

COST OF DEBT AND PREFERREDAvista Corp.
Calculation of the Composite Cost Rate of Debt Outstanding
Actual at June 30, 1999

Series	Amount Outstanding (1)	Effective Cost Rate (2)	Annualized Cost	Composite Cost Rate
First Mortgage Bonds				
7.125% due 2013	\$ 66,700,000	7.738%	\$ 5,160,987	
7.400% due 2016	\$ 17,000,000	7.931%	\$ 1,348,196	
Annual Insurance Premium			\$ 92,000	
Total First Mortgage Bonds	\$ 83,700,000		\$ 6,601,183	7.887%
Secured Medium Term Notes (Series A)				
7.530% due 2023	\$ 5,500,000	9.168%	\$ 504,238	
6.150% due 2000	\$ 4,900,000	9.795%	\$ 479,931	
6.130% due 2000	\$ 5,000,000	9.772%	\$ 488,593	
7.540% due 2023	\$ 1,000,000	9.375%	\$ 93,747	
7.370% due 2012	\$ 7,000,000	9.455%	\$ 661,877	
7.390% due 2018	\$ 7,000,000	9.340%	\$ 653,780	
6.950% due 2008	\$ 10,000,000	7.109%	\$ 710,885	
6.890% due 2008	\$ 10,000,000	7.048%	\$ 704,825	
7.450% due 2016	\$ 15,500,000	8.995%	\$ 1,394,259	
6.320% due 2002	\$ 15,000,000	8.663%	\$ 1,299,377	
6.390% due 2005	\$ 1,500,000	8.318%	\$ 124,768	
7.440% due 2023	\$ 1,000,000	8.832%	\$ 88,324	
6.280% due 2002	\$ 5,000,000	8.624%	\$ 431,178	
6.280% due 2002	\$ 5,000,000	8.618%	\$ 430,918	
6.670% due 2010	\$ 5,000,000	8.275%	\$ 413,765	
7.260% due 2018	\$ 5,000,000	8.700%	\$ 435,012	
7.300% due 2023	\$ 10,000,000	8.109%	\$ 810,945	
7.180% due 2023	\$ 7,000,000	7.443%	\$ 520,981	
6.250% due 2003	\$ 5,000,000	6.337%	\$ 316,833	
6.250% due 2003	\$ 10,000,000	6.337%	\$ 633,666	
7.900% due 2006	\$ 4,000,000	7.996%	\$ 319,826	
Secured Medium Term Notes (Series B)				
7.89% due 2006	\$ 26,000,000	7.989%	\$ 2,077,139	
8.25% due 1999	\$ 20,000,000	8.381%	\$ 1,676,165	
8.20% due 1999	\$ 1,000,000	8.331%	\$ 83,307	
8.20% due 2000	\$ 10,000,000	8.327%	\$ 832,715	
8.20% due 2000	\$ 5,000,000	8.327%	\$ 416,357	
7.60% due 2001	\$ 10,000,000	7.719%	\$ 771,868	
7.59% due 2001	\$ 5,000,000	7.709%	\$ 385,428	
6.90% due 2010	\$ 5,000,000	6.982%	\$ 349,077	
6.67% due 2005	\$ 5,000,000	6.769%	\$ 338,436	
6.68% due 2005	\$ 3,000,000	6.779%	\$ 203,363	
6.61% due 2002	\$ 15,000,000	6.734%	\$ 1,010,115	
6.50% due 2005	\$ 15,000,000	6.614%	\$ 992,149	
6.24% due 2000	\$ 15,000,000	8.951%	\$ 1,342,681	
6.20% due 2000	\$ 5,000,000	10.090%	\$ 504,501	
6.50% due 2005	\$ 5,000,000	6.614%	\$ 330,706	
Total Secured Medium Term Notes	\$ 284,400,000		\$ 22,831,733	

AVISTA CORP.

COST OF DEBT AND PREFERRED

Kettle Falls Pollution Control Bonds

6.000% due 2023	\$	4,100,000	6.507%	\$	266,795
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Medium Term Notes (Series A)

8.880% due 1999	\$	7,500,000	8.986%	\$	673,921
9.570% due 2001	\$	10,000,000	9.674%	\$	967,428
8.990% due 2003	\$	10,000,000	9.607%	\$	960,674
8.010% due 2001	\$	8,000,000	8.497%	\$	679,721
7.940% due 2007	\$	3,000,000	8.414%	\$	252,418

Medium Term Notes (Series B)

8.140% due 2006	\$	8,000,000	8.222%	\$	657,769
8.010% due 2001	\$	2,000,000	7.864%	\$	157,277
8.040% due 2001	\$	5,000,000	8.135%	\$	406,733
7.900% due 2007	\$	9,000,000	8.373%	\$	753,592
8.150% due 2002	\$	10,000,000	8.778%	\$	877,794
7.420% due 2004	\$	30,000,000	8.167%	\$	2,450,092
8.050% due 2012	\$	12,000,000	8.247%	\$	989,664
8.150% due 2022	\$	5,000,000	8.224%	\$	411,194
8.230% due 2022	\$	5,000,000	9.261%	\$	463,075
7.990% due 2023	\$	5,000,000	8.936%	\$	446,818
6.750% due 2003	\$	5,000,000	9.628%	\$	481,376

Medium Term Notes (Series C)

6.88% due 2028	\$	20,000,000	6.860%	\$	1,372,042
6.37% due 2028	\$	15,000,000	6.799%	\$	1,019,865
6.37% due 2028	\$	10,000,000	6.799%	\$	679,910
5.99% due 2007	\$	14,000,000	6.842%	\$	957,901
6.06% due 2008	\$	25,000,000	6.839%	\$	1,709,737

Total Medium Term Notes	\$	218,500,000		\$	17,369,003
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Total Long-Term Debt	\$	590,700,000		\$	47,068,714	7.968%
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Short-Term Debt (3)

Total Short-Term Debt	\$	38,520,000	5.739%	\$	2,210,663	5.739%
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Total Debt	\$	629,220,000		\$	49,279,377	7.832%
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- Notes: (1) Includes current maturities, if any.
 (2) As developed on pages 5 and 6 of this Schedule.
 (3) Quarterly average balance and associated cost for year ended June 30, 1999.

Source of Information: Company-provided data