

IDAHO PUBLIC UTILITIES COMMISSION  
Case No. AVU-E-04-4  
October 20, 2004  
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Avista proposes rate reduction with larger BPA credit

BOISE -- Avista Utilities is proposing to increase a credit its residential and small-farm customers receive from the Bonneville Power Administration from the current 0.252 cents per kWh to 0.412 cents per kWh. On a residential home using 1200 kWh per month, the proposed savings is \$1.92.

The credit results from an exchange program aimed at giving electric customers a portion of the benefits from federal hydroelectric projects located in the Northwest.

Avista and BPA are in the midst of a 10-year (2001-2011) agreement regarding the amount of the credit. Avista's BPA credit is updated periodically to pass on to customers the projected balance of accumulated benefits paid Avista by BPA. Although the proposed increased credit would reduce Avista's annual revenue by about \$1.7 million, it has no effect on Avista's net income.

The commission is accepting comments from interested parties on Avista's application through Thursday, Oct. 28. Comments can be sent via e-mail by accessing the commission's Web site at [www.puc.state.id.us](http://www.puc.state.id.us). Click on "Comments and Questions," and type in the case number, AVU-E-04-4 and your comments. Comments can also be mailed to the commission at P.O. Box 83720, Boise, ID, 83720-0074, or faxed to 208-334-3762.

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