



## Hydro One and Avista Announce Selection of Independent Directors for Post-Merger Avista Board

11/07/18

TORONTO and SPOKANE, Wash., Nov. 07, 2018 (GLOBE NEWSWIRE) -- Hydro One Limited ("Hydro One") (TSX: H) and Avista Corporation ("Avista") (NYSE: AVA) today announced the five independent directors selected to serve on the new Avista Board of Directors, if the proposed merger is approved by utility commissions in Washington, Idaho and Oregon. The proposed merger has received regulatory approval from the Alaska and Montana commissions and other federal agencies. As outlined in the proposed merger commitments pending before the commissions, two independent directors were selected by Avista and three independent directors were selected by Hydro One.

All five selections are independent of both organizations, as defined by New York Stock Exchange rules, and have ties to the U.S. Pacific Northwest. The four remaining directors will include Avista's current CEO and chairman, Scott Morris, continuing in his role as chairman, current Avista president and director Dennis Vermillion, the CEO of Hydro One and one other senior executive from Hydro One, to be named. Seven of the nine total directors have ties to the U.S. Pacific Northwest, with six of these serving as current Avista directors or employees, ensuring that these directors are familiar with Avista's service territory.

"As we move through the regulatory process, the selection of these independent board members is a vital step in affirming that we will have strong oversight and leadership in place and ready to engage once the transaction closes," Avista Chairman and Chief Executive Officer Scott L. Morris said. "These individuals are highly experienced, well-versed in our business, understand the needs of our communities and have demonstrated outstanding commitment to our region. We're also pleased that members of Avista's current board have agreed to serve on the future board, and we believe this benefits both organizations and provides for continuity of leadership. We look forward to working with this strong group of leaders as we lead Avista into the future."

"This selection of independent directors brings a strong combination of impressive credentials, depth of experience and a connection to the people and communities of the U.S. Pacific Northwest," said Paul Dobson, acting President and CEO, Hydro One. "This Board of Directors will be well-equipped to guide the long-term health and success of Avista and preserve the identity, culture and proud legacy of this historic company."

The independent directors were selected at this time so that the Avista board of directors would be prepared and ready to begin serving their terms assuming the proposed transaction is approved and closes, which is requested by the end of this year. The newly selected directors are:

- **Kristianne Blake (Avista selection):** Ms. Blake serves on the current Avista Board of Directors as lead director and has been an Avista Director since 2000. She is a long-time resident of Spokane, Washington and has a rich history of involvement in the Spokane community. She has been the president of the accounting firm of Kristianne Gates Blake, P.S. since 1987 and has an extensive background in public accounting. She was a Certified Public Accountant for 33 years, and she worked for 13 years for an international accounting firm. She has served for 22 years on various boards of public companies and registered investment companies. Ms. Blake is also currently serving as board chair for the Russell Investment Company and the Russell investment Funds.
- **Donald Burke (Avista selection):** Mr. Burke serves on the current Avista Board of Directors as the chair of the audit committee and has been an Avista Director since 2011. As a director, he serves as the Board's designated financial expert. He also currently serves as an independent director for the Virtus mutual fund complex and Duff & Phelps closed-end funds complex. From 2006 to 2010, Mr. Burke served as a trustee for numerous global funds that were advised by BlackRock, Inc. From 2006 to 2009, he was a managing director of BlackRock and served as the president and CEO of the BlackRock U.S. mutual funds. In this role, Mr. Burke was responsible for all of the accounting, tax and regulatory reporting requirements for over 300 open and closed-end mutual funds. Mr. Burke joined BlackRock in connection with the merger with Merrill Lynch Investment Managers ("MLIM"), taking a lead role in the integration of the two firms' operating infrastructures. While at MLIM, Mr. Burke was the Head of Global Operations and Client Services and also served as the Treasurer and Chief Financial Officer ("CFO") of the MLIM mutual funds. He brings significant financial experience to the board from his years in public accounting and his role as the treasurer and CFO of numerous mutual funds. He has extensive board experience, having served on the audit, compliance, governance & nominating, and contract review committees of various boards. Through his service as an Avista director, Mr. Burke has demonstrated his commitment to the Pacific Northwest region.
- **Christine Gregoire (Hydro One selection):** Ms. Gregoire is the CEO for Challenge Seattle, an organization comprised of 18 major international companies and non-profits located in the Seattle region. Previously, she served for two terms as Governor of the State of Washington with a \$32B biennial budget and over 60,000 employees. In her first term as

Governor, she created the Department of Early Learning and led on reforms to the K-12 system and investment in higher education. She led the state in a historical investment in infrastructure, addressed the water wars in the state, led an historic number of trade missions, reformed the foster care system to protect children and was among the first to lead in health care reform. During her second term, Ms. Gregoire led the state in major reforms, management and budgeting to position the state as one of the most financially secure to come out of the "Great Recession." Prior to becoming Governor, she served for three terms as Attorney General for the State and prior to becoming Attorney General, she served four years as the Director of the State Department of Ecology. She is also a member of the Fred Hutch Cancer Research Center and the Bipartisan Governor's Council, and on the advisory boards of the William D. Ruckelshaus Center and the Progressive Coalition for American Jobs. Ms. Gregoire recently completed her third year as Chair on the National Export-Import Bank Advisory Board. She is a graduate of Gonzaga University School of Law, and she and her husband also have a home in north Idaho.

- **Scott Maw (Hydro One selection):** Mr. Maw serves on the current Avista Board of Directors and has been an Avista Director since 2016. He has been executive vice president and CFO for Starbucks Coffee Company since February 2014. He is responsible for Starbucks' Global Finance organization. Prior to that, he served as senior vice president of Corporate Finance for Starbucks where he was responsible for corporate finance, including accounting, tax and treasury. Mr. Maw also had oversight for all financial and securities-related regulatory filings. He joined Starbucks as global controller in 2011. Prior to joining Starbucks, Mr. Maw served as CFO of SeaBright Insurance Company from 2010 to 2011. From 2008 to February 2010 he served as CFO of the Consumer Banking division of JPMorgan Chase & Co. He is a Seattle, Wash. resident, with roots in Eastern Washington. He graduated from Deer Park High School, just north of Spokane, and is a graduate of Gonzaga University.
- **Marc Racicot (Hydro One selection):** Mr. Racicot serves on the current Avista Board of Directors and has been an Avista Director since 2009. He served as president and CEO of the American Insurance Association from August, 2005 to February, 2009. Prior to that, he was a partner at the law firm of Bracewell & Giuliani, LLP from 2001 to 2005. He is a former governor (1993 to 2001) and attorney general (1989 to 1993) of the state of Montana. Mr. Racicot was nominated by President Bush and unanimously elected to serve as the chair of the Republican National Committee from 2002 to 2003 prior to assuming the position of chair of the Bush/Cheney Re-election Committee from 2003 to 2004. He previously served as a director for Siebel Systems, Allied Capital Corporation, Burlington Northern Santa Fe Corporation Plum Creek Timber Company, and The Washington Companies, and presently serves as a director for Weyerhaeuser Company and Massachusetts Mutual Life Insurance Company. In addition, throughout his career, Mr. Racicot has strongly committed himself to children, education and community issues. He was appointed to the board of The Corporation for National and Community Service by President Clinton and has also served on the boards of Carroll College, Jobs for America's Graduates and United Way in Helena, Montana. He is a life-long resident of Montana and a graduate of Carroll College.

Applications for regulatory approval of the transaction are still pending with utility commissions in Washington, Idaho and Oregon. All approvals have been requested by December 14, 2018; however the utility commissions will determine when they issue their final orders.

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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 six 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 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 383,000 customers and natural gas to 348,000 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 Sept. 30, 2018.