



March 4, 2015

Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 Evergreen Park Drive SW
Olympia WA 98504-7250

RECEIVED
RECORDS MANAGEMENT
2015 MAR -6 PM 12:45
STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

WAC 480-100-262 & 480-90-262

We are submitting the following information in compliance with WAC 480-100-262 and 480-90-262 for the sale of securities not to exceed \$450,000,000.

On December 18, 2014, Avista Corp. issued \$60.0 million of 4.11 percent First Mortgage Bonds due in 2044 under a bond purchase agreement with certain institutional investors in the private placement market. The new First Mortgage Bonds were issued under and in accordance with the Mortgage and Deed of Trust, dated as of June 1, 1939, from the Company to Citibank, N.A., trustee, as amended and supplemented by various supplemental indentures and other instruments.

In connection with pricing of the First Mortgage Bonds, which took place prior to the issuance of these bonds, we cash settled two interest rate swap contracts and received total proceeds of \$5.4 million, which will be amortized as a component of interest expense over the life of the debt.

The bonds have not been, and will not be, registered under the Securities Act of 1933 or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

The total net proceeds from the sale of the new bonds were used to repay a portion of the borrowings outstanding under the Company's \$400.0 million committed line of credit and for general corporate purposes.

Table 1.

Item	Dollar Amount	Percent of Total
Gross Proceeds	\$60,000,000	100.0%
Arrangement Fees	(180,000)	(0.3)
Proceeds Payable to Applicant	59,820,000	99.7
Interest Rate Swaps	5,429,000	9.0
Other Issuance/Technical Services Expenses	(201,511)	(0.3)
Net Proceeds¹	65,047,489	108.4%

¹ The Company is expecting additional fees primarily related to filing fees and potentially additional legal expenses currently unbilled, which may reduce the Company's net proceeds.

² This filing is compliant with the Commission's Order No. 1 under Docket No. UE-111176.

Attached are the 57th supplemental indenture and the redacted version of the final term sheet. In accordance with WAC 480-07-160, the confidential version, printed on yellow, paper is provided in a separate sealed envelope marked CONFIDENTIAL, that was executed in connection to this issuance.

Please contact Lauren Pendergraft at (509) 495-2998 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Richard N. Stevens".

Richard N. Stevens
Director of Finance



**\$60,000,000 First Mortgage Bonds due 2044
Traditional Private Placement**

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 2015 MAR -6 PM 12:45
 STATE OF IOWA
 UTIL. AND TRANS.
 COMMISSION

October 9, 2014

Dear Investor,

On behalf of Avista Corporation (the "Company"), KeyBanc Capital Markets Inc. ("KeyBanc") is pleased to confirm the following circles of the Company's \$60 million of First Mortgage Bonds (the "Bonds").

The following table provides terms of the offering:

Offering Summary	
Size	\$60,000,000
Maturity	December 1, 2044
Interest Pay Dates	June 1 and December 1, beginning June 1, 2015
Treasury	T 3 3/8 05/15/44
Treasury Yield ⁽¹⁾	3.06%
Credit Spread	+ 105 bps
Final Coupon	4.11%
Price	Par
Optional Prepayment	Make whole at T+50 bps anytime prior to 6/1/2044; Callable at par thereafter

(1) Sourced from Bloomberg's PX1 screen shown on the following page

The table below highlights the circles for each investor:

Investor	Allocation (\$ million)
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
Total	\$60.0

Transaction Details

Investors Counsel:

Neil R. Mann
 Chapman & Cutler LLP
 nmann@chapman.com | (312) 845-3754

Investor Due Diligence:

To Be Determined

Targeted Closing & Funding:

December 18, 2014

Please contact your KeyBanc representative if you have any additional questions or due diligence requests prior to closing. Thanks again for participating in this offering.

Regards,

KeyBanc Capital Markets Inc.

Ryan Pirnat
 (216) 689-3967

Gary Andrews
 (216) 689-3567

Eamon McDermott
 (216) 689-4822

Erica Elsasser
 (216) 689-4496

GRAB									
United States									
12:46									
9 Actives									
5) Bills									
31)	11/06/14	0.010/0.005	0.005	--					
32)	01/08/15	0.010/0.005	0.005	+0.005					
33)	04/09/15	0.045/0.035	0.035	--					
34)	09/17/15	0.085/0.080	0.081	--					
6) Notes									
35)	0 ¹ / ₂ 716	100-07 ³ / ₄ / 07 ⁷ / ₈	0.363	+00 ³ / ₄					
36)	0 ¹ / ₂ 816	100-04 ³ / ₄ / 05 ¹ / ₈	0.415	+00 ³ / ₄					
37)	0 ¹ / ₂ 916 2YR	100-03 / 03 ³ / ₄	0.448	--					
38)	0 ⁷ / ₈ 817	100-01 / 01+	0.858	-00 ³ / ₄					
39)	1 917	100-11 / 11 ³ / ₄	0.878	-00 ³ / ₄					
40)	0 ⁷ / ₈ 017 3YR	99-28 ³ / ₄ / 28+	0.912	-01					
41)	1 ⁵ / ₈ 719	100-11 / 11+	1.547	-02+					
42)	1 ⁵ / ₈ 819	100-09+ / 10	1.558	-03					
43)	1 ³ / ₄ 919 5YR	100-27 ³ / ₄ / 28	2.500	-02+					
44)	2 821	99-31 / 31+	2.002	-02+					
45)	2 ¹ / ₈ 921 7YR	100-23+ / 24	2.177	-02+					
46)	2 ³ / ₄ 224	103-28+ / 29	2.283	-02+					
47)	2 ¹ / ₂ 524	101-19 / 19+	2.312	-03					
48)	2 ³ / ₄ 824 10YR	100-12 / 12+	2.330	-02+					
6) Bonds									
49)	3 ³ / ₈ 544	106-00 / 01	3.064	-04					
50)	3 ¹ / ₈ 844 30YR	101-03+ / 04	3.067	-04+					
51)	WI 30YR	3.070 / 3.065		+0.005					
7) TIPS									
52)	0 ¹ / ₈ 419	101-02 ¹ / ₂ / 101-04	-0.123	-03 ³ / ₄					
53)	0 ¹ / ₈ 724	97-20 ³ / ₄ / 97-24 ¹ / ₄	0.359	-03 ¹ / ₄					
54)	1 ³ / ₈ 244	110-18 ³ / ₄ / 110-25 ¹ / ₄	0.953	05					
10) Curve Trades									
55)	2yr vs 5yr	111.417 / -111.979	+1.629						
56)	2yr vs 10yr	187.802 / -188.378	+0.898						
57)	5yr vs 10yr	76.221 / -76.562	-0.731						
Other Markets									
58)	US Long(CBT)	12:36 d	+140-26	-0.05					
59)	10yr Fut (CBT)	12:35 d	+126-15+	+0-0.5+					
60)	5Yr Fut(CBT)	12:35 c	+119-15						
61)	Dow Jones Ind	12:46	+16727.320						
62)	S&P 500 Ind	12:31 d	+1934.660	-0.130					
63)	NYM WTI Crd	12:36 d	+85.740	-1.570					
64)	Gold	12:46	+1224.415	+3.295					
Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2014 Bloomberg Finance L.P. SN 737878 H017-1062-0 09-Oct-14 12:46:08 EDT GMT-4:00									