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IDAHO PUBLIC  
UTILITIES COMMISSION

BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION

AVISTA UTILITIES

CASE NO. AVU-G-19- 04

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**EXHIBIT D**

**FCA Press Release and Customer Notice  
Natural Gas Service**

June 28, 2019



**Contact:**

**DRAFT CONFIDENTIAL**

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## **Avista Files Annual Rate Adjustments in Idaho**

*Increase in electric and natural gas prices would take effect in the fall*

**SPOKANE, Wash. – July 1, 2019, 1:05 p.m. PDT:** Avista (**NYSE: AVA**) has made its annual fixed cost adjustment (FCA) filings with the Idaho Public Utilities Commission (IPUC or Commission) that if approved, are designed to increase overall electric revenues by \$4.9 million or 2.0% effective Oct. 1, 2019 and increase overall natural gas revenues by \$1.2 million or 2.0% effective Nov. 1, 2019.

The rate adjustments are driven primarily by a lower level of customer usage in 2018 due in part to a warmer than normal winter. The FCA mechanisms do not apply to Avista's Electric Extra Large General and Street Lighting Service Schedules, nor to its Natural Gas Interruptible and Transportation Service Schedules.

These annual filings are required and have no impact on the company's earnings.

### **Customer Bills**

#### *Electric*

If approved, residential electric customers in Idaho using an average of 898 kilowatt hours per month would see their monthly bills increase from \$82.57 to \$85.57, an increase of \$3.00 per month, or approximately 3.6%. The proposed electric rate changes would be effective Oct. 1, 2019.

The requested electric rate changes by rate schedule are:

Residential Service - Schedule 1	3.6%
General Service - Schedules 11 & 12	0.9%
Large General Service - Schedules 21 & 22	1.1%
Extra Large General Service - Schedule 25	0.0%
Extra Large General Service - Schedule 25P	0.0%
Pumping Service - Schedules 31 & 32	0.9%
Street & Area Lights - Schedules 41-49	0.0%
Overall	2.0%

#### *Natural gas*

If approved, residential natural gas customers in Idaho using an average of 61 therms per month would see their monthly bills increase from \$45.67 to \$46.72, an increase of \$1.05 per month, or approximately 2.3 percent. The proposed natural gas rate changes would be effective Nov. 1, 2019.

The requested natural gas rate changes by rate schedule are:

General Service - Schedule 101	2.3%
Large General Service - Schedules 111 & 112	1.1%
Interruptible Service - Schedules 131 & 132	0.0%
Transportation Service - Schedule 146	<u>0.0%</u>
Overall	2.0%

### **Electric and Natural Gas Fixed Cost Adjustment**

Avista's electric and natural gas fixed cost adjustment (FCA) is a mechanism designed to break the link between a utility's revenues and customers' energy usage. Avista's actual revenue, based on kilowatt hour or therm sales, will vary, up or down, from the level included in a general rate case and approved by the Commission. This could be caused by changes in weather, energy conservation or the economy. Generally, under the FCA Avista's revenues are adjusted each month based on the number of customers. The difference between revenues based on sales and revenues based on the number of customers is surcharged or rebated to customers beginning in the following year.

### **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](http://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](http://www.myavista.com/rates).

If you would like to submit comments on the proposed increase, 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

### **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 395,000 customers and natural gas to 362,000 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 1.6 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, 2018 and the Quarterly Report on Form 10-Q for the quarter ended March 31, 2019.

SOURCE: Avista Corporation

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



**Important Notice for Idaho Customers  
(July - August 2019)**

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The rate adjustments are driven primarily by a lower level of customer usage in 2018 due in part to a warmer than normal winter. The FCA mechanisms do not apply to Avista's Electric Extra Large General and Street Lighting Service Schedules, nor to its Natural Gas Interruptible and Transportation Service Schedules.

Avista's electric and natural gas fixed cost adjustment (FCA) is a mechanism designed to break the link between a utility's revenues and customers' energy usage. Avista's actual revenue, based on kilowatt hour or therm sales, will vary, up or down, from the level included in a general rate case and approved by the Commission. This could be caused by changes in weather, energy conservation or the economy. Generally, under the FCA Avista's revenues are adjusted each month based on the number of customers. The difference between revenues based on sales and revenues based on the number of customers is surcharged or rebated to customers beginning in the following year.

The Company has also filed a separate application with the Commission to extend the term of the FCA Mechanisms through March 31, 2025. Absent this request for an extension, the FCA Mechanisms would terminate at the end of 2019.

**Customer Bills**

*Electric*

If approved, residential electric customers in Idaho using an average of 898 kilowatt hours per month would see their monthly bills increase from \$82.57 to \$85.57, an increase of \$3.00 per month, or approximately 3.6 percent. The proposed electric rate changes would be effective Oct. 1, 2019.

The requested electric rate changes by rate schedule are:

Residential Service - Schedule 1	3.6%
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Large General Service - Schedules 21 & 22	1.1%
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Extra Large General Service - Schedule 25P	0.0%
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The requested natural gas rate changes by rate schedule are:

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General Service - Schedule 101	2.3%
Large General Service - Schedules 111 & 112	1.1%
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Transportation - Schedule 146	0.0%
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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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