

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of

AVISTA CORPORATION, d/b/a
AVISTA UTILITIES,

Petitioner,

For an Order Establishing Compliance
with the Provisions of RCW 80.08.040,
with Respect to its Proposal to issue up to
\$500,000,000 of securities in connection
with a credit facility.

DOCKETS U-200126

ORDER 01

ESTABLISHING COMPLIANCE
WITH RCW 80.08.040,
SECURITIES

BACKGROUND

- 1 On February 26, 2020, Avista Corporation, d/b/a Avista Utilities, (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) a statement of a planned securities issuance and application (Application) for an order affirming that the Company's filing has complied with the requirements of RCW 80.08.040. In its Application, Avista proposes to amend, amend and restate, or replace a credit facility of up to \$500,000,000 with a term of up to five years, subject to extension for up to two additional years.
- 2 Avista filed with its Application: (1) a certification by an authorized officer that the proceeds will be used for one or more purposes allowed by RCW 80.08.030; (2) a description of the proposed issuance, including the terms of financing; and (3) a statement as to why the proposed sale of securities is in the public interest.
- 3 Avista reports that it has an existing credit facility that will expire in April 2021, and contends that the securities issuance is in the public interest because the requested authority will allow the Company to maintain its primary source of liquidity and continue to manage its daily cash needs.
- 4 Commission staff (Staff) reviewed Avista's Application and determined that it meets the requirements set out in RCW 80.08.040. Accordingly, Staff recommends the Commission grant the Company's Application and issue an order finding that the Company's filing has complied with RCW 80.08.040.

DISCUSSION

5 We grant Avista's Application for an order finding that its filing complies with RCW 80.08.040. The statute requires that a regulated utility, prior to issuing a security, must file with the Commission:

- (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 financing is for one or more of the purposes allowed by RCW 80.08.030;
- (2) A description of the proposed issuance, including the terms of financing; and
- (3) A statement as to why the transaction is in the public interest.

6 RCW 80.08.040 further provides that any utility that makes such a filing may request the Commission to enter a written order establishing that the utility has complied with the requirements set out above. The statute requires the Commission to enter such an order when the utility has provided all information and statements as required.

7 We agree with Staff and find that Avista has satisfied the statutory requirements. The Company's filing includes a description of the purposes for which the planned securities issuance is made, including a certification by an authorized officer that the proceeds will be used for one or more purposes allowed by RCW 80.08.030; a description of the proposed issuance, including the terms of financing; and a statement as to why the proposed sale of securities is in the public interest. We also agree that allowing the Company to maintain a primary source of liquidity for maintaining daily cash flow needs is within the public interest. Accordingly, we grant the Company's Application.

FINDINGS AND CONCLUSIONS

- 8 (1) The 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.
- 9 (2) Avista is engaged in the business of providing electric and natural gas service within the state of Washington. As a public service company, it is subject to Commission jurisdiction.

- 10 (3) On February 26, 2020, Avista filed with the Commission a statement of a planned securities issuance and Application for an order affirming compliance with RCW 80.08.040. The Application includes: (1) a certification by an authorized officer that the proceeds will be used for one or more purposes allowed by RCW 80.08.030; (2) a description of the proposed issuance, including the terms of financing, and (3) a statement as to why the proposed is in the public interest, consistent with the requirements set out in RCW 80.08.040.
- 11 (4) After reviewing the information and application Avista filed in Docket U-200126 on February 26, 2020, and giving due consideration, the Commission finds that Avista's Application complies with the requirements of RCW 80.08.040 and should be approved.

ORDER

THE COMMISSION ORDERS:

- 12 (1) Avista Corporation, d/b/a Avista Utilities, has complied with the requirements of RCW 80.08.040 with respect to the proposal in its Application to amend, amend and restate, or replace its current credit facility with a credit facility of up to \$500,000,000 with a term of up to 5 years, subject to extensions not to exceed two additional years, and in connection therewith to offer, issue, and sell certain secured or unsecured bonds, notes, and other evidences of indebtedness.
- 13 (2) 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. 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.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective March 26, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Mark L. Johnson

MARK L. JOHNSON

Executive Director and Secretary