

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
LEGAL
WORKING FILE

FROM: JOSEPH TERRY

DATE: APRIL 28, 2021

RE: AVISTA'S REQUEST FOR AUTHORIZATION TO ISSUE COMMON STOCK; CASE NO. AVU-U-21-02

BACKGROUND

On April 8, 2021, Avista filed an Application requesting authority to offer, issue and sell up to 3,500,000 shares of authorized but unissued common stock. The Commission received the fees as required by *Idaho Code* § 61-905 on April 19, 2021. This request is in addition to the authority granted in Order No. 34267 issued on March 7, 2019 under which 1,265,611 shares remain authorized and unissued. Staff confirmed that the Company has at least 4,765,611 (3,500,000 requested plus the 1,265,611 remaining from the previous order) authorized but unissued shares of common stock.

The Company will continue to provide the "Report of Securities Transaction" that will provide the proceeds and expenses whenever the Company issues any securities. The Company states that the only fees will be for underwriting, private placement, legal, accounting, or similar professional or technical services.

The Company proposes selling the stock through the Periodic Offering Program, direct sales, or underwritten transactions. The net proceeds of these issuances will be used for the improvement or maintenance of its service; the discharge or lawful refunding of its obligations; 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 any other purposes approved by the Commission or authorized by law.

Staff calculated the effects of the sale of requested stock on the Company's capital structure and determined it would increase the equity percentage by less than 2%, allowing the Company to maintain its debt to equity ratio.

STAFF RECOMMENDATION

Staff recommends approval of the request for authorization to issue 3,500,000 shares of common stock.

COMMISSION DECISION

Should the Commission approve the Company's request for authorization to issue 3,500,000 shares of common stock?



Joseph Terry

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