



## Hydro One and Avista Reach Settlement in Principle in Oregon Merger Case

05/08/18

### ***Settlement Agreement to be filed with the Public Utility Commission of Oregon later this month***

TORONTO and SPOKANE, Wash., May 08, 2018 (GLOBE NEWSWIRE) -- Hydro One Limited ("Hydro One") (TSX: [H](#)) and Avista Corporation ("Avista") (NYSE: [AVA](#)) have reached a significant milestone in the regulatory approval process of the proposed merger. A settlement in principle with all parties in the Oregon proceeding has been reached. The parties intend to file the full settlement agreement with the Public Utility Commission of Oregon ("OPUC") later this month. The settlement agreement is subject to the review and approval by the OPUC.

"This is yet another key milestone as we navigate the path toward completing this transaction," said Mayo Schmidt, President and CEO, Hydro One. "Once complete, this merger of two leading institutions will generate tremendous value for our organization, as well as our shareholders, employees and customers. We are very pleased by the progress we have been able to achieve in cooperation with all parties involved."

"This is a significant achievement and the result of the collaboration and diligent efforts of all the parties in Oregon over the last several months," Avista Chairman and Chief Executive Officer Scott L. Morris said. "We're pleased that the parties support this as a settlement that benefits all stakeholders, and we look forward to filing the settlement agreement later in May."

The settlement in principle includes provisions related to financial protections for the utility and its customers, financial benefits through a rate credit for all Oregon customers and funding for low income customer conservation.

All of these items and other terms of the settlement agreement will be disclosed in detail when the settlement agreement is finalized and filed for approval by the OPUC.

In addition to Hydro One and Avista, the parties to the merger proceeding in Oregon include the OPUC staff, Oregon Citizens' Utility Board, Alliance of Western Energy Consumers and the Oregon and Southern Oregon District Council of Laborers.

Applications for regulatory approval of the transaction are still pending with utility commissions in Washington, Alaska, Idaho, Oregon and Montana. An all-parties, all-issues settlement agreement was filed with the Washington Utilities and Transportation Commission on March 27, 2018. An all-parties, all-issues settlement agreement was filed with the Regulatory Commission of Alaska on April 3, 2018. An all-parties, all-issues settlement agreement was filed with the Idaho Public Utilities Commission on April 13, 2018.

Hydro One and Avista received the Federal Communications Commission's consent on May 4, 2018 to close their merger and antitrust clearance on April 5, 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. 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 continue to anticipate closing the transaction in the second half of 2018.

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### **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 through Hydro One Telecom Inc. 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](http://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](http://www.avista.com) is our operating division that provides electric service to 385,000 customers and natural gas to 350,000 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](http://www.alaskaenergy.com). Avista stock is traded under the ticker symbol "AVA." For more information about Avista, please visit [www.myAvista.com](http://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 March 31, 2018.