

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. AVU-E-26-09
OF AVISTA CORPORATION FOR AN)
ORDER AUTHORIZING THE OFFERING,)
ISSUANCE, AND SALE OF DEBT) ORDER NO. 37088
SECURITIES NOT TO EXCEED \$800,000,000)
)

On June 5, 2026, Avista Corporation (“Company”) applied under *Idaho Code* §§ 61-901 through 61-905, to the Idaho Public Utilities Commission (“Commission”) requesting authority to issue and sell up to and including \$800,000,000 in Debt Securities (in addition to \$300,000,000 previously authorized by the Commission on February 1, 2024 in Order No. 36079, in Case No. AVU-U-24-01, under which \$80,000,000 remains authorized but unissued, for a total of \$880,000,000). Application at 2. The required filing fees were received by the Commission on June 8, 2026.

At the Commission’s June 23, 2026, Decision Meeting, Commission Staff (“Staff”) filed a memorandum recommending that the Commission approve the requested authority to offer, issue, and sell up to \$800,000,000 secured or unsecured Debt.

Based on our review of the record, we issue this Final Order approving the Application.

THE APPLICATION

In addition to the Application, the Company filed its application with the Washington Utilities and Transportation Commission as Exhibit D-1 to supplement additional required information. Application at 1. The Company stated that it planned to use the proceeds from the proposed debt issuances for several authorized purposes including investing in utility plant facilities, replacing aging infrastructure, acquiring property, and constructing, expanding, or improving utility facilities. Exhibit D-1 at 1. The proceeds could also be used to retire maturing long-term debt, repay short-term borrowings, or discharge or refinance existing obligations. *Id.* In addition, the Company stated that it could reimburse funds previously expended from income or other available treasury funds for any of these authorized purposes. *Id.* The Company further represented that the proceeds could be applied to any other lawful purpose permitted under applicable law. *Id.*

It was proposed that the debt could be issued on either a secured or unsecured basis. *Id.* If the debt were secured, the Company stated that it would be issued as First Mortgage Bonds (“FMBs”). *Id.* at 2. The Company explained that because the FMBs are backed by the lien of the Mortgage and Deed of Trust, dated June 1, 1939, they generally receive higher credit ratings from nationally recognized rating agencies than unsecured debt, which typically resulted in lower borrowing costs through reduced interest rates at issuance. *Id.*

The Company further represented that unsecured debt would not be backed by any lien on its assets and, as a result, generally would receive lower credit ratings than secured debt. *Id.* Consequently, unsecured debt typically carried higher interest rates at the time of issuance. *Id.*

The Company stated that the maturity of each debt issuance would be determined at the time of issuance and would range from a minimum of nine months to a maximum of 50 years. *Id.* at 1. The Company also noted that the debt could bear either a fixed or floating interest rate, with the specific rate structure established when the debt was issued. *Id.* at 2. If the debt carried a floating rate, the interest rate would be adjusted periodically based on an established benchmark, such as the Secured Overnight Financing Rate (“SOFR”), commercial paper rates, or Treasury Bill rates. *Id.*

The Company represented that any debt issued under the requested authority could be marketed through one or more underwriters or placement agents selected by the Company. *Id.* The selection of those firms would depend upon the Company’s assessment of each firm’s ability to support the financing objectives associated with the proposed issuance. *Id.* In making that determination, the Company would consider factors such as underwriting or placement fees, the firm’s familiarity with the Company's operations, and its ability to effectively market the securities in a manner consistent with the Company's financing and capital structure objectives. *Id.*

The Company also requested authority to issue debt without obtaining additional Commission approval if the total financing spreads exceeded the limits identified in Exhibit D-1, provided that the coupon rate did not exceed 8% per year. *Id.* The Company stated that this additional authority would provide greater flexibility in the event market spreads widened before a debt issuance occurred. *Id.*

STAFF RECOMMENDATION

Staff recommended that the Commission approve the Company's request for authority to issue an additional \$800,000,000 in debt. Staff Comments at 3. Staff also recommended that this authorization remain in effect on an ongoing basis without requiring further Commission approval, including in instances where the total spreads exceeded the levels set forth in Exhibit D-1, so long as the coupon rate did not exceed 8% per year. *Id.*

In addition, Staff recommended that the Commission direct the Company to maintain compliance with the reporting and filing requirements established in Order Nos. 29947 and 30036. *Id.*

FINDINGS AND DECISION

The Company is a Washington corporation qualified to do business in Idaho. The Company is a public utility engaged in the generation, purchase, transmission, distribution, and sale of electric energy and natural gas. The Company is an electric corporation within the definition of *Idaho Code* § 61-119, a gas corporation within the definition of *Idaho Code* § 61-117, and a public utility within the definition of *Idaho Code* § 61-129. A public utility providing electric or gas service in Idaho may "issue, assume, or guarantee bonds or other securities," for purposes set forth in Idaho law, and the Commission has jurisdiction to authorize a public utility to assume, issue, or guarantee securities. *Idaho Code* § 61-901. Public utilities are required to apply to the Commission for an order authorizing the public utility to assume, issue, or guarantee securities. *Idaho Code* § 61-902. The application must comply with the requirements set forth in Rules 141-150. If the Commission finds that the proposed transactions are in the public interest, it shall enter an order authorizing the transactions. *Idaho Code* § 61-902. The Commission is required to process applications for securities within 30 days. *Idaho Code* § 61-904.

Having reviewed the Application and the record, we find that the proposed transaction is in the public interest and a formal hearing on this matter is not required. Further, we find: (1) that the proposed issuance comports with *Idaho Code* §61-901 and is within the Company's corporate powers; (2) that the Application reasonably conforms to Rules 141-150; and (3) that the Company has paid all fees due under *Idaho Code* § 61-905.

Accordingly, we find it is fair, just, and reasonable to authorize the Company to issue and sell up to and including \$800,000,000 in Debt Securities (in addition to \$300,000,000

previously authorized by the Commission in Order No. 36079, under which \$80,000,000 remains authorized but unissued, for a total of \$880,000,000). Additionally, we find it reasonable for the authority granted under this Order to remain in effect on a continuing basis without the need for further Commission approval, even if the total spreads exceed those set forth in Exhibit D-1, provided that the coupon rate does not exceed 8% per annum. Finally, the Company shall continue complying with the reporting and filing requirements established in Order Nos. 29947 and 30036.

The Commission's Order approving the issuance is not a finding of fact or a conclusion of law that the particular use to which these funds will be put is approved by this Order. This Order does not constitute agency determination or approval of the type of financing or the related costs for ratemaking purposes. The Commission does not determine the effect of the issuance on rates to be charged by the Company for gas or electric service to consumers in Idaho.

ORDER

IT IS HEREBY ORDERED that the Commission grants the Company's Application to issue and sell up to and including \$800,000,000 in Debt Securities (in addition to \$300,000,000 previously authorized by the Commission in Order No. 36079, under which \$80,000,000 remains authorized but unissued, for a total of \$880,000,000).

IT IS FURTHER ORDERED that the authority granted under this Order shall remain in effect on a continuing basis without the need for further Commission approval, even if the total spreads exceed those set forth in Exhibit D-1, provided that the coupon rate does not exceed 8% per annum.

IT IS FURTHER ORDERED that the Company shall continue complying with the reporting and filing requirements established in Order Nos. 29947 and 30036.

IT IS FURTHER ORDERED that the foregoing authorization is without prejudice to the regulatory authority of the Commission with respect to rates, utility capital structure, service accounts, valuation, estimates for determination of cost, or any other matter which may come before this Commission pursuant to its jurisdiction and authority as provided by law.

IT IS FURTHER ORDERED that nothing in this Order and no provisions of Chapter 9, Title 61, Idaho Code, or any act or deed done or performed in connection therewith shall be

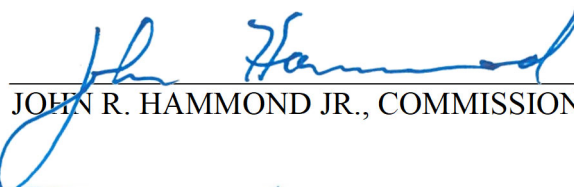
construed to obligate the State of Idaho to pay or guarantee in any manner whatsoever any security authorized, issued, assumed, or guaranteed under the provisions of Chapter 9, Title 61, Idaho Code.

IT IS FURTHER ORDERED that issuance of this Order does not constitute acceptance of the Company's exhibits or other materials accompanying the Application for any purpose other than the issuance of this Order.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within 21 days of the service date of this Order regarding any matter decided in this Order. Within seven days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* § 61-626.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 1st day of July 2026.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary

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