How will you (WUTC) determine if the transaction provides a net benefit to the customers of the company under RCW 80.12.020?**
3. **What in your determination is defined as "Net Benefit to customers"?**
4. **How does Avista Utilities define "Net Benefit to customers"?**
5. **Are you both in agreement with that definition so both are on the same meaning of use?**

I'm both a shareholder of record and a customer of Avista. I do write to the WUTC when I received any notice of rate increase proposals. I do position myself against rate increases despite being a shareholder. Low income people are the vulnerable ones.

Avista sent me 3 detailed documents to read and carefully analyze, which I did.

1. **Washington Merger Customer Notice pamphlet in my March billing statement**
2. **Avista Proxy Statement and notice of May 10th 2018 annual meeting of shareholders to vote on the board of directors and review of the financial reports and executive salary packages**
3. **Avista Annual Report for 2017, Thinking Bigger for Better Communities 138 page booklet**

After carefully reading through all this material I had to write my commentary to the WUTC members as instructed in the merger customer notice and say that I am absolutely opposed to any part of this merger and it should not take place. As to Hydro One as a primary company owning Avista and not located in our country I found in my reading that there is court disputes with the WUTC rulings on Avista rate increases as outlined in the annual report on page 31 (PC petition for Judicial Review), I see that the company has disputed 5 aspects of Order 05 and 06 to argue in the Thurston County Superior court. There are other lawsuits pending in the SpokaneSup. Court about Avista. So far, Avista is a spoiled little brat having a big old temper tantrum now.

I finalize my reading of all material to state that the objective of this merger by careful thought is to gain a stronger legal team for Avista by using Hydro One's tremendous legal resources to combat any decision that the WUTC might make in the future when it goes against the company for rate increases. This would essentially make the WUTC a punching bag and turn it into a toothless tiger by tying up the state in perpetual legal actions for the purpose of raising utility rates un-ending because that is the purpose of all Corporations which is to make a profit. This merger is to benefit whom? The material talks only about company finance and never about any customer related issues.

Scott Morris as I see him under this merger agreement remains in place as a member of the new 9 person board. Today his salary of \$820,000 per year is based on performance and therefore the more he brings in for profit ROA, the greater his reward and benefits package becomes according to page 43 of the Proxy Statement and Notice of May 10th 2018 Shareholders Annual Meeting notice, so what is a better incentive then to take out the opposition to any forms of regulation and control of an energy company then to tie up the people who regulate the rates and disagree with the company? I would say by this examination that this is the final notice that the WUTC is not welcomed by Avista and the Board members want to remove that regulation obstacle with joining Hydro One as the parent company. The WUTC slowly dissolves away in litigation schemes by Hydro One and their teams of highly paid attorneys.

In reading over the small billing pamphlet I noted the last paragraph on inside page one which stated the following.

*We (Avista Utilities) 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 (bigger rate increases and no intrusion of state regulations as the goal)***

it further goes on to say...

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

A stakeholder is a person who has a financial interest in something like the CEO or a shareholder, not the rate payers or customers. We pay their **massive salaries**...

I have to add on this billing notice and say that it appears as a white wash of the true intentions of the corporation once the merger agreement has been consummated in August or September. I read in this material that the WUTC has finally angered the power corporation and its now fighting back to keep and strengthen its financial position. The shareholders including me are being bought out for \$53 dollars per share by Hydro One and so that will greatly reduce the outgo of money to Canada Hydro One owners.

Before I ever buy stock in a company I always fully research the people managing it first to see what they have to offer in the way of perpetuating a profit and what skills do they have in maximizing my return of investment dollars. I smell this merger as a skunk to

eliminate and minimize the regulation problem (WUTC) by using the courts and the resources of a tremendously powerful legal team on retainer by Hydro One. The merger if not consummated will possibly put the rate payers, "**that's us**" the public, being liable for the amount of \$103 million dollars as a merger termination fee paid to... HYDRO ONE!!! What kind of a company board would put the rate payers or customers in such an obscenely massive liability position for \$103 million dollars? There is some brief information about the negative financial impact to Avista if this deal falls through that the company is claiming in the annual report of 2017 on page 22 under sections headed...

- **We are subject to various risks specifically related to the proposed acquisition by Hydro One**
- **We may be required to pay a termination fee**
- **Failure to consummate the acquisition could negatively impact the market value of Avista Corp. common stock and our access to and cost of capital.**
- **We have been faced with legal proceedings related to the pending acquisition by Hydro One.**

In conclusion: Let the CEO and the board eat the financial costs themselves! Please take a look at this YouTube video URL link below and this will help you clearly understand and see for yourselves that Hydro One is not the company that I would ever allow in the United states owning any public utility. I would like to tell Hydro One to leave and keep out of our country and energy affairs. Let Scott Morris and the other gangsters of Avista who want to get rid of regulation issues under the WUTC pay the termination fees and expenses since they make millions of dollars in salary themselves and they entered us "**the rate payers**" into this crooked merger agreement without our knowledge or consent in the first place with no disclosure of its contract terms ahead of time which is called fraud in Blacks Law Dictionary sixth edition...

Try to get the representative of Hydro One in an investigation by the Canadian parliament to answer the question in this short video, why did a family receive a bill of 135 dollars for no use of any electricity? The Rep doesn't answer the question!!!
<https://www.youtube.com/watch?v=Dryn2oTcH08&pbjreload=10>

Recommendation to the WUTC to please terminate this Acquisition regardless of any financial costs they might have stated. This merger is blatantly based in fraud and then sugar coated for looks only. I WAS NOT NOTIFIED OF any special meeting TO VOTE ON THIS MERGER AS A SHAREHOLDER back in November 2017.

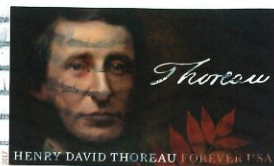
Best regards,

Mark Etchison

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214 E. Heroy Ave.
Spokane, Washington

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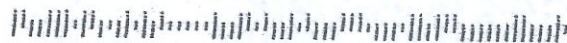


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