



Avista Joins Chicago Climate Exchange

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Company commits to reducing carbon footprint

SPOKANE, Wash., Nov. 5 /PRNewswire-FirstCall/ -- Avista (NYSE: AVA) has become a member of the Chicago Climate Exchange (CCX), the world's first and North America's only voluntary, legally binding integrated greenhouse gas emissions reduction, registry and trading system. The CCX allows participants to earn credits for reducing greenhouse gas (GHG) emissions and trade the resulting financial instruments at market prices.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20040128/SFW031LOGO>)

As part of its membership in CCX, Avista has voluntarily committed to achieving greenhouse gas emission reductions of six percent below baseline by 2010. The baseline is the average annual emissions from 1998-2001. CCX operates a cap-and-trade system, and members who exceed the targets have surplus allowances to sell or bank and those who have emissions above the targets must purchase CCX Carbon Financial Instrument contracts to achieve compliance. Third-party verification is provided by the Financial Industry Regulatory Authority (FINRA), which is the leading financial regulator in the United States.

"We must responsibly address activities that have potential impact to climate change. It is a concern for our company, our customers and our nation," said Scott Morris, Avista president and chief operating officer. "By participating in CCX we will be able to gain experience in the emerging carbon trading market. We also expect benefits to accrue to the company and our customers as we participate in a constructive effort to address greenhouse gas emissions."

"CCX is very pleased to welcome Avista to CCX membership and we look forward to their contribution to the evolution and growth of the Exchange," said Dr. Richard L. Sandor, CEO and founder of CCX. "CCX Members are leaders in their sectors and regions, and also leaders in the effort to address the potential challenge of climate change in a way that is cost effective and transparent. Avista's participation in CCX continues to highlight the fact that CCX membership makes excellent business and governance sense, while also providing a platform for sound action to protect our planet for ourselves and future generations."

Avista is one of the lowest emitters of GHG in the nation among electric utilities due to its substantial hydroelectric resource base. The company also has an ongoing commitment to environmentally friendly resources such as energy efficiency programs, wind and other renewables.

Avista has historically embraced renewable energy and energy efficiency practices. Since the late 1970's Avista has offered dozens of energy efficiency programs to its customers including rebates and other incentives for conservation. Avista built the region's first biomass generation facility at Kettle Falls in the 1980's. Avista has made wind power available to customers through the Buck-A-Block program initiated in 2002.

CCX has members nationwide including major manufacturing companies, utilities, governmental entities and universities. Northwest regional entities that have joined CCX include the University of Idaho, Puget Sound Energy, King County, Wash. and Portland, Oregon.

More information about CCX can be found at this link: <http://www.chicagoclimatex.com/>

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 a company operating division that provides service to 346,000 electric and 306,000 natural gas customers in three western states. Avista's primary non-regulated subsidiary is Advantage IQ (<http://www.advantageIQ.com>). Avista Corp.'s stock is traded under the ticker symbol "AVA." For more information about Avista, please visit <http://www.avistacorp.com>.

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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, 2006, and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2007.

About Chicago Climate Exchange, Inc. and Chicago Climate Futures Exchange

CCX is a financial institution whose objectives are to apply financial innovation and incentives to advance social, environmental and economic goals. CCX, which began trading in 2003, is the world's first and North America's only legally binding rules-based greenhouse gas emissions allowance

trading system, as well as the world's only global system for emissions trading based on all six greenhouse gases. CCX members are leaders in greenhouse gas management and mitigation, including offset providers and offset aggregators, and located throughout the United States. CCX members derive from all sectors of the global economy, including the public sector, and emissions reductions being achieved through CCX by major utilities, corporations, cities, states and counties, are the only reductions in North America being achieved through a legally binding compliance regime, subject to independent third party verification provided by FINRA and price transparency. The founder, Chairman and CEO of CCX is economist and financial innovator Dr. Richard L. Sandor, who was named a Hero of the Planet by Time magazine in 2002 for his founding of CCX, and in 2007 as the "father of carbon trading." For a full history of CCX, full roster of CCX members, daily prices and other Exchange information, see <http://www.chicagoclimateexchange.com>.

Chicago Climate Futures Exchange(TM) (CCFE(TM)), a wholly-owned subsidiary of CCX, is the world's first and leading environmental derivatives exchange. CCFE currently offers standardized and cleared Sulfur Financial Instrument (SFI) futures and options contracts and Nitrogen Financial Instrument (NFI-OS) futures contracts based on mandatory cap and trade programs created under the Clean Air Act Amendments of 1990, making it the world's largest exchange for trading criteria pollutants. Market participants are able to secure price transparent, standardized futures and options contracts on an anonymous electronic trading platform. The availability of effective hedging tools offered on CCFE, including prompt and deferred years for both futures and options has increased liquidity while easing volatility in the SO2 market.

CCX, a US corporation, launched its trading platform in 2003. In 2005, CCX launched the European Climate Exchange (ECX), now the leading exchange operating in the European Union Emissions Trading Scheme. Since 2006, both CCX and ECX have been owned by Climate Exchange Plc, a publicly traded company listed on the AIM of the London Stock Exchange, whose Chairman is Richard L. Sandor.

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