



CORRECTION -- Avista joins lawsuit to Challenge Montana Statute

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Pacific Northwest Colstrip Owners take legal action over newly signed senate bill

SPOKANE, Wash., May 04, 2021 (GLOBE NEWSWIRE) -- In the release issued earlier today by Avista Corporation, please note that the company is not pursuing legal action against the State of Montana. Rather, the company is taking legal action against a recently-enacted statute in the state. The headline has been corrected and the updated news release follows:

Avista Corporation took legal action to challenge a statute recently enacted in the State of Montana today, filing a lawsuit with the Pacific Northwest Colstrip owners—Puget Sound Energy, PacifiCorp and Portland General Electric—after Montana Governor Gianforte signed Senate Bills 265 and 266 into law.

"As we shared in a letter to Governor Gianforte last month, we believe Senate Bills 265 and 266 disrupt a contract between and among the Colstrip owners that has existed for nearly 40 years," said Avista's Senior Vice President of Energy Resources Jason Thackston. "We urged Governor Gianforte to veto the bills because we believe they are both unlawful and unconstitutional, and we have pursued legal action today with other Colstrip owners to protect the rights of our customers and shareholders under the existing contract."

Avista has worked for years to find a solution that addresses the needs of Montana, the Colstrip community, our customers and other stakeholders affected by the plant's future, and we will continue to seek those solutions. Demonstrating our commitment to the welfare of the Colstrip community, Avista has contributed \$3 million to the Montana Foundation to distribute through a donor-advised fund for aiding the community's transition.

"We are disappointed that the State of Montana has chosen to pass these bills and that we have been forced to take legal action as a result," said Thackston. "Nonetheless, we remain committed to engaging with the State of Montana on issues relating to Colstrip and to searching for potential solutions that balance the interests of all involved stakeholders."

The lawsuit filed today is directed specifically at Senate Bill 265 which purports to amend Section 27-5-323 of the Montana Code to invalidate the Colstrip Ownership and Operating Agreement's provision governing the arbitration of disputes arising under the contract. That provision has been in place for the nearly 40 years that the agreement has been in effect and has been used effectively by the co-owners to resolve disputes on multiple occasions in the past.

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 the operating division that provides electric service to 400,000 customers and natural gas to 367,000 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 1.7 million. Alaska Energy and Resources Company is an Avista subsidiary that provides retail electric service to 17,000 customers 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.

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Source: Avista Corporation