



Idaho Public Utilities Commission

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Brad Little, Governor

Paul Kjellander, Commissioner
Kristine Raper, Commissioner
Eric Anderson, Commissioner

Case No. AVU-G-21-04

Order No. 35116

Case No. AVU-G-21-03

Order No. 35150

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NEWS RELEASE: Commission approves applications from Avista Utilities that will change rates for natural gas customers

BOISE (Sept. 2, 2021) – The Idaho Public Utilities Commission has approved two applications from Avista Utilities that will result in a rate change to customers.

In July, Avista filed its annual purchased gas cost adjustment application. The purchased gas adjustment is a mechanism approved by the commission that adjusts rates up or down to reflect changes in Avista's costs to buy natural gas from suppliers, including changes in transportation, storage, and other related costs. The company defers the costs into its purchased gas adjustment account, then passes them on to customers through an increase or decrease in rates.

The company has natural gas customers in northern Idaho, and transports the natural gas it buys to the customers through pipelines. In its purchased gas adjustment application, it proposed to pass-through changes in the estimated cost of natural gas for September 2021 through October 2022 to customers. It also proposed to revise the amortization rates to collect the balance of deferred natural gas costs. Avista said it filed the purchased gas adjustment application earlier than the typical August-September timeframe to limit the bill impact to customers from the accumulated deferral and amortization surcharge balances that have increased due to rising natural gas costs in recent months.

Avista has received approval from the commission to increase rates for an average residential or small commercial customer by \$6.00 per month, or 12.1 percent, beginning Sept. 1, 2021. Residential or small commercial customers using an average of 63 therms per month will see their monthly bills increase from \$49.49 to \$55.49. The change in rates will result in an annual revenue increase of \$9.0 million for Avista, or about 13.5 percent.

The company also received approval from the commission to refund deferred credit balances associated with depreciation expense, Allowance for Funds Used During Construction, and the Coronavirus Aid, Relief, and Economic Security Act benefits that would decrease natural gas revenues by approximately \$1.9 million, or 2.9 percent beginning Sept. 1, 2021. The approval

decreases rates for an average residential or small commercial customer using an average of 63 therms per month by \$1.44 each month.

For additional information on Avista's applications and the commission's decisions regarding them, please visit puc.idaho.gov/case/Details/6722 and puc.idaho.gov/case/Details/6721.