

The Avista logo features the word "AVISTA" in a bold, white, sans-serif font, set against a dark blue rectangular background. The background of the entire header section is a lighter blue with a subtle grid pattern.

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The Hydro One logo consists of the word "hydro" in a lowercase, black, sans-serif font, followed by the word "One" in a red, stylized font where the "O" is a large, red circle and the "ne" is in a smaller, red, sans-serif font.The Avista logo features the word "AVISTA" in a bold, dark blue, sans-serif font, with a stylized graphic of three vertical lines of varying heights to the left of the text.

Montana Public Service Commission votes to approve the Hydro One and Avista merger

Today, Hydro One and Avista announced that the Montana Public Service Commission has voted to approve the proposed merger, with conditions.

"Hydro One is very pleased that the Montana Public Service Commission has voted favourably on our merger application with Avista," said **Mayo Schmidt**, President and CEO, Hydro One. "We would like to thank the Commissioners and all the parties that worked together to come to today's positive decision."

"The Commission's approval of our merger with Hydro One is positive for all of our stakeholders," Avista Chairman and Chief Executive Officer **Scott Morris** said. "We appreciate the Commission's thoughtful review and consideration of our application. We looked forward to continued partnership with those we serve in Montana and further progress to close the transaction later this year."

In reaching its decision, the Commission adopted the commitments as originally filed in this docket but reserved, on its own motion, the right to incorporate heightened commitments relevant to Montana established in other jurisdictions. The Commission did not accept, for rate making purposes in Montana, an accelerated 2027 depreciation schedule for Colstrip, as otherwise agreed to by the parties in Washington. The Commission also approved the addition of a condition requiring Avista to submit copies of its integrated resource plans to the Commission.

The final order reflecting the Commission's vote is expected to be issued in the next couple of weeks. Once the order is issued, the merger will have received all required approvals in Montana.

Applications for regulatory approval of the transaction are still pending with utility commissions in Washington, Idaho and Oregon. 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 Idaho Public Utilities Commission on April 13, 2018. An all-parties, all-issues settlement agreement was filed with the Public Utility Commission of Oregon on May 25, 2018.

Hydro One and Avista received approval with conditions from the Regulatory Commission of Alaska on June 4, 2018, concluding the merger proceeding in Alaska. 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. The Committee on Foreign Investment in the United States completed its review of the proposed merger on May 18, 2018, and has concluded that there are no unresolved national security concerns with respect to the transaction. Also required is the satisfaction of other customary closing conditions.

An updated chart will be posted on the Avista/Hydro One Yammer Group.

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