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IDAHO PUBLIC
UTILITIES COMMISSION

February 9, 2019

State of Idaho
Idaho Public Utilities Commission
Statehouse
Boise ID 83720

AVU-U-19-01

Attention: Diane Hanian, Secretary

Avista Corporation filed a securities application on February 9, 2019. In that application, the Company requested to receive an Order of Approval from the Commission by March 11, 2019.

When complete, please send the executed copy of the Order of Approval to:

Jason E. Lang
Avista Corporation
1411 East Mission Avenue
Spokane WA 99202-2600

If any questions arise or additional information is needed, please do not hesitate to contact Karrie Wilson at 509-495-2345.

Sincerely,

Jason Lang
Director of Finance

Enclosures

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application of)
AVISTA CORPORATION for an Order authorizing)
the issuance and sale of)
up to 3,500,000 shares of Common Stock)

CASE NO. AVU-U-19-01

Application is hereby made to the Idaho Public Utilities Commission under the provisions of Section 61-901 and 61-902, Idaho Code (Laws of 1951, Chapter 143) for an Order authorizing the proposed offering, issuance and sale by the Applicant of up to 3,500,000 authorized but unissued shares of its Common Stock, from time to time, utilizing the periodic offering program.

The following information and specific exhibits are furnished in support thereof:

(a) Name and address of principal business office:

Avista Corporation
1411 East Mission Avenue
Spokane WA 99202-2600

Name of representative for service:

Mark Thies, Senior Vice President, CFO, and Treasurer

(b) State and date of incorporation:

Incorporated Washington Territory (now the State of Washington) on March 15, 1889. The term of incorporation is perpetual.

States in which qualified to do business:

Washington, Idaho, Montana, and Oregon.

(c) General description of business, property, and territory served:

The Applicant is a public utility which owns and operates property in Eastern Washington, Northern Idaho, Western Montana, Central & Southwest Oregon.

The Applicant is engaged in the generation, transmission, distribution, and sale of electric energy, which it sells at retail to approximately 383,000 residential, commercial, and industrial customers in Eastern Washington and Northern Idaho, and at wholesale to public utilities, municipalities and others as of September 30, 2018. Its electric properties are operated as a unified system and are interconnected with adjacent electric utilities. The electric energy sold by the Applicant is generated in power stations, which it owns in whole or in part, or obtained by purchase or exchange from other utilities and governmental agencies.

The Applicant is also engaged in the distribution and sale of natural gas to approximately 349,000 residential, commercial and industrial customers in Eastern Washington, Northern Idaho, and Central & Southwest Oregon as of September 30, 2018.

(d) Description of securities, indebtedness or liabilities:

Pursuant to Rule 142 of the Rules of Practice and Procedure, the Applicant hereby Files the application filed with the Washington Utilities and Transportation Commission as Exhibit "D-1" in lieu of the application required by Rule 141. Applicant further states that:

- (1) Applicant has published or will have published within seven days of the date of filing this Application a notice in those newspapers listed in Rule 141.08 of the Rules of Practice and

Procedure of the Idaho Public Utilities Commission that are in general circulation in Applicant's service area.

- (2) Attached Exhibits:
 - Exhibit D-1 Copy of Washington Application
 - Exhibit D-2 Form of Idaho Order

Exhibit D-1

[insert form of Washington application]

Exhibit D-2

PROPOSED ORDER OF APPLICANT

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF AVISTA CORPORATION FOR AN ORDER AUTHORIZING THE ISSUANCE OF 3,500,000 SHARES OF COMMON STOCK)))))	CASE NO. ORDER NO.
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On February 8, 2019, Avista Corporation (Avista) filed an Application with the Idaho Public Utilities Commission (Commission) requesting an Order authorizing the offering and issuance by Avista of up to 3,500,000 shares of Common Stock. The Commission, having fully considered the Application and exhibits attached thereto, and all of the Commission's files and records pertaining to the Application, makes the following findings of fact and conclusions of law, and enters this Order approving Avista's Application.

THE APPLICATION

Avista proposes to receive authorization to offer, issue and sell up to 3,500,000 shares of authorized but unissued Common Stock through its Periodic Offering Plan. The net proceeds will be used for (a) the improvement or maintenance of its service; (b) the discharge or lawful refunding of its obligations; (c) the reimbursement of moneys actually expended for said purposes from income or from other moneys in the treasury not secured by or obtained from the issue, assumption or guarantee of securities; or (d) any other purpose approved by the Commission or authorized by law. Avista requests authority to refund, extend, renew or replace the proposed securities to allow for the greatest flexibility in their use.

No person has received or will be entitled to receive from Avista any fee (1) for services in connection with the consummation of the issuance and sale of the above-referenced securities, other than fees for underwriting, private placement, legal, accounting or similar professional or technical services, or (2) for services in securing underwriters, sellers or purchasers of the securities. Avista is a Washington corporation qualified to do business in the State of Idaho.

**FINDINGS OF FACT AND
CONCLUSIONS OF LAW**

Avista is a public utility engaged in the generation, purchase, transmission, distribution and sale of electric energy and the purchase, distribution and sale of natural gas. Avista is a gas corporation within the

definition of *Idaho Code* § 61-117, an electric corporation within the definition of *Idaho Code* § 61-119, and a public utility within the definition of *Idaho Code* § 61-129. The Commission has jurisdiction over this

Application pursuant to the provisions of *Idaho Code* § 61-901, et seq. The Commission further finds that the Application reasonably conforms to Rules 141 through 150 of the Commission's Rules of Procedure, IDAPA 31.01.01.141-150.

The Commission finds that the proposed issuance is for a lawful purpose and is within Avista's corporate powers.

The Commission further finds that the proposed transaction is in the public interest and a formal hearing on this matter is not required.

The Commission's approval of the issuance is not a finding of fact or a conclusion of law that the particular use to which these funds are to be put is approved by this Order. The issuance of an Order authorizing the proposed issuance does not constitute agency determination/approval of the type of financing or the related costs for ratemaking purposes. The Commission does not have before it for determination in this case and, therefore, does not determine the effect of issuance on rates to be charged by Avista for gas or electric service to consumers in the State of Idaho. The Commission further finds that the proposed transaction is in the public interest and a formal hearing on this matter is not required. Avista has paid all lawful fees as provided by *Idaho Code* § 61-905.

ORDER

IT IS HEREBY ORDERED that Avista Corporation, as of February 8, 2019, is hereby authorized to offer and issue 3,500,000 shares of authorized but unissued Common Stock through its Periodic Offering Program.

IT IS FURTHER ORDERED that Avista is hereby authorized to issue the Securities in the manner and for the purposes described in the Application, IT IS FURTHER ORDERED that Avista shall file the terms of the proposed issuance(s) of the Securities and any subsequent changes to the terms with Staff upon issuance. This informational filing should be made seven (7) days, or as soon as possible, prior to the Issuance.

IT IS FURTHER ORDERED that Avista shall file, as soon as they become available and update if any changes occur, the following:

- (a) The "Report of Securities Issued," and
- (b) Verified copies of any Agreement entered into pursuant to this Order.

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 Avista's exhibits or other material 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 twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this day of MONTH, 2018.

, COMMISSIONER

, COMMISSIONER

, COMMISSIONER

ATTEST:

Commission Secretary

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the matter of the request of)	Amended Application
AVISTA CORPORATION)	
for an order establishing compliance)	Docket No.
with Chapter 80.08.040 RCW)	

Avista Corporation (hereinafter called "Applicant") hereby requests the Washington Utilities and Transportation Commission to enter a written order establishing the proposed offering, issuance and sale by the Applicant of up to 3,500,000 authorized but unissued shares of its Common Stock, from time to time, utilizing one or more potential methods to issue shares through, but not limited to, periodic offering programs, direct sales or underwritten transactions in compliance with the requirements of Chapter 80.08 RCW. The requested authority is in addition to the authority previously granted by the Washington Utilities and Transportation Commission for the offering, issuance and sale of Common Stock under Order No. 01, entered October 13, 3011, in Docket No. U-111176, of which 1,080,199 shares remain authorized but unissued through the Company's periodic offering program.


The following information is furnished in support of this application, in accordance with the requirements of RCW 80.08.040:

(1) A Description of the Purposes for Which the Issuance is Made, Including a Certification By an Officer Authorized To Do So That the Proceeds From Any Such Securities Are For One Or More of the Purposes Allowed By Chapter 80.08 RCW.

The Applicant will use the proceeds from the proposed offerings, issuance and sale of Common Stock for one or more of the following purposes: (a) The acquisition of property, or the construction, completion, extension, or improvement of its facilities, or (b) the improvement or maintenance of service, or (c) the issuance of stock dividends, or (d) the discharge or refunding of its obligations, or (e) the reimbursement of moneys actually expended from income or from the treasury of the Applicant to the extent permitted by RCW 80.08.030, or (f) for other purposes permitted by law.

The undersigned certifies that she has read the foregoing information with respect to the proposed use of funds and knows the contents thereof and that the same are true to the best of her own knowledge or belief.

Done at Spokane, Washington this 8th day of February 2019.

By: 
 Mark Thies
 Senior Vice President, CFO, and
 Treasurer

(2) A Description of the Proposed Issuance Including the Terms of Financing.

The Applicant proposed to issue up to 3,500,000 shares of authorized but unissued Common Stock of which the Company plans to sell through periodic offering programs, direct sales or underwritten transactions.

Periodic Offering Program:

The Applicant proposes that Common Stock issued could be sold under Periodic Offering Programs, where the price per share to be paid to the Applicant shall be at or based upon market prices prevailing at the time of sale; provided, however, that the price per share to be paid to the Applicant (before any commission to be paid to agents) shall not be less than an amount equal to the last sale price at which

the Applicant's Common Stock was quoted or the record of composite quotations reported by The Wall Street Journal (the "Reported Last Sale Price") on the business day immediately preceding the day such price is determined minus \$0.25; and provided, further, that such price per share (after any commission paid to agents) shall not be less than 100% of the book value per share of the Company's Common Stock as of the last day of the most recent calendar quarter.

Direct Sales:

In any direct sales, the Applicant proposes to issue the Common Stock from time to time in one or more direct sales specifically negotiated with purchasers interested in larger blocks of Common Stock.

Underwritten Transactions:

In any underwritten transaction, one or more underwriters will assist Applicant with the marketing and distribution of shares of Common Stock pursuant to an arrangement under which the shares would be sold in one or more methods of offering determined by such underwriter(s), all in accordance with the terms of an underwriting agreement. Such methods could include ordinary brokerage transactions, block transactions in accordance with the rules of the New York Stock Exchange, offerings off the floor of such exchange, any combination of such methods or any other method determined by such underwriter(s) with the approval of the appropriate Officers of the Applicant. The underwriter(s) selected by the Applicant will have experience in marketing securities similar to the Common Stock, are expected to be familiar with the Applicant and the Applicant's long-term financing goals. The underwriter(s) will assist the Applicant in evaluating market conditions and in formulating the terms and timing of any issuances.

(3) Statement As To Why The Transaction Is In the Public Interest.

The requested authority allows the Applicant (i) to maintain and/or improve its debt to equity ratio over time by issuing additional Common Stock under periodic offering programs, and direct sales or underwritten transactions. The requested authority also allows the Applicant additional flexibility in managing its funds. Accordingly, Applicant believes the requested authority is consistent with the public interest and necessary or appropriate for or consistent with the proper performance by the Applicant of service as a public utility.

4. An order finding the application and the proposed offering, issuance and sale of Common Stock by the Applicant is in compliance with the requirements of Chapter 80.08 RCW should be entered.

ORDER

THE COMMISSION ORDERS:

1. The application filed by Avista Corporation and the proposed offering, issuance and sale of 3,500,000 shares of Common Stock by Avista Corporation as described in the application is in compliance with the requirements of Chapter 80.08 RCW.
2. Avista Corporation is directed to file a Report of Securities Issued as required by WAC 480-110-565. Avista Corporation is also required to file verified copies of any agreement entered into in connection with any transaction pursuant to this Order. Finally, Avista Corporation shall file a verified statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to this Order.

This Order shall in no way affect the authority of the Commission over rates, services, accounts, valuations, estimates, or determination of costs, or any matters that may come before it. Nor shall anything in this Order be construed as an agreement to any estimate or determination of costs, or any valuation of property claimed or asserted.

DONE at Olympia, Washington, and effective this day of February 2019.


WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Mark Johnson, Executive Secretary

Avista, having provided herewith all information and statements required by RCW 80.08.030, WAC 480-100-242 (1)-(4) and WAC 480-90-242 (1)-(4), respectfully request an order affirming compliance with such requirements as part of this planned securities transaction.

Done at Spokane, Washington this 8th day of February, 2019.

AVISTA CORPORATION

By: 

Mark Thies
Senior Vice President, CFO, and
Treasurer