Canceling

First Revision Sheet 175

AVISTA CORPORATION dba Avista Utilities

SCHEDULE 175 FIXED COST ADJUSTMENT MECHANISM – NATURAL GAS

PURPOSE:

I.P.U.C. No. 27

This Schedule establishes balancing accounts and implements an annual Fixed Cost Adjustment ("FCA") rate mechanism that separates the recovery of the Company's Commission authorized revenues from therm sales to customers served under the applicable natural gas service schedules.

TERM:

The term of the FCA mechanism is four years, effective January 1, 2016 through December 31, 2019.

APPLICABLE:

To Customers in the State of Idaho where the Company has natural gas service available. This schedule shall be applicable to all retail customers taking service under Schedules 101, 111, and 112. This Schedule does not apply to Schedules 131/132 (Interruptible Service), Schedule 146 (Transportation Service For Customer-Owned Gas) or Schedule 148 (Special Contracts). Applicable Customers will be segregated into two (2) distinct Rate Groups:

Group 1 – Schedule 101 Group 2 – Schedules 111 and 112

Note - the recovery of incremental revenue related to fixed production and underground storage costs will be excluded for new natural gas customers added after the FCA Base test year.

MONTHLY RATE:

Group 1 - (\$0.00766) per therm Group 2 – (\$0.01067) per therm

June 29, 2018 Issued

Effective November 1, 2018

Issued by Avista Corporation By

Patrick Ehrbar, Director of Regulatory Affairs

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