



**Avista Corp.**

1411 East Mission P.O. Box 3727  
Spokane, Washington 99220-0500  
Telephone 509-489-0500  
Toll Free 800-727-9170

April 29, 2022

Commission Secretary  
State of Idaho  
Idaho Public Utilities Commission  
11331 W. Chinden Blvd. Building 8, Suite 201-A  
Boise, Idaho 83702-5983

Case No. AVU-G-22-02

**I.P.U.C. No. 27 – Natural Gas Service**

Enclosed for electronic filing with the Commission is a copy of the following proposed tariff sheet:

**Thirty-First Revision Sheet 150    canceling    Thirtieth Revision Sheet 150**

Submitted electronically for filing with the Commission are the “Application of Avista Utilities for an Order Approving a Change in Natural Gas Rates and Charges”. The revised tariff sheet included in the Company’s filing reflects an update to the Commodity WACOG for the Company’s Purchased Gas Cost Adjustment (“PGA”). If approved, the Company’s annual revenue will *increase* by approximately \$8.3 million or approximately 10.5%. The proposed changes have no effect on the Company’s earnings. Detailed information related to the Company’s request is included in the attached Application and supporting workpapers.

If the Company’s request is approved, a residential or small commercial customer using an average of 63 therms will see an *increase* of \$5.44 per month, or approximately 9.7%. The present bill for 63 therms is \$55.86 while the proposed bill is \$61.30.

If you have any questions regarding this filing, please contact Joe Miller at (509) 495-4546 or Marcus Garbarino at (509) 495-2567.

Sincerely,

/s/ Patrick D. Ehrbar

Patrick D. Ehrbar  
Director of Regulatory Affairs

RECEIVED  
2022 APR 29 PM 2:54  
IDAHO PUBLIC  
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF )  
AVISTA UTILITIES FOR AN ORDER APPROVING ) CASE: AVU-G-22-02  
A CHANGE IN NATURAL GAS RATES AND CHARGES )

Application is hereby made to the Idaho Public Utilities Commission for an Order approving a revised schedule of rates and charges for natural gas service in the state of Idaho. The Applicant requests that the proposed rates included in this Purchased Gas Cost Adjustment (“PGA”) filing be made effective on July 1, 2022. If approved as filed, the Company’s annual revenue will increase by approximately \$8.3 million or about 10.5%. In support of this Application, Applicant states as follows:

I.

The name of the Applicant is AVISTA CORPORATION, doing business as AVISTA UTILITIES (hereinafter Avista, Applicant or Company), a Washington corporation, whose principal business office is 1411 East Mission Avenue, Spokane, Washington, and is qualified to do business in the state of Idaho. Applicant maintains district offices in Moscow, Lewiston, Coeur d'Alene, and Kellogg, Idaho. Communications in reference to this Application should be addressed to:

Patrick D. Ehrbar  
Director of Regulatory Affairs  
Avista Utilities  
1411 E. Mission Avenue  
Spokane, WA 99220-3727  
Phone: (509) 495-8620  
Fax: (509) 495-8851  
[Pat.ehrbar@avistacorp.com](mailto:Pat.ehrbar@avistacorp.com)  
[Dockets@avistacorp.com](mailto:Dockets@avistacorp.com)

II.

Attorney for the Applicant and his address is as follows:

David J. Meyer  
Vice President and Chief Counsel for Regulatory  
And Governmental Affairs  
Avista Utilities  
1411 E. Mission Avenue  
Spokane, WA 99220-3727  
Phone: (509) 495-4316  
Fax: (509) 495-8851  
[David.meyer@avistacorp.com](mailto:David.meyer@avistacorp.com)

III.

The Applicant is a public utility engaged in the distribution of natural gas in certain portions of Northern Idaho, Eastern and Central Washington, and Southwestern and Northeastern Oregon, and further engaged in the generation, transmission, and distribution of electricity in Northern Idaho and Eastern Washington.

IV.

Thirty-First Revision Sheet 150, which Applicant requests the Commission approve, is filed herewith as Exhibit "A". Also included in Exhibit "A" is a copy of Thirtieth Revision Sheet 150 and a copy of Thirtieth Revision Sheet 150 and with the proposed changes shown by lining over the current language or rates.

V.

The existing rates and charges for natural gas service on file with the Commission and designated as Applicant's Tariff IPUC No. 27, which will be superseded by the rates and charges filed herewith, are incorporated herein as though fully attached hereto.

VI.

Notice to the Public of Applicant's proposed tariffs is to be given simultaneously with the filing of this Application by posting, at each of the Company's district offices in Idaho, a Notice in the form attached hereto as Exhibit "B" and by means of a press release distributed to various informational agencies, a draft copy attached hereto in Exhibit "C". In addition, Exhibit "C" to this Application also contains the form of customer notice that the Company will send to its customers in its monthly bills, which is scheduled to begin on May 7, 2022 and complete on June 6, 2022.

VII.

The circumstances and conditions relied on for approval of Applicant's revised rates are as follows: Applicant purchases natural gas for customer usage and transports it over Williams Northwest Pipeline, Gas Transmission Northwest (GTN), TransCanada - Alberta, TransCanada - BC and Spectra Energy Pipeline systems, and defers the effect of timing differences due to implementation of rate changes and differences between Applicant's actual weighted average cost of gas ("WACOG") purchased and the WACOG embedded in rates.

VIII.

This filing reflects the Company's proposed "Out of Cycle" PGA to amend the commodity WACOG in Schedule 150 due to a material change in natural gas prices and collect the change in the estimated cost of natural gas. The Company used the twelve-month period beginning July 1, 2022 to estimate the commodity WACOG proposed in this filing. Below is a table summarizing the proposed changes reflected in this filing.

<u>Service</u>	<u>Sch. No.</u>	<u>Commodity Change per therm</u>	<u>Demand Change per therm</u>	<u>Total Sch. 150 Change</u>	<u>Amortization Change per therm</u>	<u>Total PGA Rate Change per therm</u>
General	101	\$ 0.08641	\$ -	\$ 0.08641	\$ -	\$ 0.08641
Lg. General	111	\$ 0.08641	\$ -	\$ 0.08641	\$ -	\$ 0.08641
Lg General	112	\$ 0.08641	\$ -	\$ 0.08641	\$ -	\$ 0.08641
Interruptible	131	\$ 0.08641	\$ -	\$ 0.08641	\$ -	\$ 0.08641
Transportation	146	\$ -	\$ -	\$ -	\$ -	\$ -

## IX.

### Commodity Costs

In Case No. AVU-G-21-04, the Commission approved the Company's annual PGA with a September 1, 2021 effective date. In that filing, the Company's commodity weighted average cost of gas ("Commodity WACOG") increased by \$0.04022 per therm, from \$0.16283 per therm to \$0.20305 per therm (including revenue sensitive costs). Subsequently, in Case No. AVU-G-21-07, the Commission approved the Company's proposed "out-of-cycle" PGA adjustment to the commodity weighted average cost of gas ("Commodity WACOG") included in Schedule 150 by \$0.06235 per therm, from \$0.20305 per therm to \$0.26540 per therm (including revenue sensitive costs) effective February 1, 2022.

Since that time, the price of wholesale natural gas has continued to rise, with prices reaching levels not seen in over 13 years. The market factors attributing to the rise in prices are an overall increase in demand, lower supply, and more recently the impact that the global natural gas market is having on the US natural gas market due to the war in Ukraine. The increase in demand for natural gas has been due to elevated liquified natural gas (LNG) exports, which have been running at or near capacity throughout the winter, and use for electric generation remaining elevated. Historically, when natural gas prices reach high levels, there is a reduction in demand for its use in power generation, however, with the two main alternative fuels (coal and oil) also being priced at extremely high levels, this has not occurred. On the supply side, production has been slow to ramp up to pre-pandemic levels and production has underperformed expectations in 2022. The increased demand and lack of supply has also led to storage balances being well below historical levels. Although the US natural gas market is not directly connected to the European market except through LNG exports, which as mentioned are already operating at capacity, there is likely some risk premium being priced into the US market based on the expectation that world energy prices will remain elevated. Some of these market conditions were present when the Company made its filings in 2021, but when coupled with the additional market factors increasing demand for natural gas, there has been additional upward pressure on wholesale natural gas prices, thus creating a material change from the WACOG approved in the Company's prior PGA. Avista is proposing a rate adjustment that more closely aligns the actual cost of what Avista is paying for natural gas with what is included in customer rates in this filing.

As a result of the changes in pricing in the wholesale markets, the Company proposes to increase the Commodity WACOG from the \$0.26540 per therm embedded in current rates to \$0.35181 per therm, representing an increase of \$0.08641 per therm. Making this filing now results in limiting the surcharge deferral for the remainder of the PGA year and allows the Company to re-evaluate the estimated commodity WACOG based on updated market prices when we make our annual full PGA filing in the 3rd Quarter of 2022.

The Company calculated the proposed Commodity WACOG of \$0.35181 per therm by adjusting just two items. First, the Company used a 30-day historical average of AECO forward prices (as of April 12, 2022) to develop an estimated cost associated with index purchases for the one-year period beginning after the effective date. The estimated monthly volumes to be purchased during this period are multiplied by the 30-day average forward price for the corresponding month. The annual weighted average price for these volumes is \$4.21 per dekatherm (\$0.421 per therm). The annual weighted average price presently included in rates for these volumes is \$3.06 per dekatherm (\$0.306 per therm).

Second, the Company entered into additional natural gas hedges after it filed its last PGA Commodity WACOG update. The weighted average price for hedged natural gas presently included in rates is \$2.66 per dekatherm (\$0.266 per therm). The annual weighted average price for all hedges during the period, including those entered into after the annual PGA filing, is now \$2.90 per dekatherm (0.290 per therm).

Updating the 30-day historical average of forward wholesale natural gas prices, and reflecting all hedges entered into to date for the period, results in a proposed \$8.3 million annual revenue increase.

X.

#### **Demand Costs**

The Company is not requesting any changes related to demand charges in this filing. Any changes to those items will occur in the Company's next annual PGA filing.

XI.

#### **Schedule 155 / Amortization Rate Change**

The Company is not requesting any changes related to Rate Schedule 155/Amortization charges in this filing. Any changes to those items will occur in the Company's next annual PGA filing.

XII.

If approved as filed, the Company's annual revenue will *increase* by approximately \$8.3 million or about 10.5% effective July 1, 2022. Residential or small commercial customers using an average of 63 therms per month would see an *increase* of \$5.44 per month, or approximately 9.7%. The present bill for 63 therms is \$55.86 while the proposed bill is \$61.30.

XIII.

Confidential Exhibit "D" attached hereto contains supporting workpapers for the rates proposed by Applicant contained in Exhibit "A".

XIV.

Avista requests that the rates proposed in this filing be approved to become effective on July 1, 2022, and requests that the matter be processed under the Commission's Modified Procedure rules through the use of written comments. Avista stands ready for immediate consideration on its Application.

XV.

WHEREFORE, Avista requests the Commission issue its Order finding its proposed rates to be just, reasonable, and nondiscriminatory and to become effective for all natural gas service on and after July 1, 2022. The overall increase is approximately \$8.3 million or 10.5%. The Company requests that the matter be processed under the Commission's Modified Procedure rules through the use of written comments.

Dated at Spokane, Washington, this 29<sup>th</sup> day of April 2022.

AVISTA UTILITIES  
BY

*/s/ David J. Meyer*

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David J. Meyer  
Vice President and Chief Counsel for  
Regulatory and Governmental Affairs

**AVISTA UTILITIES**

Case No. AVU-G-22-02

April PGA Commodity WACOG Update

**EXHIBIT “A”**

**Proposed Tariff Sheet**

April 29, 2022

AVISTA CORPORATION  
d/b/a Avista Utilities

**SCHEDULE 150  
PURCHASE GAS COST ADJUSTMENT - IDAHO**

**APPLICABLE:**

To Customers in the State of Idaho where Company has natural gas service available.

**PURPOSE:**

To pass through changes in costs resulting from purchasing and transporting natural gas, to become effective as noted below.

**RATE:**

- (a) The retail rates of firm gas Schedules 101, 111 and 112 are to be increased by 44.424¢ per therm in all blocks of these rate schedules.
- (b) The rates of interruptible Schedules 131 and 132 are to be increased by 35.181¢ per therm.
- (c) The rate for transportation under Schedule 146 is to be decreased by 0.000¢ per therm.

**WEIGHTED AVERAGE GAS COST:**

The above rate changes are based on the following weighted average cost of gas per therm as of the effective date shown below:

	Demand	Commodity	Total
Schedules 101	9.243¢	35.181¢	44.424¢
Schedules 111 and 112	9.243¢	35.181¢	44.424¢
Schedules 131 and 132	0.000¢	35.181¢	35.181¢

**The above amounts include a gross revenue factor.**

	Demand	Commodity	Total
Schedules 101	9.203¢	35.028¢	44.231¢
Schedules 111 and 112	9.203¢	35.028¢	44.231¢
Schedules 131 and 132	0.000¢	35.028¢	35.028¢

**The above amounts do not include a gross revenue factor.**

**BALANCING ACCOUNT:**

The Company will maintain a Purchase Gas Adjustment (PGA) Balancing Account whereby monthly entries into this Balancing Account will be made to reflect differences between the actual purchased gas costs collected from customers and the actual purchased gas costs incurred by the Company. Those differences are then collected from or refunded to customers under Schedule 155 – Gas Rate Adjustment.

Issued April 29, 2022

Effective July 1, 2022

Issued by Avista Utilities  
By

Patrick Ehrbar – Director of Regulatory Affairs





AVISTA CORPORATION  
 d/b/a Avista Utilities

SCHEDULE 150  
 PURCHASE GAS COST ADJUSTMENT - IDAHO

APPLICABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To pass through changes in costs resulting from purchasing and transporting natural gas, to become effective as noted below.

RATE:

- (a) The retail rates of firm gas Schedules 101, 111 and 112 are to be increased by ~~35.783¢~~ per therm in all blocks of these rate schedules.
- (b) The rates of interruptible Schedules 131 and 132 are to be increased by ~~26.540¢~~ per therm.
- (c) The rate for transportation under Schedule 146 is to be decreased by 0.000¢ per therm.

WEIGHTED AVERAGE GAS COST:

The above rate changes are based on the following weighted average cost of gas per therm as of the effective date shown below:

	Demand	Commodity	Total
Schedules 101	9.243¢	<del>26.540¢</del>	<del>35.783¢</del>
Schedules 111 and 112	9.243¢	<del>26.540¢</del>	<del>35.783¢</del>
Schedules 131 and 132	0.000¢	<del>26.540¢</del>	<del>26.540¢</del>

**The above amounts include a gross revenue factor.**

	Demand	Commodity	Total
Schedules 101	9.203¢	26.424¢	35.627¢
Schedules 111 and 112	9.203¢	26.424¢	35.627¢
Schedules 131 and 132	0.000¢	26.424¢	26.424¢

**The above amounts do not include a gross revenue factor.**

BALANCING ACCOUNT:

The Company will maintain a Purchase Gas Adjustment (PGA) Balancing Account whereby monthly entries into this Balancing Account will be made to reflect differences between the actual purchased gas costs collected from customers and the actual purchased gas costs incurred by the Company. Those differences are then collected from or refunded to customers under Schedule 155 – Gas Rate Adjustment.

Issued December 3, 2021

Effective February 1, 2022

Issued by Avista Utilities  
 By

Patrick Ehrbar – Director of Regulatory Affairs



AVISTA CORPORATION  
d/b/a Avista Utilities

SCHEDULE 150  
PURCHASE GAS COST ADJUSTMENT - IDAHO

APPLICABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To pass through changes in costs resulting from purchasing and transporting natural gas, to become effective as noted below.

RATE:

- (a) The retail rates of firm gas Schedules 101, 111 and 112 are to be increased by 44.424¢ per therm in all blocks of these rate schedules.
- (b) The rates of interruptible Schedules 131 and 132 are to be increased by 35.181¢ per therm.
- (c) The rate for transportation under Schedule 146 is to be decreased by 0.000¢ per therm.

WEIGHTED AVERAGE GAS COST:

The above rate changes are based on the following weighted average cost of gas per therm as of the effective date shown below:

	Demand	Commodity	Total
Schedules 101	9.243¢	<u>35.181¢</u>	<u>44.424¢</u>
Schedules 111 and 112	9.243¢	<u>35.181¢</u>	<u>44.424¢</u>
Schedules 131 and 132	0.000¢	<u>35.181¢</u>	<u>35.181¢</u>

**The above amounts include a gross revenue factor.**

	Demand	Commodity	Total
Schedules 101	9.203¢	<u>35.028¢</u>	<u>44.231¢</u>
Schedules 111 and 112	9.203¢	<u>35.028¢</u>	<u>44.231¢</u>
Schedules 131 and 132	0.000¢	<u>35.028¢</u>	<u>35.028¢</u>

**The above amounts do not include a gross revenue factor.**

BALANCING ACCOUNT:

The Company will maintain a Purchase Gas Adjustment (PGA) Balancing Account whereby monthly entries into this Balancing Account will be made to reflect differences between the actual purchased gas costs collected from customers and the actual purchased gas costs incurred by the Company. Those differences are then collected from or refunded to customers under Schedule 155 – Gas Rate Adjustment.

Issued April 29, 2022

Effective July 1, 2022

Issued by Avista Utilities  
By

Patrick Ehrbar – Director of Regulatory Affairs



**AVISTA UTILITIES**

Case No. AVU-G-22-02

April PGA Commodity WACOG Update

**EXHIBIT “B”**

Notice of Applicant's Proposed Tariffs

April 29, 2022

**DRAFT**

**Important Notice for Idaho Customers  
(May 2022)**

Avista has filed a Purchased Gas Cost Adjustment (PGA) rate adjustment request with the Idaho Public Utilities Commission (Commission), that if approved, is designed to increase overall natural gas revenue by approximately \$8.3 million or 10.5% effective July 1, 2022. This filing has no impact on Avista's earnings.

The PGA is typically filed annually to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount presently included in customer's rates. PGAs ensure that customers pay what Avista pays for natural gas, only at a more predictable and stable rate throughout the year.

Since the last PGA was filed in late 2021, the price of wholesale natural gas has continued to rise. Due to this increase of wholesale natural gas prices, Avista is proposing a rate adjustment that more closely aligns the actual cost of what Avista is presently paying for wholesale natural gas with the cost of natural gas included in customer rates.

About 40% 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, of which Avista cannot control. Importantly, Avista does not make a profit on, or markup, the wholesale cost of natural gas; what Avista pays is what is passed through to customers, dollar for dollar.

**Natural Gas Customer Bills**

If approved, residential natural gas customers in Idaho using a monthly average of 63 therms would see their bills increase \$5.44 or approximately 9.7%, from \$55.86 to \$61.30 per month effective July 1, 2022.

Net effect on an :	General Service - Schedule 101	9.7%
	Large General Service - Schedule 111	13.8%
	Large General Service - Schedule 112	14.9%
	Transportation Service - Schedule 146	0.0%
	Overall	10.5%

**Rate Application Procedure**

The Company's applications are proposals, subject to public review and a Commission decision. Copies of the applications are available for public review on the Commission's website ([www.puc.idaho.gov](http://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 (<https://puc.idaho.gov/RssPage>) to receive periodic updates via e-mail about the case. Copies of rate filings are also available on our website, [www.myavista.com/rates](http://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

**DRAFT**

Avista offers a number of programs and services to help customers manage their energy use and costs. Visit [www.myavista.com](http://www.myavista.com) for information on these programs which include Comfort Level Billing, bill payment options, automated payment service, assistance programs, conservation tips, and energy efficiency rebates.

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DAVID J. MEYER  
VICE PRESIDENT AND CHIEF COUNSEL FOR  
REGULATORY & GOVERNMENTAL AFFAIRS  
AVISTA CORPORATION  
P.O. BOX 3727  
1411 EAST MISSION AVENUE  
SPOKANE, WASHINGTON 99220-3727  
TELEPHONE: (509) 495-4316  
FACSIMILE: (509) 495-8851  
DAVID.MEYER@AVISTACORP.COM

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE APPLICATION ) CASE NO. AVU-G-22-02  
OF AVISTA CORPORATION FOR AN )  
ORDER APPROVING A CHANGE ) ATTORNEY'S CERTIFICATE  
IN NATURAL GAS RATES AND CHARGES ) CLAIM OF CONFIDENTIALITY  
TO NATURAL GAS CUSTOMERS IN THE ) RELATING TO PORTIONS  
STATE OF IDAHO ) OF AVISTA'S EXHIBIT'S  
) AND WORKPAPERS  
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**FOR AVISTA CORPORATION**

I, David J. Meyer, represent Avista Corporation. I am Vice President and Chief Counsel for Regulatory and Governmental Affairs for Avista Corporation (Avista or Company) and I am appearing on its behalf in this proceeding.

I make this certification and claim of confidentiality pursuant to IDAPA 31.01.01 because Avista, through its supporting workpapers, is disclosing certain information that is CONFIDENTIAL and constitutes TRADE SECRETS as defined by Idaho Code Section 9-340 and 48-801 and protected under IDAPA 31.01.01.067 and 31.01.01.233.

The electronic information Avista provides will, as required under IDAPA Rule 31.01.01.067, be marked as CONFIDENTIAL on all documents. In accordance with Case No. GNR-U-20-01, Order No. 34602 which suspends the requirement to physically file documents due to the COVID-19 Pandemic, the Company will file all work papers, tariffs, and exhibits only in electronic format.

The confidential information that Avista is disclosing includes, but is not limited to certain forward wholesale natural gas pricing which is provided by a third-party vendor, who does not allow public access to their proprietary information. Avista herein asserts that the aforementioned information is confidential in that making third-party pricing data public will violate the terms of our agreement with the vendor.

I am of the opinion that this information is CONFIDENTIAL, as defined by Idaho Code Sections 9-340D and 48-801, should therefore be protected from public inspection, examination and copying, and should be utilized only in accordance with the terms of the protective agreement between Avista Corporation and Parties who have requested such an agreement.





**AVISTA UTILITIES**

Case No. AVU-G-22-02

April PGA Commodity WACOG Update

EXHIBIT “C”

Copy of Press Release and Customer Notice

April 29, 2022



**Contact:**

Media: Casey Fielder (509) 495-4916 [casey.fielder@avistacorp.com](mailto:casey.fielder@avistacorp.com)  
Investors: Stacey Wenz (509) 495-4171, [stacey.wenz@avistacorp.com](mailto:stacey.wenz@avistacorp.com)  
Avista 24/7 Media Access (509) 495-4174

## **Avista Makes Natural Gas Price Adjustment Request in Washington and Idaho**

*Overall changes in natural gas prices would be effective July 1, 2022*

**SPOKANE, Wash. April 29, 2022, 4:05 p.m. PST:** Avista (**NYSE: AVA**) has made Purchased Gas Cost Adjustment (PGA) filings with the utility commissions in Washington and Idaho that, if approved, are designed to increase overall natural gas revenue 12.6% and 10.5%, respectively, effective July 1, 2022. These filings have no impact on Avista's earnings.

PGA requests are typically filed annually to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount presently included in customer's rates. Avista does not make a profit on, or markup, the wholesale cost of natural gas; PGAs ensure customers pay what Avista pays, dollar for dollar, only at a more predictable and stable rate throughout the year.

Since the last PGA filings were made, the price of wholesale natural gas has continued to rise with dramatic sustained increases since late March, with prices reaching levels not seen in over 13 years. About 40% 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.

As the effects of inflation impact the entire country, the cost of doing business is going up for all companies and industries. This filing is an effort to incrementally align customers' rates with the market conditions for predictability.

### **Natural Gas Customer Bills**

**Washington:** If approved, residential natural gas customers using an average of 67 therms per month would see their monthly bills change from \$64.86 to \$72.66, an increase of \$7.80 per month, or approximately 11.7%.

The percentage change varies by rate schedule and is dependent upon how much energy customers on the respective rate schedules use. If approved, natural gas customers would see the following rate adjustments:

General Service - Schedule 101 & 102	11.7%
Large General Service - Schedule 111 & 112	17.0%
Interruptible Sales Service - Schedule 131 & 132	19.8%
Transportation Service - Schedule 146	<u>0.0%</u>
Overall	12.6%

**Idaho:** If approved, residential natural gas customers using an average of 63 therms per month would see their monthly bills change from \$55.86 to \$61.30, an increase of \$5.44 per month, or approximately 9.7%.

The percentage change varies by rate schedule and is dependent upon how much energy customers on the respective rate schedules use. If approved, natural gas customers would see the following rate adjustments:

General Service - Schedule 101	9.7%
Large General Service - Schedule 111	13.8%
Large General Service - Schedule 112	14.9%
Interruptible Sales Service - Schedule 131 & 132	0.0%
Transportation Service - Schedule 146	<u>0.0%</u>
Overall	10.5%

To help customers proactively manage their energy use, Avista offers services to those who may need and qualifies for assistance in managing their energy bills such as comfort level billing, payment arrangements and special circumstantial referrals to area agencies and churches for help with housing, utilities, medical assistance and other needs. Avista also provides funding for energy assistance programs which are administered through community action agencies.

Energy efficiency and outreach programs are also offered which include rebates and incentives as well as tips and resources to help customers manage their energy use and energy bills. Customers can learn more at [www.myavista.com](http://www.myavista.com).

#### **About Avista Corp.**

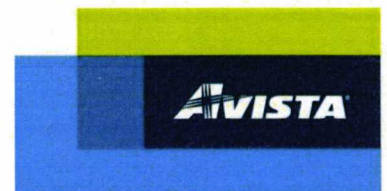
Avista Corp. is an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. [Avista Utilities](#) is our operating division that provides electric service to 403,000 customers and natural gas to 369,000 customers. Its service territory 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](http://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, 2021.

SOURCE: Avista Corporation

**-2212-**

To unsubscribe from Avista's news release distribution, send a reply message to [lana.funston@avistacorp.com](mailto:lana.funston@avistacorp.com)



**DRAFT**

**Important Notice for Idaho Customers  
(May 2022)**

Avista has filed a Purchased Gas Cost Adjustment (PGA) rate adjustment request with the Idaho Public Utilities Commission (Commission), that if approved, is designed to increase overall natural gas revenue by approximately \$8.3 million or 10.5% effective July 1, 2022. This filing has no impact on Avista's earnings.

The PGA is typically filed annually to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount presently included in customer's rates. PGAs ensure that customers pay what Avista pays for natural gas, only at a more predictable and stable rate throughout the year.

Since the last PGA was filed in late 2021, the price of wholesale natural gas has continued to rise. Due to this increase of wholesale natural gas prices, Avista is proposing a rate adjustment that more closely aligns the actual cost of what Avista is presently paying for wholesale natural gas with the cost of natural gas included in customer rates.

About 40% 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, of which Avista cannot control. Importantly, Avista does not make a profit on, or markup, the wholesale cost of natural gas; what Avista pays is what is passed through to customers, dollar for dollar.

**Natural Gas Customer Bills**

If approved, residential natural gas customers in Idaho using a monthly average of 63 therms would see their bills increase \$5.44 or approximately 9.7%, from \$55.86 to \$61.30 per month effective July 1, 2022.

Net effect on an :	General Service - Schedule 101	9.7%
	Large General Service - Schedule 111	13.8%
	Large General Service - Schedule 112	14.9%
	Transportation Service - Schedule 146	0.0%
	Overall	10.5%

**Rate Application Procedure**

The Company's applications are proposals, subject to public review and a Commission decision. Copies of the applications are available for public review on the Commission's website ([www.puc.idaho.gov](http://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 (<https://puc.idaho.gov/RssPage>) to receive periodic updates via e-mail about the case. Copies of rate filings are also available on our website, [www.myavista.com/rates](http://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

**DRAFT**

Avista offers a number of programs and services to help customers manage their energy use and costs. Visit [www.myavista.com](http://www.myavista.com) for information on these programs which include Comfort Level Billing, bill payment options, automated payment service, assistance programs, conservation tips, and energy efficiency rebates.

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