

DECISION MEMORANDUM

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

FROM: JOSEPH TERRY
TERRI CARLOCK

DATE: FEBRUARY 28, 2019

RE: AVISTA'S REQUEST FOR AUTHORIZATION TO ISSUE COMMON
STOCK; CASE NO. AVU-U-19-01

On February 11, 2018, Avista filed an Application requesting authority to offer, issue and sell up to 3,500,000 shares of authorized but unissued common stock. The Commission received the fees as required by *Idaho Code* § 61-905 on February 19, 2019. Staff confirmed that the Company has at least 3,500,000 authorized but unissued shares of common stock.

Whenever the Company issues securities, it will continue to provide the "Report of Securities Transaction," which shows the proceeds and expenses of each issuance. The Company states that the only fees will be for underwriting, private placement, legal, accounting, or similar professional or technical services.

The Company proposes selling the stock through the Periodic Offering Program, direct sales, or underwritten transactions. The net proceeds of these issuances will be used for the improvement or maintenance of its service; the discharge or lawful refunding of its obligations; the reimbursement of moneys actually expended for said purposes from income or from other moneys in the treasury not secured by or obtained from the issue, assumption, or guarantee of securities; or any other purposes approved by the Commission or authorized by law.

Staff analyzed the effects on the Company's capital structure by the sale of the requested stock and found that this should not have a major impact on the Company's capital structure and would affect the equity percentage by less than 2%. This will allow the Company to maintain its debt to equity ratio.

STAFF RECOMMENDATION

Staff recommends approval of the request for authorization to issue 3,500,000 shares of common stock.

COMMISSION DECISION

Should the Commission approve the Company's request for authorization to issue 3,500,000 shares of common stock?



Joseph Terry

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