



Avista Submits 2011 Electric Integrated Resource Plan

08/25/11

Highlights Include a New Wind Power Agreement, Enhanced Energy Efficiency and Natural Gas Generation, and Upgrades to Hydroelectric Facilities

SPOKANE, WA, Aug 25, 2011 (MARKETWIRE via COMTEX) --

Upgrades to existing natural gas and hydroelectric generation plants, adding new renewable resources, and enhanced energy efficiency measures are the highlights of the 2011 Electric Integrated Resource Plan (IRP) that Avista (NYSE: AVA) submitted today to Washington and Idaho state regulators. The plan details projected growth in demand for energy and the new resources needed to serve customers over the next 20 years.

In the 2011-2031 IRP timeframe, Avista anticipates adding almost 100,000 retail customers with a 1.6 percent annual growth in electric demand. The utility plans to meet this growth with a mix of new renewable and natural gas generation resources, efficiency upgrades at existing generation facilities and various energy efficiency measures.

Avista Utilities President Dennis Vermillion said, "The IRP describes strategies to meet projected energy demand and renewable portfolio standards through energy efficiency and a careful mix of new renewable and traditional energy resources. This plan helps us balance meeting customers' needs for safe, reliable energy with satisfying renewable portfolio standards, both in the near and long term.

"The plan calls for Avista to continue system upgrades and improvements to deliver energy to our customers more efficiently and reliably. It calls for Avista to obtain new resources in a responsible and environmentally sound manner and at a reasonable cost to our customers," Vermillion said. "Energy efficiency is one of the lowest-cost new sources of energy. Together with our customers we can make wise use of all our energy resources."

Each IRP is a thoroughly researched and data-driven document to guide responsible resource planning for the utility. The IRP is updated every two years and looks 20 years into the future.

"The IRP was developed with the help of a technical advisory committee made up of customers, utility commission staff, consumer advocates, academics, utility peers, government agency staff and Avista's energy analysts," said Clint Kalich, manager of resource planning for Avista.

Some highlights of the 2011 plan include:

- A newly signed contract for the 100 MW Palouse Wind project in Whitman County, Wash., is expected to help meet the 2016 requirements in Washington state's Energy Independence Act, as well as provide a new resource to serve our customers' increasing energy needs.
- An additional 42 aMW of wind or qualifying renewable energy credits are required annually by 2021.
- Energy efficiency measures are expected to save 310 aMW of cumulative energy over the 20-year IRP timeframe. This aggressive effort could reduce load growth to half of what it would be without these measures.
- 750 MW of new natural gas-fired generation facilities are required between 2018 and 2031.
- Three grid modernization programs are projected to save 5 aMW of energy by 2013.
- Transmission upgrades will be needed to deliver the energy from new generation resources to the distribution lines serving customers. Avista will continue to participate in regional efforts to expand the region's transmission system.

Utility commissions in Idaho and Washington will review the document for acknowledgement and will provide an opportunity for comment. The IRP is available in electronic form on the Avista Utilities web site www.avistautilities.com.

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 357,000 customers and natural gas to 317,000 customers. Our service territory covers 30,000 square miles in eastern Washington, northern Idaho and parts of southern and eastern Oregon, with a population of 1.5 million. Avista's primary, non-utility 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, 2010, and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2011.

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