Avista Corp.

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December 9, 2008

State of Washington Washington Utilities and Transportation Commission 1300 Evergreen Park Drive South Olympia WA 98504

Attention: Ms. Carole Washburn, Secretary

Docket No. UE - 080142

We are submitting the following information in compliance with the Commission's Order No. 1 under Docket No. UE-080142 for the sale of \$225,000,000 various debt arrangements.

On November 26, 2008, Avista Corporation entered into a 364-day committed line of credit agreement with Union Bank of California, N.A., as Administrative Agent, Wells Fargo Bank, National Association as Syndication Agent, JPMorgan Chase Bank, N.A., as Documentation Agent, KeyBank National Association, SunTrust Bank, U.S. Bank National Association, The Bank of New York Mellon and UBS Loan Finance LLC in the amount of \$200.0 million with an expiration date of November 24, 2009. The committed line of credit is secured by \$200.0 million of non-transferable First Mortgage Bonds of the Company issued to the agent bank. See enclosed Credit Agreement for more details on the transaction.

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

Sincerely,

Diane C. Thoren Assistant Treasurer

Enclosure