ENERGY THAT
TRANSFORMS

AVISTA®

INVESTOR PRESENTATION

DECEMBER 2025

Disclaimer

Except as expressly noted, the information in this presentation is current as of Nov. 5, 2025, and should not be relied upon as being current as of any subsequent date. Avista undertakes no duty to update this presentation, except as may be required by law.

All forward-looking statements in this presentation are based on underlying assumptions (many of which are based, in turn, upon further assumptions). These 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, those included in the appendix herein and in our most recent Annual Report on Form 10-K, or Quarterly Report on Form 10-Q, filed with the Securities and Exchange Commission. Those reports are also available on our website at https://investor.avistacorp.com.

Responsible Growth with a Focus on Results

Committing to financial strength

- Regulatory outcomes demonstrate Commission support and alignment with strategic priorities
- Strengthened S&P rating outlook to stable
- Long-term earnings growth from 2025 base year of 4-6%
- Over the long-term, expected ROE of 8.8%

Ensuring robust energy supply and delivery

- Wildfire mitigation improves resiliency and reliability
- RFP presents pathway for new generation resources, including self-build and build-transfer
- North Plains Connector part of preferred resource strategy
- $3 billion capital spend through 2029 (excluding North Plains and RFP)

Partnering in the shared clean energy economy

- Continued investment in and operationalization of innovations enabling our aspirational goals of 100% clean electricity and 100% carbon neutral gas operations by 2045
- Engaged with data center developers and operators
- Electrification opportunities
- Prioritizing tribal partnerships

Inspiring engaged and thriving employees

- Fostering internal innovation to support strategic opportunities
- Ensuring safe, effective, and efficient operations
- Continued focus on business value from operational improvements

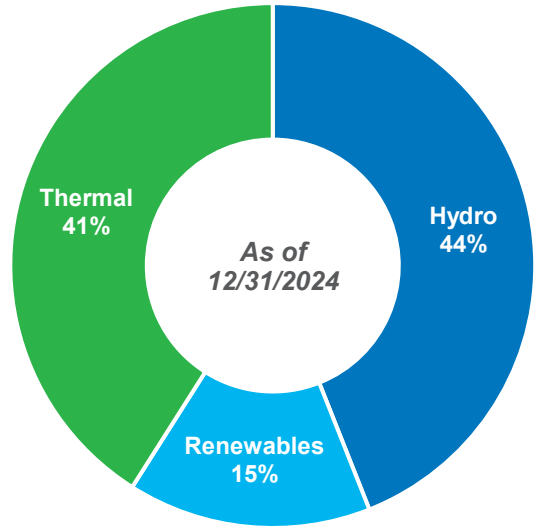
Avista at a Glance

Primarily a regulated electric and gas utility

Already one of the lowest carbon-emitting electric utilities in the U.S.*

Incorporated in the territory of Washington in 1889

Generation portfolio 59% renewable



FINANCIALS AT A GLANCE

$1.9 billion
2024 OPERATING REVENUE

$180 million
2024 NET INCOME ATTRIBUTABLE TO AVISTA CORP SHAREHOLDERS

$2.29
2024 DILUTED EARNINGS PER SHARE

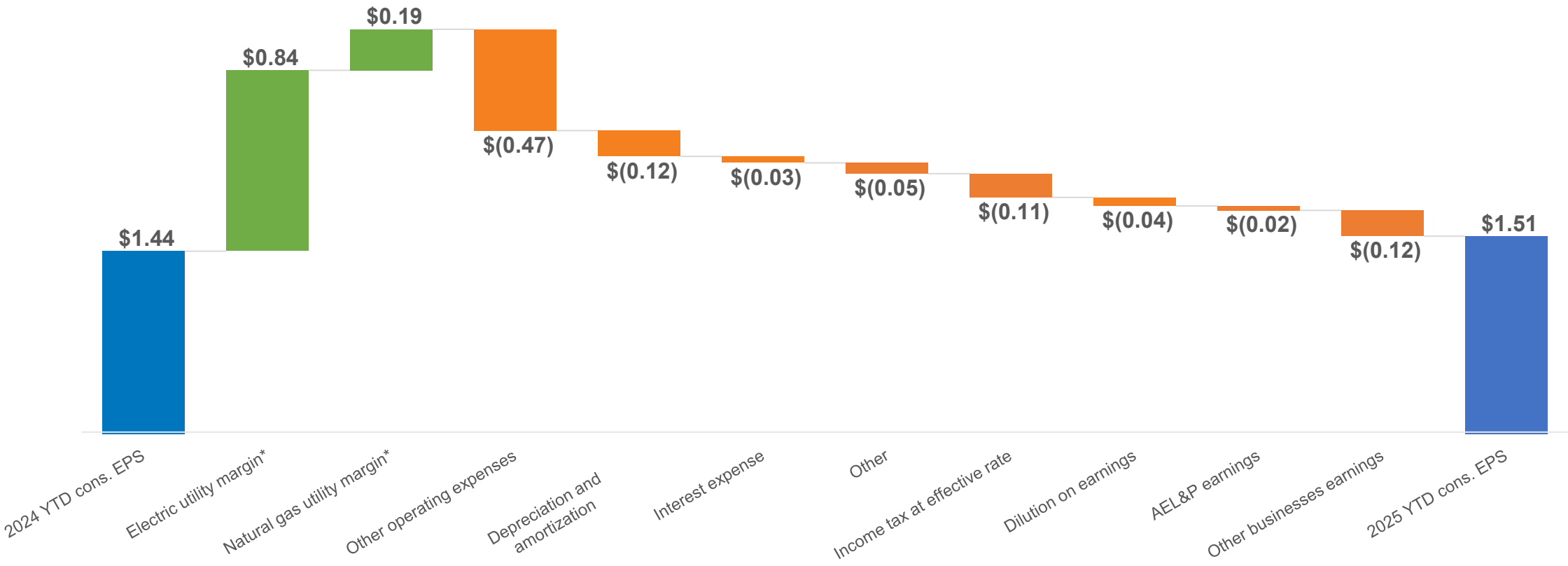
$1.96
2025 ANNUALIZED DIVIDEND PER SHARE

$2.6 billion
AVISTA CORPORATION SHAREHOLDERS' EQUITY AS OF 12/31/2024

1%
CUSTOMER GROWTH IN 2024

* Source: *Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States*, ERM, November 2024.

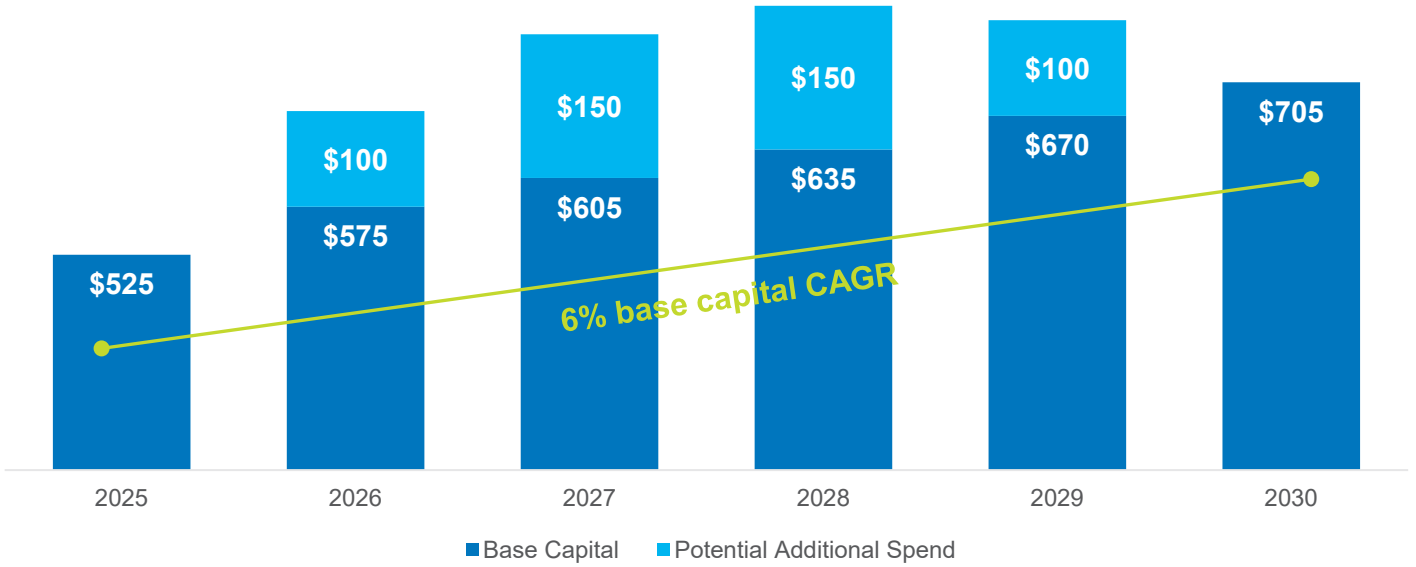
Q3 YTD Consolidated Earnings Bridge



* Including intracompany.

The chart above includes electric and gas utility margin, which are considered non-GAAP financial measures. Refer to the Appendix for a reconciliation of these non-GAAP measures.

Investing in the Utility of the Future

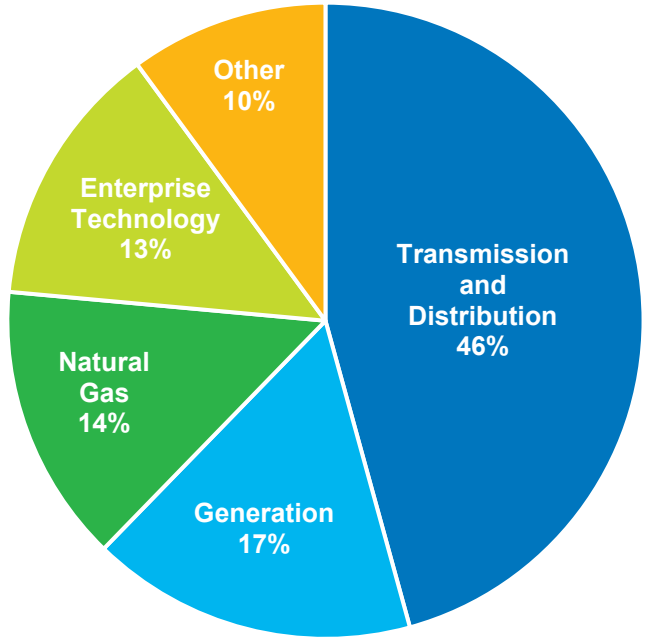


Avista Utilities Expected Capital Spend 2025-2030

$ in millions

Expected capital spend shown above is an estimate; actual amounts may differ. Potential additional spend shown above represents estimated additional capital by year that could result from the 2025 RFP, including potential large load additions.

Additional spend associated with incremental transmission is not included in potential additional spend above. The North Plains Connector project is not included and likely lies outside the 5-year planning horizon.



Allocation of Avista Utilities Expected Base Capital Spend 2025-2030

2025 RFP for Electric Resources

DECEMBER 2024

Integrated Resource Plan identifies need for additional resources by 2029

JUNE 2025

All-Source Request for Proposals for 100 – 425 megawatts of generation issued, with bids due at the end of June

AUGUST 2025

Shortlist finalized, bidders asked to resubmit clarified bids

Q4 2025

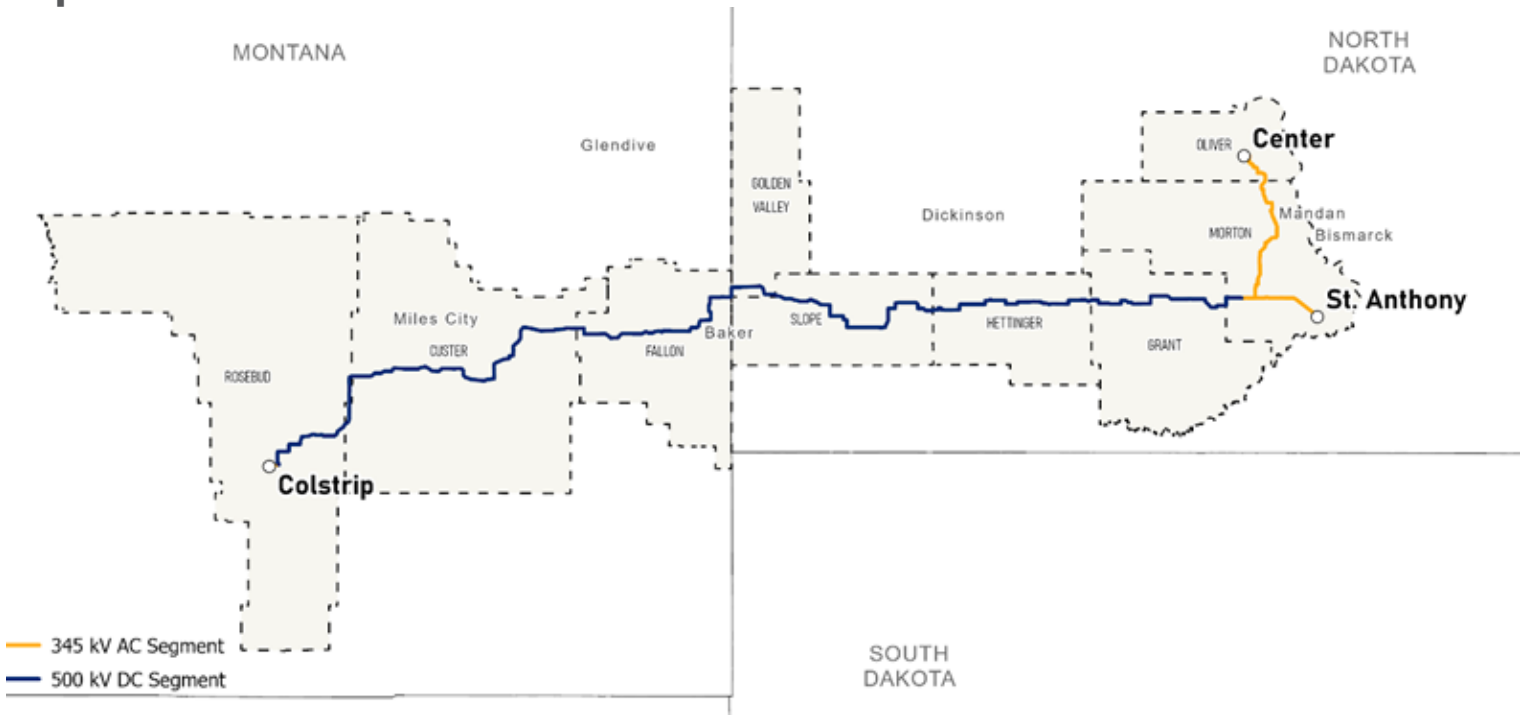
Finalists selected, contract negotiations begin

Q1 2026

Winners announced

Signed MOU for North Plains Connector

Proposed Route



The North Plains Connector Transmission Line:

- 3,000 megawatts
- 420 miles
- High-voltage direct-current
- Connecting east and west

- Signed memorandum of understanding seeking 10 percent ownership of the North Plains Connector project
- Definitive agreements expected in the next 6 – 9 months
- Financial commitments likely to occur at conclusion of project in 2032

Driving Effective Regulatory Outcomes

Washington

- **New rates effective 1/1/2025.**
- Base electric revenue increase of $11.9M (2%) in year 1, and $68.9M ($44.5M net) (11.6%) in year 2.
- Base gas revenue increase of $14.2M (11.2%) in year 1, and $4.0M (2.8%) in year 2.
- Overall rate of return 7.32% and ROE 9.8%.
- Next rate case filing expected Q1 2026.

Idaho

- **New rates effective 9/1/2025.**
- Base electric revenue increase of $19.5M (6.3%) in year 1, and $14.7M (4.5%) in year 2.
- Base gas revenue increase of $4.6M (9.2%) in year 1, and $0.2M (0.4%) in year 2.
- Overall rate of return 7.28% (9.6% ROE and 50% equity ratio).

Oregon

- **New rates effective 9/1/2025.**
- Base revenue increase of $4.2M (2% net of tax customer credits).
- Overall rate of return of 7.219% (9.5% ROE).

Alaska

- Rate order received August 2023.
- Rate increase of 6.0% approved.
- ROE of 11.45% and 60.7% equity ratio.
- **Required to file next rate case by August 2027.**

Mitigating our Wildfire Risk

Wildfire Resiliency Plan

- Incorporates grid hardening, vegetation management, situational awareness, and emergency response and operations
- **$430 million** investment in both capital and O&M planned
- WUI 2 and 3 zones to be addressed first

Proactive Operations

- Leading-edge **fire weather dashboard** enables prediction of wildfire risk at a feeder-level granularity
- **Fire Safety Mode** utilizes a risk-informed approach to operating our system, employs higher sensitivities
- **Public safety power shutoffs** (PSPS) when conditions warrant

Regulatory Support

- Deferral treatment for **wildfire resiliency** costs beyond amounts authorized in rates
- Deferral treatment for **insurance** costs beyond amounts authorized in rates

Legislative Action

- Partnering with neighboring utilities and EEI to seek **Federal support** for wildfire risk
- **Legislation passed** in Washington and Idaho
  - WA HB 1522 Approval of Wildfire Mitigation Plans
  - WA HB 1990 Securitization
  - ID SB 1124 Standard of Care

Earnings Guidance

	2025
Avista Utilities	$2.43 - $2.61
AEL&P	$0.09 - $0.11
Consolidated	**$2.52 - $2.72**

as of Nov. 5, 2025

Guidance Assumptions

- Our guidance does not include the effect of unusual or non-recurring items until the effects are probable. Various factors could cause actual results to differ materially from our expectations. Please refer to our 10-K for 2024, and our 10-Q for the third quarter of 2025, as well as the cautionary statements shared later in this presentation, for a full discussion of these factors.
- We expect Avista Utilities to contribute toward the upper end of the range due to strong performance, primarily from cost management and constructive regulatory outcomes.
- We expect to be at the low end of our consolidated guidance range as a result of $0.16 per diluted share of losses at our other businesses recorded in the first three quarters of the year.
- Our guidance for Avista Utilities includes an expected $0.14 negative impact from the ERM, within the 90 percent customer / 10 percent Company sharing band.

COMPANY CONTACT

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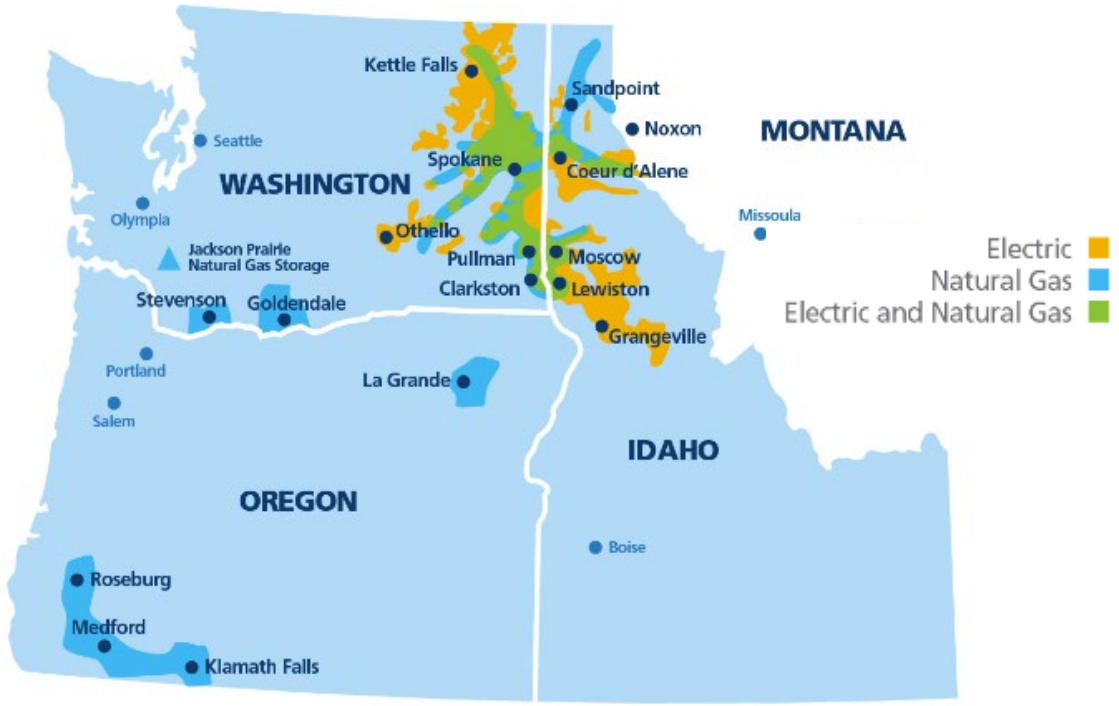
Appendix

About Avista

Corporate responsibility

Solid, Stable Utility Foundation



8 HYDRO FACILITIES

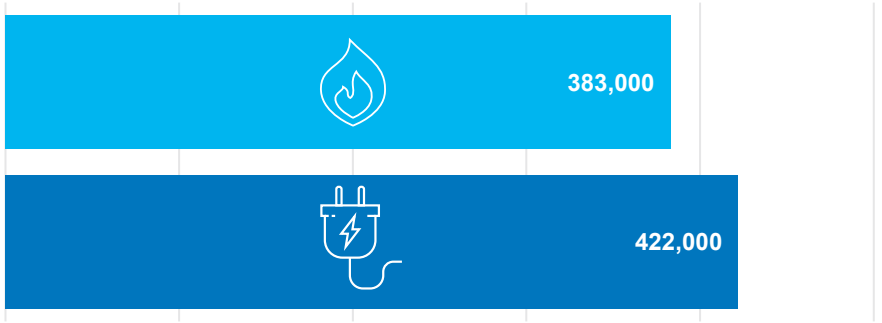
7 THERMAL PLANTS

2,800 MILES OF TRANSMISSION LINE

19,900 MILES OF DISTRIBUTION LINE

8,200 MILES GAS DISTRIBUTION MAIN

Customers

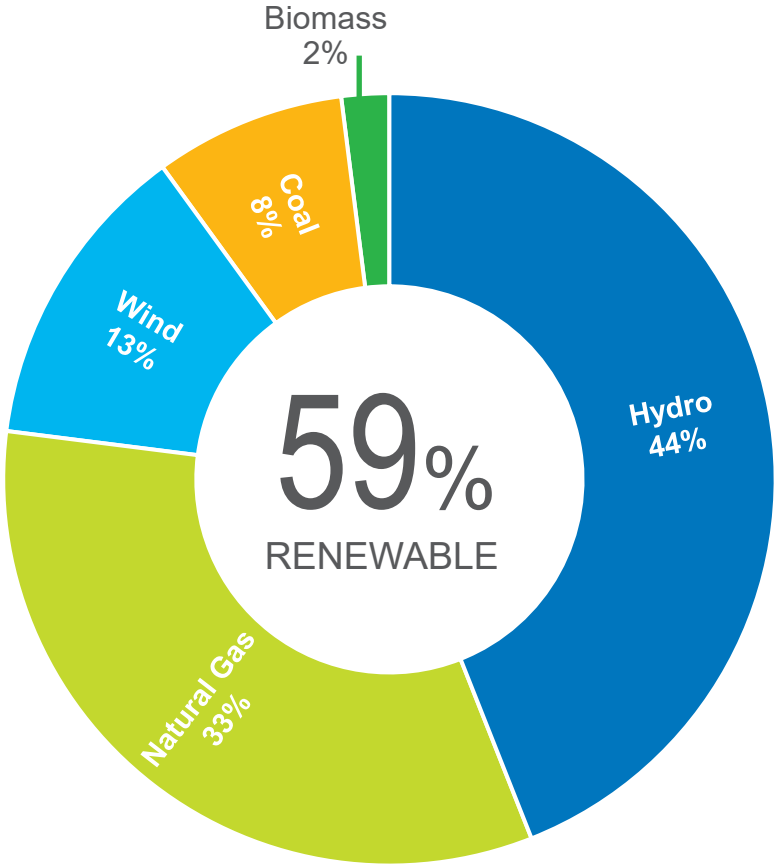


As of 12/31/2024

Avista Utilities' service territory covers 30,000 square miles with a population of 1.7 million

Some icon images from Flaticon.com

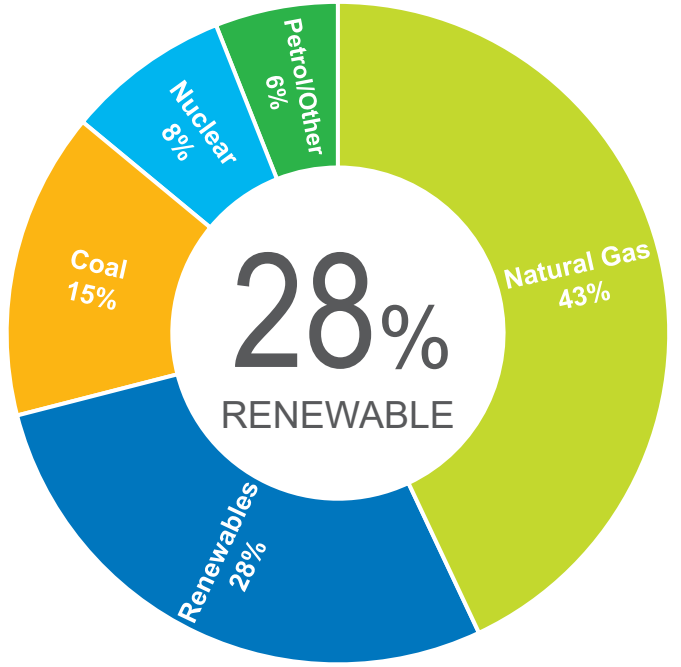
Founded on Clean, Renewable Hydropower in 1889



Avista's Generation Portfolio

As of 12/31/2024

More than 70% of Avista's peak generating capability will be from renewable sources by 2026



U.S. Electric Industry

Per U.S. Energy Information Administration

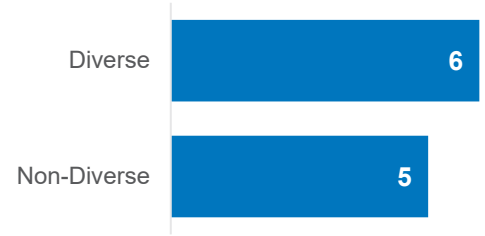
A Skilled and Diverse Board

Director	Age	Tenure	Committee Membership
 **Julie A. Bentz** *Independent*	59	2 years	• Environmental • Finance
 **Donald C. Burke** *Independent*	63	12 years	• Board Vice Chair • Audit (Chair) • Executive • Governance
 **Kevin B. Jacobsen** *Independent*	57	1 year	• Audit • Environmental
 **Rebecca A. Klein** *Independent*	58	14 years	• Compensation • Environmental (Chair)
 **Sena Kwawu** *Independent*	55	3 years	• Environmental • Finance (Chair)
 **Scott H. Maw** *Independent*	56	7 years	• Compensation (Chair) • Governance
 **Scott L. Morris*** *Independent*	66	17 years	• Chairman of the Board • Executive (Chair) • Finance
 **Jeffry L. Philipps** *Independent*	68	4 years	• Audit • Compensation
 **Heather L. Rosentrater** *Non-Independent*	47	First year	• Executive
 **Heidi B. Stanley** *Independent*	67	18 years	• Audit • Executive • Governance
 **Janet D. Widmann** *Independent*	57	10 years	• Finance • Governance (Chair)

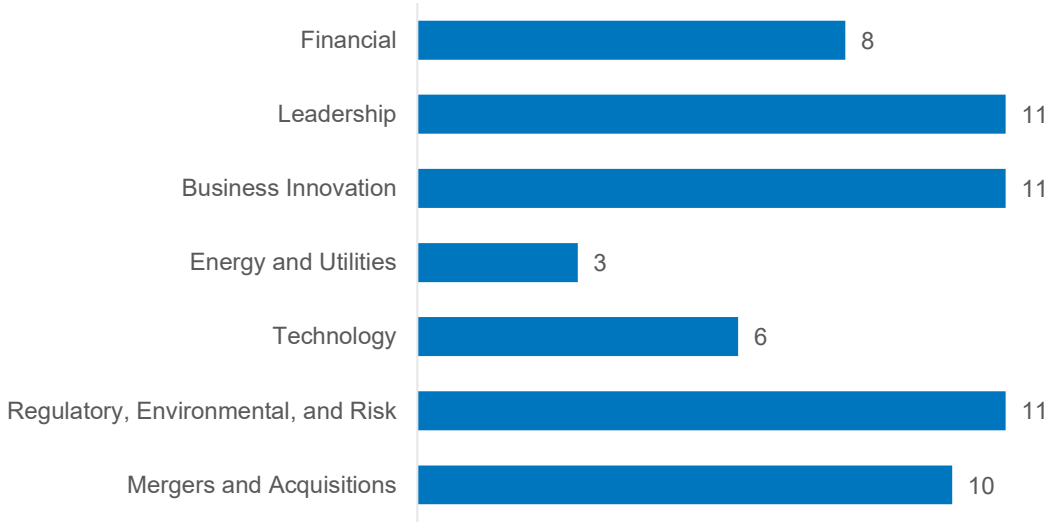
* Mr. Morris retired as an executive officer of Avista Corp. on October 1, 2019, and now meets NYSE independence requirements. The Company continues to maintain an independent Vice Chair.

Balanced Board Tenure

Board Diversity



Summary of Board Competencies



Regulatory Landscape

Rates, regulation, and resource planning

Avista Utilities Rate Base

Jurisdiction and Service	Estimated Rate Base as of Sept. 30, 2025 (1) ($ in millions)	Authorized Overall Rate of Return	Authorized Return on Equity	Authorized Common Equity Ratio
Washington electric	$2,369	7.32%	9.8%	48.5%
Washington natural gas	591	7.32%	9.8%	48.5%
Idaho electric	1,140	7.28%	9.6%	50%
Idaho natural gas	233	7.28%	9.6%	50%
Oregon natural gas	388	7.219%	9.5%	50%
Total	**$4,721**			

(1) Based on average-of-monthly averages for the prior 13-month period.

Avista Utilities Regulatory Mechanisms

Jurisdiction and Service	Supply Costs	Decoupling / FCA (1)	Wildfire Resiliency	Insurance (2)	Decarbonization Plans (2)
Washington electric	ERM (3)	Yes	Yes	Yes	Clean Energy Implementation Plan (CEIP)
Washington natural gas	PGA (4)	Yes	N/A	Yes	Climate Commitment Act (CCA)
Idaho electric	PCA (5)	Yes	Yes	Yes	N/A
Idaho natural gas	PGA (4)	Yes	N/A	Yes	N/A
Oregon natural gas	PGA (4)	Yes	N/A	N/A	Climate Protection Plan (CPP) *(new rules expected)*

(1) Decoupling (also known as the Fixed Cost Adjustment (FCA) in Idaho) is a mechanism designed to sever the link between a utility's revenues and consumers' energy usage. The difference between revenues based on the number of customers and "normal" sales and revenues based on actual usage is deferred and either surcharged or rebated to customers beginning in the following year. Only residential and certain commercial customer classes are included in our decoupling mechanisms.

(2) The respective regulatory authorities will determine the appropriateness and prudency of any deferred expenses when the Company seeks recovery.

(3) The Energy Recovery Mechanism (ERM) is an accounting method used to track certain differences between actual power supply costs, net of wholesale sales and sales of fuel, and the amount included in base retail rates for our Washington customers.

(4) Purchased Gas Adjustments (PGAs) are designed to pass through changes in natural gas costs to customers with no change in utility margin (operating revenues less resource costs) or net income.

(5) Under the Power Cost Adjustment (PCA) mechanism, we defer 90 percent of the difference between certain actual net power supply expenses and the amount included in base retail rates for our Idaho customers.

Recent Climate Legislation

2019 — Washington passes the **Clean Energy Transformation Act (CETA)**

- Eliminates coal from use to serve Washington customers by the end of 2025
- All retail sales of electricity to Washington customers must be carbon-neutral by 1/1/2030
- Requires development and filing of Clean Energy Implementation Plans (CEIP)

2020 — Oregon passes the **Climate Protection Plan (CPP)**

- Outlines greenhouse gas emissions reductions of 50% by 2035 and 90% by 2050 from a 1990 baseline
- After challenge, judicial review declared the CPP invalid
- New regulations were issued, substantially the same as original

2021 — Washington passes the **Climate Commitment Act (CCA)**

- Establishes a cap and trade program to reduce greenhouse gas emissions
- Act has been challenged in the courts; legislature contemplating amendments

2022 — Washington State **building codes** altered

- Requires most new construction to install all-electric space heating
- Lawsuits pending

2024 — Washington State **ballot initiatives** to ensure energy choice and to repeal the CCA

- Washington voters passed I-2066 to ensure energy choice and prohibit laws discouraging the use of natural gas (including alterations to the building codes); initiative ruled invalid in March 2025; appeal pending
- I-2117 to repeal the CCA and prohibit carbon tax credit trading failed

2025 Electric IRP and RFP

Electric Demand

- Annual load growth forecast to average +0.91% through 2035, +1.4% 2036 through 2045
- Capacity planning for peak hours is our most significant need, with winter and summer peaks forecast to grow more than +1.1% annually

Impact of Extreme Weather

- In January 2024 during an extreme cold snap, regional demand peaked at levels not seen since the 1990s (large industrials left the region in the 1990s)
- Severe weather events are occurring more frequently

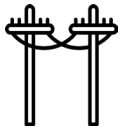
Acceleration of Electrification

- The last 10 years of the IRP show significantly higher load growth with 1.7% annual peak load growth
- Building and transportation electrification driving higher forecast

Accelerating Generation Needs

- Draft all-source RFP filed in March 2025, requesting 100 to 425 MW generation
- More than 80 bids received for broad range of resources, including self-build, build-transfer, and PPA
- Shortlist expected by end of August
- Finalists selected by end of 2025, winners announced Q1 2026

Maintaining our Momentum Mitigating Wildfire Risk



Distribution grid hardening

Strengthening our system through use of appropriate solutions including steel poles, fiberglass crossarms, animal guards, upgraded conductors, and undergrounding where appropriate.

951 LINE MILES 2020-2024

67 LINE MILES 2025 TARGET

2,535 LINE MILES BY 2029

Transmission hardening

Strengthening our system through use of steel poles and fire-resistant pole wraps.

583 STEEL POLES THROUGH 2024

80 STEEL POLES 2025 TARGET

1,000 STEEL POLES* BY 2029

Wildfire automation

Automating midline reclosers and substation breakers to enable Fire Safety Mode operations at the push of a button.

83% COMPLETE MIDLINE RECLOSER INSTALLATIONS

70% COMPLETE SUBSTATION BREAKER INSTALLATIONS

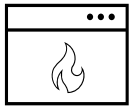
Vegetation management

Identifying and addressing risk trees that could strike power lines, including LiDAR and satellite-derived data to inform activities.

100% RISK TREES

SURVEYED ANNUALLY

Surveying 100% of risk trees is part of Avista's annual operations.



Situational awareness and operations

Identify fire-weather conditions and align utility system settings to ensure protection, including fire weather dashboard, Fire Safety Mode, and Public Safety Power Shutoffs.

12 DAYS IN 2024 FIRE SAFETY MODE ACTIVATED

1 PSPS IN 2024

Weather monitoring, implementing Fire Safety Mode, and PSPS are part of Avista's regular operations.

** This is the number of steel poles specific to the wildfire program. Steel poles are also installed through different capital programs.*

Alaska Electric Light & Power Company

Alaska Electric Light & Power Company

Oldest regulated electric utility in Alaska, founded in 1893

- Serves 17,000 electric customers in the City and Borough of Juneau, meeting nearly all its energy needs with hydropower
- One of the lowest-cost electric utilities in the state
- Approved capital structure of 60.7% equity ratio and an authorized return on equity of 11.45%

Juneau, Alaska

Strategic Investments

Growth outside core utility, developing platforms for future growth

Creating New Growth Platforms

Energy Impact Partners

- Private equity fund
- Invests in emerging technologies, services, and business models throughout the energy supply chain with a collaborative, strategic investment approach
- Opportunity to learn from invested companies to leverage technologies to innovate within Avista's own operations

South University District Development

- Joint venture real estate development
- Zero-energy, zero-carbon cross-laminated timber building and an energy innovation center coordinating utility grid operations with tenant and building operations
- Grid simulation lab

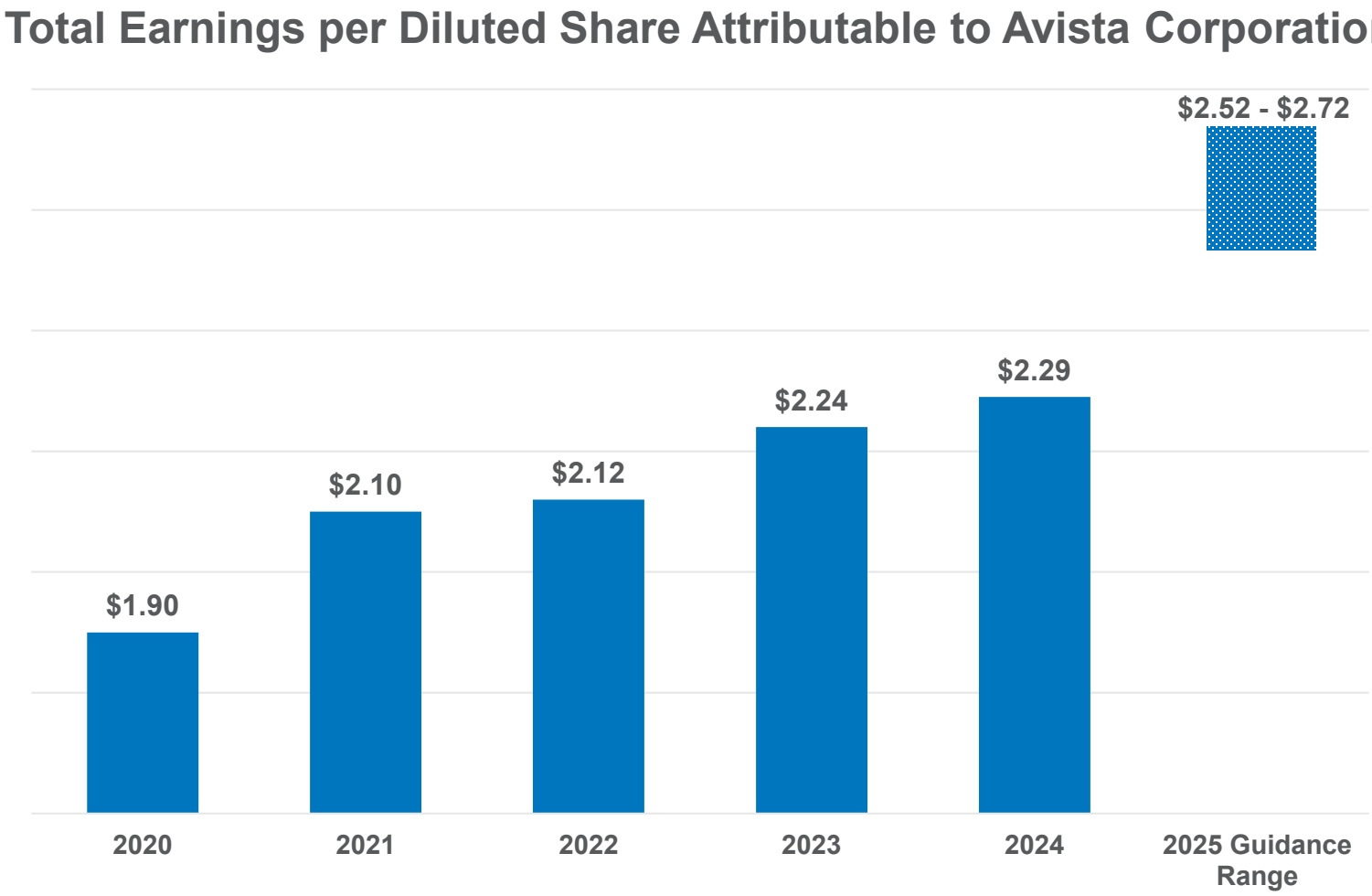
Energy Capital Ventures

- Venture fund
- Diversified investment risk in emerging energy sector companies
- Focused on decarbonization of the energy value chain
- Collaboration with industry-leading utilities on innovations of interest to LDCs

Plan to invest $5 million in 2025, $6 million in 2026, and $6 million in 2027

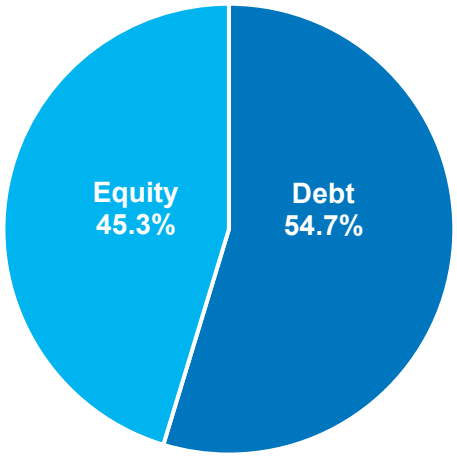
Financial Performance Metrics

Earnings per Diluted Share



Prudent Balance Sheet and Liquidity

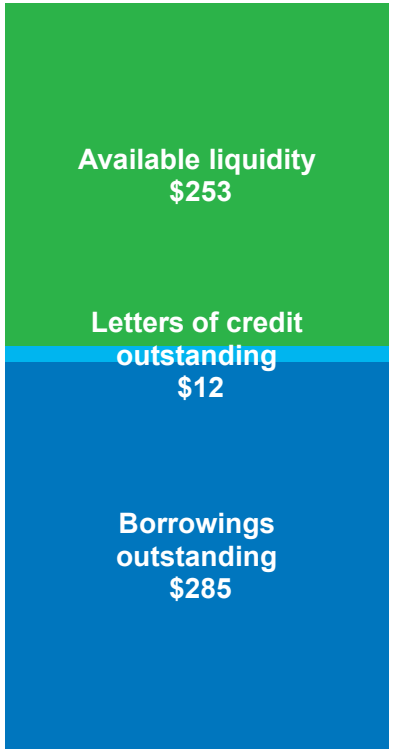
Consolidated capital structure
September 30, 2025



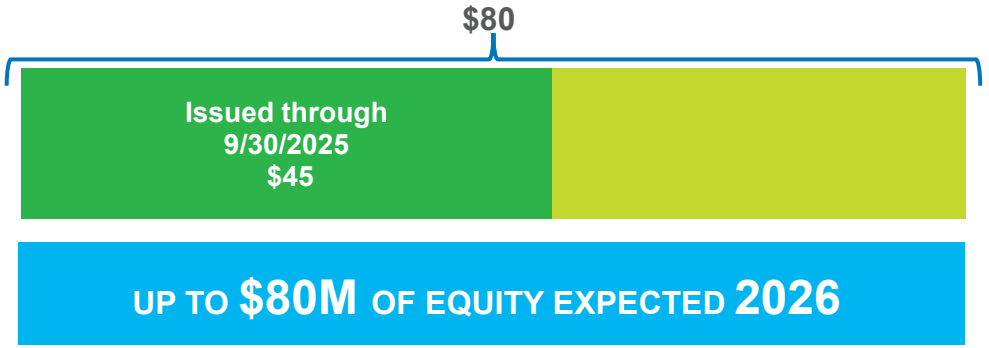
$120M LONG-TERM DEBT ISSUED JULY 2025

$120M LONG-TERM DEBT EXPECTED IN 2026

Liquidity
September 30, 2025
($ in millions)

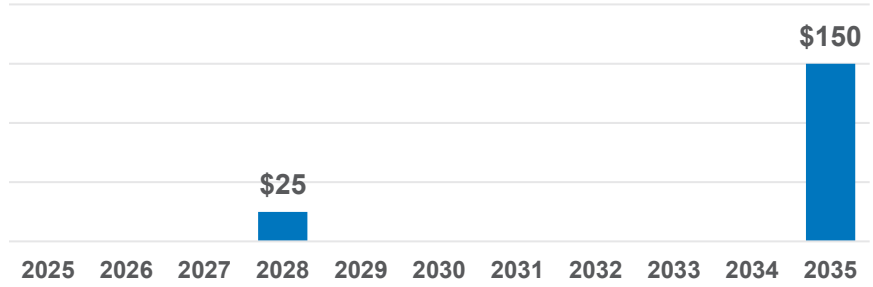


Common stock issued and expected
($ in millions)



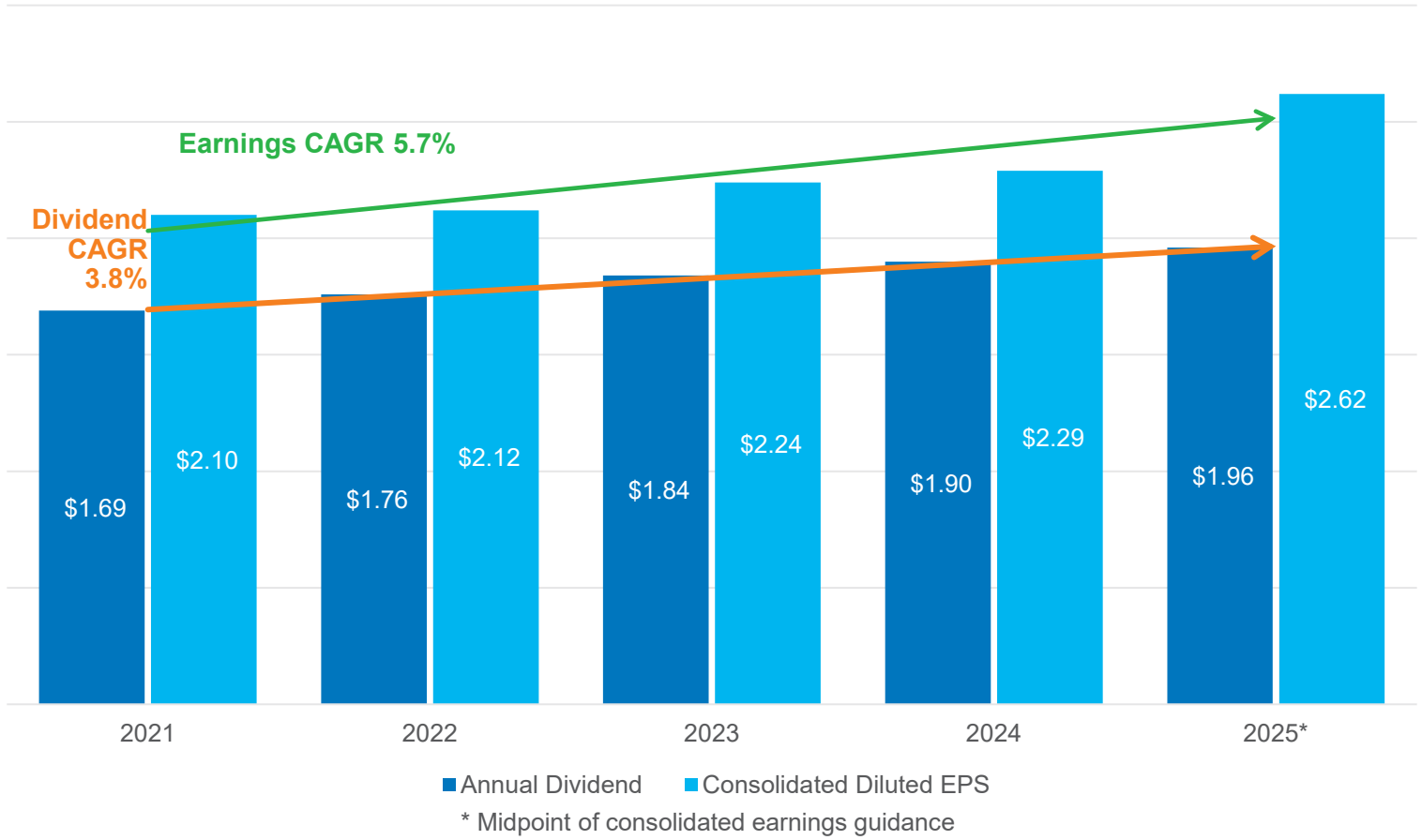
UP TO $80M OF EQUITY EXPECTED 2026

Upcoming debt maturities
($ in millions)



Maturities beyond 2035 not shown.

Competitive Dividend



65-75%

TARGET PAYOUT

We expect dividend growth to be less than earnings growth until we reach our target payout range.

Reconciliation of Non-GAAP Measures

	Electric		Natural Gas		Intracompany		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
For the three months ended Sept. 30								
Operating revenues	$ 329	$ 316	$ 69	$ 74	$ (4)	$ (6)	$ 394	$ 384
Resource costs	88	107	31	40	(4)	(6)	115	141
Income taxes (a)	50	44	8	7	-	-	58	51
Utility margin, net of tax	$ 191	$ 165	$ 30	$ 27	$ -	$ -	$ 221	$ 192
For the nine months ended Sept. 30								
Operating revenues	$ 1,000	$ 973	$ 407	$ 411	$ (9)	$ (15)	$ 1,398	$ 1,369
Resource costs	306	365	203	226	(9)	(15)	500	576
Income taxes (a)	146	128	43	39	-	-	189	167
Utility margin, net of tax	$ 548	$ 480	$ 161	$ 146	$ -	$ -	$ 709	$ 626

(a) Income taxes for 2025 and 2024 were calculated using Avista Corp.'s federal statutory tax rate of 21 percent.

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 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 such statements. The following are among the important factors that could cause actual results to differ materially from the forward-looking statements:

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, the ordering of refunds to customers 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;

Operational 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; wildfires ignited, or allegedly ignited, by our equipment or facilities could cause significant loss of life and property or result in liability for resulting fire suppression costs and/or damages, thereby causing serious operational, reputational and financial harm; severe weather or natural disasters, including, but not limited to, avalanches, wind storms, wildfires, earthquakes, floods, extreme temperature events, snow and ice storms that could disrupt energy generation, transmission and distribution, as well as the availability and costs of fuel, materials, equipment, supplies and support services; political unrest and/or conflicts between foreign nation-states, which could disrupt the global, national and local economy, result in increases in operating and capital costs, impact energy commodity prices or our ability to access energy resources, create disruption in supply chains, disrupt, weaken or create volatility in capital markets, and increase cyber and physical security risks. In addition, any of these factors could negatively impact our liquidity and limit our access to capital, among other implications; explosions, fires, accidents, mechanical breakdowns or other incidents that could impair assets and may disrupt operations of our generation facilities, transmission, and electric and natural gas distribution systems or other operations and may require us to purchase replacement power or incur costs to repair our facilities; interruptions in the delivery of natural gas by our suppliers, including physical problems with pipelines themselves, can disrupt our service of natural gas to our customers and/or impair our ability to operate gas-fired electric generating facilities; explosions, fires, accidents or other incidents arising from or allegedly arising from our operations that could cause 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 could disrupt or cause damage to our utility assets or to the national or regional economy in general, including effects of terrorism, cyberattacks, ransomware, or vandalism that damage or disrupt information technology systems; pandemics, which could disrupt our business, as well as the global, national and local economy, resulting in a decline in customer demand, deterioration in the creditworthiness of our customers, increases in operating and capital costs, workforce shortages, losses or disruptions in our workforce due to vaccine mandates, delays in capital projects, disruption in supply chains, and disruption, weakness and volatility in capital markets. In addition, any of these factors could negatively impact our liquidity and limit our access to capital, among other implications; 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; changes in the availability and price of purchased power, fuel and natural gas, as well as transmission capacity; 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; increasing operating costs, including effects of inflationary pressures; 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 overbuilding 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 (AEL&P) 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 other electrical grids and the availability or cost of replacement power (diesel); changing river or reservoir regulation or operations at hydroelectric facilities not owned by us, which could impact our hydroelectric facilities downstream;

Climate Change Risk
increasing frequency and intensity of severe weather or natural disasters resulting from climate change that could disrupt energy generation, transmission and distribution, as well as the availability and costs of fuel, materials, equipment, supplies and support services; change in the use, availability or abundancy of water resources and/or rights needed for operation of our hydroelectric facilities, including impacts resulting from climate change; changes in the long-term climate and weather could materially affect, among other things, customer demand, the volume and timing of streamflows required for hydroelectric generation, costs of generation, transmission and distribution. Increased or new risks may arise from severe weather or natural disasters, including wildfires as well as their increased occurrence and intensity related to changes in climate;

Cybersecurity Risk
cyberattacks on the operating systems 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 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, resulting in the disruption of business operations, the release of private information and the incurrence of liabilities and costs;

Risks, Uncertainties and Other Factors That Could Affect Future Results

Technology Risk
changes in technologies, possibly making some of the current technology we utilize obsolete or introducing new cyber security risks and other new risks inherent in the use, by either us or our counterparties, of new technologies in the developmental stage including, without limitation, generative artificial intelligence; changes in the use, perception, or regulation of generative artificial intelligence technologies, which could limit our ability to utilize such technology, create risk of enhanced regulatory scrutiny, generate uncertainty around intellectual property ownership, licensing or use, or which could otherwise result in risk of damage to our business, reputation or financial results; changes in costs that impede our ability to implement new information technology systems or to operate and maintain current production technology; 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 due to new uses for our services or decline in existing services, 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 could 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; wholesale and retail competition including alternative energy sources, growth in customer-owned power resource technologies that displace utility-supplied energy or may be sold back to the utility, and alternative energy suppliers and delivery arrangements; non-regulated activities may increase earnings volatility and result in investment losses; the risk of municipalization or other forms of service territory reduction;

External Mandates Risk
changes in environmental laws, regulations, decisions and policies, including, but not limited to, regulatory responses to concerns regarding climate change, efforts to restore anadromous fish in areas currently blocked by dams, more stringent requirements related to air quality, water quality and waste management, 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, prohibitions or restrictions on new or existing services, or restrictions on greenhouse gas emissions to mitigate concerns over climate changes, including future limitations on the usage and distribution of natural gas; restrictions or changes in government grant programs and/or availability of other public funding used for capital projects; 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 fossil fuel-fired power generation and opposition to other thermal generation, wind turbines or hydroelectric facilities; failure to identify changes in legislation, taxation and regulatory issues that could be 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; increasing costs due to potential tariffs applied to energy commodities and/or equipment and materials;

Financial Risk
our ability to obtain financing through the issuance of debt and/or equity securities and access to our funds held with financial institutions, which could 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, variable interest rate borrowing and the extent to which we recover interest costs through retail rates collected from customers; volatility in energy commodity markets that affect our ability to effectively hedge energy commodity risks, including cash flow impacts and requirements for collateral; volatility in the carbon emissions allowances market that could result in increased compliance costs; changes in actuarial assumptions, interest rates and the actual return on plan assets for our pension and other postretirement benefit plans, which could affect future funding obligations, pension and other postretirement benefit expense and the related liabilities; 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; economic conditions nationally may affect the valuation of our unregulated portfolio companies; declining electricity demand related to customer energy efficiency, conservation measures and/or increased distributed generation and declining natural gas demand related to customer energy efficiency, conservation measures and/or increased electrification; industry and geographic concentrations which could increase our exposure to credit risks due to counterparties, suppliers and customers being similarly affected by changing conditions; deterioration in the creditworthiness of our customers; activist shareholders may result in additional costs and resources required in response to activist actions;

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 could 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 from such transactions, and the market value of derivative assets and liabilities; default or nonperformance on the part of 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 could 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;

Compliance Risk
changes in laws, regulations, decisions and policies at the federal, state or local levels, which could materially impact both our electric and gas operations and costs of operations; and the ability to comply with the terms of the licenses and permits for our hydroelectric or thermal generating facilities at cost-effective levels.