

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA	)	CASE NO. AVU-E-26-07
CORPORATION’S RESIDENTIAL AND	)	
SMALL FARM ANNUAL RATE	)	
ADJUSTMENT FILING	)	ORDER NO. 37183
	)	
	)	

On July 31, 2026, Avista Corporation (“Company”) applied to the Idaho Public Utilities Commission (“Commission”) requesting authorization to implement a proposed increase to the Schedule 59—Residential and Small Farm Energy—Idaho (“Schedule 59”) credit rate for electric service for qualifying customers on Schedules 1, 12, 22, 32, and 48, from October 1, 2026, through September 30, 2027 (“Application”).

On August 14, 2026, the Commission issued a Notice of Application and Notice of Modified Procedure, establishing deadlines for public comments and Company reply comments. Order No. 37135. Commission Staff (“Staff”) filed comments to which the Company did not reply. No other comments were received.

Based on our review of the record, the Commission now issues this Final Order approving the Company’s Application, as filed.

BACKGROUND

The electric Residential and Farm Energy Rate Adjustment results from an agreement between the Company and Bonneville Power Administration (“BPA”) that provides a share of the benefits of the federal Columbia River power system to the residential and small-farm customers of the six investor-owned utilities of the Pacific Northwest. The calculation of BPA benefits for Idaho customers is based on two key factors: the average electricity usage of the Company’s residential and small farm customers over the prior two years, and the difference between the Company’s Average System Cost (“ASC”) and BPA’s Priority Firm Exchange Rate. The difference between these two rates—ASC and Priority Firm Exchange Rate—is multiplied by annualized usage to determine the benefit amount. This benefit is then allocated between the Company’s Washington and Idaho customers based on each state’s actual energy use. To set the per kilowatt-hour (“kWh”) credit rate, the Company combines any remaining balance from the prior year with the upcoming year’s BPA benefit and divides that total by the projected kWh sales for the

upcoming year. The Company's current electric Residential and Farm Energy Rate Adjustment rate of a 0.233¢ per kWh credit was established by Order No. 36767.

THE APPLICATION

The Company proposed increasing the Schedule 59 credit rate from 0.233¢ per kWh to 0.252¢ per kWh, Effective October 1, 2026. Application at 2–3. The proposed increase would increase total credits provided to customers by approximately \$0.3 million, or 0.1%. *Id.* at 3. During the October 2025 through September 2026 period, the Company passed through approximately \$3.3 million in BPA benefits to Idaho customers. *Id.* at 3. Under the proposed rate, the Company would pass through approximately \$3.6 million in benefits. *Id.* The Company anticipated that a residential customer using an average of 939 kWh per month would see a monthly bill decrease of \$0.19 or 0.15% per month. *Id.*

STAFF COMMENTS

Staff reviewed the Company's methodology, inputs, and calculations supporting the proposed Residential and Small Farm Energy Rate credit and independently recalculated the rate. Staff Comments at 2. Staff believed that the methodology complied with Schedule 59 and recommended that the Commission approve the proposed credit rate of 0.252¢ per kWh, effective October 1, 2026. *Id.*

Staff stated that the current credit rate of 0.233¢ per kWh provides qualifying Idaho customers with approximately \$3.3 million in benefits. *Id.* Staff calculated that the proposed rate of 0.252¢ per kWh would increase those benefits to approximately \$3.6 million, including an adjustment for the prior-year under-refunded balance, while reducing revenue from qualifying customers by approximately \$0.3 million, or 0.1%. *Id.*

Staff confirmed that for the October 2026 through September 2027 period, the Company's ASC rate of \$67.29 per megawatt-hour ("MWh") exceeds BPA's Priority Firm Exchange Rate of \$65.09 per MWh by \$2.20 per MWh. *Id.* at 2–3. Staff applied that difference to projected qualifying usage, which produced an estimated BPA benefit of \$9.26 million, of which Idaho's 33.75% share equals approximately \$3.13 million. *Id.* at 3. After adding the projected \$414,729 under-refunded balance and applying the revenue conversion factor, Staff calculated a net benefit of approximately \$3.56 million. *Id.* Dividing that amount by projected sales of 1.413 billion kWh produced the proposed credit rate of 0.252¢ per kWh. *Id.*

Staff also reviewed the Company's customer notice and press release and believed that they were consistent with Commission Rule 125. *Id.* The Company distributed the notice through mailed billing statements and email between August 4 and September 1, 2026. *Id.* Although the Commission established September 8, 2026, as the public comment deadline and received no comments by that date, Staff recognized that some customers may not have received sufficient time to respond. *Id.* Staff therefore recommended that the Commission allow and consider customer comments submitted after the deadline. *Id.*

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over the Company's Filing and the issues in this case under Title 61 of the Idaho Code including, *Idaho Code* §§ 61-501, -502, and -503. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of all public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provisions of law, and to fix the same by order. *Idaho Code* §§ 61-501, -502, and -503.

The Commission has reviewed the Company's Application, all submitted materials, and Staff comments. Based on our review of the record, we find it fair, just, and reasonable to approve the Company's Application, as filed.

The Company proposes to increase the Schedule 59 credit from 0.233¢ per kWh to 0.252¢ per kWh, effective October 1, 2026, for customers taking service under Schedules 1, 12, 22, 23, and 48.

We appreciate that Staff independently reviewed and recalculated the proposed rate to verify the Company's methodology and calculations comply with Schedule 59. Under the proposed credit, approximately \$3.6 million in BPA benefits will be passed through to qualifying Idaho customers, an increase of approximately \$0.3 million from the current rate credit.

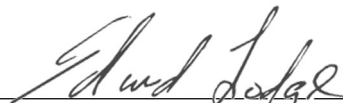
The Commission finds that the proposed credit is consistent with Schedule 59 and appropriately reflects the BPA benefits available to the Company's qualifying Idaho customers. Accordingly, the Commission approves the Company's Application, as filed.

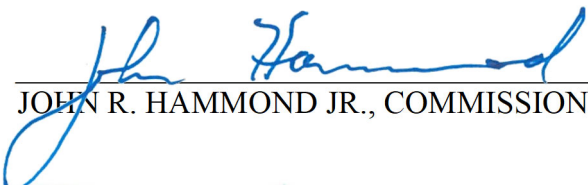
ORDER

IT IS HEREBY ORDERED that the Application and proposed Schedule 59 are approved, as filed.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within 21 days of the service date of this Order regarding any matter decided in this Order. Within 7 days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 24th day of September 2026.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary

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