

AVISTA CORP
Form 8-K
December 16, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): December 15, 2016

AVISTA CORPORATION
(Exact name of registrant as specified in its charter)

Washington 1-3701
(State of other jurisdiction of (Commission
incorporation) file number)
1411 East Mission Avenue, Spokane, Washington 99202-2600
(Address of principal executive offices) (Zip Code)
Registrant's telephone number, including area code: 509-489-0500
Web site: <http://www.avistacorp.com>

91-0462470
(I.R.S. Employer
Identification No.)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 1 – Registrant's Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

On December 15, 2016, Avista Corporation (Avista Corp. or the Company) issued and sold \$175.0 million of 3.54 percent first mortgage bonds due in 2051 pursuant to a bond purchase agreement with 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 the pricing of the first mortgage bonds in August 2016, the Company cash settled seven interest rate swap contracts (notional aggregate amount of \$125.0 million) and paid a total of \$54.0 million, which will be amortized as a component of interest expense over the life of the debt.

The total net proceeds from the sale of the new bonds will be used to repay a \$70.0 million term loan with a commercial bank that has a maturity date of December 30, 2016 and to repay a portion of the borrowings outstanding under the Company's \$400.0 million committed line of credit.

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.

Section 2 - Financial Information

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

See description of Avista Corp.'s issuance of \$175.0 million of 3.54 percent first mortgage bonds due in 2051 under Item 1.01.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

4.1 Fifty-ninth Supplemental Indenture, dated as of December 1, 2016.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AVISTA CORPORATION
(Registrant)

Date: December 16, 2016 /s/ Mark T. Thies

Edgar Filing: AVISTA CORP - Form 8-K

Mark T. Thies
Senior Vice President,
Chief Financial Officer, and Treasurer