

AVISTA UTILITIES

Case No. AVU-G-16-02

EXHIBIT “E”

Copy of Press Release and Customer Notice

August 26, 2016



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Avista Requests Natural Gas Price Decrease in Idaho

Annual price adjustment would take effect Nov. 1, 2016

SPOKANE, Wash. Aug. 29, 2015, 1:05 p.m. PST: Avista (**NYSE: AVA**) customers in Idaho could see an overall 7.8 percent decrease in their natural gas rates on Nov. 1, 2016 if the Idaho Public Utilities Commission (IPUC or Commission) approves the company's annual Purchased Gas Cost Adjustment (PGA) filed today.

If the request is approved, Avista residential customers using an average of 61 therms a month could expect their bill to decrease by \$4.65, or 8.4 percent, for a revised monthly bill of \$50.94 beginning Nov. 1, 2016. Avista's natural gas revenues would decrease by \$6.1 million. Avista does not mark up the cost of natural gas purchased to meet customer needs, so the filing does not increase or decrease company earnings.

The requested natural gas rate change by customer segment is as follows:

General Service - Firm - Schedule 101 - Residential & Small Commercial	-7.7%
Large General Service - Firm - Schedules 111 & 112 - Commercial	-7.7%

PGAs are filed each year to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount included in rates. This includes the natural gas commodity cost as well as the cost to transport natural gas on interstate pipelines to Avista's local distribution system. The primary driver for the company's requested decrease is a reduction in natural gas commodity costs due to a warmer than normal winter, an abundance of natural gas held in storage, and continued high production levels of natural gas.

About 50 percent of an Avista natural gas customer's bill is the combined cost of purchasing natural gas on the wholesale market and transporting it to Avista's system. These costs fluctuate up and down based on market prices. The costs are not marked up by Avista. The remaining 50 percent covers the cost of delivering the natural gas -- the equipment and people needed to provide safe and reliable service.

Rate Application Procedure

Avista's applications are proposals, subject to public review and a Commission decision. Copies of the applications are available for public review at the offices of both the Commission and Avista, and on the Commission's website (www.puc.idaho.gov). Customers may file with the Commission written comments related to Avista's filings. Customers may also subscribe to the Commission's RSS feed (<http://www.puc.idaho.gov/rssfeeds/rss.htm>) to receive periodic updates via e-mail about the case. Copies of rate filings are also available on Avista's website at www.avistautilities.com/rates.

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 our operating division that provides electric service to 375,000 customers and natural gas to 335,000 customers. Its service territory covers 30,000 square miles in eastern Washington, northern Idaho and parts of southern and eastern Oregon, with a population of 1.6 million. Alaska Energy and Resources Company is an Avista subsidiary that provides retail electric service in the city and borough of Juneau, Alaska, through its subsidiary Alaska Electric Light and Power Company. Avista stock is traded under the ticker symbol "AVA." For more information about Avista, please visit www.avistacorp.com.

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, 2015 and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2016.

SOURCE: Avista Corporation

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The Avista logo is located in the bottom right corner of the page. It consists of a stylized 'A' symbol followed by the word 'AVISTA' in a bold, sans-serif font. The logo is set against a dark rectangular background, which is itself placed on a larger, lighter gray rectangular area.

Important Notice for Idaho Natural Gas Customers

(Sept. 2016)

Proposed Natural Gas Rate Adjustment Filed to be Effective Nov. 1, 2016

Avista has filed its annual Purchased Gas Cost Adjustment (PGA) request with the Idaho Public Utilities Commission (Commission), with a requested effective date of Nov. 1, 2016. The PGA is filed each year to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount included in rates. This includes the natural gas commodity cost as well as the cost to transport natural gas on interstate pipelines to Avista's local distribution system.

The proposed PGA would decrease natural gas rates by an overall 7.8 percent and Avista's natural gas revenues by \$6.1 million. If the request is approved, Avista residential customers using an average of 61 therms a month could expect their bill to decrease by \$4.65, or 8.4 percent, for a revised monthly bill of \$50.94 beginning Nov. 1, 2016.

The requested natural gas rate change by customer segment is as follows:

General Service - Firm - Schedule 101	
Residential & Small Commercial	-7.7%
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Commercial	-7.7%

The Company's applications are proposals, subject to public review and a Commission decision. Copies of the applications are available for public review at the offices of both the Commission and Avista, and on the Commission's homepage (www.puc.idaho.gov). Customers may file with the Commission



written comments related to the Company's filings. Customers may also subscribe to the Commission's RSS feed (<http://www.puc.idaho.gov/rssfeeds/rss.htm>) to receive periodic updates via e-mail about the case. Copies of rate filings are also available on our website, **avistautilities.com/rates**.

If you would like to submit comments on the proposed decrease, you can do so by going to the Commission website or mailing comments to:

Idaho Public Utilities Commission

P. O. Box 83720

Boise, ID 83720-0074

To assist customers in managing their energy bills, Avista offers services such as comfort level billing, payment arrangements and Customer Assistance Referral and Evaluation Services (CARES). CARES provides assistance to special-needs customers through referrals to area agencies and churches for help with housing, utilities, medical assistance and other needs. To learn more, visit **avistautilities.com**. There, customers can also find information on energy efficiency rebates and incentives, as well as online tools for managing energy use.