



**Avista Corp.**

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Telephone: 800-727-9170

***VIA: UTC Web Portal***

April 21, 2020

Mark L. Johnson  
Executive Director and Secretary  
Washington Utilities & Transportation Commission  
621 Woodland Square Loop SE  
Lacey, WA 98503

**Re: Docket U-200126 - Supplemental information regarding Avista Corporation's Intended Financing**

Dear Mr. Johnson,

On March 26, 2020, the Commission issued Order No. 01 in the above-referenced docket, affirming Avista Corporation's compliance with the notice requirements of RCW 80.08.040 with respect to a credit facility of up to \$500,000,000 and with a term of up to five (5) years, and with an extension for up to two (2) additional years. Due to the recent impact of COVID-19 on the financial markets, the current market conditions and current pricing are such that it is not presently fiscally advantageous to commit to a long term, five (5) year credit facility. Instead, Avista now intends to amend, amend and restate, or replace the existing credit facility with a shorter term of one (1) year, with an option to extend one (1) additional year, and subject to different rates and fees than presented in the original application.

The purposes of the debt issuance, public interest in the proposed financing, and uses of the proceeds remain unchanged from Avista's original application filed in this docket on February 26, 2020. The terms of the financing also remain the same, except for the new, shorter term as described, and the following new estimated fees and borrowing spreads based on Avista's current senior secured debt rating:

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Pricing Level	Facility Fee	Eurodollar Margin <sup>(1)</sup>	ABR Margin <sup>(2)</sup>	LC Participation Fee
I	0.125%	0.875%	0.000%	0.875%
II	0.150%	0.975%	0.000%	0.975%
III	0.175%	1.075%	0.000%	1.075%
IV	0.225%	1.150%	0.000%	1.150%
V	0.250%	1.250%	0.000%	1.250%
VI	0.300%	1.450%	0.000%	1.450%

<sup>1</sup> Eurodollar Margin applies for borrowings with a term of at least two weeks. The rate will be the applicable LIBOR rate plus the Eurodollar Margin.

<sup>2</sup> Alternate Base Rate Margin applies for borrowings of less than two weeks. The rate is reset daily to whichever is the greatest of (a) Prime Rate, (b) the Federal Funds Rate plus the Base Rate Margin, (c) 30 day LIBOR rate plus 1.00%.

Pricing has been impacted by the COVID-19 pandemic. Please see Exhibit A for existing facility pricing and current market pricing information.

This letter contains the information required by RCW 80.08.040 with respect to Avista's current plan of financing. Avista is not requesting a new Commission order. 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 Chapter 80.08 RCW.

Finally, given constraints from working at home, it is difficult to obtain an official notarized verification. That said, I certify (or declare) under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

If you have any questions regarding this filing, please contact Patrick Ehrbar at (509) 495-8620.

Sincerely,

/s/ *David J. Meyer*

David J. Meyer  
Vice President, Chief Counsel for Regulatory  
& Governmental Affairs

Enclosures