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-- Media Alert--

Avista offers broader picture of political activity

SPOKANE, Wash. May 10, 2012: Avista is disappointed in the article that ran in today's Spokesman-Review titled "Avista gives cash to oust two North Idaho incumbents," regarding Idaho legislators and our contribution to political campaigns in Idaho. We believe the article is misleading, and want to set the record straight about our intent and practice of engaging in policy discussions and issues on behalf of our customers and communities.

Public policy participation

Avista actively participates in local, state and national legislative and governmental activities. We work to develop relationships with elected and appointed office holders in order to understand the complexities of public policy affecting our company and be at the table on behalf of our customers and communities.

"It is appropriate and responsible for the company, through shareholder dollars and the employee-funded political action committee, to make political contributions as part of a comprehensive government relations program. Customers' rate dollars do not fund these activities," said Avista Chairman, President and Chief Executive Officer Scott Morris.

"As an energy company, Avista and our customers, communities, employees and shareholders are affected by the decisions made by federal, state and local officials," Morris said. "It is essential that we have a voice in the public policy arena and that we participate in the process for the benefit of all our stakeholders."

Avista has supported many bipartisan and partisan efforts with clear benefits to our customers and communities. These include:

- Recent passage of SB5575, which will allow power from Avista's Kettle Falls Biomass plant to qualify as renewable under Washington State Renewable Portfolio Mandates. Passage of this bill will help preserve rural jobs and is expected to save electric customers hundreds of millions of dollars in unnecessary capital spending on new renewable energy resources.
- Washington State University Spokane's Biomedical and Health Sciences Building on the Riverpoint campus, which broke ground in fall 2011 and will provide long-term economic benefits to our region as part of the comprehensive Academic Health Science Center project.
- Washington HB 1489, signed in 2011, which bans phosphorus in lawn fertilizers. Avista worked with a coalition of business, agriculture and environmental groups to help find an approach to reduce phosphorous loading into Washington lakes and rivers, improving water quality.

- Legislation to create in Pierce, Idaho, the National Guard Youth Challenge Program, a multi-phase youth intervention program intended to improve the education, life skills and employment potential of enrolled high school students in the state of Idaho. (HB 662, 2012)
- Community investments made through corporate and Avista Foundation giving (not included in customer rates). Avista Corp. and Avista Foundation donations and grants in Montana, Idaho, Washington and Oregon totaled \$1.47 million in 2011.

Political contributions

Avista has a long history of supporting both Democrats and Republicans for election. Avista is legally prohibited from contributing directly to political candidates for elected federal offices. In 2011, we contributed \$75,770 in the states where we serve customers and where such contributions are allowed.

In Idaho in 2012, Avista has made a total of \$20,250 in direct contributions to 37 candidates in 24 of the state's 35 legislative districts. Each of these are limited to a total of \$1,000 or less per candidate per election. In Washington, direct contributions to candidates total \$3,450 in 2012, and in Oregon direct contributions to candidates total \$5,500 in 2012. Our contributions support incumbents, challengers, and new candidates who are running for open seats. Separate contributions to political action committees in Idaho and Oregon in 2012 totaled \$20,000 and \$1,500 respectively.

Avista also has a voluntary, non-partisan committee for non-craft-member employees called the Avista Employees for Effective Government political action committee. Through the Avista Employee PAC, our employees have contributed \$5,640 to federal candidates and political organizations in 2012.

Links to more information:

[Kettle Falls Biomass Bill](#)

[WSU Spokane Biomedical and Health Sciences Building in Spokane's University District](#)

[Avista Shared Value Report](#)

[Avista Philanthropy Report](#)

[Idaho State political contribution information](#)

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 360,000 customers and natural gas to 321,000 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 [Ecova](#), an energy and sustainability management company with more than 500 multi-site commercial and utility customers, representing more than 450,000 sites. Our stock is traded under the ticker symbol "AVA." For more information about Avista, please visit www.avistacorp.com.

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