

ORDER NO.

ENTERED

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UF 4207(2)

In the Matter of)	
)	
AVISTA CORP)	ORDER
)	
Request for amendment of Order No. 04-246,)	
increasing the number of common shares)	
authorized to issue.)	

DISPOSITION: APPLICATION APPROVED WITH CONDITIONS

On April 15, 2004, Avista Corporation (Avista) submitted an application to the Public Utility Commission of Oregon (Commission), requesting authority to issue and sell not more than \$250 million of debt securities and not more than 3,000,000 shares of common stock. Due to the conversion-pricing feature and the company's desire to issue additional shares unrelated to the conversion, Avista may not have authorization to issue a sufficient number of shares of common stock. Avista requests an increase of an additional seven million shares for a total authorization of ten million shares of common stock. The basis for the current request is detailed in Staff's Recommendation, attached as Appendix A.

Based on Staff's review, approval of Avista's application would be fair and reasonable. At its public meeting on June 22, 2004, the Commission adopted Staff's recommendation and approved Avista's current request.

ORDER NO.

ORDER

IT IS ORDERED THAT the application of Avista Corporation for authorization to issue up to 10,000,000 shares of common stock is approved, subject to the original conditions and reporting requirements specified in Appendix A of the prior order.

Made, entered and effective _____.

BY THE COMMISSION:

Becky Beier
Commission Secretary

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A party may appeal this order to a court pursuant to ORS 756.580.