



News Release

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Avista Advantage Partners with EPA ENERGY STAR® Program *Service helps commercial customers improve energy efficiency*

Spokane, Wash.: Avista Advantage, a subsidiary of Avista Corp. (NYSE: AVA), has become a Service and Product Provider (SPP) for the U.S. Environmental Protection Agency's ENERGY STAR® program. The relationship will enhance the ability of Avista Advantage customers to measure, manage, and improve the energy performance of their facilities nationwide.

ENERGY STAR is a voluntary program that offers businesses and consumers energy efficient solutions to help save money while protecting the environment. Avista Advantage will join a nationwide effort to eliminate energy waste through the voluntary implementation of improved energy management practices and technologies.

Additionally, Avista Advantage will participate in a pilot project to host the program's National Energy Performance Rating system within the company's Facility IQSM Internet system. There is a 400 percent variation in the energy use between the top performing buildings and worst performing buildings in the U.S. This relationship will help customers think strategically about energy performance issues and to prioritize and execute upgrades that improve the energy performance of their facilities.

"This arrangement continues to add financial value for our clients," said Harry Stephens, Avista Advantage president and chief executive officer. "Our customers already have the most advanced system for managing facility costs. By applying the data for their facilities collected by our service to the ENERGY STAR tools, our clients have an even greater advantage for effectively managing their energy usage."

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About ENERGY STAR

ENERGY STAR is a voluntary partnership between business, government and others united to protect our environment for future generations by changing to energy-efficient practices today. ENERGY STAR works with more than 7,000 partners to improve the energy efficiency of products, homes, buildings and businesses. Businesses can use ENERGY STAR to improve efficiency, enhance profits and create a competitive advantage. Last year alone, ENERGY STAR helped businesses and consumers save more than \$5 billion in energy costs while reducing global warming emissions equivalent to those from 10 million cars. For more information about ENERGY STAR, visit www.energystar.gov or call toll-free 1-888-STAR-YES (1-888-782-7937).

About Avista Advantage

Avista Advantage is a leading provider of facility intelligence and business process outsourcing services that help multi-site companies proactively manage and reduce facility-related costs. Avista Advantage's patented Facility IQSM System provides online access to consolidated costs as well as powerful analytical consulting services and real-time reporting tools. For more information about Avista Advantage, visit the company's website at <http://www.avistaadvantage.com>.

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 a company operating division that provides electric and natural gas service to customers in four western states. Avista's non-regulated subsidiaries include Avista Advantage and Avista Energy. Avista Corp.'s stock is traded under the ticker symbol "AVA" and its Internet address is www.avistacorp.com

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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, 2002, and the Quarterly Report on Form 10-Q for the quarters ended March 31, June 30, and Sept. 30, 2003.