

Avista Corp
Financial Indicators
1999-2003
With No Rate Increases

Line No.	Year-end Projections - With NO Rate Increases in 2002 and NO New Financings					Investment Grade		Non-Investment Grade		
	1999	2000	2001	2002	2003	Criteria*				
	(a)	(b)	(c)	(d)	(e)	A	BBB	BB	B	
						(f)	(g)	(h)	(i)	
1	Internal Funds From Operations: Interest Coverage	2.5x	2.7x	0.7x	2.4x	1.7x	4.0 - 4.8	3.0 - 4.0x	2.1 - 3.0x	1.1 - 2.1x
2	Internal Funds from Operations: As a % of Debt	16.6%	19.6%	6.2%	24.5%	17.2%	27 - 33%	20.5 - 27%	15 - 20.5%	7.5 - 15%
3	Capitalization Ratios: Debt	<u>47.2%</u>	51.9%	58.4%	56.6%	56.9%	41.5 - 47%	47 - 55%	55 - 62.5%	62.5 - 71%
4	Preferred Stock	<u>26.9</u>	7.6	6.5	6.6	6.6				
5	Common Equity	<u>25.9</u>	40.5	35.1	36.8	36.5				
6	Pretax Interest Coverages: Including AFUDC and AFUCE	1.97x	<u>2.35x</u>	1.52x	1.30x	1.19x	3.5 - 4.3x	2.4 - 3.5x	1.5 - 2.4x	0.6 - 1.5x
7	Excluding AFUDC and AFUCE	1.93x	<u>2.32x</u>	1.48x	1.29x	1.17x				
8	Utility Net Income for Common	\$38,181	(\$62,516)	\$36,966	\$8,906	<u>\$558</u>				
9	Utility Earnings per Share	\$1.00	(\$1.37)	\$0.78	<u>\$0.19</u>	\$0.01				
10	Utility Return on Equity	12.5%	-10.4%	9.9%	2.3%	0.2%				

*Benchmarks from Standard & Poor's for Business Position "5" (Avista's current Business Position).

Boxed area represents where Avista would be by the end of 2003

Underlined area represents where Avista would be by the end of 2002. Note that two of the financial indicators would be in the same category as 2003.

Underlined numbers have been revised.

Projections based on internal forecast prepared November 28, 2001.