Investor Presentation

June 2024

NYSE: AVA

www.avistacorp.com

Disclaimer

Except as expressly noted, the information in this presentation is current as of May 1, 2024, 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

Constructive regulatory outcomes

- Regulatory mechanisms and fixed charges secure 92% of revenue
- Regulatory outcomes demonstrate Commission support and alignment with strategic priorities
- Timely recovery of capital in Washington

Improving regulatory returns

- Utility earnings growth from 2022-2023 of 35 percent
- Long-term earnings growth in line with rate base growth of 4-6% from a 2025 base year, assuming constructive regulatory outcome in Washington

Mitigating wildfire risk

- Continuous mitigation efforts target vegetation management and grid hardening to areas of highest risk first
- Proactive operational measures include both Fire Safety Mode and Public Safety Power Shutoffs (PSPS)

Exploring investment to meet clean energy goals

- Serve customers with 100% clean electricity by 2045
- Carbon neutral in our gas operations by 2045

Stable financial metrics continue to improve

- Improved cash from operations due to impact of general rate cases and recovery of deferred costs
- FFO-to-debt expected to firmly support S&P's BBB rating by end of year

Focused on excellence and efficiency

- Continued focus on efficient business operations
- Committed to safe, reliable, high-quality service
- Among the lowest electric rates of an investor-owned utility in the U.S.

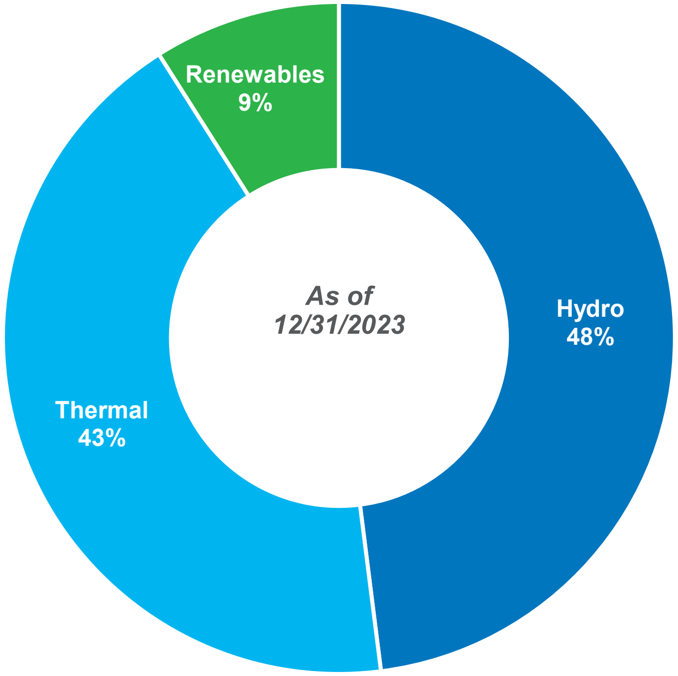
Avista at a Glance

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 57% renewable

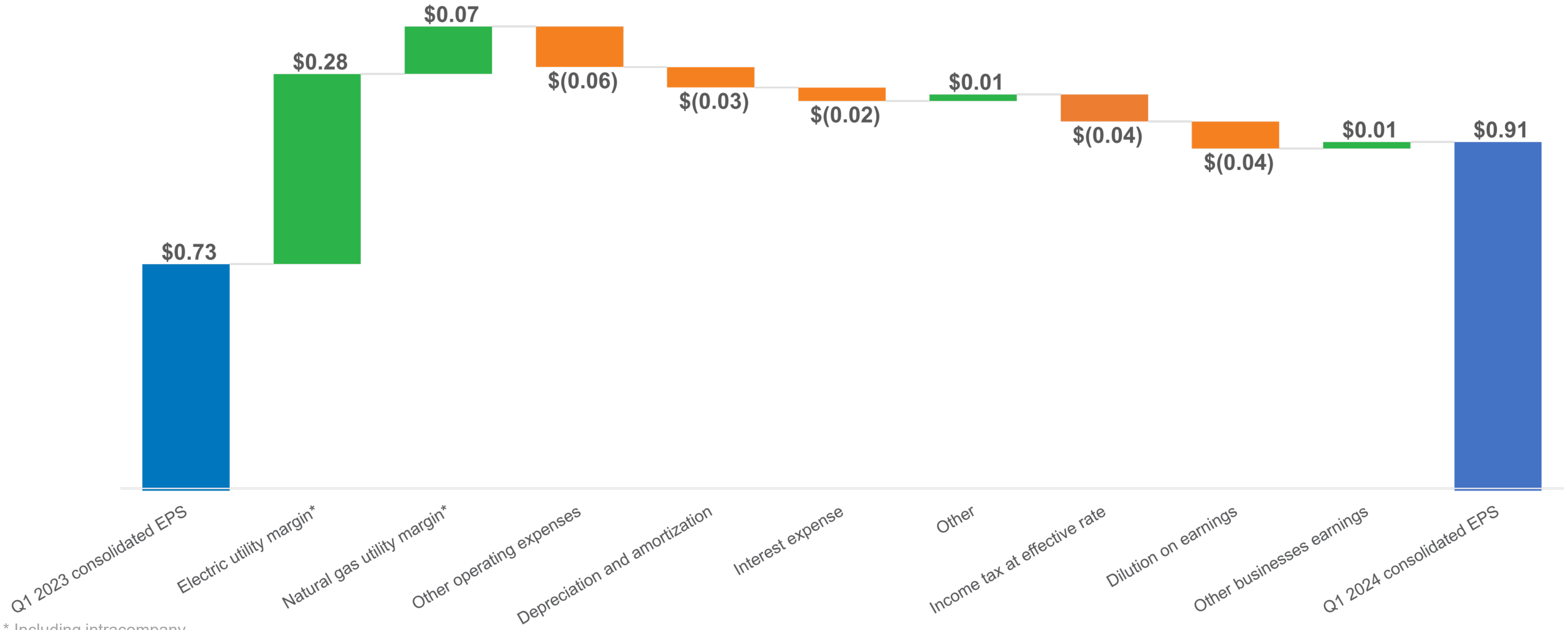


FINANCIALS AT A GLANCE

$1.7 billion	$171.1 million	$2.24	$1.90	$2.5 billion	
2023 OPERATING REVENUE	2023 NET INCOME ATTRIBUTABLE TO AVISTA CORP SHAREHOLDERS	2023 DILUTED EARNINGS PER SHARE	2024 ANNUALIZED DIVIDEND PER SHARE	AVISTA CORPORATION SHAREHOLDERS' EQUITY AS OF 12/31/2023	1% CUSTOMER GROWTH IN 2023

* Source: *Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States*, ERM, November 2023.

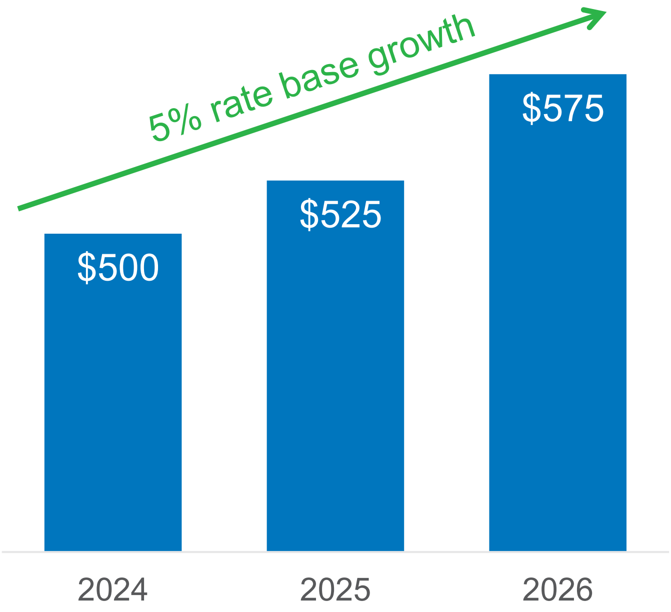
Consolidated Earnings Bridge



* 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



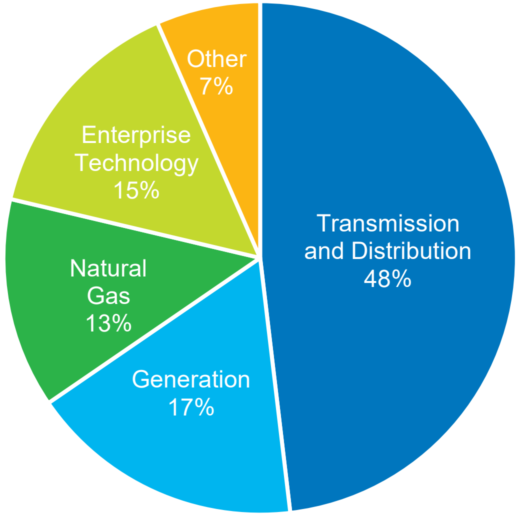
Avista Utilities Expected Capital Spend 2024-2026

Wildfire Resiliency

Substation Rebuilds

Hydro Plant Modernization

Top 3 Capital Programs 2024-2026



Allocation of Avista Utilities Expected Capital Spend 2024-2026

Driving Effective Regulatory Outcomes

Washington

- General rate cases (multiyear rate plans) for electric and gas filed January 2024 for new rates to be effective December 2024.
- Proposed electric revenue increase of $77.1M (13%) in year 1, and $53.7M (11.7%) in year 2.
- Proposed base gas revenue increase of $17.3M (13.6%) in year 1, and $4.6M (3.2%) in year 2.
- Proposed overall rate of return of 7.61% (proposed 48.5% equity ratio, proposed ROE of 10.4%).
- Proposed update to ERM construct to reflect a 95% customer / 5% company sharing of power supply cost above or below authorized.

Idaho

- Multiparty settlement approved and new rates effective 9/2023 in two-year GRCs for electric and gas.
- Base electric revenue increase of $22.1M (8%) in year 1, and $4.3M (1.4%) in year 2.
- Base gas revenue increase of $1.3M (2.7%) in year 1, and $0.003M (0.01%) in year 2.
- Overall rate of return 7.19% (9.4% ROE and 50% equity ratio).
- **Next rate case filing expected in the first quarter of 2025.**

Oregon

- New rates effective 1/2024.
- Base revenue increase of $7.2M (4.7%).
- ROE increase to 9.5%, for an overall rate of return of 7.24%.
- **Next rate case filing expected in the latter half of 2024.**

Alaska

- Rate order received August 2023.
- Rate increase of 6.0% approved.
- ROE of 11.45% and 60.7% equity ratio.

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 (**$124 million** spent since 2020)
- 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
- **Leading regional efforts** to seek state-level support for wildfire risk

Earnings Guidance

	2024
Avista Utilities	$2.23 - $2.39
AEL&P	$0.09 - $0.11
Other	$0.04 - $0.06
Consolidated	**$2.36 - $2.56**

as of May 1, 2024

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, including our earnings guidance. Please refer to our 10-K for 2023 and the cautionary statements shared later in this presentation, for a full discussion of these factors.
- The midpoint of our guidance range does not include any expense or benefit under the ERM. For the full year, we expect the ERM to be a negative $0.07 per diluted share in the 90% customer / 10% Company sharing band.
- By the end of the second quarter, we expect to finalize an agreement with a prospective large electric customer in our service territory previously served in the wholesale markets. The expected increase in utility margin would help to offset the forecast impact of the ERM on results in 2024.
- Our guidance for Avista Utilities includes unrecovered structural costs estimated to reduce the return on equity by 70 basis points. We expect 60 basis points of regulatory timing lag in 2024, resulting in an expected return on equity at Avista Utilities of 8.1% in 2024.

COMPANY CONTACT

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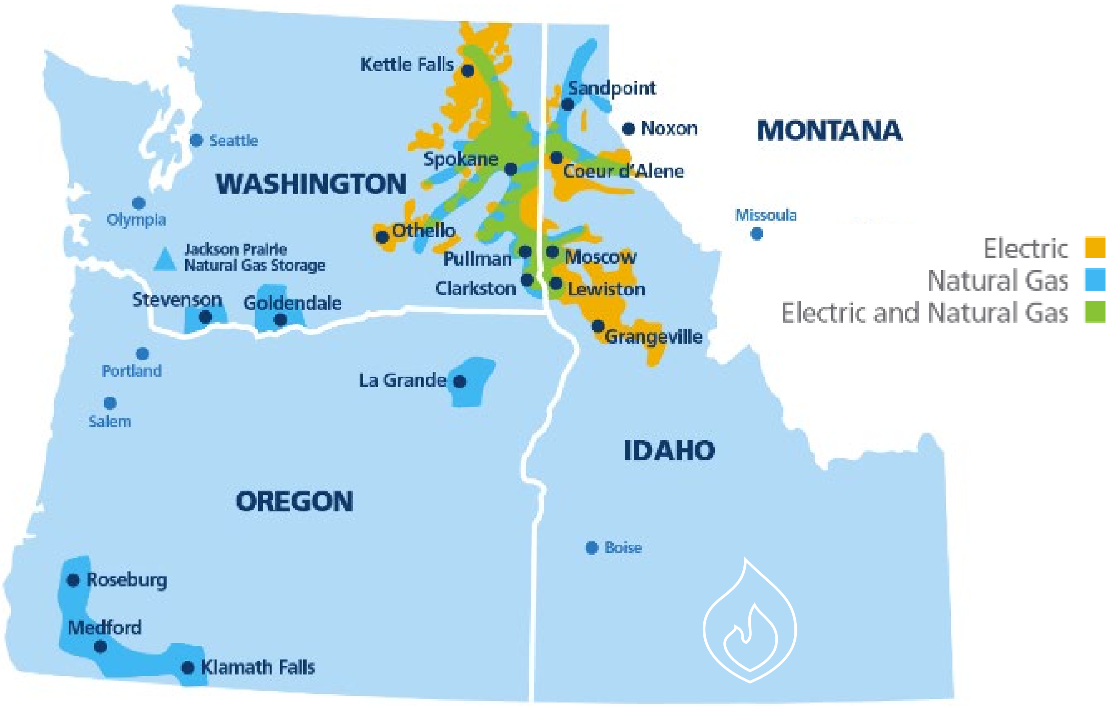
Appendix

About Avista

Corporate responsibility

Solid, Stable Utility Foundation

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



8 HYDRO FACILITIES

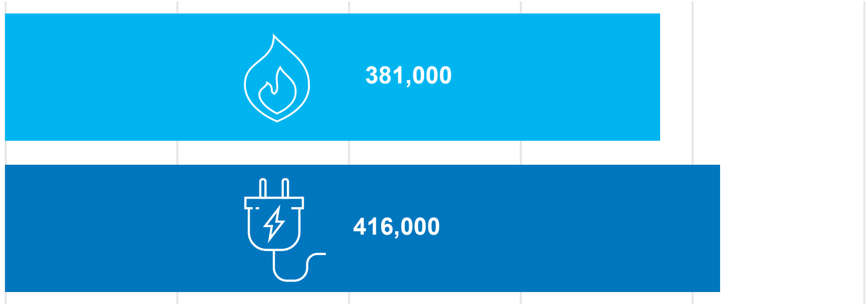
7 THERMAL PLANTS

2,800 MILES OF TRANSMISSION LINE

19,700 MILES OF DISTRIBUTION LINE

8,200 MILES GAS DISTRIBUTION MAIN

Customers



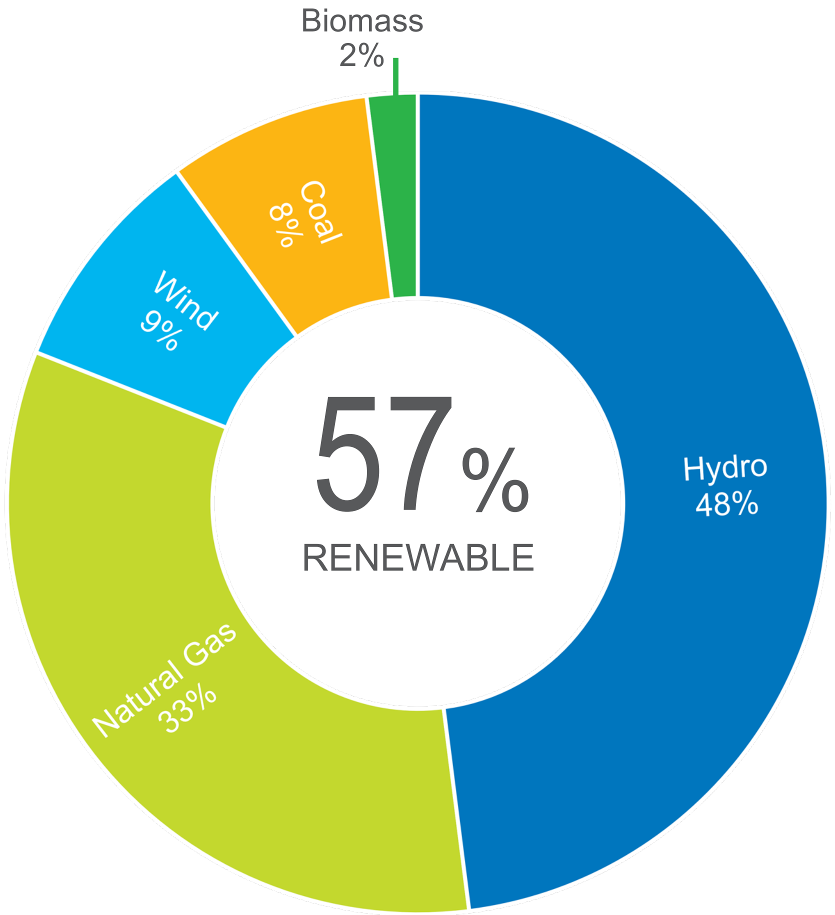
As of 12/31/2023

135
YEARS
providing **safe** and **reliable** service

Some icon images from Flaticon.com

AVISTA

Founded on Clean, Renewable Hydropower in 1889

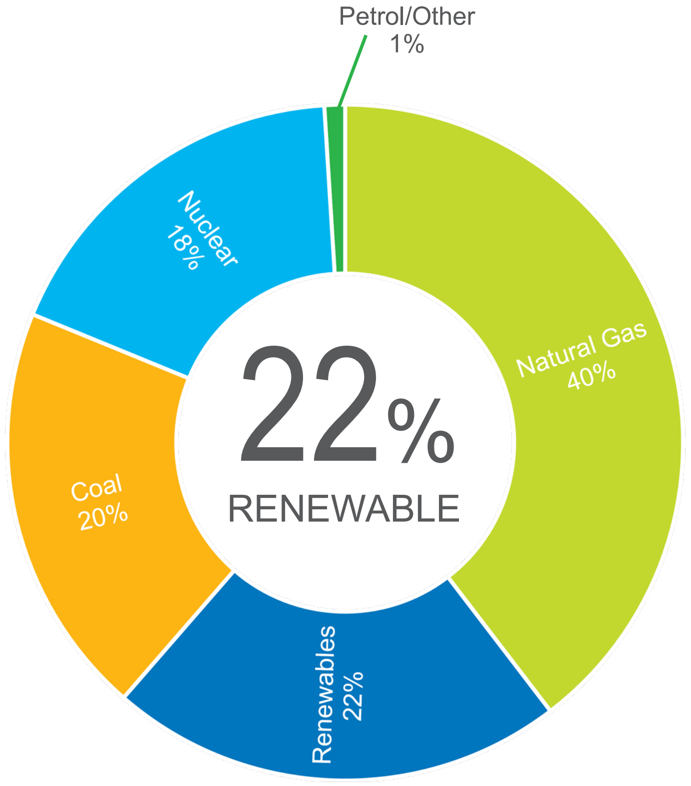


Avista's Generation Portfolio

As of 12/31/2022

Only 4 of the 100 largest electric power producers in the U.S. have lower emissions than Avista

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

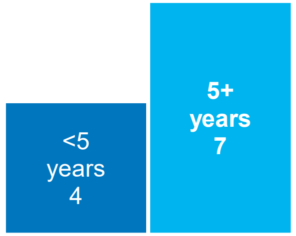
Source: *Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States*, Environmental Resources Management, November 2023.

A Skilled and Diverse Board

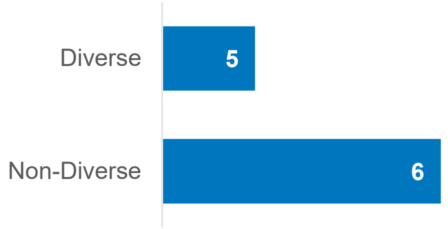
	Director	Age	Tenure	Committee Membership
	**Julie A. Bentz** *Independent*	59	2 years	• Environmental • Finance
	**Donald C. Burke** *Independent*	63	12 years	• Board Vice Chair • Audit (Chair) • Executive • Governance
	**Kevin B. Jacobsen** *Independent*	57	1 year	• Audit • Environmental
	**Rebecca 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
	**Heidi B. Stanley** *Independent*	67	18 years	• Audit • Executive • Governance
	**Dennis P. Vermillion** *Chief Executive Officer*	62	6 years	• Executive
	**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.

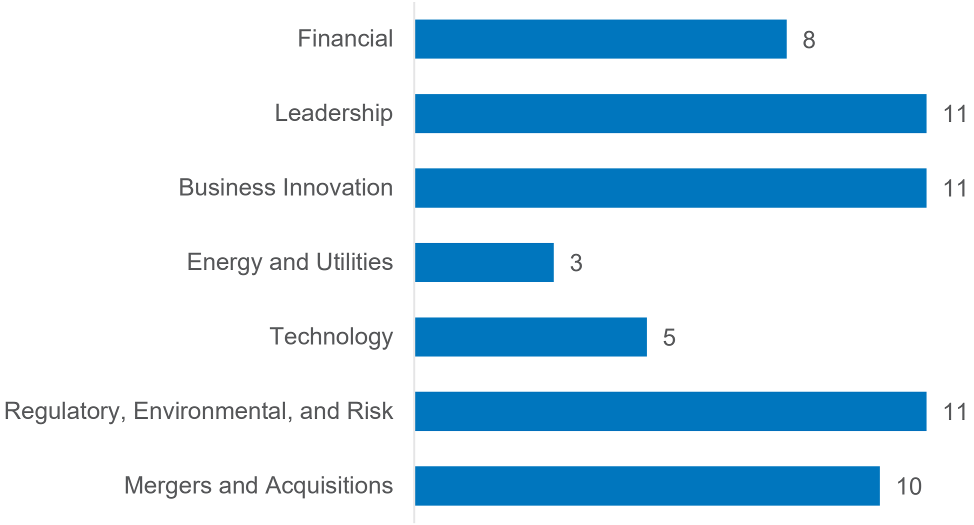
Balanced Board Tenure



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 Mar. 31, 2024 [(1)] ($ in millions)	Authorized Overall Rate of Return	Authorized Return on Equity	Authorized Common Equity Ratio
Washington electric	$2,194	7.03%	9.4% [(2)]	48.5% [(2)]
Washington natural gas	553	7.03%	9.4% [(2)]	48.5% [(2)]
Idaho electric	1,074	7.19%	9.4%	50%
Idaho natural gas	218	7.19%	9.4%	50%
Oregon natural gas	355	7.24%	9.5%	50%
Total	**$4,394**			

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

(2) Per hypothetical reconciliation.

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

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

2019

- 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)

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

2020

- 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 are expected

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

2021

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

Washington State **building codes** altered

2022

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

Electric Resource Needs

Electric Demand

- Electric demand is growing faster than expected in 2023 IRP
- Electrification is accelerating

Impact of Extreme Weather

- In January's 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

Avista's Peak Demand

- Recent peaks in the January cold snap exceeded previous records set in 2021 and 2022

Accelerating Generation Needs

- Preparing for next all-source RFP

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.*	606 LINE MILES 2020-2023	211 LINE MILES 2024 TARGET	2,747 LINE MILES BY 2029
Transmission hardening	*Strengthening our system through use of steel poles and fire-resistant pole wraps.*	389 STEEL POLES THROUGH 2023	148 STEEL POLES 2024 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.*	71% COMPLETE MIDLINE RECLOSER INSTALLATIONS		23% 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.*	4 TIMES IN 2023 FIRE SAFETY MODE ACTIVATED	*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

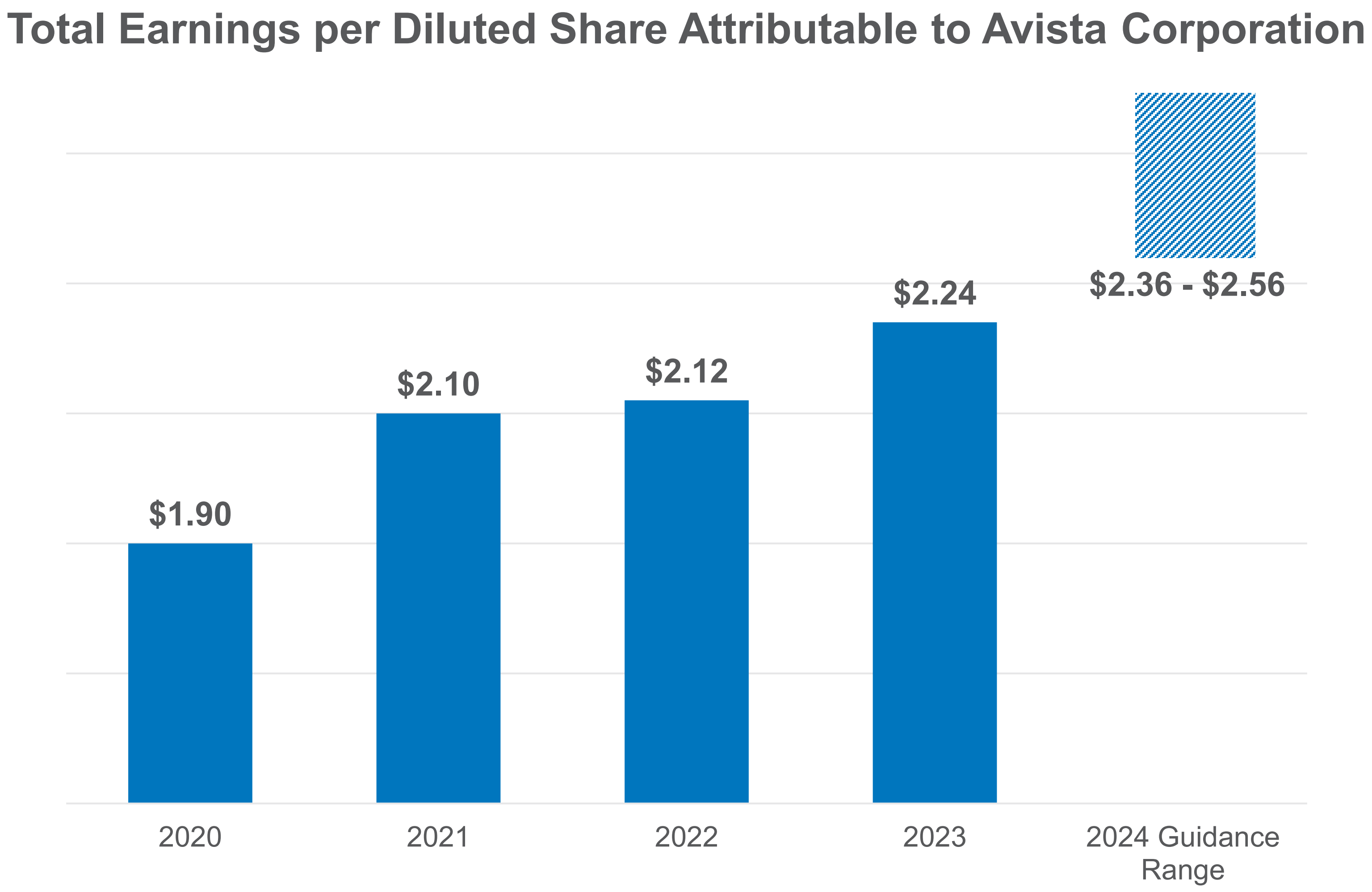
Energy Capital Ventures

- 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 $11 million in 2024, $17 million in 2025, and $14 million in 2026

Financial Performance Metrics

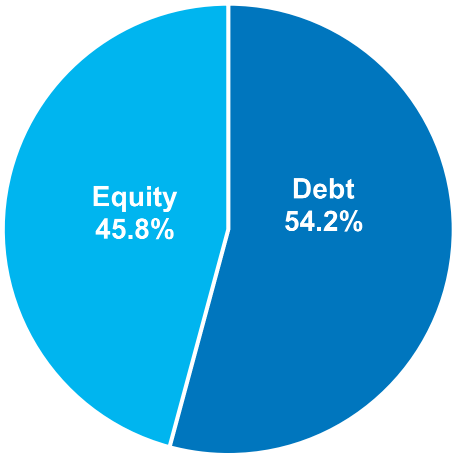
Earnings per Diluted Share



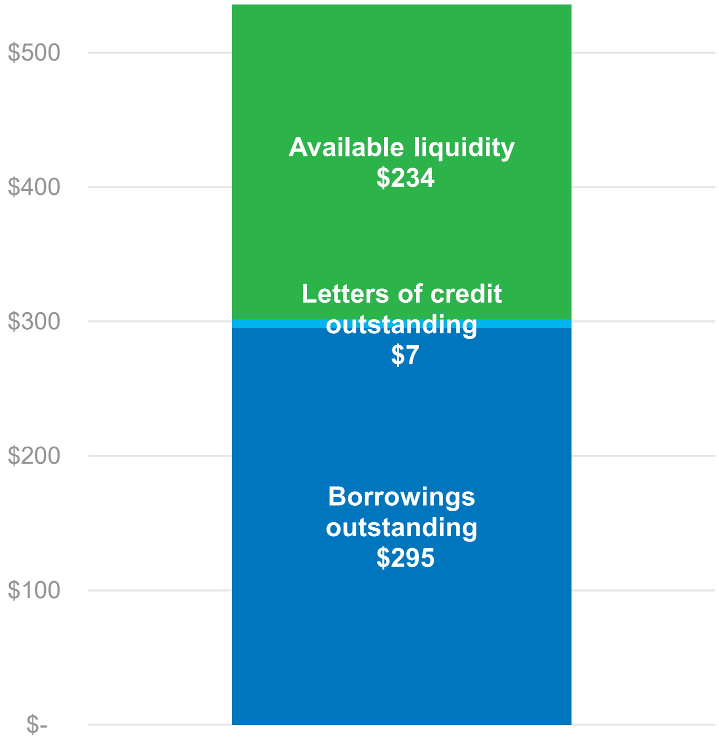
AVISTA

Prudent Balance Sheet and Liquidity

Consolidated capital structure
March 31, 2024



Liquidity
March 31, 2024
($ in millions)



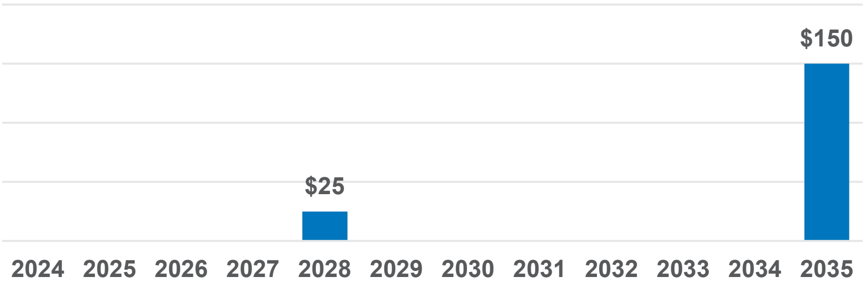
$83.7 million
LONG-TERM DEBT

Low-cost debt remarketed, completed April 2024

$70 million
COMMON STOCK

Expected to be issued throughout the remainder of 2024

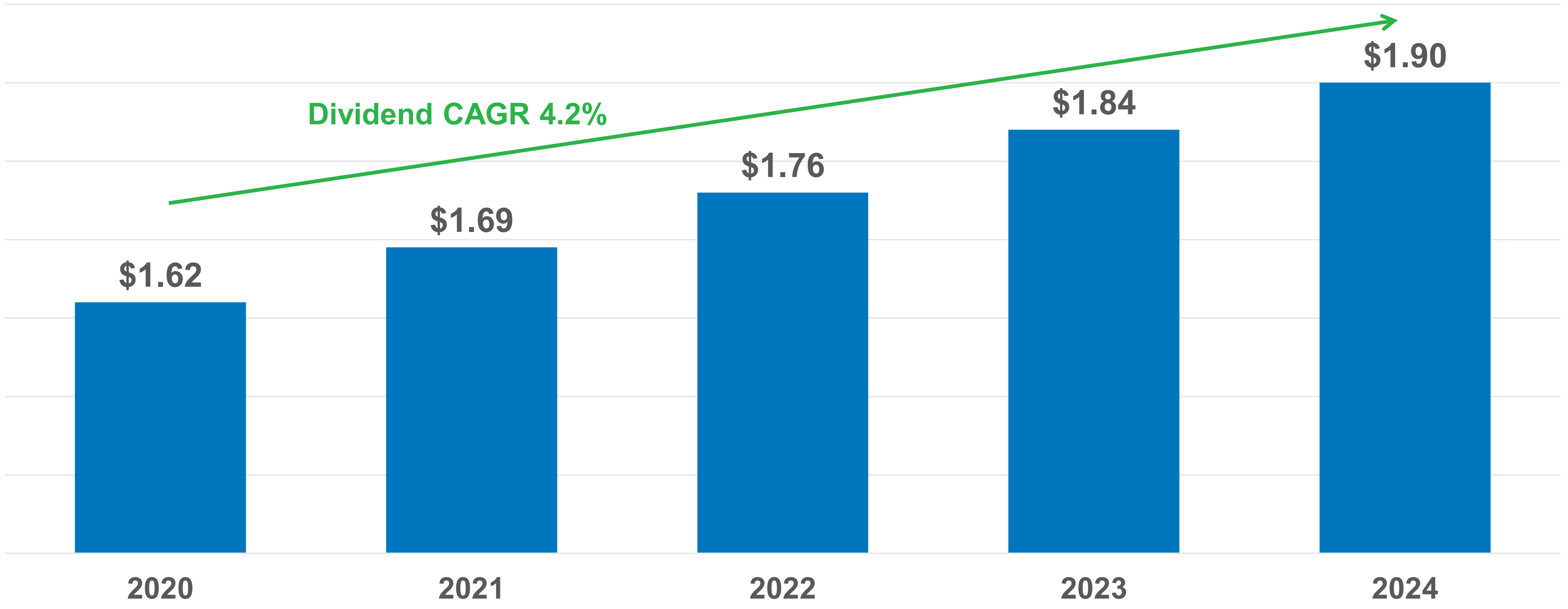
Upcoming debt maturities
($ in millions)



Maturities beyond 2035 not shown.

Excludes $15 million of AERC debt maturing in 2024.

Competitive Dividends



Reconciliation of Non-GAAP Measures

	Operating Revenues	Resource Costs	Utility Margin (Pre-Tax)	Income Taxes (a)	Utility Margin (Net of Tax)
For the three months ended Mar. 31, 2024:					
Electric	$ 366,894	$ 166,354	$ 200,540	$ 42,113	$ 158,427
Natural Gas	233,907	132,019	101,888	21,396	80,492
Less: Intracompany	(5,865)	(5,865)	-	-	-
Total	$ 594,936	$ 292,508	$ 302,428	$ 63,509	$ 238,919
For the three months ended Mar. 31, 2023:					
Electric	$ 257,297	$ 84,744	$ 172,553	$ 36,236	$ 136,317
Natural Gas	210,390	114,938	95,452	20,045	75,407
Less: Intracompany	(7,545)	(7,545)	-	-	-
Total	$ 460,142	$ 192,137	$ 268,005	$ 56,281	$ 211,724

(a) Income taxes for 2024 and 2023 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, 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 costs that impede our ability to 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 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; 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; 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;

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.