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IDAHO PUBLIC
UTILITIES COMMISSION

January 31, 2020

State of Idaho
Idaho Public Utilities Commission
11331 W. Chinden Blvd
Bldg 8 Suite 201-A
Boise, ID 83714

Attention: Ms. Diane Hanian, Secretary

Re: Case Nos. AVU-E-16-01 and AVU-G-16-01 – Avista Utilities Q4 2019 Fee-Free Payment Program Report

Dear Ms. Hanian:

Attached for filing with the Commission is an original and seven (7) copies of Avista Corporation's, dba Avista Utilities ("Avista" or "the Company") Q4 2019 Fee-Free Payment Program Report.

On April 1, 2016 the Commission issued Order No. 33494 in Case Nos. AVU-E-16-01 and AVU-G-16-01 approving Avista's petition for an order authorizing accounting and ratemaking treatment of its residential fee-free payment program. In its petition, the Company sought to defer the costs associated with offering the fee-free payment for up to 36 months from the time the program went into effect. The fee-free payment program was successfully launched February 19, 2017.

In its petition, the Company agreed to provide updates to the Commission every six months about the program's progress. In the Company's Washington and Oregon jurisdictions we agreed to provide updates to the Commission every three months. For consistency across jurisdictions and ease of reporting, the Company will be providing updates to the Idaho Commission every three months that coincide with the quarters of the calendar year.

Avista's residential fee-free payment program encompasses previous methods of payments that were assessed a fee or not available. The program includes the following payment methods and channels:

- Credit and debit card payments made through a Customer Service Representative (CSR), through the Company's Integrated Voice Recognition (IVR) system, through its website as a one-time guest payment, through its website as an authenticated user and for Automatic Payment Service (APS) payments.
- Automated Clearing House (ACH) payments made through a CSR, through the Company's IVR system, and through its website as a one-time guest payment.

Prior to the launch of the program, customers could make payments free of charge by ACH when making an electronic payment through the Company's website as an authenticated user, or when signed up for APS payments, in which payments are automatically deducted from their checking or savings account. Also, prior to the launch of the program APS payments were limited to only ACH payment methods.

Tables No. 1 and No. 2 below represent the residential payment information for the Company's Idaho customers by month for 2018 and 2019. Note that these tables represent only residential payments and that some forms of non-residential customer payments are still assessed a fee.

Table No. 1 - 2018

Payments	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Payments	117,417	101,530	109,475	111,709	112,188	100,389	111,329	107,950	99,210	112,783	108,378	103,043	1,295,401
Fiserv Payments	59,527	52,009	55,419	59,600	57,559	51,781	59,108	55,591	51,874	59,260	55,843	56,394	673,965
Fee-Free Fiserv	22,345	20,857	22,716	23,568	23,129	21,304	23,870	23,567	22,665	25,523	24,375	25,181	279,100
Fee-Free Payments as % of Total	19.0%	20.5%	20.7%	21.1%	20.6%	21.2%	21.4%	21.8%	22.8%	22.6%	22.5%	24.4%	21.5%

Table No. 2 - 2019

Payments	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Payments	116,220	102,194	108,342	107,152	111,942	100,012	110,632	107,072	106,612	113,065	99,414	118,564	1,301,221
Fiserv Payments	61,826	56,360	59,157	58,307	62,222	53,637	60,843	59,895	60,407	63,280	55,541	68,912	720,387
Fee-Free Fiserv	28,610	26,305	27,991	28,213	29,685	26,051	29,192	29,126	30,343	31,257	27,703	34,752	349,228
Fee-Free Payments as % of Total	24.6%	25.7%	25.8%	26.3%	26.5%	26.0%	26.4%	27.2%	28.5%	27.6%	27.9%	29.3%	26.8%

Tables No. 3 and 4 below include additional detail on certain payment channels. This information is highlighted to monitor trends in customers' payment behavior. Note that the data in Tables No. 1 and 2 will not subtotal to the data in Tables No. 3 and 4 as there is overlap in payment information by channel (i.e., "Total Card Payments" includes card payments made through APS, CSRs, the IVR, and web).

Table No. 3 - 2018

Payment Method	January	February	March	April	May	June	July	August	September	October	November	December	Total
APS by ACH	20,036	16,151	17,278	20,233	19,477	16,674	20,135	18,128	15,832	19,518	17,828	17,409	218,699
APS by Debit or Credit Card	3,107	2,686	3,062	3,886	3,902	3,595	4,564	4,319	3,994	5,136	4,973	5,143	48,367
Total APS Payments	23,143	18,837	20,340	24,119	23,379	20,269	24,699	22,447	19,826	24,654	22,801	22,552	267,066
Total Card Payments	20,751	19,457	21,162	22,000	21,563	19,893	22,406	22,124	21,268	24,056	23,072	23,734	261,486
CSR Payments	2,755	2,836	3,139	2,841	2,811	2,508	2,334	2,395	2,408	2,516	2,496	2,371	31,410
IVR Payments	4,673	4,277	4,674	4,627	4,511	4,089	4,517	4,502	4,315	4,444	3,928	4,301	52,858
Bank Bill Payments	19,193	16,618	17,735	17,437	17,768	16,163	17,822	17,381	15,705	18,103	16,739	16,739	206,984
Mailed & Lobby Payments	32,640	28,141	30,859	29,391	31,714	27,870	29,712	30,086	27,197	30,620	29,223	25,476	352,929
Pay Station Payments	4,871	4,273	4,746	4,682	4,555	4,156	4,396	4,153	4,005	4,207	3,751	3,515	51,310
Web Based Payments	28,624	26,007	27,187	27,953	26,786	24,852	27,498	26,537	25,274	27,586	26,576	27,126	322,006

Table No. 4 - 2019

Payment Method	January	February	March	April	May	June	July	August	September	October	November	December	Total
APS by ACH	18,449	16,729	17,482	16,847	18,485	16,022	18,831	18,092	16,846	19,196	16,616	19,919	213,514
APS by Debit or Credit Card	5,594	5,156	5,663	5,537	6,246	5,560	6,631	6,594	6,264	6,264	6,738	8,419	75,919
Total APS Payments	24,043	21,885	23,145	22,384	24,731	21,582	25,462	24,686	23,110	26,713	23,354	28,338	289,433
Total Card Payments	26,921	24,828	26,380	26,553	27,933	24,541	27,548	27,465	28,620	29,610	26,276	32,890	329,565
CSR Payments	2,791	2,507	2,910	3,040	2,956	2,510	2,485	2,394	2,610	2,506	2,115	2,590	31,414
IVR Payments	4,967	4,544	4,818	4,946	5,074	4,514	4,897	4,751	5,432	5,477	4,828	5,620	59,868
Bank Bill Payments	18,232	15,736	16,729	16,676	17,192	16,243	17,228	16,434	15,858	16,955	14,640	18,003	199,926
Mailed & Lobby Payments	31,076	26,042	27,947	27,725	28,345	26,219	28,650	26,991	26,453	28,830	23,903	26,972	329,153
Pay Station Payments	3,845	3,498	3,944	3,760	3,850	3,480	3,615	3,406	3,551	3,502	2,959	3,281	42,691
Web Based Payments	29,972	27,381	28,231	27,862	29,361	24,959	27,921	27,980	29,174	28,517	25,198	32,245	338,801

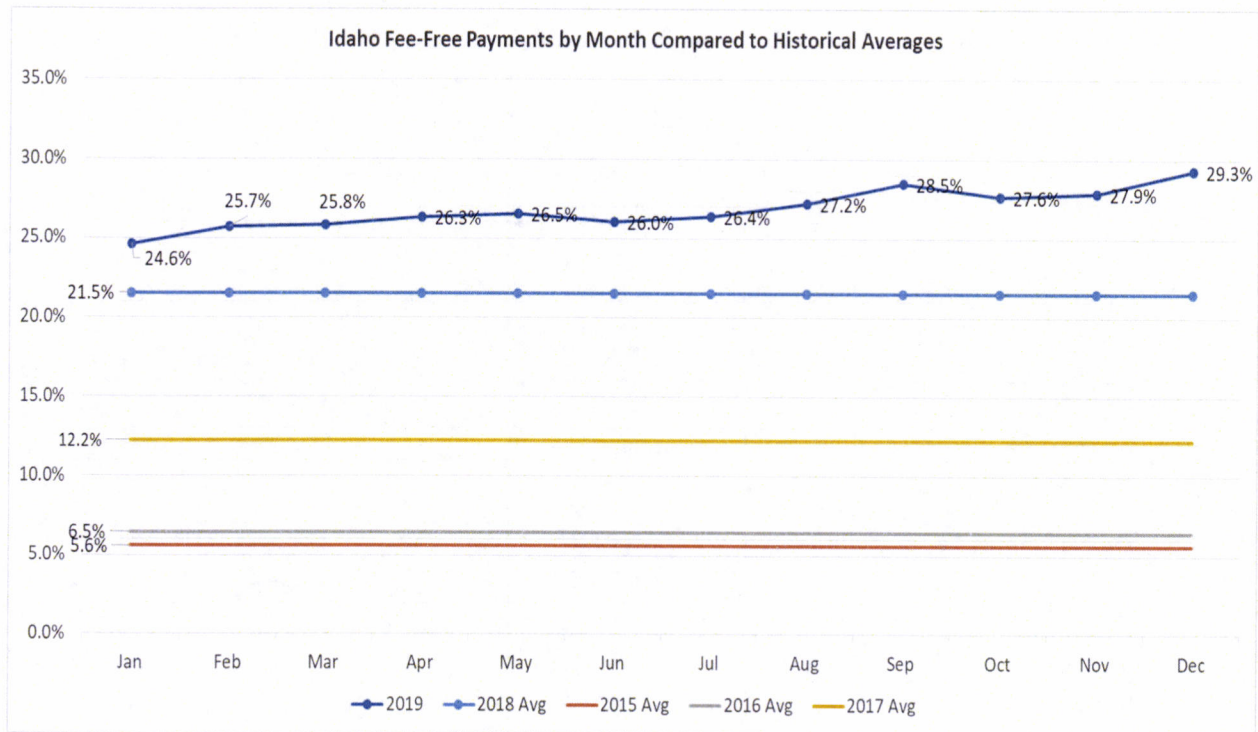
For historical comparison purposes, Table No. 5 displays residential payment data from 2015, 2016 and 2017.

Table No. 5

Year	# of Residential Payments	Fee Free Payments	% of Total
2015	1,273,654	71,375	5.60%
2016	1,286,848	82,977	6.45%
2017	1,269,567	155,419	12.2%

Chart No. 1 graphically shows the trend in fee-free payments in 2019 compared to the historical annual average in 2015 through 2018.

Chart No. 1



To date, the Company has paid invoices through December 2019, of which \$1,133,659 has been deferred for customer transactions through the fee-free payment program.

Please direct any questions regarding this report to Joel Anderson at 509-495-2811 (joel.anderson@avistacorp.com) or myself at 509-495-4975 (linda.gervais@avistacorp.com)

Sincerely,

/S/Linda Gervais

Sr. Manager, Regulatory Policy & Strategy
Regulatory Affairs
linda.gervais@avistacorp.com

Definitions

Automated Clearing House (ACH) – an electronic network for financial transactions in the United States. Payments made by checking or savings accounts.

Automatic Payment Service (APS) – payment option by which a customer can sign up to have payments automatically deducted from their checking account, savings account, debit card, or credit card on their bill due date each month.

Bank Bill Payments – payments initiated through a customer’s bank account and transferred to the Company via ACH.

Card Payments – debit and credit card payments.

Customer Service Representative (CSR) – Avista employee who works in its Customer Service Department and answers customer phone calls.

CSR Payments – payments taken by Avista’s Customer Service Representatives over the phone.

Fiserv – Avista’s payment processing vendor as of February 19, 2017.

Integrated Voice Recognition System (IVR) – Avista’s automated phone system a customer first reaches when calling the Company at 1-800-227-9187.

IVR Payments – payments received through the Company’s IVR system.

Kubra – Avista’s payment processing vendor prior to February 19, 2017.

Mailed & Lobby Payments – payments mailed to the Company or taken in one of the Company’s lobbies located in Spokane, Washington, Coeur d’Alene, Idaho, or Lewiston, Idaho. These also include payments placed in drop boxes at the Company’s office centers.

Pay Station Payments – payments made at authorized Company pay stations.

Web Based Payments – payments made on the Company’s website.