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

Case No. AVU-G-19-04 Final Order No. 34468 Contact: Stephen Goodson Office: (208) 334-0323

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Commission approves changes to Avista natural gas rates

BOISE (November 1, 2019) – State regulators have approved annual changes to the Fixed Cost Adjustment (FCA) for Avista natural gas customers. The proposed natural gas rate changes are effective Nov. 1, 2019 through October 31, 2020.

An average residential natural gas customer using 61 therms per month will see their monthly bills increase from \$45.67 to \$46.72, an increase of \$1.05 per month, or approximately 2.3 percent. The Commission approved Avista's application to recover \$601,306 from residential customers at a surcharge rate of 0.951 cents per therm.

Non-residential commercial and industrial natural gas customers will receive a rebate of \$142,949, or 0.554 cents per therm.

The FCA is designed to break the link between a utility's revenues and energy use among its customers, in order to remove the utility's disincentive to promote energy efficiency and conservation.

The FCA is adjusted annually with approval of the Idaho Public Utilities Commission, via a surcharge if the utility under-collects fixed costs because of reduced energy use, or a rebate when it over-collects its fixed costs.

The Commission approved the FCA as a pilot program in 2015.

In authorizing the pilot, the Commission said the FCA would be subject to review. Avista has filed for a five year extension of the program with the Commission, which is still pending a decision from the commission.

The Commission's order and all other documents related to this case can be found here.

Or go to the Commission's web site, www.puc.idaho.gov, click on Open Cases under the Gas heading and scroll down to case number AVU-G-19-04.