

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the matter of the request of)
AVISTA CORPORATION)
for an order establishing compliance)
with Chapter 80.08.040 RCW)

Amended Application

Docket No.

Avista Corporation (hereinafter called "Applicant") hereby requests the Washington Utilities and Transportation Commission to enter a written order establishing that the proposed issuance by the Applicant of up to 10,000,000 authorized but unissued shares of its Common Stock per Article II Section 2.1(a) of the Agreement and Plan of Merger Agreement between Hydro One Ltd (US Parent) and Avista Corporation is in compliance with the requirements of Chapter 80.08 RCW. The requested authority is contingent upon the approval of the merger in Docket U-170970.

The following information is furnished in support of this application, in accordance with the requirements of RCW 80.08.040:


(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 Securities Are For One Or More of the Purposes Allowed By Chapter 80.08 RCW.

The Applicant proposed to issue up to 10,000,000 shares of authorized but unissued Common Stock of which the Applicant plans to issue to the US Parent or as directed by the US Parent.

Article II, Section 2.1(a) of the Agreement and Plan of Merger states, "The shares will be issued in consideration for the US Parent paying or causing to be paid the Merger Consideration."

The undersigned certifies that he has read the foregoing information with respect to the proposed use of funds and knows the contents thereof and that the same are true to the best of his own knowledge or belief.

Done at Spokane, Washington this 9th day of November, 2018.

By: 
Mark Thies
Senior Vice President, CFO, and
Treasurer

(2) A Description of the Proposed Issuance Including the Terms of Financing.

See Section (1)

(3) Statement As To Why The Transaction Is In the Public Interest.

This transaction falls within the stated purpose, is necessary to effectuate the merger transaction and is in the public interest because the merger transaction to which this application relates provides benefits to customers as described in U-170970. As a result of the merger Avista will be retiring and canceling all currently issued shares. Hydro One will need to hold new shares as a shareholder. Once the merger is effectuated Avista will issue the shares to Hydro One. This authority in place at the time of closing is necessary.

(4) Text of a Draft Order Granting Applicant’s Request for an Order.

BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application of)	DOCKET U-XXXXXX
)	
AVISTA CORPORATION dba AVISTA)	ORDER 01
UTILITIES,)	
)	
Petitioner,)	
)	
For an Order Establishing Compliance with)	ORDER ESTABLISHING COMPLIANCE
the Provisions of RCW 80.08.040, with)	WITH RCW 80.08.040, RELATING TO
Respect to its Proposal to issue up to)	SECURITIES ISSUANCE
10,000,000 shares of Common Stock.)	
.....)	

BACKGROUND

On November 9th, 2018, the Applicant, filed an application with the Commission for an order establishing compliance under the provisions of Chapter 80.08.040 RCW, contingent upon the approval of the merger transaction in Docket U-170970. In its application, the Applicant’s proposed issuance of Common Stock, for purposes permitted by law in a total amount of up to and including 10,000,000 authorized but unissued shares of Common Stock.

According to Avista’s application and supporting documents, the proceeds of the financing are for one or more of the purposes allowed by RCW 80.08.030.

FINDINGS AND CONCLUSIONS

1. The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric and natural gas companies. *RCW 80.01.040, RCW 80.04, RCW 80.08, RCW 80.12, RCW 80.16 and RCW 80.28.*
2. The Applicant, 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.
3. The application Avista filed meets the requirements of *RCW 80.08* which concern the issuance of securities by public service companies.
3. The 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.
4. An order finding the application and the proposed issuance of Common Stock by the Applicant is in compliance with the requirements of Chapter 80.08 RCW should be entered.

ORDER

THE COMMISSION ORDERS:

1. The application filed by Avista Corporation, and the proposed issuance of Common Stock by Avista Corporation as described in the application is in compliance with the requirements of Chapter 80.08 RCW.
2. Avista Corporation is directed to file a Report of Securities Issued as required by WAC 480-110-565. Avista Corporation is also required to file verified copies of any agreement entered into in connection with any transaction pursuant to this Order. Finally, Avista Corporation shall file a verified statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to this Order.

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, or otherwise limit the discretion of the commission to approve the merger in Docket NO. U-170970, with or without conditions, or to reject 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.

DONE at Olympia, Washington, and effective this 9th day of November 2018.


WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Mark Johnson, Executive Secretary

Avista, having provided herewith all information and statements required by RCW 80.08.030, WAC 480-100-242 (1)-(4) and WAC 480-90-242 (1)-(4), respectfully request an order affirming compliance with such requirements as part of this planned securities transaction.

Done at Spokane, Washington this 9th day of November, 2018.

AVISTA CORPORATION

By:  _____
Mark Thies
Senior Vice President, CFO, and
Treasurer