

ENERGY, ENVIRONMENTAL AND OPERATIONS COMMITTEE CHARTER

I. PURPOSE

The purpose of the Energy, Environmental and Operations Committee (“Committee”) of the Board of Directors (“Board”) of Avista Corporation (the “Company”) is to assist the Board in providing policy guidance and oversight of the Company’s:

- risks in generation transmission and distribution operations,
- legal and regulatory compliance in its operations including environmental compliance,
- employee safety performance, and
- corporate security.

II. COMPOSITION

The Committee shall be comprised of two or more directors as determined by the Board. Members of the Committee shall be appointed to, and removed from, the Committee by the Board.

III. MEETINGS

The Committee shall meet at least four times annually, or more frequently as circumstances dictate.

IV. RESPONSIBILITIES AND DUTIES

The Committee shall maintain general oversight and shall report to the Board regarding significant information, activities and events relative to the following significant operations of the Company:

1. Significant environmental policy and planning issues of interest to the Company, including matters involving the Company before environmental regulatory agencies and climate change policies.
2. Company programs, policies and procedures with respect to compliance with legal and regulatory requirements as they relate to environmental, employee safety and security and transmission reliability standards.
3. Operational performance and safety of the Company’s significant generation, distribution and transmission facilities.

4. Support efforts to improve the efficiency and effectiveness of the Company's environmental, safety, and security programs. Review environmental, safety and security policies, procedures and performance annually.
5. Review scope, findings and trends from environmental audits.
6. Review scope, findings and trends from safety audits.
7. Review security initiatives, including threat assessment and risk analysis annually. Review scope, findings and trends from security audits.
8. Review compliance with the Homeland Security Act of 2002.
9. Risks and associated risk management activities related to significant operations of the Company.
10. Review and assess this Charter, and submit to the Corporate Governance/Nominating Committee any recommended changes for review by the Corporate Governance/Nominating Committee. After such review by the Corporate Governance/Nominating Committee, recommend any changes to the Charter to the full board.

V. AUTHORITY

The Committee may engage internal and/or external advisors to provide information, analysis, and consultation to assist the Committee in carrying out its duties.