



Avista Contribution to Significantly Boost Avista Foundation Endowment

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Donation helps sustain support for communities served by Avista Utilities.

Combined giving since January 2005 totals over \$2 million.

SPOKANE, Wash., Feb. 8 /PRNewswire-FirstCall/ -- Avista Corp. (NYSE: AVA) has announced its contribution of \$750,000 to the endowment of the Avista Foundation, the charitable giving vehicle for Avista Utilities. The contribution increases the value of the Avista Foundation endowment by more than 25 percent to approximately \$3.2 million. Earnings from the endowment are awarded to non-profit organizations for the benefit of citizens in communities served by Avista Utilities.

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

In making the announcement, Scott Morris, president of Avista Utilities, said the contribution to the Foundation will benefit communities in eastern Washington, northern Idaho and southern Oregon not just for today, but for the future as well.

"Supporting our communities in meaningful ways has been a core value for our company throughout its 117-year history. We believe that careful, purposeful philanthropy is smart business. When a community's people thrive, the businesses that serve them also thrive," said Morris. "By building the endowment, we strengthen the grant-making capacity of the Avista Foundation and sustain the company's legacy of supporting the communities we serve."

In 2005, the combined charitable giving by Avista Utilities and the Avista Foundation totaled nearly \$1.3 million with about 70 percent of the total directed to health and human service organizations serving the most vulnerable citizens in the three-state service area of Avista Utilities. Part of the 2005 giving included \$565,000 to Project Share, an emergency energy assistance fund managed by community action agencies throughout the region that provides assistance to pay for any type of heating fuel, including electric, coal, wood, propane and natural gas.

Morris said Avista funds its charitable contributions from shareholder earnings, which does not impact customer rates.

Avista's legacy of community support also extends to its employees who donated approximately 163,000 hours of community service over the past three years. Employees volunteered in a variety of ways including as reading mentors to at-risk students; working in the company's community garden; serving as coaches, scouting leaders, classroom volunteers; and delivering meals to home-bound individuals.

About the Avista Foundation:

Since its founding in 2002, the Avista Foundation, the charitable giving vehicle for Avista Corp., has awarded 344 grants totaling almost \$295,000 to non-profit organizations in eastern Washington, northern Idaho, southern Oregon and Sanders County, Mont. The Foundation focuses its giving in the areas of:

- education -- K-12 education particularly in the fields of science, math and technology; and higher education including scholarships
- vulnerable and limited income populations -- providing assistance to those on limited incomes and support for initiatives to reduce poverty
- economic and cultural vitality -- supporting projects that help communities and citizens to grow and prosper.

Included in the Avista Foundation is a matching gifts program for the employees of Avista Corp. launched in January 2005.

Information on the Avista Foundation is available at www.avistafoundation.org

About Avista:

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 285,000 natural gas customers in three western states. Avista's non-regulated subsidiaries include Avista Advantage (www.avistaadvantage.com) and Avista Energy (www.avistaenergy.com) . 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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