



Avista Corp. Issues \$90 Million of First Mortgage Bonds

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SPOKANE, Wash., Nov. 18 /PRNewswire-FirstCall/ -- Avista Corp. (NYSE: AVA) today signed an underwriting agreement to issue \$90 million of first mortgage bonds, the proceeds of which will be used to repay short-term bank debt. The agreement is subject to customary closing conditions. The bonds have a 15-year maturity and will bear interest at 5.45 percent. The transaction was led by Goldman, Sachs & Co., with BNY Capital Markets and KeyBanc Capital Markets as co-managers.

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"We are very pleased to have completed this financing at such an attractive interest rate. This transaction will provide us with financial flexibility in the year ahead," said Malyn Malquist, Avista Corp. senior vice president, chief financial officer and treasurer. "We believe the favorable positioning of the bond pricing is indicative of the positive view investors have of our company's improved financial position."

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 service to 325,000 electric and 300,000 natural gas 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." For more information about Avista, please visit www.avistacorp.com.

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SOURCE Avista Corp.

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CO: Avista Corp.; Goldman, Sachs & Co.; BNY Capital Markets; KeyBanc Capital Markets

ST: Washington

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