

December 21, 2017

Diane Holt
 Idaho Public Utilities Commission
 472 W. Washington Street
 Boise, ID 83702

Case No. AVU-U-11-01 & AVU-U-15-01

We are submitting the following information in compliance with the Commission’s Order No. 33401 under Case No. AVU-U-15-01 for the sale of securities not to exceed \$300,000,000. An informational notice regarding this issuance was previously provided to staff of the Commission.

On December 14, 2017, Avista Corp. issued \$90.0 million of 3.91 percent First Mortgage Bonds due in 2047 under a bond purchase agreement with certain institutional investors in the private placement market. The new First Mortgage Bonds were issued under and in accordance with the Mortgage and Deed of Trust, dated as of June 1, 1939, from the Company to Citibank, N.A., trustee, as amended and supplemented by various supplemental indentures and other instruments.

In connection with pricing of the First Mortgage Bonds, which took place prior to the issuance of these bonds, we cash settled seven interest rate swap contracts and paid a total of \$8.8 million, which will be amortized as a component of interest expense over the life of the debt.

The bonds have not been, and will not be, registered under the Securities Act of 1933 or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

The total net proceeds from the sale of the new bonds were used to repay a portion of the borrowings outstanding under the Company’s \$400.0 million committed line of credit and for general corporate purposes.

Table 1.

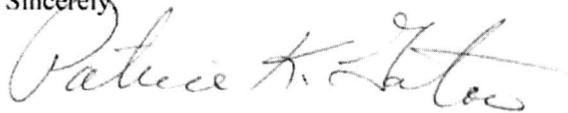
Item	Dollar Amount	Percent of Total
Gross Proceeds	\$90,000,000	100.0%
Arrangement Fees	(250,000)	(0.3)
Proceeds Payable to Applicant	89,750,000	99.7
Interest Rate Swaps	(8,811,480)	(9.8)
Other Issuance/Technical Services Expenses	(294,584)	(0.3)
Net Proceeds¹	80,643,936	89.6%

¹ The Company is expecting additional fees primarily related to filing fees and potentially additional legal expenses currently unbilled, which may reduce the Company’s net proceeds.

Attached are the term sheet for this issuance and the 60th supplemental indenture that was executed in connection to this issuance.

Please contact Karrie Wilson at (509) 495-2345 if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Patrice K. Gorton".

Patrice K. Gorton
Director of Finance and Assistant Treasurer