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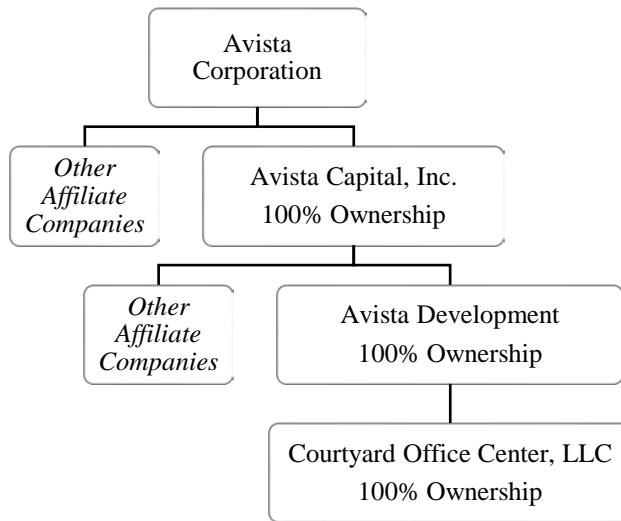
Amanda Maxwell
Executive Director and Secretary
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

**RE: UE-220854 – Avista Corporation Affiliated Interest Filing AMENDMENT
(Courtyard Office Center, LLC)**

Dear Ms. Maxwell:

Pursuant to RCW 80.16.020 and WAC 480-100-245, please find enclosed for electronic filing with the Washington Utilities and Transportation Commission (UTC or “Commission”) an Amended Restrictive Covenant (the “Amendment”) from Courtyard Office Center, LLC (CYOC), an affiliate of Avista Corporation (Avista or the “Company”). The original Restrictive Covenant was provided to the Commission on November 17, 2022 in Docket No. UE-220854, as Attachment C, along with a Grant of Amended Access Easement and Amended Utility Right-of-Way Easement (Attachments A and B, respectively); this docket was reviewed by Commission Staff and closed on January 12, 2023. The reason for this Amendment is to further protect the long-term interests of Avista in the event of a property sale. The Amendment achieves this by adding: (i) a revised definition of “redevelopment” to describe the types of activities subject to Avista’s approval, and (ii) limited indemnity language. With this filing, Avista hereby requests Commission approval of the Amendment (or otherwise take no action), attached hereto as Attachment A.

As illustrated by the organizational chart below, Avista Development, Inc., a subsidiary of Avista Capital, Inc., and, by extension, Avista Corporation, holds 100% ownership in CYOC. Consequently, CYOC is an affiliate.



Background

Avista Corporation is party to the Amended Consent Decree filed December 2, 1996, in State of Washington, Department of Ecology v. The Washington Water Power Company, Spokane County Superior Court Cause No. 94-2-05788-4 (the “Consent Decree”). Pursuant to its obligations under the Consent Decree, Avista has installed, and must operate, monitor, and maintain various remediation and monitoring equipment including, without limitation, groundwater monitoring wells, oil recovery well vaults, bioventing injection wells, bioventing extraction wells, piping, and stormwater catch basins (collectively, the “Remediation System”). Portions of the Remediation System are located at the Courtyard Office Center, at 817, 819, and 827 West 1st Avenue, Spokane, Washington 99201, respectively (the “Property”). The tax parcel numbers for the Property are as follows: 35192.0901, 35192.0902, and 35192.0903. Avista also has installed in an enclosed space in the parking garage at the Property – and must operate, monitor, and maintain – electronic controls over the Remediation System (“Control Room”). The Control Room is used to control the Remediation System throughout the site.

On November 17, 2022, Avista provided notice to the Commission that it was Avista’s intent to record with the Spokane County Auditor an Amended Access Easement, an Amended Utility Right-of-Way easement, and a Restrictive Covenant to ensure that Avista Corporation retains uninhibited access to the Remediation System and Control Room in order to continue fulfilling its obligations under the Consent Decree. The Company deemed these documents

necessary in the event of any potential sale of the Property to a non-Avista entity. The Amended Access Easement, an Amended Utility Right-of-Way easement, and a Restrictive Covenant are designed to run with the land, such that Avista Corporation will be able to operate, monitor, and maintain electronic controls for as long as necessary or required by the Consent Decree.

This Amendment, provided as Attachment A, modifies the original Restrictive Covenant by clarifying the definition of the term “redevelopment” to describe the types of activities requiring Avista approval, in addition to including additional indemnity provisions. These changes contain information that will, naturally, be included in any Purchase and Sale Agreement provided during the sale of the Property to a non-Avista entity, and are intended to further protect the Company’s long-term interests in the Property. No other provisions of the original Restrictive Covenant are changed with this filing. Avista believes this First Amendment to be reasonable and within the public interest as it simply allows Avista to continue to access to the Remediation System and Control Room so that the Company may continue fulfilling its obligations under the Consent Decree. There is no monetary consideration for this transaction, and no customer impact. Avista respectfully requests that the Commission complete its review of this Agreement and promptly notify the Company if it believes that the agreement is inconsistent with public interest.

Please direct any questions regarding this filing to Jaime Majure at 509-495-7839 or jaime.majure@avistacorp.com.

Sincerely,

A handwritten signature in black ink that reads "Patrick D. Ehrbar". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Patrick D. Ehrbar
Director of Regulatory Affairs

Enclosure