



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 7<sup>th</sup> day of April 2021.

By: \_\_\_\_\_



Mark T. Thies  
Executive Vice President, CFO, and  
Treasurer

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 7<sup>th</sup> day of April 2021.

By:



Mark T. Thies  
Executive Vice President, CFO and Treasurer

SUBSCRIBED AND SWORN to before me this  
7<sup>th</sup> day of April 2021

RaeAn Cornell

Notary Public for Washington

My Commission Expires: 1-30-2022

