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IDAHO PUBLIC
UTILITIES COMMISSION

AVISTA UTILITIES

Case No. AVU-G-19-0 <u>φ</u>

EXHIBIT "F"

Copy of Press Release and Customer Notice



Contact: DRAFT

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Avista Requests Natural Gas Price Increase for Idaho Customers in Annual Natural Gas Cost Adjustment Filing

Change in natural gas prices would be effective Nov. 1, 2019

SPOKANE, Wash. – Aug. 23, 2019, 1:05 p.m. PST: Avista (NYSE: AVA) today filed its Purchased Gas Cost Adjustment (PGA) request with the Idaho Public Utilities Commission (IPUC or Commission) that, if approved, is designed to increase overall natural gas revenues by approximately \$3.3 million or 5.6 percent effective Nov. 1, 2019.

These annual filings have no impact on Avista's earnings, and are not related to the general rate case filed in June 2019.

The PGA is 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. This rate adjustment is driven primarily by higher wholesale natural gas prices in the 2018-2019 winter season, which were caused, in part, by a Canadian pipeline disruption that restricted natural gas flows into the Pacific Northwest. If approved, Avista's request is designed to increase natural gas revenues by \$3.3 million or 5.6 percent.

About 40 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, and are not marked up by Avista. The remaining 60 percent covers the cost of delivering the natural gas -- the equipment and people needed to provide safe and reliable service.

Customer Bills

If the request is approved, Avista residential customers using an average of 64 therms per month would see their monthly bill to increase from \$47.62 to \$49.88, beginning Nov. 1, 2019, an increase of \$2.26 or 4.8 percent.

The net effect, on a revenue basis, for the requested natural gas rate changes by rate schedule are:

General Service - Schedule 101	4.8%
Large General Service - Schedules 111 & 112	8.9%
Interruptible Service - Schedules 131 & 132	0.0%
Transportation Service - Schedule 146	2.0%
Overall	5.6%

Customer Bills Resulting from all Annual Natural Gas Adjustments – In addition to the filing discussed above, the Company previously made its annual Fixed Cost Adjustment (FCA) filing on June 28, 2019 with the same proposed effective date of Nov. 1, 2019. If the FCA and PGA filings are approved, residential natural gas customers in Idaho using an average of 64 therms per month would see their monthly bills increase from \$47.62 to \$50.98, an increase of \$3.36 per month, or approximately 7.1 percent.

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 website (www.puc.idaho.gov). Customers may file with the Commission written comments related to Avista's filings. 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 filings are also available on Avista's website at www.myavista.com/rates.

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 the operating division that provides electric service to 389,000 customers and natural gas to 357,000 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 1.7 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, 2018 and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.

SOURCE: Avista Corporation

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Important Notice for Idaho Natural Gas Customers (September/October 2019)

Proposed Natural Gas Rate Adjustment to be Effective Nov. 1, 2019

Avista has filed a natural gas rate request with the Idaho Public Utilities Commission (Commission), with a requested effective date of Nov. 1, 2019. This annual filing is separate from the general rate case request filed in June 2019 regarding base retail rates in Idaho and has no impact on the company's earnings.

The rate request is the annual Purchased Gas Cost Adjustment (PGA). The PGA is 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. This rate adjustment is driven primarily by higher wholesale natural gas prices in the 2018-2019 winter season, which were caused, in part, by a Canadian pipeline disruption that restricted natural gas flows into the Pacific Northwest. If approved, Avista's request is designed to increase natural gas revenues by \$3.3 million or 5.6 percent.

Customer Bills - If approved, residential natural gas customers in Idaho using an average of 64 therms per month would see their monthly bills increase from \$47.62 to \$49.88, an increase of \$2.26 per month, or approximately 4.8 percent. The proposed natural gas rate change would be effective Nov. 1, 2019. The requested natural gas rate change by rate schedule are:

General Service - Firm - Schedule 101 - Residential & Small Commercial	4.8%
Large General Service - Firm - Schedules - Commercial 111 & 112	8.9%
Transportation Service – Schedule 146	2.0%
Overall	5.6%

Customer Bills Resulting from all Annual Natural Gas Adjustments – In addition to the filing discussed above, the Company previously made its annual Fixed Cost Adjustment (FCA) filing on June 28, 2019 with the same proposed effective date of Nov. 1, 2019. If the FCA and PGA filings are approved, residential natural gas customers in Idaho using an average of 64 therms per month would see their monthly bills increase from \$47.62 to \$50.98, an increase of \$3.36 per month, or approximately 7.1 percent.

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 website (www.puc.idaho.gov). Customers may file with the Commission written comments related to the Company's filings. 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 filings are also available on our website, www.myavista.com/rates.

If you would like to submit comments on the proposed rate change, you can do so by going to the Commission website or mailing comments to:

Idaho Public Utilities Commission P.O. Box 83720 Boise, ID 83720-0074

To assist customers in managing their energy use and energy bills, Avista offers services such as energy efficiency programs and rebates, comfort level billing, payment arrangements and Customer Assistance Referral and Evaluation Services (CARES). To learn more, visit www.myavista.com.

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