

**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
\$250,000,000 of additional debt securities.

DOCKET UE-220916

ORDER 01

ESTABLISHING COMPLIANCE
WITH RCW 80.08.040,
SECURITIES

BACKGROUND

- 1 On December 12, 2022, 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 for an order affirming compliance with RCW 80.08.040 (Application). In its Application, Avista proposes to issue up to \$250,000,000 of additional debt securities with a term of less than one year (the Proposed Financings). The Application is filed pursuant to RCW 80.08.040.
- 2 The requested authority to consummate the Proposed Financings is in addition to all authority previously granted by the Commission for the issuance of debt securities or the incurrence of other indebtedness under previous applications.
- 3 According to Avista’s Application, each of the anticipated Proposed Financings, standing alone, would be exempt as short-term debt under RCW 80.08.043 and the definition of “Securities” in WAC 480-90-242 and WAC 480-100-242 from the requirement that the Applicant file notice under RCW 80.08.040, WAC 480-90-242(1), and WAC 480-100-242(1). However, the Proposed Financings, “together with all other . . . outstanding notes and drafts of a maturity of twelve months or less on which [Applicant] is primarily or secondarily liable” may exceed “five percent of the par value of other securities of [Applicant] outstanding” at the time it enters into the Proposed Financings, in which case the short-term debt exemption would not apply.
- 4 According to Avista’s Application, the proceeds of the financings are for one or more of the purposes allowed by RCW 80.08.030

5 Commission staff (Staff) reviewed the Company's Application and determined that it meets the requirements set out in RCW 80.08.030. Accordingly, Staff recommends the Commission grant the Company's Application and issue an order finding that the Company has complied with RCW 80.08.030.

DISCUSSION

6 We grant Avista's Application for an order finding that its planned securities issuance 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;¹
- (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.

7 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.

8 We find that Avista has satisfied the statutory requirements. The Company's planned securities issuance includes a description of the purposes for which the 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. Accordingly, we grant the Company's Application.

FINDINGS AND CONCLUSIONS

9 (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,

¹ RCW 80.08.030 provides that a public service company may issue stock for a limited number of purposes, including the construction, completion, extension, or improvement of its facilities, or the improvement or maintenance of its service.

securities, transfers of property and affiliated interests of public service companies, including electric and natural gas companies.

- 10 (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.
- 11 (3) On December 13, 2022, 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 in the public interest, consistent with the requirements set out in RCW 80.08.040.
- 12 (4) After reviewing the information and application Avista filed in Docket UE-220916 on December 13, 2022, and giving due consideration, the Commission finds that Avista is in compliance with RCW 80.08.040.

ORDER

THE COMMISSION ORDERS:

- 13 (1) Avista Corporation d/b/a Avista Utilities is in compliance with the requirements of RCW 80.08.040 with respect to the proposal to issue up to \$250,000,000 of additional unsecured debt, as provided in the Application.
- 14 (2) Avista Corporation d/b/a Avista Utilities is directed to file a Report of Securities Issued as required by WAC 480-100-262, and WAC 480-90-262. Avista Corporation d/b/a Avista Utilities is also required to file verified copies of any agreement entered into in connection with any transaction pursuant to this Order. Finally, Avista Corporation d/b/a Avista Utilities shall file a verified statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to this Order.
- 15 (3) 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.

16 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 December 22, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Amanda Maxwell
Executive Director and Secretary