



Avista's Idaho Customers Could See Decrease in Electric Bills

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Annual Power Cost Adjustment Surcharge Would Drop by Overall 5.99 Percent, if Avista's Request Is Approved

SPOKANE, WA, Jul 28, 2011 (MARKETWIRE via COMTEX) --

Over 122,000 Avista (NYSE: AVA) electric customers in Idaho could see a decrease in their electric bill beginning Oct. 1, 2011, if the request the company made today in its annual Power Cost Adjustment Surcharge (PCA) filing is approved by the Idaho Public Utilities Commission (IPUC).

The annual PCA adjustment seeks to recover the difference between Avista's actual cost of generating and purchasing electric power to serve its Idaho customers and the cost currently included in customer rates. The requested decrease would reduce revenue by \$15.4 million for the 12-month period ending June 30, 2012, but would have no impact on company earnings.

A residential customer using an average of 956 kilowatt-hours a month could expect a decrease of \$4.40, or 5.25 percent, for a revised monthly bill of \$79.41, if Avista's request is approved by the IPUC.

"This has been an exceptional year in the Pacific Northwest for clean, renewable hydro generation. That's a real benefit to our customers since hydro power is the least-cost generating source," said Kelly Norwood, Avista vice president of state and federal regulation.

The requested electric decreases by customer segments are:

Residential Service - Schedule 1 -	-5.19 %
General Service - Schedule 11 & 12 -	-4.49 %
Large General Service - Schedule 21 & 22 -	-5.73 %
Extra Large General Service - Schedule 25 -	-8.03 %
Extra Large General Service - Schedule 25P	-8.80 %
Pumping Service - Schedule 31 & 32 -	-5.26 %
Street & Area Lights - Schedules 41 - 49	-1.88 %

To help customers proactively manage their energy use, Avista offers a number of energy efficiency programs, including rebates and incentives. Visit www.everylittlebit.com for information on the programs which helped customers save enough energy in 2010 to power over more than 5,700 Inland Northwest homes for a year and to serve over 2,500 homes with natural gas for a year.

Information on energy assistance programs and payment options offered by Avista to help qualifying customers is available at www.avistautilities.com.

Avista's rate application is a proposal, subject to public review and a decision by the IPUC. A copy of the application is available for public review at the offices of both the IPUC and Avista, as well as the IPUC's homepage at www.puc.idaho.gov. The IPUC will begin a comprehensive review of Avista's application and will seek public input on the company's request.

Avista Corp. is an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. Avista Utilities is our operating division that provides electric service to 358,000 customers and natural gas to 319,000 customers. Our service territory covers 30,000 square miles in eastern Washington, northern Idaho and parts of southern and eastern Oregon, with a population of 1.5 million. Avista's primary, non-regulated subsidiary is Advantage IQ. Our stock is traded under the ticker symbol "AVA." For more information about Avista, please visit www.avistacorp.com.

This news release contains forward-looking statements regarding the company's current expectations. Forward-looking statements are all statements other than historical facts. Such statements speak only as of the date of the news release and are subject to a variety of risks and uncertainties, many of which are beyond the company's control, which could cause actual results to differ materially from the expectations. These risks and uncertainties include, in addition to those discussed herein, all of the factors discussed in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2010 and the Quarterly Report on Form 10-Q for the quarter ended March 31, 2011.

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