



Idaho Public Utilities Commission

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Brad Little, Governor

Eric Anderson, President

John R. Hammond, Jr., Commissioner

Edward Lodge, Commissioner

Case No. AVU-G-23-05
Order No. 35969
Case No. AVU-G-23-06
Order No. 35970
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NEWS RELEASE: Commission approves natural gas utility's applications that will change customer rates.

BOISE (Oct. 30, 2023) – The Idaho Public Utilities Commission has approved two applications submitted by Avista Utilities that will change the rates customers pay for natural gas.

Avista asked the commission for approval to adjust the fixed cost adjustment (FCA) rates and approval to change purchased gas cost adjustment (PGA) rates. The FCA is a rate adjustment mechanism that is designed to separate the link between the energy a utility sells and the revenue it collects to recover fixed costs of providing service, which decouples Avista's revenues from customers' energy usage. The decoupling removes a utility's incentive to increase sales to increase revenue and profits and encourages energy conservation.

The approval of the FCA application will reduce residential customers' rates by 0.2 percent. This represents a rebate of 1.219 cents per therm. Non-residential customers will see a decrease of 1.2 percent, which represents a rebate of 0.632 cents per therm.

The PGA is a commission-approved mechanism that adjusts rates up or down to reflect changes in Avista's costs to buy natural gas from suppliers. These include changes in transportation, storage and other related costs. The approval of the PGA will increase residential customers' rates by \$3.54, or 4.7 percent per month. Other groups of customers also will see an increase in rates.

Additional information is available at puc.idaho.gov/case/Details/7114 and puc.idaho.gov/case/Details/7090.