



Avista Corp.
1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

December 12, 2022

Idaho Public Utilities Commission
11331 W. Chinden Blvd. Building 8, Suite 201-A
Boise, Idaho 83714

Attention: Commission Secretary and Head Legal Secretary

Via Email: Secretary@puc.idaho.gov

Please find attached the Application of Avista Corporation for an Order authorizing the proposed issuance of debt securities not to exceed \$250,000,000. Pursuant to Rule 145 of the Commission's Rules of Procedure, Avista Corporation requests that the Commission issue an Order approving issuance of these securities on or before December 13, 2022.

If any questions arise or additional information is needed, please do not hesitate to contact Jason Lang at 509-495-2930 or me at 509.495.8620.

Sincerely,

/s/ Patrick Ehrbar

Patrick Ehrbar
Director of Regulatory Affairs

Enclosures

RECEIVED
IDAHOO PUBLIC
UTILITIES COMMISSION

2022 DEC 13 AM 9:21

Avu-u-22-02

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application of)
AVISTA CORPORATION for an Order authorizing)
the proposed issuance of up to \$250,000,000)
of additional indebtedness)

CASE NO. AVU-U-22-02

Application is hereby made to the Idaho Public Utilities Commission (the "Commission") under the provisions of Section 61-901 and 61-902, Idaho Code (Laws of 1951, Chapter 143) for an Order authorizing Avista Corporation (the "Applicant") to enter into one or more of the following short-term unsecured credit facilities, which collectively represent \$250,000,000 in aggregate principal amount: (1) a term loan credit facility in the initial principal amount of \$100,000,000, with an option to request an additional \$50,000,000 as part of an uncommitted incremental facility for which incremental borrowings the lenders retain the sole discretion on whether to fund (the "Bridge Loan"); (2) a \$50,000,000 increase to its existing unsecured revolving credit facility (the "Accordion Loan"); and (3) a \$50,000,000 bilateral uncommitted letter of credit facility (the "LC Facility", and together with the Bridge Loan and the Accordion Loan, the "Proposed Financings"). Each of the Proposed Financings is expected to expire less than 12 months from the date of issuance.

The requested authority to consummate the Proposed Financings is in addition to all authority previously granted by the Commission for the issuance of debt securities or the incurrence of other indebtedness under previous applications by the Applicant. Any of the new debt issuances, standing alone, would be exempt as short term debt under Idaho Code Section 61-903. However, in aggregate, one or more of these issuances, "together with all other then outstanding notes and drafts of a maturity of one (1) year or less on which such public utility is primarily or secondarily liable," may exceed five per cent (5%) of the par value or, in the case of securities having no par value, the fair market value of the other securities of the public utility then outstanding.

Over several days prior to the date of this application, the Applicant has seen gas and power prices spike 5 to 8 times higher than normal, which has led to significant margin calls associated with future commodity sales and hedging arrangements. That, in turn, has placed pressure on Applicant's available liquidity. With anticipated cold weather throughout the western United States in coming days these conditions may persist. The Applicant will use the proceeds of the new debt issuances to meet its short-term liquidity obligations and for other general corporate purposes set forth in I.C. § 61-901.

Due to the emergent nature of the funding need, pursuant to Rule 145 of the Commission's Rules of Procedure, the Applicant requests that the Commission issue the requested order on December 13, 2022, which is less than 30 days after the date of this filing. In the alternative, the Applicant requests pursuant to I.C. § 61-909 and Rule 147 that the Commission, in its order authorizing the Proposed Financings, exempt the Applicant from any of the requirements of I.C. §§ 61-901 and 61-902, and of Rules 141 through 146, to the extent needed for the Commission to issue such authorization on December 13, 2022. As required for such an exemption under I.C. § 61-909, the public interest does not require application of the ordinary rules for authorization of a security issuance in this case, where the need for the Proposed Financings arose extremely quickly and unexpectedly. To the contrary, granting an exemption as needed to authorize the Proposed Financings by December 13, 2022, will protect the public interest by allowing the Applicant to continue to meet its cash flow and liquidity obligations in the short term..

The following information and specific exhibits are furnished in support of authorization under I.C §§ 61-901 and 61-902:

(a) Name and address of principal business office:

Avista Corporation
1411 East Mission Avenue
Spokane WA 99202-2600

Name of representative for service:

Jason Lang, Assistant Treasurer
Avista Corporation
1411 East Mission Avenue, MSC-7
Spokane, Washington 99220-2600
Phone: (509) 495-2930
Email: Jason.lang@avistacorp.com
Email: Dockets@avistacorp.com

(b) State and date of incorporation:

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

As a public utility, Applicant is qualified to do business in:

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 Northern Idaho, Eastern Washington, Central and Southwest Oregon, and Western Montana.

The Applicant is engaged in the generation, transmission, distribution, and sale of electric energy, which it sells at retail to approximately 403,000 residential, commercial, and industrial customers in Northern Idaho, Eastern Washington, and Western Montana, and at wholesale to public utilities, municipalities and others. 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, governmental agencies, or third parties.

The Applicant is also engaged in the distribution and sale of natural gas to approximately 369,000 residential, commercial, and industrial customers in Northern Idaho, Eastern Washington, and Central and Southwest Oregon.

(d) Description of securities, indebtedness or liabilities:

Pursuant to Rule 142 of the Rules of 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

WHEREFORE, the Applicant respectfully requests the Idaho Public Utilities Commission for an Order authorizing Avista Corporation to enter into the Proposed Financings in an amount up to and including \$250,000,000 (such amount being in addition to all amounts previously authorized by the Commission).

Dated this 12th day of December, 2022

4866-5485-8819v.1 0088333-000224

AVISTA CORPORATION



By

Mark T. Thies
Executive Vice President, CFO and Treasurer

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the matter of the request of)	Application
AVISTA CORPORATION)	
for an order establishing compliance with)	Docket No.
Chapter 80.08 RCW with respect to proposed)	
issuance of up to \$250,000,000 of additional)	
indebtedness)	

Avista Corporation (hereinafter called the "Applicant") hereby requests the Washington Utilities and Transportation Commission enter a written order authorizing the Applicant's entry into one or more of the following short-term unsecured credit facilities, which collectively represent \$250,000,000 in aggregate principal amount: (1) a term loan credit facility in the initial principal amount of \$100,000,000, with an option to request an additional \$50,000,000 as part of an uncommitted incremental facility for which incremental borrowings the lenders retain the sole discretion on whether to fund (the "Bridge Loan"); (2) a \$50,000,000 increase to its existing unsecured revolving credit facility (the "Accordion Loan"); and (3) a \$50,000,000 bilateral uncommitted letter of credit facility (the "LC Facility", and together with the Bridge Loan and the Accordion Loan, the "Proposed Financings"). Each of the Proposed Financings is expected to expire less than 12 months from the date of issuance. The anticipated terms of the Proposed Financings are described in more detail in Section 2 of this application.

The requested authority to consummate the Proposed Financings is in addition to all authority previously granted by the Washington Utilities and Transportation Commission for the issuance of debt securities or the incurrence of other indebtedness under previous applications by the Applicant. The anticipated Proposed Financings, each standing alone, would be exempt as short term debt under RCW 80.08.043 and the definition of "Securities" in WAC 480-90-242 and WAC 480-100-242 from the requirement that the Applicant file notice under RCW 80.08.040, WAC 480-90-242(1), and WAC 480-100-242(1) before issuing securities. However, the Proposed Financings, "together with all other . . . outstanding notes and drafts of a maturity of twelve months or less on which [Applicant] is primarily or secondarily liable" may exceed "five percent of the par value of other securities of [Applicant] outstanding" at the time it enters into the Proposed Financings,¹ in which case the short-term debt exemption would not apply.

Therefore, this request includes the information required by Chapter 80.08 RCW, and the Applicant requests under RCW 80.08.040(4) that the Commission enter a written order that the Applicant has complied with the requirements of RCW 80.08.040.

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 Proposed Financings are 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.

Over several days prior to the date of this application, the Applicant has seen gas and power prices spike 5 to 8 times higher than normal, which has led to significant margin calls associated with future commodity sales and hedging arrangements. That, in turn, has placed pressure on Applicant's available liquidity. With anticipated cold weather throughout the western United States in coming days these conditions may persist. The Applicant will use the proceeds of the Proposed Financings to meet its short-term liquidity obligations and for other general corporate purposes set forth in R.C.W. 80.08.030. Please see the required certification below.

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

¹ The Applicant's issued stock has no par value. The Applicant has therefore used its stock price on December 12, 2022 to estimate the 5% limit "on the basis of the fair market value as of the date of issuance" of the Debt Securities, anticipated to issue on December 14, 2022. See RCW 80.08.043.

The Applicant proposes to enter into the Proposed Financings in an aggregate principal amount of \$250,000,000 (in addition to the all authority previously granted by the Washington Utilities and Transportation Commission pursuant to RCW 80.08.040 and all short-term debt issued in reliance on the exemption in RCW 80.08.043). None of the Proposed Financings would be secured by any lien on assets of the Applicant, other than the posting of cash collateral to secure any letters of credit to the extent required by the applicable lenders or letter of credit issuers.

In case of each of the Proposed Financings, the Applicant will only enter into transactions where the fees, interest rates and expenses charged or incurred by the Applicant in connection with the transactions, and any refunding, extensions, renewals or replacements thereof, are competitive with market prices for similar transactions.

Further details regarding the expected terms of each of the Proposed Financings follow under the respective section headings.

A. Bridge Loan

The Bridge Loan comprises a \$100,000,000 unsecured short-term term loan that will be fully funded at closing in a single draw anticipated on or about December 14, 2022. In addition, Applicant has the option to request an additional \$50,000,000 in principal amount as part of an uncommitted incremental facility (for which incremental borrowings the lenders retain sole discretion whether or not to fund). The Bridge Loan is expected to mature in less than four months following the date of execution and delivery.

Compensation to any bank or agent for their services in connection with the handling of the Bridge Loan is not expected to exceed 1%, including fees for co-lead arrangers (fee paid for organizing the syndication of the Bridge Loan, expected to range from 0.20% to 0.40%, to be paid in part at closing and the remainder at a future date).

Estimated fees and borrowing spreads for the Bridge Loan are as follows:

1. Loans comprising Alternate Base Rate borrowings (for borrowings of less than one month) shall bear interest at a rate per annum equal to the Alternate Base Rate plus the Applicable Margin of 0.25%. The Alternative Base Rate is reset daily to whichever is the greatest of (a) 0.00%, (b) the Federal Funds Rate plus 0.50%, (c) the Prime Rate, and (d) the Adjusted Term SOFR Rate for a one-month tenor in effect on such day plus 1.00%.
2. Loans comprising Term SOFR borrowings shall bear interest during the applicable interest rate period (of either one-month or three-month tenor) at a rate per annum equal to the Adjusted Term SOFR Rate for such applicable interest rate period plus the Applicable Margin of 1.25%. The Adjusted Term SOFR Rate, for any available tenor and interest period, is the greatest of (a) 0.00% and (b) the sum of (i) the Term SOFR Screen Rate quoted for such interest period (published two business days before the first date of such interest period) plus (ii) the SOFR Adjustment of 0.10%.

B. Accordion Loan

The Accordion Loan is a proposed increase of \$50,000,000 to the Applicant's existing \$50,000,000 unsecured revolving credit facility entered into in November 2022, for a new total of \$100,000,000 in aggregate revolving commitments. Terms for the Accordion Loan are expected to be substantially similar to the current terms in the existing facility. Compensation to any bank or agent for their services in connection with the handling of the Accordion Loan is not expected to exceed 1% of the proposed aggregate revolving commitments (fee paid for organizing the syndication of the Accordion Loan, expected to range from 0.20% to 0.40%, to be paid at closing).

Estimated fees and borrowing spreads are as follows, subject to change pursuant to the terms of the existing loan documentation:

The Applicable Rate references the relevant margin set forth in the table below for the applicable pricing level.

Pricing Level	SOFR Margin (1)	ABR Margin (2)
I	1.050%	0.050%
II	1.150%	0.150%
III	1.250%	0.250%
IV	1.325%	0.325%
V	1.525%	0.525%
VI	1.725%	0.725%

¹ SOFR Margin applies for borrowings with a term of at least one month. The loans comprising each SOFR borrowing bear interest at a rate per annum equal to the Adjusted Term SOFR Rate (which includes the Term SOFR Index Adjustment of 0.10%) for the interest period in effect plus the SOFR Margin.

² ABR Margin applies for borrowings of less than one month. The loans comprising each ABR borrowing bear interest at a rate per annum equal to the Alternate Base Rate plus the ABR Margin. The Alternate Base Rate is reset daily to whichever is the greatest of (a) the Federal Funds Effective Rate in effect plus 0.50%, (b) the Prime Rate, and (c) the Adjusted Term SOFR Rate for a one-month tenor in effect on such day plus 1.00%.

The credit facility agreement indicates that in the event the Applicant's senior secured debt ratings are split by one level, the higher rating will apply. In the event the ratings are split by more than one level, the level that is one level below the higher rating will apply.

C. LC Facility

The LC Facility is a bilateral unsecured, uncommitted letter of credit facility of up to \$50,000,000. The LC Facility will likely be evidenced by a continuing letter of credit agreement for standby letters of credit. The letter of credit issuer (or any of its branches or other affiliates acting as letter of credit issuer) retains sole discretion to issue, from time to time, one or more irrevocable letters of credit (each such issuer, an "LC Issuer").

Fees payable by Applicant to the LC Issuer will be as agreed upon between the parties in writing, or in accordance with the LC Issuer's standard fees in effect, among other costs and expenses. Based on current market conditions, the Applicant expects a letter of credit issuance fee of 1.20%, subject to change in accordance with the terms of the definitive agreement. The anticipated tenor of all letters of credit issued under the LC facility will be shorter than 1 year.

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

The requested authority will allow the Applicant to continue to manage its daily cash and short-term liquidity obligations consistent with purposes allowed by Chapter 80.08 RCW. Accordingly, the Applicant believes the requested authority is in the public interest.

(4) Text of a Draft Order Granting Applicant's Request for an Order.

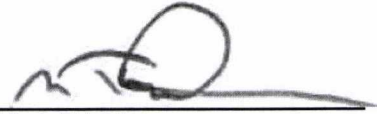
A copy of a draft order granting the Applicant's request is attached hereto as "Exhibit A".

Wherefore, the undersigned, an authorized agent of the Applicant, requests that the Washington Utilities and Transportation Commission issue its order affirming that the applicant has complied with the requirements of RCW 80.08.040.

Done at Spokane, Washington this 12th day of December, 2022.

AVISTA CORPORATION

By:

A handwritten signature in black ink, appearing to read 'Mark T. Thies', is written over a horizontal line.

Mark T. Thies
Executive Vice President, CFO and

Treasurer

Exhibit A – Proposed Order

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of)	DOCKET
)	
AVISTA CORPORATION dba)	ORDER XX
AVISTA UTILITIES,)	
)	
Petitioner,)	
)	ORDER ESTABLISHING
For an Order Establishing Compliance)	COMPLIANCE WITH CHAPTER
with the Provisions of RCW 80.08, with)	80.08 RCW, SECURITIES
Respect to its Proposal to issue up to)	
\$250,000,000 of additional indebtedness)	
.....)	
.)	

BACKGROUND

- 1 On December 12, 2022, Avista Corporation (“Applicant”) filed its application (“Application”) before the Washington Utilities and Transportation Commission (“Commission”) in this matter for an order affirming that issuance of additional indebtedness of up to \$250,000,000 with a term of less than one year (the “Proposed Financings”), is in compliance with the requirements of Chapter 80.08 RCW.

- 2 The requested authority to consummate the Proposed Financings is in addition to all authority previously granted by the Washington Utilities and Transportation Commission for the issuance of debt securities or the incurrence of other indebtedness under previous applications by the Applicant.

- 3 According to the Application, each of the anticipated Proposed Financings, standing alone, would be exempt as short term debt under RCW 80.08.043 and the definition of “Securities” in WAC 480-90-242 and WAC 480-100-242 from the requirement that the Applicant file notice under RCW 80.08.040, WAC 480-90-242(1), and WAC 480-100-242(1). However, the Proposed Financings, “together with all other . . . outstanding notes and drafts of a maturity of twelve months or less on which [Applicant] is primarily or secondarily liable” may exceed “five percent of the par value of other securities of [Applicant] outstanding” at the time it enters into the Proposed Financings, in which case the short-term debt exemption would not apply.

- 4 According to Avista's application, the proceeds of the financings are for one or more of the purposes allowed by RCW 80.08.030.

FINDINGS AND CONCLUSIONS

- 3 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric and natural gas companies. *RCW 80.01.040, RCW 80.04, RCW 80.08, RCW 80.12, RCW 80.16 and RCW 80.28.*
- 4 (2) Avista is engaged in the business of providing electric and natural gas service within the state of Washington. As a public service company, it is subject to Commission jurisdiction.
- 5 (3) The application Avista filed meets the requirements of *RCW 80.08* which concern the issuance of securities by public service companies.
- 6 (4) The information Avista filed in this docket contains: (a) a certification by an authorized officer that the proceeds will be used for one or more purposes allowed by [RCW 80.08.030](#); (b) a description of the Proposed Financings, and (c) a statement as to why the proposed transactions are in the public interest. *See WAC 480-100-242 & WAC-480-90-242.*
- 7 (5) After reviewing the information contained in the Application, and giving due consideration, the Commission finds that Avista is in compliance with RCW 80.08.040.

ORDER

THE COMMISSION ORDERS:

- 8 (1) Avista is in compliance with the requirements of RCW 80.08.040 with respect to the proposal to issue up to \$250,000,000 of additional unsecured debt, as provided in the Application.

- 9 (2) Avista Corporation is directed to file a Report of Securities Issued as required by WAC 480-100-262, and WAC 480-90-262. 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.
- 10 (3) 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.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective MONTH DD, YYYY.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Executive Director & Secretary

PROPOSED ORDER

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF AVISTA CORPORATION FOR AN)	CASE NO.
ORDER AUTHORIZING THE PROPOSED)	
ISSUANCE OF UP TO \$250,000,000 OF)	ORDER NO.
ADDITIONAL INDEBTEDNESS)	

On _____, 2022, Avista Corporation (“Avista”) applied to the Idaho Public Utilities Commission for an Order allowing Avista to issue up to \$250,000,000 of additional indebtedness. The requested authority is in addition to the authority previously granted by the Idaho Public Utilities Commission for the issuance of debt securities in all previous orders. The Application requests expeditious action pursuant to Rule 145 of the Commission’s Rules of Procedure (IDAPA 31.01.01.145) or, in the alternative, an exemption under I.C. § 61-909 and Rule 147 from the requirements for approval of utility issuance of securities to the extent needed for the Commission to issue such authorization on December 13, 2022.

The Commission’s Staff has reviewed the Application and recommend the Commission approve the issuance. Based on our review of the record, we issue this Order approving the Application as noted below.

BACKGROUND

Idaho Code §§ 61-901 through 61-909 govern the issuance of securities by public utilities. In summary, “when authorized by order of the commission and not otherwise, [public utilities] may issue stocks and stock certificates and may issue, assume or guarantee bonds or other securities payable at periods of more than twelve (12) months after the date thereof.. ..” *Idaho Code* § 61-901. The statutes permit utilities to issue securities for the following purposes: Acquiring property; building, completing, extending, or improving utility facilities; improving or

maintaining utility service; discharging or lawfully refunding utility obligations; reimbursing money that the utility has expended to accomplish these purposes from income or other money in the treasury that is not secured by or obtained from the issue, assumption or guarantee of securities; and accomplishing any other Commission-approved purpose. *Idaho Code* § 61-901.

To obtain the Commission's order, the utility must file an application and pay a statutory fee. *Idaho Code* §§ 61-902 and -905. The Commission then must dispose of the application within thirty days, absent an earlier finding of good cause to issue a later order. *Idaho Code* § 61-904. The Commission must grant the application unless it finds the proposed issuance would be (1) inconsistent with the public interest; (2) unnecessary, inappropriate for, or inconsistent with the applicant's proper performance of its service as a public utility; or (3) for an impermissible purpose. *Idaho Code* § 61-902.

If the utility obtains the Commission's authorization to issue securities, then the utility may issue the authorized securities for the limited purposes expressed in the statute or allowed by the Commission. *Idaho Code* § 61-901.

Utilities may, without application to or order of the Commission, issue certain securities payable no more than 12 months after the date of issuance, but only if all such outstanding securities in aggregate do not exceed "five per cent (5%) of the par value or, in the case of securities having no par value, the fair market value of the other securities of the public utility then outstanding, without application to or order of the commission[.]" *Idaho Code* § 61-903.

The Commission may by order exempt any security for which an application is required under *Idaho Code* § 61-901 et seq. from the provisions of such requirements if the Commission "finds that the application [of those rules] to such security . . . is not required by the public interest." *Idaho Code* § 61-909 and Rule 147 (IDAPA 31.01.01.147).

THE APPLICATION

Avista is a Washington corporation that is qualified to do business in the State of Idaho. It is a public utility that provides electric and natural gas service to customers in northern Idaho, eastern Washington, and central and southwest Oregon.

With this Application, Avista requests the Commission to issue an Order authorizing Avista's entry into one or more of the following short-term credit facilities, which collectively represent \$250,000,000 in aggregate principal amount: (1) a term loan credit facility in the initial principal amount of \$100,000,000, with an option to request an additional \$50,000,000 as part of an uncommitted incremental facility for which incremental borrowings the lenders retain the sole discretion on whether to fund (the "Bridge Loan"); (2) a \$50,000,000 increase to its existing unsecured revolving credit facility (the "Accordion Loan"); and (3) a \$50,000,000 bilateral uncommitted letter of credit facility (the "LC Facility", and together with the Bridge Loan and the Accordion Loan, the "Proposed Financings"). Each of the Proposed Financings is expected to expire less than 12 months from the date of issuance, and would be in addition to all securities issuances previously authorized by the Commission.

The Application also requests expeditious action pursuant to Rule 145 of the Commission's Rules of Procedure (IDAPA 31.01.01.145), seeking that that the Commission grant the requested authority on December 13, 2022, which is less than 30 days after the date of the Application. In the alternative, the Applicant requests pursuant to I.C. § 61-909 and Rule 147 that the Commission exempt the Applicant from any of the requirements of I.C. §§ 61-901 and 61-902, and of Rules 141 through 146 (IDAPA 31.01.01.141 through .146) to the extent needed for the Commission to issue such authorization on December 13, 2022.

Avista explains that over several days prior to the date of this application, it has seen gas and power prices spike 5 to 8 times higher than normal, which has led to significant margin calls associated with future commodity sales and hedging arrangements. That, in turn, has placed pressure on Avista's available liquidity. With anticipated cold weather throughout the western United States in coming days these conditions may persist. Avista states that it will use the proceeds of the new debt issuances to meet its short-term liquidity obligations and for other general corporate purposes set forth in I.C. § 61-901.

STAFF REVIEW

Commission Staff reviewed Avista's Application. Based on that review, Staff recommended the Commission allow Avista to issue \$250,000,000 of debt securities as requested. Staff recommended granting the Application on an expedited basis as requested to allow Avista to meet its immediate liquidity obligations.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

The Commission finds that Avista Corporation is a Washington corporation that is 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 the purchase, distribution, and sale of natural gas. The Company is a natural 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 under *Idaho Code* § 61-901, *et seq.*

Avista's Application reasonably conforms to Rules 141 through 150 of the Commission's Rules of Procedure (IDAPA 31.01.01.141-150), including Rule 145 governing the requirements for seeking expedited Commission action, and Avista has paid all fees required by *Idaho Code* § 61-905.

The proposed issuance is for a lawful purpose, is within Avista's corporate powers, and is compatible with the public interest.

To the extent the Application or any of the Proposed Financings does not comply with any requirement of *Idaho Code* § 61-901 through 909, the public interest does not require compliance with such requirement with respect to the Proposed Financings. On the contrary, the public interest is served by authorizing Avista to enter the Proposed Financings quickly in order to meet its short-term liquidity obligations.

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 or 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.

ORDER

IT IS HEREBY ORDERED that Avista's Application for authority to issue up to \$250,000,000 of Debt Securities is granted.

IT IS FURTHER ORDERED that Avista's Application reasonably conforms to Rules 141 through 150 of the Commission's Rules of Procedure (IDAPA 31.01.01.141-150), including Rule 145 governing the requirements for seeking expedited Commission action, and that the public interest does not require application of any requirement of *Idaho Code* §§ 61-901 through 61-909 to the extent inconsistent with the authorization requested in the Application.

IT IS FURTHER ORDERED that Avista shall file the following as they become available:

1. The "Report of Securities Issued" required by 18 C.F.R. § 34.10; and
2. Verified copies of any agreement entered into in connection with the Company's entry into each of the Proposed Financings.

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

IT IS FURTHER ORDERED that nothing in this Order or any act or deed performed in connection with this Order 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 this Order.

IT IS FURTHER ORDERED that this authorization is without prejudice to the Commission's regulatory authority regarding rates, service, accounts, evaluation estimates or determination of costs or any other matter which may come before the Commission pursuant to its jurisdiction and authority as provided by law.

THIS IS A FINAL ORDER. Any person interested in the Order (or in issues decided by this Order) may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order and in this case. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* §§ 61-626 and 62-619.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this ___ day of
December, 2022.

_____, PRESIDENT

_____, COMMISSIONER

_____, COMMISSIONER

ATTEST:

Commission Secretary