

FOR IMMEDIATE RELEASE – Nov. 4, 2009**News Release 09-18****Rochelle Olson, Public Affairs Manager, 509-377-4728****Page 1 of 2****Michael Paoli, Public Affairs Supervisor, 509-377-4164**

Energy Northwest to Receive Recovery Act Funding for Hydroelectric Project

RICHLAND, Wash. – Energy Northwest has been selected to receive up to \$800,000 in stimulus funds from the American Recovery and Reinvestment Act for upgrades at its Packwood Lake Hydroelectric Project. Energy Northwest will use the funds for the design, manufacture and installation of a new state-of-the-art Pelton Wheel turbine runner and other associated upgrades. The U.S. Department of Energy today announced Energy Northwest as one of seven organizations nationwide to receive funding for hydropower upgrades.

“Energy Northwest is pleased to be among those selected to receive funding from the government to pursue improvements at our Packwood Lake Hydroelectric Project, which has provided clean, reliable energy to the region for nearly 50 years,” said Energy Northwest Chief Executive Officer Vic Parrish. “This funding support will augment our capital investments at the project to make it even more efficient.”

Upgrades to the Packwood project will improve turbine efficiency by more than 5 percent resulting in an estimated increase in energy production of nearly 6,000 megawatt-hours annually. Increased water flows will also benefit wildlife, particularly resident trout and endangered anadromous fish, and provide more sustainable habitat conditions downstream of the project.

Energy Northwest applied for the grant funding opportunity in August of this year. Improvements to the hydroelectric facility are expected to begin in early 2010 with an anticipated completion by late 2011.

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About Packwood Lake Hydroelectric Project

Packwood Lake Hydroelectric Project is located in Lewis County, Wash., in the Gifford Pinchot National Forest, approximately 20 miles south of Mt. Rainier. The facility was Energy Northwest's first electric power generation project. Development began in July 1960 with commercial operation initiated in June 1964. The project has 12 Washington state public utility district participants who are entitled to a percentage of the project output.

About Energy Northwest

Energy Northwest is a not-for-profit public power, state Joint Operating Agency headquartered in Richland, Wash. Chartered in 1957, Energy Northwest now has 27 public power members; 22 public utility districts and five municipalities. The consortium's nuclear, hydro, wind and solar power projects deliver nearly 1,300 megawatts of reliable, affordable, environmentally responsible electricity to the Northwest power grid. Energy Northwest continually explores and develops new generation opportunities while offering a wide range of energy and business services.

Energy Northwest -- www.energy-northwest.com.

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