### **AVISTA UTILITIES**

### Case No. AVU-G-15-02

### EXHIBIT "E"

## Copy of Press Release and Customer Notice

August 26, 2015

#### Contact:

AVISTA

DRAFT

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#### Avista Makes Annual Price Adjustment Request in Idaho

Request would decrease natural gas prices effective Nov. 1, 2015

**SPOKANE, Wash. Aug. 27, 2015, 1:05 p.m. PST:** Avista (NYSE: AVA) customers in Idaho could see an overall 14.5 percent decrease in their natural gas rates on Nov. 1, 2015 if the Idaho Public Utilities Commission (IPUC or Commission) approves the company's annual Purchased Gas Cost Adjustment (PGA) filed today.

If the request is approved, Avista residential customers using an average of 61 therms a month could expect their bill to decrease by \$7.94, or 13.4 percent, for a revised monthly bill of \$51.28 beginning Nov. 1, 2015. Avista's natural gas revenues would decrease by \$10.3 million, or approximately 14.5 percent. The requested natural gas rate change by customer segment is as follows:

General Service - Firm - Schedule 101 - Residential & Small Commercial	-13.4%
Large General Service - Firm - Schedules - Commercial 111 & 112	-18.0%
High Annual Load Factor Large - Interruptible Service Schedules 132	-24.6%

Avista does not mark up the cost of natural gas purchased to meet customer needs, so the filing does not increase or decrease company earnings.

PGAs are filed each year to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount included in rates. This includes the natural gas commodity cost as well as the cost to transport natural gas on interstate pipelines to Avista's local distribution system. The primary drivers for the company's requested decrease include a reduction in natural gas commodity costs due to a warmer than normal winter, an abundance of natural gas held in storage, and continued high production levels of natural gas.

About 50 percent of an Avista natural gas customer's bill is the combined cost of purchasing natural gas on the wholesale market and transporting it to Avista's system. These costs fluctuate up and down based on market prices. The costs are not marked up by Avista. The remaining 50 percent covers the cost of delivering the natural gas -- the equipment and people needed to provide safe and reliable service.

#### **Rate Application Procedure**

Avista's applications are proposals, subject to public review and a commission decision. Copies of the applications are available for public review at the offices of both the commission and Avista, and on the commission's homepage (<u>www.puc.idaho.gov</u>). Customers may file with the commission written comments related to Avista's filings. Customers may also subscribe to the commission's RSS feed

(<u>http://www.puc.idaho.gov/rssfeeds/rss.htm</u>) to receive periodic updates via e-mail about the case. Copies of rate filings are also available on Avista's website at <u>www.avistautilities.com/rates</u>.

#### About Avista Corp.

Avista Corp. is an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. Avista Utilities is our operating division that provides electric service to 369,000 customers and natural gas to 329,000 customers. Its service territory covers 30,000 square miles in eastern Washington, northern Idaho and parts of southern and eastern Oregon, with a population of 1.6 million. Alaska Energy and Resources Company is an Avista subsidiary that provides retail electric service in the city and borough of Juneau, Alaska, through its subsidiary Alaska Electric Light and Power Company. Avista stock is traded under the ticker symbol "AVA." For more information about Avista, please visit www.avistacorp.com.

This news release contains forward-looking statements regarding the company's current expectations. Forward-looking statements are all statements other than historical facts. Such statements speak only as of the date of the news release and are subject to a variety of risks and uncertainties, many of which are beyond the company's control, which could cause actual results to differ materially from the expectations. These risks and uncertainties include, in addition to those discussed herein, all of the factors discussed in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2014 and the Quarterly Report on Form 10-Q for the guarter ended June 30, 2015.

**AVISTA** 

SOURCE: Avista Corporation

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ATSIN

Important Notice for Idaho Natural Gas Customers September - October 2015

## Proposed Natural Gas Rate Adjustments Filed to be Effective November 1, 2015

On August 27, 2015, Avista filed a Purchased Gas Cost Adjustment (PGA) with the Idaho Public Utilities Commission (IPUC) to be effective November 1, 2015. The request is for an overall decrease of \$10.3 million or 14.5 percent. The annual PGA filing passes through changes in the cost of natural gas the Company acquires to serve customers, and it does not affect Company earnings.

If the request is approved, Avista residential customers using an average of 61 therms a month could expect their bill to decrease by \$7.94, or 13.4 percent, for a revised monthly bill of \$51.28 beginning Nov. 1, 2015. The requested natural gas rate change by customer segment is as follows: General Service - Firm - Schedule 101 -Residential & Small Commercial Large General Service - Firm - Schedules -Commercial 111 & 112

High Annual Load Factor Large -Interruptible Service Schedules 132

-24.6%

PGAs are filed each year to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount included in rates. This includes the natural gas commodity cost as well as the cost to transport natural gas on interstate pipelines to Avista's local distribution system. The primary driver for the company's requested decrease is a reduction in natural gas commodity costs due to a warmer than normal winter, an abundance of natural gas held in storage, and continued high production levels of natural gas. About 50 percent of an Avista natural gas customer's bill is the combined cost of purchasing natural gas on the wholesale market and transporting it to Avista's system. These costs fluctuate up and down based on market prices. The costs are not marked up by Avista. The remaining 50 percent covers the cost of delivering the

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AVA160i

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natural gas -- the equipment and people needed to provide safe and reliable service. The Company's application is a proposal, subject to public review and a Commission decision. Copies of the application are available for public review at the offices of both the Commission and Avista, and on the Commission's homepage (www.puc.idaho.gov). Customers may file with the Commission written comments related to the Commany's filing. Customers may also subscribe to the Commission's RSS feed (http://www.puc.idaho.gov/rssfeeds/rss.htm) to receive periodic updates via e-mail about the case. Copies of rate filing are also available on our website, www.avistautilities.com/rates. If you would like to submit comments on the proposed rate decrease, you can do so by going to the Commission website or mailing comments to: Idaho Public Utilities Commission P. O. Box 83720 P. O. Box 83720-0074 To assist customers in managing their energy bills, Avista offers services such as comfort level billing, payment arrangements and Customer Assistance Referral and Evaluation Services (CARES). CARES provides assistance to special-needs customers through referrals to area agencies and churches for help with housing, utilities, medical assistance and other needs. To learn more, visit www.avistautilities.com. There, customers can also find information on energy efficiency rebates and incentives, as well as online tools for managing energy use.

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To assist customers in managing their energy bills, Avista offers services such as comfort level billing, payment arrangements and Customer Assistance Referral and Evaluation Services (CARES). CARES provides assistance to special-needs customers through referrals to area agencies and churches for help with housing, utilities, medical assistance and other needs. To learn more, visit www.avistautilities.com. There, customers can also find information on energy efficiency rebates and incentives, as well as online tools for managing energy use.

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