



Avista Corp. Board Increases Common Stock Dividend

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Avista Corp.'s (NYSE: AVA) board of directors has declared a quarterly dividend of \$0.275 per share on the company's common stock, an increase of \$0.025 per share, yielding an annualized dividend of \$1.10. The common stock dividend is payable March 15, 2011, to shareholders of record at the close of business on Feb. 18, 2011.

"The dividend increase approved by the board of directors shows our commitment to targeting an industry average payout ratio for our shareholders and demonstrates the board's confidence in our continued progress toward achieving our goals," said Avista Corp. Chairman, President and Chief Executive Officer Scott Morris. "We believe a solid dividend at an industry average payout ratio of 60 percent to 70 percent is important in continuing to attract investment in our company."

The declaration of dividends is at the sole discretion of the board of directors. The board considers the level of dividends on a regular basis, taking into account numerous factors, including financial results, business strategies, and economic and competitive conditions.

About Avista Corp.

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 357,000 customers and natural gas to 316,000 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-utility 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, 2008, and the Quarterly Report on Form 10-Q for the quarter ended September 30, 2009.

SOURCE Avista Corp.