

## Avista Commemorating Anniversary of Award-Winning Wood Waste-Fired Plant

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## Company's Kettle Falls Generating Station Model of Efficiency After 20 Years

SPOKANE, Wash, Oct 13, 2003 /PRNewswire-FirstCall via Comtex/ -- The first wood waste-fired plant in the United States built by a utility solely for the generation of electricity is turning 20-years old, and Avista Utilities, an operating division of Avista Corp. (NYSE: AVA), is commemorating the milestone anniversary of its award-winning Kettle Falls Generating Station.

(Logo: http://www.newscom.com/cgi-bin/prnh/19990629/AVALOGO)

Located in the mountains of northeastern Washington near the Columbia River, the innovative generating facility annually uses about 500,000 tons of wood waste, or hog fuel, from Pacific Northwest and Canadian lumber mills as a renewable resource for power generation. Prior to construction of the Kettle Falls plant, wood waste was burned in open wigwam burners creating environmental and air quality issues.

From start-up on Dec. 1, 1983, to Sept. 30, 2003, more than 6.3 million megawatts of power has been generated using over 9 million tons of wood waste. Avista's innovative approach of turning the wood waste into energy resulted in an Environmental Excellence Award from the State of Washington for the plant in 1985.

The plant's success also resulted in it receiving Power Magazine's Energy Conservation Award in 1984, as well, as its induction into the Power Plant Hall of Fame in November 2000.

How is 500,000 tons of wood waste processed each year? It takes an average of 15,000 truck deliveries per year, or 67 trucks per day, five days a week, to maintain the 90-day inventory level. Two dumpers, which raise a trailer about 65 feet into the air at a 70-degree angle, are used to unload the wood waste. Fuel is conveyed at the rate of 300 tons per hour.

The Kettle Falls Generating Station has continuously exceeded design operating expectations. Originally rated at 42.5 megawatts, the facility was re-rated in 1986 to 46 megawatts and to 50 megawatts in 1990. Additionally, the facility has maintained an average availability factor of 88.63 percent since 1983 with a 2003 year-to-date factor of 93.27 percent.

Dean Hull, plant supervisor at the Kettle Falls Generating Station, credits employees with the operating success of the facility.

"Our Kettle Falls employees have tremendous ownership of the plant and are always looking for ways to increase production," Hull said. "We have increased the output to 50 megawatts without any significant equipment updates -- just employee dedication and innovation.

"Additionally, our Kettle Falls employees have maintained an unofficial record of over four years without an accident that resulted in lost time. With 30 employees over four years, that is an impressive 249,600 man-hours, excluding overtime," Hull said.

The facility has also exceeded expectations in the wear and longevity of its operating parts and systems, which Hull also credits to employees. From 1989 until April 1990, the Kettle Falls Generation Station operated continuously for 247 days, which is believed to be the longest continuous run recorded to date. When the plant was taken out service, it was done to perform routine maintenance and inspection. The 247-day run surpassed the old plant record of 171 consecutive operating days set in 1988.

In addition to being an important component of Avista's generation mix, the Kettle Falls Generating Station is also important to the economy of Stevens County where the plant is located.

"About \$600,000 of Avista's \$1.4 million total property tax liability in Stevens County is related directly to the generating station," Hull said. "With all of our employees living in the area around the plant, our annual payroll of over \$1.6 million is also put back into the local economy."

To mark the 20-year milestone for the facility, current and former employees of the Kettle Falls Generating Station, as well as representatives from Morrison-Knudsen Company which designed and constructed the facility, will gather there on Oct. 17. No public tours will be given on that date.

A different milestone will occur in the next five to six years, one that is a bit less joyful to some. All of the original employees who were responsible for bringing the plant on-line and operating it over the past 20 years will have retired.

"The Kettle Falls Generating Station is passing to the next generation of operators, mechanics and technicians who will be responsible for keeping it running for the next 20 years with confidence in obtaining the same great successes," Hull said.

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 a company operating division that provides electric and natural gas service to customers in four western states. Avista's non-regulated subsidiaries include Avista Advantage and Avista Energy. Avista Corp.'s stock is traded under the ticker symbol "AVA" and its Internet address is www.avistacorp.com.

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