



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

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July 12, 2018

**NOTICE OF INTENT TO CONDUCT ADDITIONAL PROCESS
AND
OPPORTUNITY FOR PARTIES TO SUBMIT COMMENTS
(Due by Wednesday, July 18, 2018, at 3:00 p.m.)**

RE: *In the Matter of the Joint Application of Hydro One Limited and Avista Corporation for an Order Authorizing Proposed Transaction, Docket U-170970*

To Avista Corporation (Avista) and Hydro One Limited (Hydro One), and all other Parties who wish to respond:

On September 14, 2017, Avista and Hydro One filed their Joint Application for an Order Authorizing Proposed Transaction whereby Olympus Equity LLC would acquire all of the outstanding common stock of Avista, and Avista would become a direct, wholly-owned subsidiary of Olympus Equity LLC and an indirect, wholly-owned subsidiary of Hydro One. All Parties in this case filed a Settlement Stipulation and Agreement (Settlement) with the Commission on March 27, 2018, that, if approved, would resolve all issues in these proceedings.¹ The Commission heard evidence concerning the Settlement Stipulation on May 22, 2018, in Olympia, Washington, and conducted public comment hearings in Avista's service territory on April 23, April 24, May 2, and May 3, 2018, in Spokane, Colville, Othello, and Colfax, Washington, respectively.

The Commission learned from media reports on July 11, 2018, of the immediate resignation of Hydro One's Chief Executive Officer, Mayo Schmidt, and of the subsequent resignations of the entire Hydro One board of directors. It is unclear how these developments may bear on our ongoing consideration of the proposed transaction. The Commission anticipates, however, that additional process will be required to develop a record in this proceeding concerning how these changes in executive management and the board of directors at Hydro One will be considered in the Joint Applicants' request for a Commission order authorizing the proposed transaction under RCW Chapters 80.01 and 80.12. The form of any additional process remains to be determined.

¹ The settling parties include: Hydro One, Avista, Commission Staff, Public Counsel, AWEC, The Energy Project, NWEA/RNW/NRDC, Sierra Club, and WNIDCL. They filed an amendment to the Settlement Stipulation on May 7, 2018.

THE COMMISSION GIVES NOTICE THAT it intends to conduct such additional process as is required in this proceeding to ensure that the record is fully developed with respect to how the Commission will take into account the announced changes in Hydro One's executive management and board of directors during the Commission's ongoing consideration of the Joint Application.

THE COMMISSION GIVES FURTHER NOTICE THAT Avista and Hydro One are required, and other parties are invited, to file comments with the Commission concerning these matters, including any recommendations they may have with respect to what additional process should be required by subsequent notice.

DENNIS J. MOSS
Administrative Law Judge

cc: All Parties