BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application of AVISTA CORPORATION for an order establishing compliance with RCW 80.08.040 with respect to Proposed Issuance of up to 3,000,000 additional shares of common stock Application

Docket No.

Avista Corporation (hereinafter called "Applicant") hereby requests the Washington Utilities and Transportation Commission to enter a written order authorizing the Applicant to issue and sell up to 3,000,000 authorized but unissued shares of its Common Stock, from time to time, utilizing one or more potential methods to issue shares including, but not limited to, a periodic offering program, direct sales or underwritten transactions in, all for purposes permitted by and under the authority of RCW 80.08, and confirming compliance with the requirements of RCW 80.08.030. The requested authority is in addition to the authority previously granted by the Washington Utilities and Transportation Commission for the offering, issuance and sale of Common Stock under Order No. 01, entered March 28, 2019, in Docket No. U-190090, of which 1,265,611 shares remain authorized but unissued.

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 will use the proceeds from the proposed offering issuance and sale of Common Stock for one or more of the following purposes:(a) investments in the Applicant's utility plant facilities to enhance service and system reliability, to replace aging infrastructure, and, generally, for the acquisition of property or the construction, completion, extension or improvement of its utility facilities, and improvement or maintenance of its utility service, all as contemplated in its then-current integrated resource plan as filed with the Commission, (b) the retirement of maturing long-term debt, the repayment of short-term debt and the discharge or refunding of other obligations, (c) the reimbursement of moneys actually expended from income or from any other moneys in the treasury of the Applicant for any of the purposes described in (a) and/or (b) above (to the extent permitted by RCW 80.08.030), (d) and or such other purposes as may be permitted by law.

The purposes described in the preceding paragraph are allowed by RCW 80.08.030.

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

The Applicant proposes to issue up to 3,000,000 shares of authorized but unissued Common Stock of which the Company plans to offer and sell through its Periodic Offering Program, direct sales or underwritten transactions (such shares being in addition to 1,265,611 shares previously authorized by the Commission in Order No. 01., entered March 28, 2019 in Docket No. U-190090, that remain unissued, for a total of 4,265,611 additional shares).

Periodic Offering Program:

The Applicant proposes that Common Stock issued could be sold under its Periodic Offering Programs, under which the price per share to be paid to the Applicant shall be at or based upon market prices prevailing at the time of sale; provided, however, that the price per share to be paid to the Applicant (before any commission to be paid to agents) shall not be less than an amount equal to the last sale price at which the Applicant's Common Stock was quoted or the record of composite quotations reported by The Wall Street Journal (the "Reported Last Sale Price") on the business day immediately preceding the day such price is determined minus \$0.25; and provided, further, that such price per share (after any

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 7th day of April 2021.

Bv:

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 7th day of April 2021.

By:

2

Mark T. Thies Executive Vice President, CFO and Treasurer

SUBSCRIBED AND SWORN to before me this $7\frac{1}{2}$ day of $\frac{Ap_1}{2}$ 2021

Cornel RAEAN CORNELL Notary Public for Washington Notary Public Sta'e of Washington My Commission Expires: 1-30-2022 My Appointment Expires Jan 30. 2022

)

)