



Case No. AVU-G-18-04

Final Order: 34187

Contact: Matt Evans

Office: (208) 334-0339

Cell: (208) 520-4763

matt.evans@puc.idaho.gov

Commission approves surcharge changes, lowering Avista natural gas rates

BOISE (Nov. 2, 2018) – Avista's rates for natural gas service dropped Nov. 1 after state regulators approved a change to the Purchased Gas Cost Adjustment (PGA).

[The decision](#) by the Idaho Public Utilities Commission lowers the PGA by 0.8 percent for General Service customers, effective Nov. 1.

That equates to a monthly savings of about 34 cents for the average residential customer using 63 therms per month, lowering that customer's monthly bill from \$48.31 to \$47.97.

Combined with a [recent Commission order](#) that lowered the Fixed Cost Adjustment, also effective Nov. 1, residential customers using an average of 63 therms per month will see their monthly bills fall by approximately 4.9 percent.

That equates to a monthly savings of \$2.38, lowering the monthly bill from \$48.31 to \$45.93.

The PGA can be adjusted with Commission approval in order to account for changes in costs Avista incurred over the previous year purchasing, storing and transporting the natural gas required to serve approximately 83,000 customers in northern Idaho.

If the costs do not match the amount that customers paid into the PGA account, the PGA allows Avista to balance the two. It is reflected as a credit when natural gas prices are lower than the amount included in rates, or as a surcharge when market prices exceed projections.

The PGA is typically adjusted annually, with the new rate taking effect each Nov. 1. However, the Commission approved a 6.4-percent decrease for residential customers in January 2018, three months after a 2.4-percent decrease took effect.

The primary drivers behind the PGA change that took effect Nov. 1 were continued low natural gas commodity costs and lower costs for transporting natural gas on interstate pipelines to Avista's distribution system.

All documents related to this case, including the Commission order and Avista's application, are available [here](#). Or go to the Commission's web site, www.puc.idaho.gov, click on "Open Cases" under the "Natural Gas" heading and scroll down to case number AVU-G-18-04.