



Hydro One and Avista file a Settlement Agreement in Idaho Merger Case

04/13/18

TORONTO and SPOKANE, Wash., April 13, 2018 (GLOBE NEWSWIRE) -- Hydro One Limited ("Hydro One") (TSX: [H](#)) and Avista Corporation ("Avista") (NYSE: [AVA](#)) today announced the achievement of an important milestone in the regulatory approval process of their proposed merger. The companies have filed an all-parties settlement agreement in the merger proceeding before the Idaho Public Utilities Commission (the "Commission"). This represents a full settlement which all parties have agreed is consistent with the public interest.

"I would like to thank all the parties in Idaho that worked together to reach this significant milestone," said Mayo Schmidt, President and CEO, Hydro One. "The settlement agreements we have obtained in Washington, Idaho and Alaska speak to the long-term benefits of the merger of Hydro One and Avista for customers, communities, employees and shareholders. We are optimistic that we will satisfy all reasonable concerns in all jurisdictions."

"We believe this settlement agreement represents a positive outcome that is broadly supported by the parties and meets the standards for approval in Idaho," Avista Chairman and Chief Executive Officer Scott L. Morris said. "The settlement agreement reinforces the commitments we've made to our stakeholders in each of the states we serve to maintain our local presence and decision-making, increase our charitable contributions and continue to support economic development, innovation and community involvement. We're confident our partnership with Hydro One enhances our ability to provide exceptional service and support to our customers and communities well into the future."

The settlement agreement includes financial and non-financial commitments that align in value with the settlement agreement reached in Washington. The settlement agreement in Idaho confirms our commitment to customers, community investment and long-term environmental protections. Under the settlement agreement, customers in Idaho would receive immediate financial benefits in the form of rate credits that would become effective at the close of the transaction. No costs associated with the transaction will be recovered from Avista or Hydro One customers.

Please refer to www.puc.idaho.gov for the joint applications and settlement agreement (which includes the complete list of commitments).

The settlement agreement is subject to Commission approval.

In addition to Hydro One and Avista, the parties to the merger proceeding in Idaho include Commission Staff, Idaho Forest Group, Clearwater Paper Corporation, Community Action Partnership Association of Idaho, Idaho Conservation League and the Washington and Northern Idaho District Council of Laborers.

Applications for regulatory approval of the transaction are still pending with utility commissions in Washington, Idaho, Oregon, Montana and Alaska. An all-party, all-issues settlement agreement was filed with the Regulatory Commission of Alaska on April 3, 2018. An all-party, all-issues settlement agreement was filed with the Washington Utilities and Transportation Commission on March 27, 2018.

Approval must be obtained from the Federal Communications Commission. Also required is clearance by the Committee on Foreign Investment in the United States as well as the satisfaction of other customary closing conditions.

Hydro One and Avista received antitrust clearance on April 6, 2018 after the expiration of the waiting period under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. The transaction received approval from the Federal Energy Regulatory Commission on January 16, 2018 and from Avista shareholders on November 21, 2017. Hydro One and Avista continue to anticipate closing the transaction in the second half of 2018.

For further information:

Hydro One

Media:

Jay Armitage
Director, Corporate Communications
media.relations@hydroone.com, 416-345-6868

Investors:

Omar Javed
Vice President, Investor Relations
investor.relations@hydroone.com, 416-345-5943

Avista

Media:

Casey Fielder, Communications Manager

casey.felder@avistacorp.com, 509-495-4916

Investors:

Lauren Pendergraft, Investor Relations Manager

lauren.pendergraft@avistacorp.com, 509-495-2998

About Hydro One Limited

We are Ontario's largest electricity transmission and distribution provider with more than 1.3 million valued customers, over C\$25 billion in assets and 2017 annual revenues of nearly C\$6 billion. Our team of over 7,400 skilled and dedicated regular and non-regular employees proudly and safely serves suburban, rural and remote communities across Ontario through our 30,000 circuit km of high-voltage transmission and 123,000 circuit km of primary distribution networks. Hydro One is committed to the communities we serve, and has been rated as the top utility in Canada for its corporate citizenship, sustainability, and diversity initiatives. We are one of only five utility companies in Canada to achieve the Sustainable Electricity Company designation from the Canadian Electricity Association. We also provide advanced broadband telecommunications services on a wholesale basis utilizing our extensive fibre optic network. Hydro One Limited's common shares are listed on the Toronto Stock Exchange (TSX:[H](#)).

Forward-Looking Statements and Information

This press release and the joint application and settlement agreement to which it refers may contain "forward-looking information" within the meaning of applicable securities laws. Words such as "expect," "anticipate," "intend," "attempt," "may," "plan," "will," "can," "believe," "seek," "estimate," and variations of such words and similar expressions are intended to identify such forward-looking information. These statements are not guarantees of future performance or actions and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking information. Some of the factors that could cause actual results or outcomes to differ materially from the results expressed, implied or forecasted by such forward-looking information, including some of the assumptions used in making such statements, are discussed more fully in Hydro One's filings with the securities regulatory authorities in Canada, which are available on SEDAR at www.sedar.com. Hydro One does not intend, and it disclaims any obligation, to update any forward-looking information, except as required by law.

About Avista Corporation

Avista Corporation is an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. [Avista Utilities](#) is our operating division that provides electric service to 382,000 customers and natural gas to 347,000 customers. Its service territory covers 30,000 square miles in eastern Washington, northern Idaho and parts of southern and eastern Oregon, with a population of 1.6 million. Alaska Energy and Resources Company is an Avista subsidiary that provides retail electric service in the city and borough of Juneau, Alaska, through its subsidiary [Alaska Electric Light and Power Company](#). Avista stock is traded under the ticker symbol "AVA." For more information about Avista, please visit www.myAvista.com.

This news release contains forward-looking statements regarding the company's current expectations. Forward-looking statements are all statements other than historical facts. Such statements speak only as of the date of the news release and are subject to a variety of risks and uncertainties, many of which are beyond the company's control, which could cause actual results to differ materially from the expectations. These risks and uncertainties include, in addition to those discussed herein, all of the factors discussed in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2017 and the Quarterly Report on Form 10-Q for the quarter ended Dec. 31, 2017.