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Exhibit A

PRESS RELEASE AND GAS CUSTOMER AND ELECTRIC
CUSTOMER NOTICES



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UTILITIES COMMISSION

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Avista's Residential and Small Farm Customers in Washington and Idaho Could Receive Decrease on Electric Bills

Avista also requesting additional funds in Idaho to meet growing customer demand for energy efficiency programs

SPOKANE, Wash. June 30, 2009: Avista's (NYSE: AVA) residential and small-farm customers in Washington and Idaho should see a decrease on their monthly electric bills beginning Aug. 1, if regulators in both states approve the company's requests to pass through to customers an increase in benefits from the Bonneville Power Administration's (BPA) Residential Exchange Program.

Residential and small-farm customers in both states using an average of 1,000 kilowatt-hours per month would see about a ____percent, or approximately \$____, per month reduction in their electric bills.

This increase in Residential Exchange benefits is the result of a recent settlement agreement signed by Avista and BPA, resolving a long-standing dispute over how Avista's customer benefits were calculated. Avista's qualifying customers in Washington and Idaho are currently receiving about \$2.35 million from the program for 2009. Under the settlement, that amount will increase to approximately \$8.9 million this year. The Residential Exchange Program, a part of the Northwest Power Act, provides a share of the benefits of the federal Columbia River power system to the six investor-owned utilities in the Pacific Northwest, including Avista.

Kelly Norwood, Avista vice president of state and federal regulation, said the agreement provides a welcomed increase in benefits for customers during these challenging financial times.

"We are pleased that Avista and BPA were able to work together to reach an agreement that puts this long-standing issue behind us," Norwood said.

To help meet growing customer demand in Idaho for energy efficiency rebates, Avista has also filed a request with the Idaho Public Utilities Commission (IPUC) to increase an existing energy efficiency tariff for electric customers by 2.73 percent, or \$1.77, a month for a customer using an average 1,000 kilowatt-hours per month and 1.01 percent, or \$0.91, a month for a natural gas customer using 65 therms per month. Avista has requested an effective date of Aug. 1, 2009.

If approved, an estimated \$6.4 million in additional funds would be available for qualifying energy efficiency improvements to customers' homes and businesses. An increase in the energy efficiency tariff has no impact on company earnings

The tariff increases could be offset by customers either replacing two incandescent light bulbs used five hours per day with compact fluorescent light bulbs, changing a furnace filter each month, weather-stripping one door with a 1/16 inch infiltration leak, or putting an interior plastic sheeting on a single pane 2 ft. x 4 ft. window.

Information on Avista's energy efficiency rebate and incentive programs available to residential, commercial, industrial and limited-income customers interested in is available at www.everylittlebit.com, along with other energy-saving information. In 2008 Avista customers in WA, ID and OR reduced their energy use by nearly 75 million kilowatt-hours of electricity and over 2.2 million therms of natural gas. Avista provided more than 15,000 rebates and incentives totaling nearly \$15 million to residential and commercial customers.

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 service to 355,000 electric and 315,000 natural gas customers in three Western states. Avista's primary, non-regulated subsidiary is Advantage IQ. Our stock is traded under the ticker symbol "AVA." For more information about Avista, please visit www.avistacorp.com. Avista Corp. and the Avista Corp. logo are trademarks of Avista Corporation. All other trademarks mentioned in this document are the property of their respective owners.

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 March 31, 2009.

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**Important Notice for Idaho
Electric Customers
July 2009**

On June 30, 2009, Avista filed an application with the Idaho Public Utilities Commission (Commission) requesting an increase to Schedules 91 and 191, "Energy Efficiency Rider Adjustment," also known as the "energy efficiency tariff riders." Schedules 91 and 191 are designed to recover the costs incurred by the Company associated with providing electric and natural gas energy efficiency services to customers.

The proposed net increase above current rates by service schedule is as follows:

Residential Service – Schedule 12.73%
General Service – Schedule 11 & 122.73%
Large General Service – Schedule 21 & 222.73%
Extra Large General Service – Schedule 252.73%
Potlatch – Schedule 25P2.73%
Pumping Service – Schedule 31 & 322.73%

The Company's application is a proposal, subject to public review and a Commission decision. A copy of the application is available for public review at the offices of both the Commission and the Company. The Commission will begin a comprehensive review of Avista's application and will seek public input on the Company's request. The Commission has requested an August 1, 2009 effective date.

If you would like to submit comments on this proposed increase, you can do so by going to the Commission website at www.puc.idaho.gov or mailing comments to:

Idaho PUC
P.O. Box 83720
Boise, ID 83720-0074

If you are not already on Comfort Level Billing, consider applying for this free service. Comfort Level Billing averages your annual bill into equal monthly payments. For more information about the proposed price increase, conservation tips, energy assistance programs, and bill payment plans, visit our website at www.avistautilities.com or call us at 1-800-227-9187.

Natural Gas customers please see reverse.



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The proposed increases above current rates by service schedule are as follows:

General Service – Firm - Schedule 101 (residential & small commercial).....	1.01%
Large General Service Firm - Schedules 111 & 112.....	1.01%
High Annual Load Factor Large Interruptible Service - Schedules 131 & 132.....	1.01%

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