

Avista Corp.  
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IDAHO PUBLIC  
UTILITIES COMMISSION



January 3, 2007

State of Idaho  
Idaho Public Utilities Commission  
Statehouse  
Boise ID 83720

Attention: Jean D. Jewell, Secretary

Case No. AVU-U-05-2

We are submitting the following information in compliance with the Commission's Order No. 29947 under Case No. AVU-U-05-2 for the issuance and sale of 2,000,000 shares of common stock under a periodic offering program.

Avista Corporation has established a periodic offering program to issue up to and including 2,000,000 shares of common stock for up to three years. The Agent for this program is BNY Capital Markets, Inc. (BNYCMI). Avista Corp. may offer and sell up to 2,000,000 shares of its common stock, no par value, and the preferred share purchase rights attached thereto, from time to time through BNYCMI, as Avista Corp.'s Agent for the offer and sale of the shares. The common stock will be offered to the public at prevailing market prices, with estimated proceeds to the company of \$50 million (2,000,000 x \$25 per share), after deducting the Agent's fees. See attached Prospectus Supplement for more details on the transaction.

Please contact Paul Kimball at (509) 495-4584 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Diane C. Thoren".

Diane C. Thoren  
Assistant Treasurer

Enclosure