Records Manageme

Avista Corp.

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April 5, 2021

Customer Address Spokane, WA 99203 State Of WASH.
IL. AND TRANSP.
COMMISSION

Dear Builder and/or Developer:

Avista Utilities is proud to have supplied your projects with natural gas and electric service, as well as quality construction coordination, of your utility needs for many years. As you may know, periodically the Company files a request with the Washington Utilities and Transportation Commission ("Commission") to update the costs associated with the materials and labor required to provide our electric service to individual homes and new developments.

The Company filed proposed changes with the Commission on March 29, 2021, and if the requested changes are approved, they would go into effect on May 15, 2021.

The changes include updating the standard or basic development costs and allowances to reflect actual 2020 material and labor costs. Below is a summary of the changes included in the filing:

Residential Developments

	Present		Proposed
Total Cost per Lot	\$	1,938	\$ 1,772
Less: Service Cost	\$	478	\$ 422
Developer Responsibility	\$	1,460	<u>\$ 1,350</u>
Developer Refundable Payment	\$	1,460	\$ 1,350
Builder Non-Refundable Payment	\$	78	\$ -
Allowance	\$	1.860	\$ 4.840

The proposed change in costs would no longer require builders to make a non-refundable payment. Developers would only need to provide a letter of credit, or cash deposit, for \$1,350 per residence until such time as a permanent hookup is made.

We understand that these changes, while necessary, do affect your business. Keep in mind that these new costs affect only new developments or additional phases contracted after May 15, 2021. We appreciate your understanding and look forward to serving your energy needs in the future.

The Company's request is a proposal, subject to public review and a Commission decision. The Commission has the authority to set final rates that may vary from the utility's request, which may be either higher or lower depending on the results of the investigation. You may contact the UTC to inquire about the Commission process, or to be notified about the scheduled open meetings at which the proposal will be considered. You can contact the Commission to comment on Avista's rate proposals via email at comments@utc.wa.gov, by telephone at 1-888-333-WUTC (9882), via letter at: UTC, P.O. Box 47250, Olympia, WA 98504-7250, or online at: www.utc.wa.gov. Copies of the applications are available for public review on the Commission website.

Due to the COVID-19 pandemic, we are unable to provide copies at our office locations as we usually do. However, copies of our filings are available for public review at www.myavista.com/rates or on the Commission website at www.utc.wa.gov. You can also submit written questions directly to the Company via mail at: 1411 E Mission Ave, C/O Regulatory Affairs, Spokane, WA 99202.

If you have any questions or concerns please feel free to contact your Avista Account Executive or Customer Project Coordinator.

Sincerely,

Jamie Howard

Jamie Harad

Account Executive-Development Specialist

208-769-1871

John Luse

Customer Project Coordinator

509-495-2