



June 16, 2021

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Idaho Public Utilities Commission
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Boise, ID 83702

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UTILITIES COMMISSION

Case No. AVU-U-21-01

We are submitting the following information in compliance with the Commission's Order No. 34995 under Case No. AVU-U-21-01 to enter into credit facilities up to \$500,000,000. An informational notice regarding this issuance was previously provided to staff of the Commission.

On June 4, 2021, Avista Corporation (the Company) amended its \$400.0 million committed line of credit agreement with various banks. The amendment also provides the Company the option to request an extension of the committed line of credit for two one year extensions beyond June 4, 2026, provided there is no event of default prior to the requested extension.

The amended committed line of credit is secured by \$400.0 million of non-transferable First Mortgage Bonds of the Company issued to the agent bank. Such First Mortgage Bonds would only become due and payable in the event, and then only to the extent, that the Company defaults on its obligations under the committed line of credit.

The amended committed line of credit agreement contains customary covenants and default provisions, including a covenant not to permit the ratio of "consolidated total debt" to "consolidated total capitalization" of Avista Corporation to be greater than 65 percent at the end of any fiscal quarter.

Attached is the term sheet for this issuance.

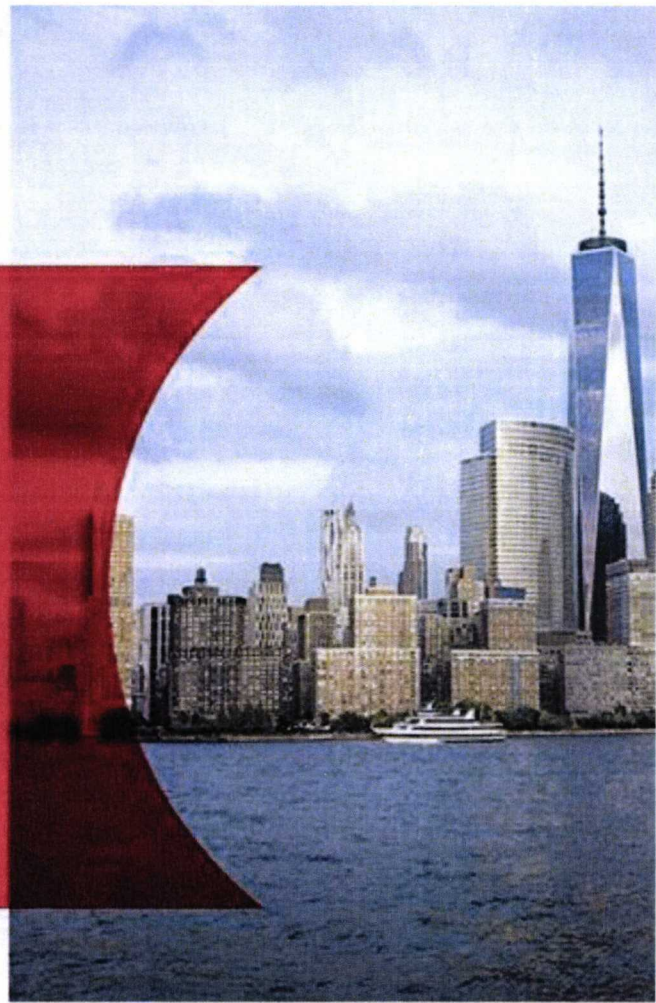
Please contact Karrie Wilson at (509) 495-2345 if you have any questions.

Sincerely,

Jason E. Lang
Director of Finance, Risk and Assistant Treasurer

Discussion Materials

February 2021



Summary Terms – RC Refinancing

- Avista's \$400MM credit facility will become current on April 18th. The Company has more optionality to address the facility this year as the market has steadily improved:
 - Extend the facility with a new 3-year or 5-year tenor
 - Reset the two, 1-year extension options
 - Reduce pricing towards pre-Covid levels
 - Upfront fees have been reducing but remain slightly elevated
- Avista has the opportunity convert its revolver to sustainability-linked loans given its goal of a net zero carbon future
- Depending on the successful achievement of their respective KPIs, recent sustainability-linked loans have been able to implement the below changes to pricing
 - +/- up to 0.5 bps - 1.0 bps undrawn
 - +/- up to 5.0 bps drawn
- MUFG recommends amending the existing credit agreement to include the following market language including:
 - Updated LIBOR replacement provision

Summary Terms & Conditions	
Borrower	Avista Corporation
Facility Type	Senior Secured Revolving Credit Facility
Purpose	General Corporate
Facility Amount	\$400 million
Accordion	\$100 million
Extension Options	One, 1-year extension option Two, 1-year extension options
Financial Covenant	Consolidated Debt / Cap Ratio < 65.0%
Tenor	5 Year 0
Maturity	April 18, 2022
Upfront Fees	[25.0]
Arranger Fees	Actives: \$[225,000] Passive: \$[50,000]

Secured Ratings	Existing Pricing Grid		5-Yr Facility F (bps)
	Facility Fee (bps)	All-in Drawn (L+bps)	
≥ A+ / A1	12.5	100.0	7.5
A / A2	15.0	112.5	10.0
A- / A3	17.5	125.0	12.5
BBB+ / Baa1	22.5	137.5	17.5
BBB / Baa2	25.0	150.0	22.5
≤ BBB- / Baa3	30.0	175.0	27.5

Green denotes proposed changes

*Issuer Ratings

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