



Ownership of Avista's South Lake Tahoe, Calif., Properties Transferred to Southwest Gas Today

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SPOKANE, Wash., April 29 /PRNewswire-FirstCall/ -- Effective today at 12:01 a.m., the ownership of Avista Corp's (NYSE: AVA) South Lake Tahoe, Calif., natural gas properties transferred to Southwest Gas (NYSE: SWX). Southwest Gas will begin immediately providing service to Avista's 18,600 South Lake Tahoe area customers.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20040128/SFW031LOGO>)

Avista, with headquarters in Spokane, Wash., had been serving the customers of South Lake Tahoe since 1991.

"The sale of the properties is consistent with Avista's strategy to focus on its utility business in the Northwest," said Scott Morris, president of Avista Utilities. "We have enjoyed serving the people of the South Lake Tahoe community; however, the South Lake Tahoe service territory is the only area served by Avista in California."

Avista and Southwest Gas originally announced their agreement for the sale of Avista's South Lake Tahoe natural gas distribution properties to Southwest Gas on July 21, 2004. The California Public Utilities Commission approved the sale in March 2005. Avista received approximately \$15 million in cash proceeds from the sale.

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 330,000 electric and 287,000 natural gas customers in three 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, visit www.avistautilities.com.

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SOURCE Avista Corp.

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(AVA SWX)

CO: Avista Corp.; Southwest Gas
ST: Washington, California, Nevada
IN: OIL UTI
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