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IDAHO PUBLIC
UTILITIES COMMISSION
CASE NO. AVU-U-23-02

June 30, 2023

State of Idaho
Idaho Public Utilities Commission
Statehouse
Boise ID 83720

Attention: Jan Noriyuki, Secretary

Transmitted herewith is one executed copy of an application for approval of an order authorizing security issuance.

The Company requests to receive an Order of Approval from the Commission by July 31, 2023. When complete, please send the executed copy of the Order of Approval to:

Mr. Jason Lang, Director of Finance
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 Carly Guillory at 509-495-2708.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason E. Lang", is positioned below the word "Sincerely,".

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

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) CASE NO. _____
up to 4,000,000 shares of Common Stock _____)

Application is hereby made to the Idaho Public Utilities Commission (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 4,000,000 authorized but unissued shares of its Common Stock. The requested authority is in addition to the previously granted by the Commission for the issuance and sale of Common Stock in Order No. 35373 in Case No. AVU-U-22-01 entered April 19, 2022 under which 844,787 shares remain authorized but unissued.

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:

Jason E. Lang, Assistant Treasurer
Avista Corporation
1411 East Mission Avenue, MSC-7
Spokane, Washington 99202-2600
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.

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 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 411,000 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 and governmental agencies.

The Applicant is also engaged in the distribution and sale of natural gas to approximately 377,000 residential, commercial and industrial customers in Northern Idaho, Eastern Washington and Central and Southwest Oregon.

(d) Description of securities, indebtedness or liabilities:

Pursuant to IDAPA 31.01.01 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 Idaho 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 (hereinafter called "Applicant") to issue up to 4,000,000 authorized but unissued shares of its Common Stock, (such shares being in addition to 3,500,000 shares previously authorized by the Commission on Order No. 35373, in Case No. AVU-U-22-01 entered April 19, 2022, under which 844,787 shares remain authorized but unissued, for a total of 4,844,787 additional shares).

Dated to Spokane, Washington, this 30th day of June 2023.

AVISTA CORPORATION

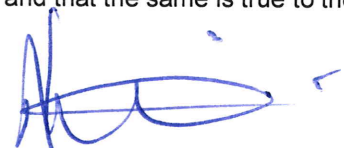
By


Kevin J. Christie
Senior Vice President, CFO, Treasurer, and
Regulatory Affairs Officer


STATE OF WASHINGTON)

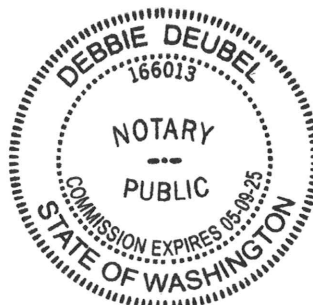
County of Spokane)

Kevin J. Christie, being duly sworn, under penalty of perjury deposes and says: That he is Senior Vice President, CFO, Treasurer, and Regulatory Affairs Officer of AVISTA CORPORATION; that he has read the foregoing application and knows the contents thereof; and that the same is true to the best of his own knowledge and belief.


Kevin J. Christie
Senior Vice President, CFO, Treasurer, and
Regulatory Affairs Officer

SUBSCRIBED AND SWORN to before me this
30th day of June 2023.


Notary Public for Washington



BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application of)	Application
AVISTA CORPORATION)	
for an order establishing compliance)	Docket No.
with RCW 80.08.040 with respect to Proposed)	
Issuance of up to 4,000,000 additional)	
<u>shares of common stock</u>)	

Avista Corporation (hereinafter called "Applicant") hereby requests the Washington Utilities and Transportation Commission to enter a written order authorizing the Applicant to issue and sell up to 4,000,000 authorized but unissued shares of its Common Stock, from time to time, utilizing one or more potential methods to issue shares including, but not limited to, a periodic offering program, direct sales or underwritten transactions, all for purposes permitted by and under the authority of RCW 80.08.030, and in compliance with the requirements of RCW 80.08.040. 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 April 14, 2022, in Docket No. U-220184, of which 844,787 shares remain authorized but unissued.

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 offering issuance and sale of Common Stock for one or more of the following purposes: (a) investments in the Applicant's utility plant facilities to enhance service and system reliability, to replace aging infrastructure, and, generally, for the acquisition of property or the construction, completion, extension or improvement of its utility facilities, and improvement or maintenance of its utility service, all as contemplated in its current integrated resource plan as filed with the Commission, (b) the retirement of maturing long-term debt, the repayment of short-term debt and the discharge or refunding of other obligations, (c) the reimbursement of moneys actually expended from income or from any other moneys in the treasury of the Applicant for any of the purposes described in (a) and/or (b) above (to the extent permitted by RCW 80.08.040) and/or (d) such other purposes as may be permitted by law.

The purposes described in the preceding paragraph are allowed by RCW 80.08.030.

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

The Applicant proposes to issue up to 4,000,000 shares of authorized but unissued Common Stock of which the Company plans to offer and sell through its Periodic Offering Program, direct sales or underwritten transactions (such shares being in addition to 844,787 shares previously authorized by the Commission in Order No. 01., entered April 14, 2022 in Docket No. U-220184, that remain unissued, for a total of 4,844,787 additional shares).

Periodic Offering Program:

The Applicant proposes that Common Stock issued could be sold under its Periodic Offering Programs under which 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 on 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 would 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 would 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 would have experience in marketing securities similar to the Common Stock and would be familiar with the Applicant and the Applicant's long-term financing goals. The underwriter(s) would 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 would provide part of the financing necessary to allow the Applicant to carry out the purposes described in paragraph 1 above and, thus, to continue to conduct its operations as an electric and gas utility company on a reliable basis for the benefit of its customers. Without such financing, the Applicant could not continue to conduct its operations as such. The issuance of Common Stock in lieu of debt securities should allow the Applicant to maintain and/or improve its debt to equity ratio and, accordingly, maintain and/or improve the ratings on its long term debt securities, which, in turn, should tend to reduce interest costs of such debt securities, all for the benefit of the Applicant's customers. Accordingly, the Applicant believes that 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 for an order is attached hereto as "Exhibit A".

Wherefore, the undersigned, an authorized agent of the Applicant, requests that the Washington Utilities and Transportation Commission issue an order as requested herein.

Done at Spokane, Washington this 30th day of June 2023.

By: _____




Kevin J. Christie
Senior Vice President, CFO, Treasurer
and Regulatory Affairs Officer

STATE OF WASHINGTON)
County of Spokane)

The undersigned certifies under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct to the best of my knowledge and belief, and that the proposed issuance of securities will be used for the purposes allowed by RCW 80.08.030.


Done at Spokane, Washington this 30th day of June 2023.

By:



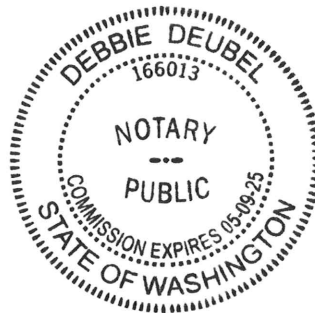
Kevin J. Christie
Senior Vice President, CFO, Treasurer and
Regulatory Affairs Officer

SUBSCRIBED AND SWORN to before me this
30th day of June 2023



Notary Public for Washington

My Commission Expires: 05-09-2025



PROPOSED ORDER

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) OF AVISTA CORPORATION TO ISSUE UP) TO 4,000,000 SHARES OF COMMON) STOCK)	CASE NO. ORDER NO.
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On June 30, 2023, Avista Corporation applied to the Idaho Public Utilities Commission for an Order allowing Avista to issue up to 4,000,000 shares of common stock. The requested authority is in addition to the authority previously granted by the Idaho Public Utilities Commission for the issuance and sale of Common Stock in Order No. 35373, in Case No. AVU-U-22-01 entered April 19, 2022, under which 844,787 shares remain authorized but unissued. The Commission’s Staff has reviewed the Application and recommends that the Commission approve the requested offering.

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.

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 asks the Commission to authorize it to issue and sell up to 4,000,000 shares of authorized but unissued common stock through Avista's Periodic Offering Program, direct sales or underwritten transactions (such shares being in addition to 3,500,000 shares previously authorized by the Commission in Order No. 35373, in Case No. AVU-U-22-01 entered April 19, 2022, under which 844,787 shares remain authorized but unissued). Avista explains that it would use the net proceeds from the issuances for one or more of the following purposes: (1) investments in the Applicant's utility plant facilities to enhance service and system reliability, to replace aging infrastructure and, generally, for the acquisition of property or the

construction, completion, extension or improvement of its utility facilities, and improvement of its utility service, all as contemplated in its current integrated resource plan as filed with the Commission, (2) the retirement of maturing long-term debt, the repayment of short-term debt and the discharge or refunding of other obligations, (3) the reimbursement of moneys actually expended from income or from other moneys in the treasury of the Applicant (to the extent not secured by or obtained from the issue, assumption or guarantee of securities) for any of the purposes described in (1) or (2) above and/or (4) such other purposes as may be permitted by law.

STAFF REVIEW

Commission Staff reviewed Avista's Application. Based on that review, Staff recommended the Commission allow Avista to issue and sell up to 4,000,000 shares of common stock, as requested. Staff observed the proposed issuance and sale of common stock would not significantly affect Avista's capital structure and would allow the Company to maintain its debt-to-equity ratio. Staff thus recommended the Commission approve the Application.

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), 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.

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 and sell up to 4,000,000 authorized but unissued shares of common stock is granted (such shares being in addition to 3,500,000 shares previously authorized by the Commission in Order No. 35373 in Case No. AVU-U-22-01 entered April 19, 2022, under which 844,787 shares remain authorized but unissued, for a total of 4,844,787 shares).

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 sales and issuances of common stock under this Order.

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 _____, 2023.

_____, PRESIDENT

_____, COMMISSIONER

_____, COMMISSIONER

ATTEST:

Commission Secretary