

**Avista Corp.**

1411 East Mission PO Box 3727  
Spokane, Washington 99220-3727  
Telephone 509-489-0500  
Toll Free 800-727-9170

RECEIVED



2009 MAR 11 AM 8:15

IDAHO PUBLIC  
UTILITIES COMMISSION

March 9, 2009

State of Idaho  
Idaho Public Utilities Commission  
Statehouse  
Boise ID 83720

AVU-U-05-02  
AVU-U-06-01

Attention: Jean D. Jewell, Secretary

RE: Filing requirements under Order No. 29947 and Order No. 30036

Enclosed is the quarterly status report for December 31, 2008 as required under Order No. 29947 and Order No. 30036.

See Exhibit A

If any questions arise or additional information is needed, please do not hesitate to contact Paul Kimball at 509-495-4584.

Sincerely,

A handwritten signature in cursive script, appearing to read "Diane Thoren".

Diane Thoren  
Assistant Treasurer

Enclosures

AVISTA CORP.

Exhibit A

Quarterly Status Report, Case No. AVU-U-05-02, Order No. 29947  
Case No. AVU-U-06-1, Order No. 30036

RECEIVED

2009 MAR 11 AM 8:15

| Cost of Capital as of<br>December 31, 2008 | Amount                   | Percent of<br>Total Capital | Cost          | Component    |
|--|--------------------------|-----------------------------|---------------|--------------|
|  | Total Debt               | \$1,005,800,000             | 49.73%        | 6.92%        |
| Common Equity                              | 1,016,663,291            | 50.27%                      | <b>10.20%</b> | 5.13%        |
| <b>TOTAL</b>                               | <b>\$2,022,463,291 *</b> | <b>100.00%</b>              |               | <b>8.57%</b> |

\* Unconsolidated

|                                  | 2008       | 2007       | 2006       | 2005       |
|----------------------------------|------------|------------|------------|------------|
| Consolidated Net Income          | 73,620,000 | 38,475,000 | 72,941,000 | 44,988,000 |
| Consolidated EPS                 | 1.36       | 0.72       | 1.46       | 0.92       |
| Dividend Payout Ratio            | 51%        | 83%        | 39%        | 59%        |
| <u>S&amp;P Financial Ratios</u>  | 2008       | 2007       | 2006       | 2005       |
| * Interest Coverage              | 4.0(x)     | 2.8(x)     | 2.7(x)     | 2.7(x)     |
| * Interest Coverage as % of Debt | 18.4%      | 13.6%      | 13.9%      | 13.2%      |
| Common Shares Outstanding        | 54,487,574 | 52,909,013 | 52,514,326 | 48,593,139 |

\* S&P makes multiple adjustments to the ratios