

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

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In the matter of the application of)	DOCKET NO. UE-001098
)	
AVISTA CORPORATION)	SECOND SUPPLEMENTAL
for an order establishing compliance)	ORDER ESTABLISHING
with Chapter 80.08 RCW)	COMPLIANCE WITH
.....)	RCW 80.08.040

BACKGROUND

- 1 The Commission, on August 30, 2000, entered its Order Establishing Compliance with Chapter 80.08 RCW in this docket with respect to Avista Corporation's (Avista or Company) proposed offering, issuance and sale of certain secured or unsecured bonds, notes and other evidences of indebtedness, for purposes permitted by law, in forms necessary or convenient to its operations, in a total amount of up to and including \$500,000,000 and for terms that may exceed 364 days.
- 2 The Commission, on January 11, 2001, entered its First Supplemental Order Establishing Compliance with Chapter 80.08 RCW in this docket. Avista sought modification of the existing Order in this docket to increase the short-term borrowing limits to \$700,000,000 outstanding at any one time. The Company stated the increase was necessary due to the construction of a new generating facility with an approximate cost of \$200,000,000.
- 3 By application filed April 18, 2001, Avista seeks to modify the existing Order in this docket to increase the short-term borrowing limits to \$800,000,000 outstanding at any one time. The Company states that this increase of \$100,000,000 is necessary to allow greater flexibility in its borrowing and financial commitments.
- 4 RCW 80.08.040 requires the Company to file certain information with the Commission and authorizes the Company, at its option, to request the Commission to enter an order that the Company has complied with the requirements of the statute. The Company has filed the information required by the statute and has requested that the Commission confirm that the Company has complied with the requirements of Chapter 80.08.040 RCW.
- 5 This matter was brought before the Commission at its April 25, 2001, regularly scheduled open meeting. The Commissioners, having been fully advised in the matter, and having determined the following order to be consistent with RCW 80.08.040 directed the Secretary to enter the following order and related provisions.

FINDINGS

THE COMMISSION FINDS:

- 6 Avista Corporation, a Washington corporation, is a public service company subject to the jurisdiction of this Commission under the provisions of Chapter 80.08 RCW.
- 7 As to form, the application herein meets the requirements of Chapter 80.08 RCW and the rules and regulations of the Commission adopted pursuant thereto.
- 8 The Company's application in this Docket contains (a) a description of the purposes for which the proposed Securities will be issued along with certification by an authorized officer that the proceeds from this financing will be used for the purpose allowed by Chapter 80.08 RCW; (b) a description of the proposed issuance, including the terms of financing; and (c) a statement as to why the proposed transactions are in the public interest.
- 9 An order consistent with the above findings should be entered.

ORDER

THE COMMISSION ORDERS:

- 10 Avista Corporation is in compliance with the requirements of Chapter 80.08.040 RCW.
- 11 Avista Corporation shall file, as soon as available:
- a. The Report of Securities Issued required by WAC 480-146-230.
 - b. Verified copies of any agreement entered into in connection with any transaction pursuant to this order.
- 12 This order shall in no way affect the authority of this Commission over rates, services, accounts, valuations, estimates or determination of costs, or any matters whatsoever that may come before it, nor shall anything herein be construed as an acquiescence in any estimate or determination of costs, or any valuation of property claimed or asserted.

DATED at Olympia, Washington, and effective this 25th day of April, 2001.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary