



April 14, 2020

Public Utility Commission of Oregon
Administrative Hearings Division
3930 Fairview Industrial Dr SE
Salem, Oregon 97302-1166

Attention: Tariffs and Data Analysis
Utility Program

Re: UF 4315 Amended Finance Application

Transmitted herewith is one executed copy of an application for approval of an order authorizing security issuance.

The application contains as much information as is presently known. As other applicable data or updated documents become available, they will be forwarded to your attention.

The Company requests to receive an Order of Approval from the Commission by May 14, 2020. When complete, please send the executed copy of the Order of Approval to:

Jason E. Lang
Avista Corporation
1411 East Mission Avenue
Spokane WA 99202-2600

If any questions arise or additional information is needed, please do not hesitate to contact Megan Thilo at 509-495-2149.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason E. Lang", is positioned above the typed name and title.

Jason E. Lang
Assistant Treasurer

Enclosures

**BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON**

In the Matter of the Application of)	
AVISTA CORPORATION)	AMENDED APPLICATION And Motion
To Amend Order 20-069)	to Amend UF-4315
for an amended Order 20-069 authorizing a Credit)	
<u>Facility not to exceed \$500,000,000</u>)	

Avista Corporation (hereinafter called the "Applicant") hereby requests an amendment to Order 20-069, based on this Amended Application, in order to reflect changed conditions in the credit markets as a result of COVID-19. On March 10, 2020, the Commission issued Order 20-069, approving a credit facility of up to \$500,000,000 and with a term of up to five (5) years, and with an extension of two (2) one year terms. Due to the recent impact of COVID-19 on the financial markets, the current market conditions and current pricing is such that it is not presently fiscally prudent to commit to a long term, five (5) year credit facility. The Applicant requests an amendment of this current authority to replace the five (5) year term (with extensions) with a shorter term of one (1) year, with an option to extend one (1) additional year. Because the Company wishes to exercise this authority to enter into the above-described credit facilities on or before May 31st, of this year, the Company requests expedited consideration under OAR 860-001-0420; to that end, it has contacted all parties to this Docket (Staff) and no party objects to expedited consideration. The Company so certifies. The following contains the information required by OAR 860-027-0030 and -0043, either by reference to the Company's original Application filed on February 26, 2020, or by additional documentation.

1. Required information:

(a) The name and address of the Applicant is Avista Corporation, 1411 East Mission Avenue, Spokane WA 99202-2600.

(b) The Applicant was incorporated in Washington Territory (now the State of Washington) on March 15, 1889. The term of incorporation is perpetual. The Applicant is a public utility, which currently owns and operates property in Eastern Washington, Northern Idaho, Western Montana, and Central and Southwestern Oregon.

(c) The name and address of the person authorized on behalf of the Applicant to receive notices and communications with respect to this Application is Mr. Jason Lang, Director of Finance, Avista Corporation, 1411 East Mission Avenue, Spokane, Washington, 99202-2600.

(d) The names and titles of the principal officers of the Applicant, all of whom maintain offices at 1411 East Mission Ave, Spokane, Washington, 99202, are as follows:

Dennis P. Vermillion	President & Chief Executive Officer
Mark T. Thies	Executive Vice President, Chief Financial Officer & Treasurer
Marian M. Durkin	Senior Vice President, Chief Legal Officer & Corporate Secretary
Jason R. Thackston	Senior Vice President, Energy Resources & Environmental Compliance Officer
Kevin J. Christie	Senior Vice President, External Affairs & Chief Customer Officer
Heather L. Rosentrater	Senior Vice President, Energy Delivery & Shared Services
Bryan A. Cox	Vice President, Safety & Human Resources
Gregory C. Hesler	Vice President, General Counsel & Chief Compliance Officer
Latisha D. Hill	Vice President, Community & Economic Vitality
James M. Kensok	Vice President, Chief Information Officer & Chief Security Officer
Ryan L. Krasselt	Vice President, Controller & Principal Accounting Officer
David J. Meyer	Vice President & Chief Counsel for Regulatory & Governmental Affairs
Edward D. Schlect Jr.	Vice President & Chief Strategy Officer
Jason E. Lang	Assistant Treasurer
Daniel L. Loutzenhiser	Assistant Treasurer
Susan Y. Fleming	Assistant Corporate Secretary

(e) Please refer to original Application item 1(e) in Docket UF-4315.

(f) Please refer to original Application item 1(f) in Docket UF-4315.

(g) Please refer to original Application item 1(g) in Docket UF-4315.

- (h) Full Description of Securities Proposed to be Issued. Overview: The Applicant has an existing credit facility that will expire in April of 2021. This existing credit facility provides the Applicant with \$400 million of liquidity and is its primary liquidity source for working capital and other corporate needs. The Company filed a recent Application (UF-4315), on February 26, 2020, to amend, or amend and extend or replace the existing credit facility for an initial term of five (5) years, with an option to extend the term up to two years. Due to the recent impact of COVID-19, the current market conditions and current pricing are such that it is not presently prudent to commit to a long term facility. Avista will seek later authority to enter into a five year agreement when the market is less volatile. The requested authority, however, will allow the Applicant to amend, or amend and restate, or replace its current credit facility with an amended, or an amended and restated, or a replacement revolving credit facility (the "Credit Facility").

The Credit Facility, under the amended authorization, will replace the existing credit facility of \$400,000,000 that expires in April of 2021, and will provide the Applicant with the continued ability to borrow and repay these amounts as needed for daily operational requirements. The Applicant, at its option, can rollover these borrowings at revised interest rates during the term of the Credit Facility without the initial borrowings being repaid in cash until the expiration of the term of the Credit Facility. The aggregate borrowings outstanding under the Credit Facility will be limited to \$500,000,000. Similar to the existing credit facility, interest will be charged under the Credit Facility at rates set by the tenure of the requested borrowings and the applicable interest rate spread. The Credit Facility will also include the ability to issue letters of credit, similar to the provisions of the existing credit facility. The Applicant anticipates that the Credit Facility will be secured by First Mortgage Bonds issued under the Applicant's Mortgage and Deed of Trust, dated as of June 1, 1939, as amended and supplemented. Substantially all of the Applicant's utility properties are subject to the lien of the Mortgage and Deed of Trust. The existing facility is similarly secured with First Mortgage Bonds.

Date of Issue and Maturity: The Applicant expects to execute documentation related to the Credit Facility during May of 2020, or soon thereafter. The Credit Facility is expected to have an initial term of one (1) year with an option to extend the term for an additional one (1) year if the Applicant and the banks agree.

- (i) Detailed Description of the Proposed Transaction. Please refer to original Application item 1(i) in Docket UF-4315, and Item (h) herein
- (j) Fees to Persons Other than Attorneys & Accountants. Compensation to any bank or agent for their services in connection with the handling of the Credit Facility is not expected to exceed 1%, including fees for co-lead arrangers (fee paid for organizing the syndication of the Credit Facility, expected to range from 0.075% to 0.10%) and upfront fees (fee paid for the banks' initial commitment of capital upon closing the Credit Facility, expected to range from 0.12% to 0.20%).

Pricing Level	Facility Fee	Eurodollar Margin ⁽¹⁾	ABR Margin ⁽²⁾	LC Participation Fee
I	0.125%	0.875%	0.000%	0.875%
II	0.150%	0.975%	0.000%	0.975%
III	0.175%	1.075%	0.000%	1.075%
IV	0.225%	1.150%	0.000%	1.150%
V	0.250%	1.250%	0.000%	1.250%
VI	0.300%	1.450%	0.000%	1.450%

¹ Eurodollar Margin applies for borrowings with a term of at least two weeks. The rate will be the applicable LIBOR rate plus the Eurodollar Margin.

² Alternate Base Rate Margin applies for borrowings of less than two weeks. The rate is reset daily to whichever is the greatest of (a) Prime Rate, (b) the Federal Funds Rate plus the Base Rate Margin, (c) 30 day LIBOR rate plus 1.00%.

As noted above the fees are based upon the Applicant's current senior secured debt rating. Pricing has been impacted by the COVID-19 pandemic. Please see Attachment A for existing facility pricing and current market pricing information. The Applicant's senior secured debt ratings are currently A-/A3 (i.e. Pricing Level III). In the event that the Applicant's senior secured debt ratings are split by one level, the

higher rating will apply. In the event the ratings are split by more than one level, the level that is one level below the higher rating will apply.

The Applicant will only enter into transactions where the fees, interest rates and expenses charged or incurred by the Applicant in connection with the transactions, and any refunding, extensions, renewals or replacements thereof, are competitive with market prices for similar transactions.

- (k) Total Amount and Net Proceeds: The estimated available funds under the Credit Facility will not cumulatively exceed \$500,000,000.
- (l) Purposes for which the securities are to be issued: Please refer to original Application item 1(l) in Docket UF-4315.
- (m) Similar applications have been filed with the Washington Utilities and Transportation Commission and the Idaho Public Utilities Commission, in whose jurisdictions the Applicant also operates.
- (n) The facts relied upon by the Applicant to show that the proposed transaction is consistent with the public interest and necessary or appropriate for or consistent with the proper performance by the Applicant of service as a public utility. The requested authority will allow the Applicant to continue to manage its debt and capital needs in the most efficient and cost-effective manner. Accordingly, the Applicant believes the requested authority is in the public interest.
- (o) Not Applicable
- (p) Not Applicable

2. Submitted herewith are the following exhibits as required:

Please refer to original Application item 2 in Docket UF-4315 for the below exhibits.

Exhibit A	The Applicant's Articles of Incorporation
Exhibit B	The Applicant's Bylaws
Exhibit C	A copy of the resolutions adopted by the Applicant's Board of Directors
Exhibit D	A supplemental indenture will be filed when available, but before financing is closed.
Exhibit E	A balance sheet as of December 31, 2019
Exhibit F	A statement of contingent liabilities as of December 31, 2019
Exhibit G	An income statement for the year ended December 31, 2019
Exhibit H	An analysis of retained earnings for the year ended December 31, 2019
Exhibit I	Not applicable
Exhibit J	Drafts of transactional documents will be supplied when available.
Exhibit K	Draft of evidence of indebtedness will be supplied when available.

WHEREFORE, the Applicant respectfully requests the Public Utility Commission of Oregon to enter a written order authorizing the Applicant to amend, amend and restate, or replace its current credit facility with a Credit Facility of up to \$500,000,000 in aggregate principal amount at any time outstanding with a term of up to one (1) year, subject to an extension of one (1) additional year, and in connection therewith to offer, issue and sell certain secured or unsecured bonds (including First Mortgage Bonds issued under Applicant's Mortgage and Deed of Trust, dated June 1, 1939, as amended and supplemented), notes and other evidences of indebtedness, including, without limitation, assumption of any obligation or liability as guarantor, endorser, surety or otherwise in respect of such securities, for the purposes described in this Application, with continuing authority to refund, extend, renew or replace the same without further order of the Commission.

AVISTA CORPORATION

By



Mark T. Thies
Executive Vice President, CFO, and Treasurer

Dated:

STATE OF WASHINGTON)
County of Spokane)

I, Mark T. Thies, being duly sworn, depose and say that I am the Treasurer of Avista Corporation, the Applicant in the foregoing Application; that I have read said Application, including all Exhibits thereto, and know the contents thereof; and that the same are true to the best of my knowledge and belief.



Mark T. Thies,
Executive Vice President, CFO and Treasurer

SUBSCRIBED AND SWORN to before me this



Notary Public for Washington

My Commission Expires: 1-30-2022