



Avista Shifts Timing for Acquisition of Renewable Resources

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Company remains among greenest utilities with 60 percent renewable generation

SPOKANE, Wash., Feb 17, 2010 /PRNewswire via COMTEX/ -- Avista (NYSE: AVA) has decided to postpone acquisition of additional renewable resources that were sought in a recent request for proposals, including development of the Reardan Wind Project, until the 2014-2015 timeframe.

Avista is subject to Washington state renewable energy portfolio standards (RPS) and must obtain a portion of its electricity from qualifying renewable resources or through purchase of renewable energy credits. Avista's recently completed 2009 Integrated Resource Plan (IRP) identified that additional qualifying renewable energy is needed by 2016 and that new capacity and energy resources are needed by 2018.

A recent request for proposals (RFP) process investigated the potential to acquire renewable resources identified in the 2009 IRP a few years early in order to take advantage of certain temporary tax credits through the American Recovery and Reinvestment Act of 2009 and through a temporary Washington state sales tax offset program. However, after detailed analysis, the company has decided to delay such renewable resource acquisitions, including construction of its Reardan wind project site, at this time.

"After weighing the near-term cost impacts to our customers against the uncertain long-term benefits of early renewable resource acquisition, the company has decided to postpone acquisition of the renewable resources sought in this bid process," said Dennis Vermillion, Avista Utilities president. "We will be prepared to meet the 2016 RPS requirement in the best way possible for our customers."

In addition to Avista's ongoing commitment to energy efficiency programs, the company has added qualifying renewable generation capacity through technology upgrades at its hydroelectric projects to meet RPS requirements that increase in the year 2016. Avista will continue to evaluate the most cost effective options for future renewable resource acquisitions.

Avista is among the greenest utilities in the U.S. with approximately 60 percent of its electricity produced from clean hydropower and other renewable resources. Avista's carbon footprint is in the smallest ten percent of the top 100 generating utilities.

About Avista

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 355,000 homes and businesses and natural gas to 312,000 homes and businesses in three Western states, serving more than 492,000 customers. Avista's primary, non-regulated subsidiary is Advantage IQ. Our 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, 2008, and the Quarterly Report on Form 10-Q for the quarter ended September 30, 2009.

SOURCE Avista Corp.