



3 In all series' issuances, the terms for the sale of each series will be determined at  
the time of issuance, and underwriters, agents, or other purchasers will be  
selected at that time.

4 In its application, the Company states that the requested authority, without  
specifying the terms and condition under which it will sell the new common  
equity, provides greater flexibility to the Company in managing this source of  
external funds in order to achieve the lowest possible financing costs. The  
Company asserts that broad authority to issue common stock when market  
conditions are most favorable enables it to manage its debt and capital structure  
in a more efficient manner. The Company asserts that its request is in the public  
interest.

### FINDINGS AND CONCLUSIONS

5 (1) Avista is engaged in the business of providing electric service and natural  
gas service within the state of Washington. As a public service company,  
it is subject to the jurisdiction of the Commission under the provisions of  
Chapter 80.08 RCW.

6 (2) As to form, the application herein meets the requirements of Chapter 80.08  
RCW and the rules and regulations of the Commission adopted pursuant  
thereto. *Chapter 480-90/100 WAC.*

7 (3) This matter was brought before the Commission at its regularly scheduled  
meeting on December 28, 2005.

8 (4) The Company's application in this Docket contains: (a) a certification by  
an authorized officer that the proceeds will be used for one or more

purposes allowed by RCW 80.08.030; (b) a description of the proposed issuance, including the terms of financing, and (c) a statement as to why the proposed transaction is in the public interest.

## ORDER

### THE COMMISSION ORDERS:

- 9 (1) Avista Corporation has complied with the requirements of RCW 80.08.040 with respect to the proposals set forth in its application to sell up to and including 7,000,000 authorized but unissued shares of its Common Stock.
- 10 (2) Avista Corporation is directed to file a Report of Securities Issued as required by WAC 480-146-340. The Company is also required to file verified copies of any agreement entered into in connection with any transaction pursuant to this Order. Finally, the Company shall file a verified statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to this Order.
- 11 (3) This Order shall in no way affect the authority of this Commission over rates, services, accounts, valuations, estimates, or determination of costs, or any matters whatsoever that may come before it, nor shall anything herein be construed as acquiescence in any estimate or determination of costs, or any valuation of property claimed or asserted.

The Commissioners, having determined this filing complies with the requirements of Chapter 80.08 RCW, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective this 28<sup>th</sup> day of December, 2005.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary