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RECEIVED
2020 April 21, PM3:30
IDAHO PUBLIC
UTILITIES COMMISSION

April 21, 2020

Commission Secretary
Idaho Public Utilities Commission
11331 W. Chinden Blvd
Building 8, Suite 201-A
Boise, ID 83714
Via Email: secretary@puc.idaho.gov

Re: CASE NO. AVU-U-20-01 - In the Matter of the Application of Avista Corporation for an Order authorizing the offering, issuance and sale of Debt Securities not to exceed \$500,000,000. Avista Corporation's Submission of Supplemental Information

Commission Secretary:

On March 19, 2020, the Commission issued Order No. 34604, approving Avista Corporation's proposed credit facility of up to \$500,000,000 and with a term of up to five (5) years, with an extension for up to two (2) additional years. Due to the recent impact of COVID-19 on the financial markets, the current market conditions and current pricing are such that it is not presently fiscally advantageous to commit to a long-term, five (5) year credit facility. Instead, Avista now intends to amend, amend and restate, or replace the existing credit facility with a shorter term of one (1) year, with an option to extend one (1) additional year, and subject to different rates and fees than presented in the original application.

Avista believes it has sufficient authority under Order No. 34604 for its new plan and understands from informal inquiries that the Commission's staff agrees. However, Avista is requesting a new order from the Oregon Public Utility Commission and filing new information with (but not requesting further action by) the Washington Utilities and Transportation Commission ("WUTC"). To keep all three commissions equally informed, and because the Commission based Order. No. 34604 in part on a copy of the earlier WUTC application, attached as Exhibit A is a copy of a letter and exhibit filed with the WUTC detailing Avista's current plan.

Finally, given constraints from working at home, it is difficult to obtain an official notarized verification. That said, I certify (or declare) under penalty of perjury under the laws of the State of Idaho that the foregoing is true and correct.

Please direct any questions related to this updated information to Patrick Ehrbar at 509.495.8620 or at pat.ehrbar@avistacorp.com.

Sincerely,

/s/ David J. Meyer

David J. Meyer
Vice President, Chief Counsel for Regulatory
& Governmental Affairs

Enclosures



Avista Corp.

1411 East Mission Ave.
P.O. Box 3727
Spokane, WA 99220-0500
Telephone: 800-727-9170

VIA: UTC Web Portal

April 21, 2020

Mark L. Johnson
Executive Director and Secretary
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Docket U-200126 - Supplemental information regarding Avista Corporation's Intended Financing

Dear Mr. Johnson,

On March 26, 2020, the Commission issued Order No. 01 in the above-referenced docket, affirming Avista Corporation's compliance with the notice requirements of RCW 80.08.040 with respect to a credit facility of up to \$500,000,000 and with a term of up to five (5) years, and with an extension for up to two (2) additional years. Due to the recent impact of COVID-19 on the financial markets, the current market conditions and current pricing are such that it is not presently fiscally advantageous to commit to a long term, five (5) year credit facility. Instead, Avista now intends to amend, amend and restate, or replace the existing credit facility with a shorter term of one (1) year, with an option to extend one (1) additional year, and subject to different rates and fees than presented in the original application.

The purposes of the debt issuance, public interest in the proposed financing, and uses of the proceeds remain unchanged from Avista's original application filed in this docket on February 26, 2020. The terms of the financing also remain the same, except for the new, shorter term as described, and the following new estimated fees and borrowing spreads based on Avista's current senior secured debt rating:

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%.

Pricing has been impacted by the COVID-19 pandemic. Please see Exhibit A for existing facility pricing and current market pricing information.

This letter contains the information required by RCW 80.08.040 with respect to Avista’s current plan of financing. Avista is not requesting a new Commission order. The undersigned certifies under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct to the best of my knowledge and belief, and that the proposed issuance of securities will be used for the purposes allowed by Chapter 80.08 RCW.

Finally, given constraints from working at home, it is difficult to obtain an official notarized verification. That said, I certify (or declare) under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

If you have any questions regarding this filing, please contact Patrick Ehrbar at (509) 495-8620.

Sincerely,

/s/ David J. Meyer

David J. Meyer
 Vice President, Chief Counsel for Regulatory
 & Governmental Affairs

Enclosures



Avista Corporation

Organizational Materials

April 2020



Review of Existing Credit Facility & Proposed Terms

- The vintage 2011 credit agreement will need to be updated to include standard market provisions:
 - Libor Replacement
 - EU Bail-in provision
 - Beneficial Ownership provision
 - Updated sanctions language
- Rationalize fronting commitments from \$100MM to \$50MM for each JLA

	Summary Terms	
	Existing	Proposed
Borrower	Avista Corporation	
Secured Ratings	A- / A3	
Facility Type	Revolving Credit	Revolving Credit
Security	Secured	Secured
Purpose	General Corporate	
Amount	\$400MM	\$400MM
Accordion	\$100MM	\$100MM
LC Sublimit	\$200MM	\$200MM
Extension Options	Two, 1-year extension options or One, 2-year option (60 days prior to Maturity)	Two, 1-year extension options
Maturity	April 18, 2021	April 18, 2022
Covenant	Consolidated Debt / Cap < 65%	Consolidated Debt / Cap < 65%
Upfront Fees	10.0 bps (2-year Extension)	10.0 bps "old money" 20.0 bps "new money"
Arranger Fees	2014: \$150K / 2016: \$75K	\$275K to MUFG

Secured Ratings	Pricing Grids					
	Facility Fee (bps)	LIBOR Spread (L+bps)	All-In Drawn Spread (L+bps)	Facility Fee (bps)	LIBOR Spread (L+bps)	All-In Drawn Spread (L+bps)
≥ A+ / A1	7.5	67.5	75.0	12.5	87.5	100.0
A / A2	10.0	77.5	87.5	15.0	97.5	112.5
A- / A3	12.5	87.5	100.0	17.5	107.5	125.0
BBB+ / Baa1	17.5	95.0	112.5	22.5	115.0	137.5
BBB / Baa2	20.0	105.0	125.0	25.0	125.0	150.0
≤ BBB- / Baa3	25.0	125.0	150.0	30.0	145.0	175.0

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