Welcome

First Quarter 2019 Earnings Webcast

May 2, 2019

Call Participants

Scott Morris
Chairman and CEO

Mark Thies
Sr. VP and CFO

Ryan Krasselt
VP, Controller and
Principal Accounting Officer

Kevin Christie
VP, External Affairs,
and Chief Customer Officer

Forward-Looking Statements

This presentation contains forward-looking statements, including statements regarding our current expectations for future financial performance and cash flows, capital expenditures, financing plans, our current plans or objectives for future operations and other factors, which may affect the company in the future. Such statements are subject to a variety of risks, uncertainties and other factors, most of which are beyond our control and many of which could have significant impact on our operations, results of operations, financial condition or cash flows and could cause actual results to differ materially from those anticipated in our statements.

For a further discussion of these factors and other important factors please refer to the appendix herein and in our Annual Report on Form 10-K for the year ended Dec. 31, 2018 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2019. The forward-looking statements contained in this presentation speak only as of the date hereof. We undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances that occur after the date on which such statement is made or to reflect the occurrence of unanticipated events. New risks, uncertainties and other factors emerge from time to time, and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on our business or the extent to which any such factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

Net Income (Loss) and Diluted EPS

($ in thousands, except per-share data)	**Q1 2019**	**Q1 2018**
Net Income (Loss) by Business Segment attributable to Avista Corp. Shareholders		
Avista Utilities	$111,901	$55,540
Alaska Electric Light and Power Company	$3,552	$3,772
Other	$341	$(4,422)
Total Net Income attributable to Avista Corp. Shareholders	**$115,794**	**$54,890**
Earnings (Loss) per diluted share by Business Segment attributable to Avista Corp. Shareholders		
Avista Utilities	$1.70	$0.84
Alaska Electric Light and Power Company	$0.05	$0.06
Other	$0.01	$(0.07)
Total Earnings per diluted share attributable to Avista Corp. Shareholders	**$1.76**	**$0.83**

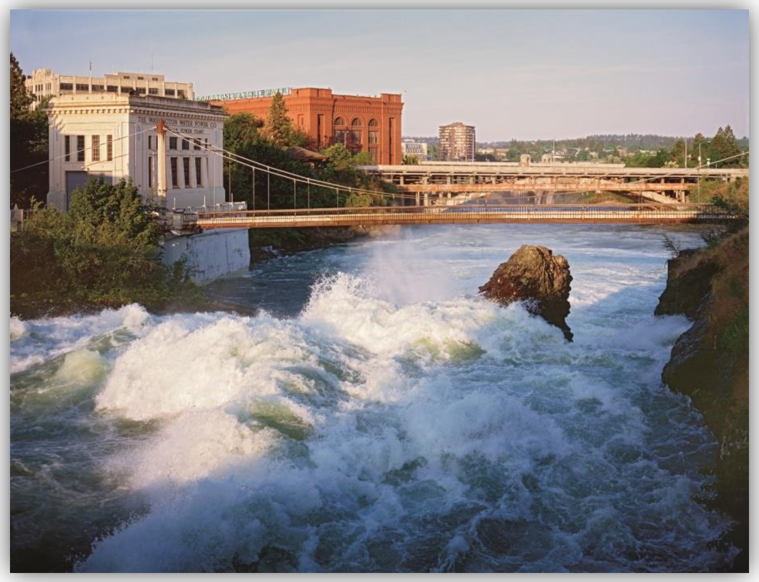
Avista's Commitment to Renewable Energy

Our Commitment

- Carbon-neutral supply of electricity by the end of 2027
- Serve customers with 100% clean electricity by 2045

Our History

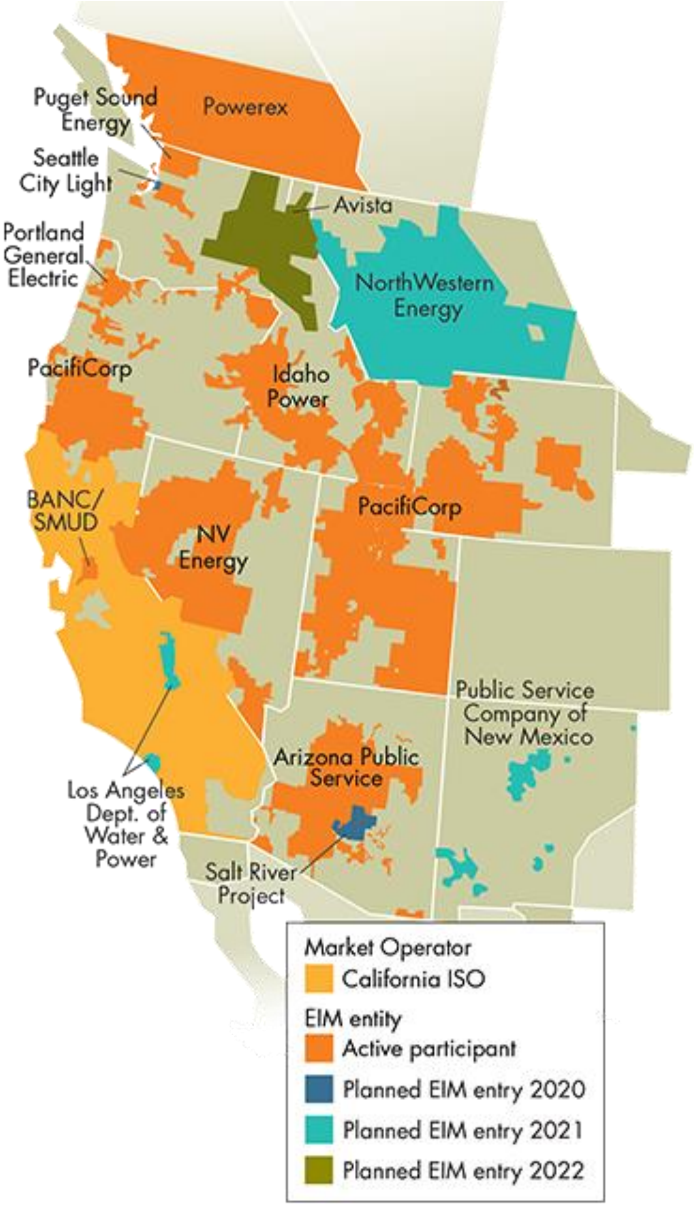
- Among the lowest carbon emitting utilities in the nation
- Founded on clean, renewable hydro power in 1889
- First utility-scale biomass generation project in the 1980's
- Three renewable energy projects implemented in the last three years: two solar and one wind



Long history of commitment to environmental stewardship

Photo: Spokane River Upper Falls

Western Energy Imbalance Market



Washington Senate Bill 5116 (Clean Energy)

Status

- Part of the Governor's "Clean Energy" legislation, along with several other measures intended to reduce greenhouse gas emissions
- Passed by the House and Senate in April 2019
- Expected to be signed into law by the Governor

Energy Resources

- Must eliminate the allocation of coal-fired resources to Washington customers by the end of 2025
- Achieve carbon neutrality by 2030 while meeting 80% of Washington load through renewable or non-emitting resources
- Serve entire Washington load with renewable or non-emitting resources by Jan. 1, 2045

Regulatory

- Provides the Commission authority to allow for the recovery of costs of property which becomes used and useful during a period of up to 48 months after rates have been approved
- Acknowledges the Commission's authority to approve performance and incentive-based regulation, multi-year rate plans, and "other flexible regulatory mechanisms"
- Allows utilities to defer costs incurred to meet clean energy plans for a period of up to 36 months with a return, including an imputed return on power purchase agreements

Driving Effective Regulatory Outcomes

Timely and adequate recovery of costs and capital investments

Washington

- Apr. 30, 2019, filed two-year rate plan designed to increase annual base electric revenues by $45.8 million or 9.1% effective Apr. 1, 2020 and $18.9 million or 3.5% effective Apr. 1, 2021.
- For natural gas, designed to increase annual base revenues by $12.9 million or 13.8% effective Apr, 1, 2020 and $6.5 million or 6.1% effective Apr. 1, 2021.
- Based on 50% equity ratio and 9.9% return on equity.

Idaho

- Dec. 28, 2017, the Idaho Commission approved a multi-party settlement agreement designed to increase annual electric base revenues by $12.9 million, or 5.2%, effective Jan. 1, 2018, and by $4.5 million, or 1.8%, effective Jan. 1, 2019.
- For natural gas, the settlement is designed to increase annual base revenues by $1.2 million, or 2.9%, effective Jan. 1, 2018, and by $1.1 million, or 2.7% on Jan. 1, 2019.
- Based on 50% equity ratio and 9.5% return on equity.

Oregon

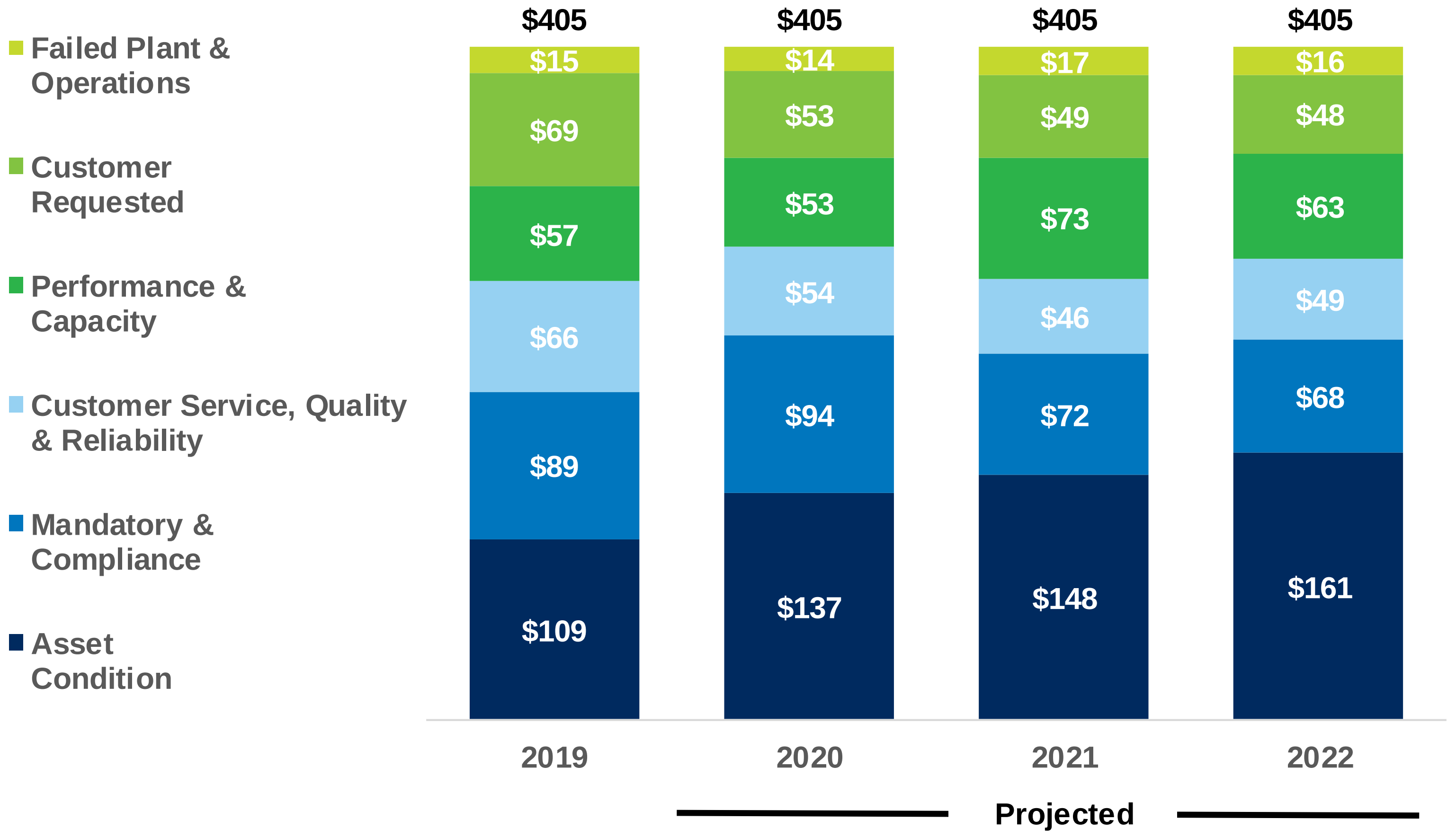
- March 15, 2019, filed request designed to increase annual base revenues by $6.7 million or 7.8 percent. Based on 50% equity ratio and 9.9% return on equity.
- Sept. 13, 2017, received Commission approval of an all-party settlement agreement designed to increase annual base revenues by 5.9% or $3.5 million.
- Based on 50% equity ratio and 9.4% return on equity.

Alaska

- Nov. 15, 2017, all-party settlement agreement approved by Regulatory Commission of Alaska designed to increase base revenues by 3.86% or $1.3 million, the level of interim rates that went into effect Nov. 23, 2016.
- Based on a 58.18% equity ratio and an 11.95% return on equity.
- No plan to file general rate case until 2021.

Investments to upgrade our systems

5% to 6% rate base growth



Actual capital expenditures were $92 million for the first quarter of 2019

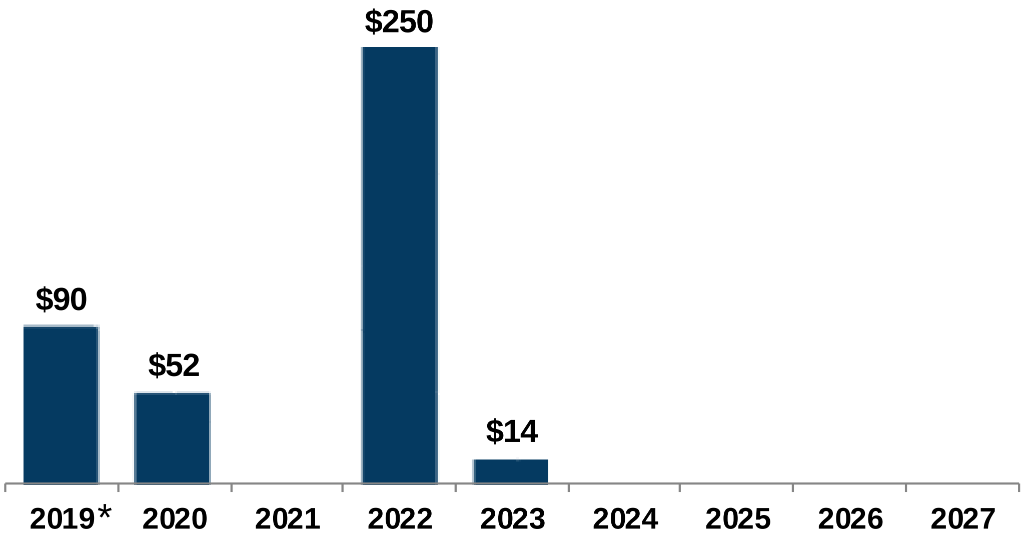
Excludes projected capital expenditures at AEL&P of $9 million in 2019, $7 million in 2020 and 2021, $14 million in 2022

Prudent Balance Sheet and Liquidity

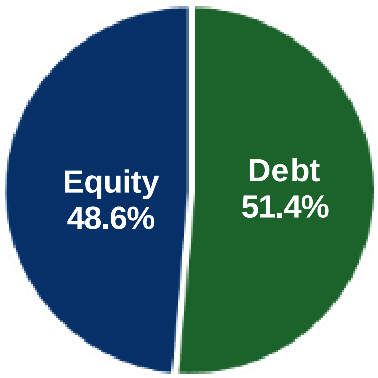
$220.9 million of available liquidity at Avista Corp. as of March 31, 2019

- In 2019, we expect to issue approximately $165 million of long-term debt and up to $50 million of common stock

Upcoming debt maturities
($ millions)



Consolidated Capital Structure
March 31, 2019



Additional long-term debt maturities beyond 2027 not shown

*Excludes debt maturities of $15 million at Alaska Energy and Resources Company in 2019

2019 Earnings Guidance

2019 Earnings Guidance	
Avista Utilities	$2.72 – $2.86
AEL&P	$0.09 – $0.13
Other	$(0.03) – $(0.01)
Consolidated	**$2.78 – $2.98**

Guidance Assumptions

- Our guidance for Avista Utilities includes $1.01 per diluted share for the termination fee received from Hydro One and the payment of remaining transaction costs.
- The midpoint of our guidance range for Avista Utilities does not include any benefit or expense under the Energy Recovery Mechanism (ERM). In 2019 we expect to be in a benefit position under the ERM within the 75 percent customers/25 percent shareholders sharing band, which is expected to add approximately $0.05 per diluted share.
- Our outlook for Avista Utilities and AEL&P assumes, among other variables, normal precipitation, temperatures and below hydroelectric generation for the remainder of the year.

Questions?

Upper Falls, Spokane, Wash.

Contact Information

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Replay	Available at Passcode	(888) 843-7419 48551233#
Webcast	Archived on www.myavista.com	

AVISTA

Appendix

Risks, Uncertainties and Other Factors That Could Affect Future Results

Forward-looking statements are subject to a variety of risks, uncertainties and other factors. Most of these factors are beyond our control and may have a significant effect on our operations, results of operations, financial condition or cash flows, which could cause actual results to differ materially from those anticipated in our statements. Such risks, uncertainties and other factors include, among others:

Financial Risk

weather conditions, which affect both energy demand and electric generating capability, including the impact of precipitation and temperature on hydroelectric resources, the impact of wind patterns on wind-generated power, weather-sensitive customer demand, and similar impacts on supply and demand in the wholesale energy markets; our ability to obtain financing through the issuance of debt and/or equity securities, which can be affected by various factors including our credit ratings, interest rates, other capital market conditions and global economic conditions; changes in interest rates that affect borrowing costs, our ability to effectively hedge interest rates for anticipated debt issuances, variable interest rate borrowing and the extent to which we recover interest costs through retail rates collected from customers; changes in actuarial assumptions, interest rates and the actual return on plan assets for our pension and other postretirement benefit plans, which can affect future funding obligations, pension and other postretirement benefit expense and the related liabilities; deterioration in the creditworthiness of our customers; the outcome of legal proceedings and other contingencies; economic conditions in our service areas, including the economy's effects on customer demand for utility services; declining energy demand related to customer energy efficiency, conservation measures and/or increased distributed generation; changes in the long-term global climate and the long-term climate within our utilities' service areas, which can affect, among other things, customer demand patterns, the volume and timing of streamflows to our hydroelectric resources, as well as increased risk of severe weather or natural disasters, including wildfires; industry and geographic concentrations which may increase our exposure to credit risks due to counterparties, suppliers and customers being similarly affected by changing conditions;

Utility Regulatory Risk

state and federal regulatory decisions or related judicial decisions that affect our ability to recover costs and earn a reasonable return including, but not limited to, disallowance or delay in the recovery of capital investments, operating costs, commodity costs, interest rate swap derivatives and discretion over allowed return on investment; the loss of regulatory accounting treatment, which could require the write-off of regulatory assets and the loss of regulatory deferral and recovery mechanisms;

Energy Commodity Risk

volatility and illiquidity in wholesale energy markets, including exchanges, the availability of willing buyers and sellers, changes in wholesale energy prices that can affect operating income, cash requirements to purchase electricity and natural gas, value received for wholesale sales, collateral required of us by individual counterparties and/or exchanges in wholesale energy transactions and credit risk to us from such transactions, and the market value of derivative assets and liabilities; default or nonperformance on the part of any parties from whom we purchase and/or sell capacity or energy; potential environmental regulations or lawsuits affecting our ability to utilize or resulting in the obsolescence of our power supply resources; explosions, fires, accidents, pipeline ruptures or other incidents that may limit energy supply to our facilities or our surrounding territory, which could result in a shortage of commodities in the market that could increase the cost of replacement commodities from other sources;

Operational Risk

severe weather or natural disasters, including, but not limited to, avalanches, wind storms, wildfires, earthquakes, snow and ice storms, that can disrupt energy generation, transmission and distribution, as well as the availability and costs of fuel, materials, equipment, supplies and support services; explosions, fires, accidents, mechanical breakdowns or other incidents that may impair assets and may disrupt operations of any of our generation facilities, transmission, and electric and natural gas distribution systems or other operations and may require us to purchase replacement power; explosions, fires, accidents or other incidents arising from or allegedly arising from our operations that may cause wildfires, injuries to the public or property damage; blackouts or disruptions of interconnected transmission systems (the regional power grid); terrorist attacks, cyberattacks or other malicious acts that may disrupt or cause damage to our utility assets or to the national or regional economy in general, including any effects of terrorism, cyberattacks or vandalism that damage or disrupt information technology systems;

Risks, Uncertainties and Other Factors That Could Affect Future Results

work force issues, including changes in collective bargaining unit agreements, strikes, work stoppages, the loss of key executives, availability of workers in a variety of skill areas, and our ability to recruit and retain employees; increasing costs of insurance, more restrictive coverage terms and our ability to obtain insurance; delays or changes in construction costs, and/or our ability to obtain required permits and materials for present or prospective facilities; increasing health care costs and cost of health insurance provided to our employees and retirees; third party construction of buildings, billboard signs, towers or other structures within our rights of way, or placement of fuel containers within close proximity to our transformers or other equipment, including overbuild atop natural gas distribution lines; the loss of key suppliers for materials or services or other disruptions to the supply chain; adverse impacts to our Alaska electric utility that could result from an extended outage of its hydroelectric generating resources or their inability to deliver energy, due to their lack of interconnectivity to any other electrical grids and the cost of replacement power (diesel); changing river regulation or operations at hydroelectric facilities not owned by us, which could impact our hydroelectric facilities downstream; change in the use, availability or abundancy of water resources and/or rights needed for operation of our hydroelectric facilities;

Compliance Risk

compliance with extensive federal, state and local legislation and regulation applicable to us, including numerous environmental, health, safety, infrastructure protection, reliability and other laws and regulations that affect our operations and costs; the ability to comply with the terms of the licenses and permits for our hydroelectric or thermal generating facilities at cost-effective levels;

Cyber and Technology Risk

cyberattacks on the operating systems that are used in the operation of our electric generation, transmission and distribution facilities and our natural gas distribution facilities, and cyberattacks on such systems of other energy companies with which we are interconnected, which could damage or destroy facilities or systems or disrupt operations for extended periods of time and result in the incurrence of liabilities and costs; cyberattacks on the administrative systems that are used in the administration of our business, including customer billing and customer service, accounting, communications, compliance and other administrative functions, and cyberattacks on such systems of our vendors and other companies with which we do business, which could result in the disruption of business operations, the release of private information and the incurrence of liabilities and costs; changes in costs that impede our ability to effectively implement new information technology systems or to operate and maintain current production technology; changes in technologies, possibly making some of the current technology we utilize obsolete or introducing new cyber security risks; insufficient technology skills, which could lead to the inability to develop, modify or maintain our information systems;

Strategic Risk

growth or decline of our customer base and the extent to which new uses for our services may materialize or existing uses may decline, including, but not limited to, the effect of the trend toward distributed generation at customer sites; the potential effects of negative publicity regarding our business practices, whether true or not, which could hurt our reputation and result in litigation or a decline in our common stock price; changes in our strategic business plans, which may be affected by any or all of the foregoing, including the entry into new businesses and/or the exit from existing businesses and the extent of our business development efforts where potential future business is uncertain; entering into or growth of non-regulated activities may increase earnings volatility; potential legal proceedings arising from the termination of the proposed acquisition of the Company by Hydro One;

External Mandates Risk

changes in environmental laws, regulations, decisions and policies, including present and potential environmental remediation costs and our compliance with these matters; the potential effects of initiatives, legislation or administrative rulemaking at the federal, state or local levels, including possible effects on our generating resources or restrictions on greenhouse gas emissions to mitigate concerns over global climate changes; political pressures or regulatory practices that could constrain or place additional cost burdens on our distribution systems through accelerated adoption of distributed generation or electric-powered transportation or on our energy supply sources, such as campaigns to halt coal-fired power generation and opposition to other thermal generation, wind turbines or hydroelectric facilities; wholesale and retail competition including alternative energy sources, growth in customer-owned power resource technologies that displace utility-supplied energy or that may be sold back to the utility, and alternative energy suppliers and delivery arrangements; failure to identify changes in legislation, taxation and regulatory issues that are detrimental or beneficial to our overall business; policy and/or legislative changes in various regulated areas, including, but not limited to, environmental regulation, healthcare regulations and import/export regulations; and the risk of municipalization in any of our service territories.