



Updated July, 2009

## Global Climate Change Policy

Climate change is an important global challenge that is transforming the energy industry. Energy is essential to powering our daily lives and is the tie to how we get information, how we share knowledge, and how we interact with the world. The majority of scientists agree that the increased rate of change of earth's climate is due to rising greenhouse gases (GHG) in the atmosphere as a result of human activity.

Avista has a legacy of innovation in renewable energy, and today we have one of the lowest carbon footprints of all utilities in the United States. According to the 2008 Natural Resource Defense Council Benchmarking Air Emissions report, only 11 of the 100 largest electric power producers in the US have less CO<sub>2</sub> emissions from generation.

Society's response to climate change will greatly affect our customers and the prices paid for energy. We are actively participating in federal, state, and local discussions to help shape our energy future and continue to build the vitality of the communities that we serve.

Legislation addressing climate change should require all sectors of our economy to contribute to the solution proportionate to their contribution to the problem. Additionally, utilities with low carbon emissions should be recognized for their efforts to provide energy in an environmentally responsible way.

### **Avista is committed to addressing climate change:**

- We will continue our renewable energy legacy by upgrading hydroelectric facilities, operating the Kettle Falls biomass facility, investing in wind resources, leading the way in energy efficiency programs, and testing new energy technologies.
- We are enhancing our energy efficiency programs to help our customers acquire cost-effective energy savings. The company has aggressively promoted energy efficiency programs since 1978, saving over 138 aMW of electricity. 109 aMW is still active and reducing customer loads.
- By 2019, we plan to add 300 MW of wind generation, 3 MW of hydroelectric upgrades, 5 MW of distribution efficiencies, 119 aMW of additional conservation, and 250 MW of clean burning gas-fired generation.
- We are studying the potential for large hydroelectric upgrades on our Clark Fork and Spokane River projects.
- We've established the Clean Energy Test Site. Developers of renewable energy technologies, such as advanced solar equipment, can test, demonstrate, and deploy new technologies under real world utility conditions.
- We annually inventory and update our greenhouse gas (GHG) emissions from generation and carbon offsets.
- We are reviewing our business processes to improve efficiencies and green our fleet and our information technology.

- We are a member of the Chicago Climate Exchange and will continue to obtain third-party certification of our GHG emissions.
- We support the City of Spokane Sustainability Initiative to address climate change and rising energy prices.
- We promote the Commute Trip Reduction (CTR) program for our employees. The CTR program has helped employees reduce their annual fuel consumption by 5,000 gallons and tailpipe CO<sub>2</sub> emissions by 50 tons.
- We continually look for innovative methods and technologies to reduce GHG emissions, such as operational efficiencies and new generating technologies.
- We have added a carbon calculator to help residential customers determine their own carbon footprint and offer a variety of energy efficiency measures and educational opportunities to reduce their carbon footprint.