

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of

AVISTA CORPORATION d/b/a  
AVISTA UTILITIES,

Petitioner,

For an Order Establishing Compliance  
with RCW 80.08.040, with Respect to  
Avista's Proposal to issue up to  
\$500,000,000 of debt securities under a  
credit facility

DOCKET U-210163

ORDER 01

ESTABLISHING COMPLIANCE  
WITH RCW 80.08.040,  
SECURITIES

**BACKGROUND**

- 1 On March 10, 2021, Avista Corporation d/b/a Avista Utilities (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) a statement of a planned securities issuance and application (Application) for an order affirming compliance with RCW 80.08.040. In its Application, Avista proposes to amend, amend and restate, or replace its current credit facility with a revolving credit facility under which Avista may borrow an aggregate principal amount of up to \$500,000,000 at any time outstanding, with an initial term of up to five years, and including an option to extend the initial term prior to its expiration for up to two additional years, and in connection therewith to issue certain secured or unsecured bonds (including First Mortgage Bonds issued under Avista Corporation Mortgage and Deed of Trust, dated June 1, 1939, as amended and supplemented), notes, and other evidences of indebtedness under the credit facility for the purposes permitted by and under the authority of RCW 80.08. The Application is filed pursuant to RCW 80.08.040.
- 2 Avista filed with its Application: (1) a certification by an authorized officer that the proceeds will be used for one or more purposes allowed by RCW 80.08.030; (2) a description of the proposed issuance, including the terms of financing; and (3) a statement as to why the proposed sale of securities is in the public interest. The Company reports that it has an existing credit facility that will expire in April of 2022, and contends that the proposed issuance is in the public interest because the proceeds will be used to finance the cost of acquiring, constructing, improving, and maintaining its facilities.

3 Commission staff (Staff) reviewed the Company's Application and determined that it meets the requirements set out in RCW 80.08.040. Accordingly, Staff recommends the Commission grant the Company's Application and issues an order finding that the Company has complied with RCW 80.08.040.

### DISCUSSION

4 We grant Avista's Application for an order finding that its planned securities issuance complies with RCW 80.08.040. The statute requires that a regulated utility, prior to issuing a security, must file with the Commission:

- (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 financing is for one or more of the purposes allowed by RCW 80.08.030;<sup>1</sup>
- (2) A description of the proposed issuance, including the terms of financing; and
- (3) A statement as to why the transaction is in the public interest.

5 RCW 80.08.040 further provides that any utility that makes such a filing may request the Commission to enter a written order establishing that the utility has complied with the requirements set out above. The statute requires the Commission to enter such an order when the utility has provided all information and statements as required.

6 We agree with Staff and find that Avista has satisfied the statutory requirements. The Company's planned securities issuance includes a description of the purposes for which the issuance is made, including a certification by an authorized officer that the proceeds will be used for one or more purposes allowed by RCW 80.08.030; a description of the proposed issuance, including the terms of financing; and a statement as to why the proposed sale of securities is in the public interest. Accordingly, we grant the Company's Application.

### FINDINGS AND CONCLUSIONS

- 7 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts,

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<sup>1</sup> RCW 80.08.030 provides that a public service company may issue stock for a limited number of purposes, including the construction, completion, extension, or improvement of its facilities, or the improvement or maintenance of its service.

securities, transfers of property, and affiliated interests of public service companies, including electric and natural gas companies.

- 8 (2) Under RCW 80.08.020, the power of public service companies to issue stocks and stock certificates or other evidence of interest or ownership, and bonds, notes and other evidences of indebtedness and to create liens on their property situated within the State of Washington is a special privilege, the right of supervision, regulation, restriction, and control of which is and shall continue to be vested in the State, and such power shall be exercised as provided by law and under such rules and regulations as the Commission may prescribe.
- 9 (3) 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.
- 10 (4) On March 10, 2021, Avista filed with the Commission a statement of a planned securities issuance and Application for an order affirming compliance with RCW 80.08.040. The Application includes: (1) a certification by an authorized officer that the proceeds will be used for one or more purposes allowed by RCW 80.08.030; (2) a description of the proposed issuance, including the terms of financing, and (3) a statement as to why the proposed in the public interest, consistent with the requirements set out in RCW 80.08.040.
- 11 (5) After reviewing the information and application Avista filed in Docket U-210163 on March 10, 2021, and giving due consideration, the Commission finds that Avista complies with RCW 80.08.040.

## ORDER

### THE COMMISSION ORDERS:

- 12 (1) Avista Corporation d/b/a Avista Utilities has complied with the requirements of RCW 80.08.040 with respect to the proposal in its application to amend, or amend and restate, or replace its current credit facility with a revolving credit facility under which the Company may borrow up to \$500,000,000 in aggregate principal amount at any time outstanding, with an initial term of up to five years, and including an option to extend the initial term prior to its expiration for up to two additional years, and in connection therewith to offer, issue, and sell certain

secured or unsecured bonds, notes, and other evidences of indebtedness, for purposes permitted by and under the authority of RCW 80.08.

- 13 (2) 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 May 6, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK JOHNSON,  
Executive Director and Secretary