

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
LEGAL
WORKING FILE

FROM: TERRI CARLOCK

DATE: JANUARY 25, 2018

RE: AVISTA CORPORATION'S REQUEST FOR AUTHORITY TO ISSUE UP TO \$500 MILLION DEBT SECURITIES, CASE NO. AVU-U-17-01.

BACKGROUND

On December 26, 2017, Avista Corporation (Avista) requested authority to offer, issue and sell up to \$500 Million of secured fixed or variable rate debt. The request also includes the ability to refund, extend, renew or replace any securities issued.

The proceeds will be used for one or more of the following purposes: (a) the Company's construction, facility improvement, and maintenance, (b) to retire or exchange one or more outstanding stock, bond, or note issuances, (c) to reimburse treasury for previously expended funds, and (d) for other purposes permitted.

Debt Securities under the authority may be issued for multiple terms from nine (9) months to fifty (50) years. Interest rates will be established at the time of issuance based on the established basis point spread over Treasury Yield but no greater than 8 percent.

STAFF RECOMMENDATION

Staff recommends approval of the proposed issuance. In addition, Staff recommends the authority under this initial approval be continuing.

COMMISSION DECISION

Does the Commission approve Avista's request to issue up to \$500 Million of fixed or variable rate debt? Does the Commission approve the continued authority?

Randy Lobb - for

Terri Carlock

Udmemos/ Case No. AVU-U-17-01