



Avista Corp.

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VIA: UTC Web Portal

January 31, 2020

Mark L. Johnson
Executive Director and Secretary
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503

Re: Docket No. UE-160071 & UG-160072 – Avista Utilities Q4 2019 Fee-Free Payment Program Report

Dear Mr. Johnson,

Attached for filing with the Commission is an electronic copy of Avista Corporation’s, dba Avista Utilities (“Avista” or “the Company”) Q4 2019 Fee-Free Payment Program Report.

On March 24, 2016 the Commission issued Order 01 in Docket UE-160071 and UG-160072 approving Avista’s petition for an order authorizing accounting and ratemaking treatment of its residential fee-free payment program. In its petition, the Company sought to defer the costs associated with offering the fee-free payment for up to 36 months from the time the program went into effect. The fee-free payment program was successfully launched on February 19, 2017.

In its petition, the Company agreed to provide updates to the Commission every three months on the program’s progress. For purposes of reporting, the Company will be providing updates that coincide with the quarters of the calendar year.

Avista’s residential fee-free payment program encompasses previous methods of payments that were assessed a fee or not available. The program includes the following payment methods and channels:

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- Credit and debit card payments made through a Customer Service Representative (CSR), through the Company's Integrated Voice Recognition (IVR) system, through its website as a one-time guest payment, through its website as an authenticated user, and for Automatic Payment Service (APS) payments.
- Automated Clearing House (ACH) payments made through a CSR, through the Company's IVR system, and through its website as a one-time guest payment.

Prior to the launch of the program, customers could make payments free of charge by ACH when making an electronic payment through the Company's website as an authenticated user, or when signed up for APS payments, in which payments are automatically deducted from their checking or savings account. Also, prior to the launch of the program APS payments were limited to only ACH payment methods.

Tables No. 1 and No. 2 below represent the residential payment information for the Company's Washington customers by month for 2018 and 2019:

Table No. 1 - 2018

Payments	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Payments	224,159	198,759	211,550	210,662	208,468	192,520	210,403	203,900	194,077	211,563	203,929	202,362	2,472,352
Fiserv Payments	116,532	105,518	110,133	114,707	111,686	103,048	114,861	109,831	106,585	115,791	110,611	114,003	1,333,306
Fee-Free Fiserv	48,525	45,028	47,517	49,072	48,017	45,304	50,416	49,937	49,757	54,178	52,263	54,649	594,663
Fee-Free Payments as % of Total	21.6%	22.7%	22.5%	23.3%	23.0%	23.5%	24.0%	24.5%	25.6%	25.6%	25.6%	27.0%	24.1%

Table No. 2 - 2019

Payments	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Payments	220,951	198,381	202,512	205,868	207,524	193,393	205,578	201,695	205,259	209,111	188,368	226,040	2,464,680
Fiserv Payments	122,511	113,632	113,167	116,591	119,218	108,358	116,854	116,951	122,272	122,634	110,169	135,746	1,418,103
Fee-Free Fiserv	60,860	56,074	56,839	59,129	59,991	54,834	59,539	60,477	64,732	64,336	58,307	72,670	727,788
Fee-Free Payments as % of Total	27.5%	28.3%	28.1%	28.7%	28.9%	28.4%	29.0%	30.0%	31.5%	30.8%	31.0%	32.1%	29.5%

Tables No. 3 and 4 below include additional detail on certain payment channels. This information is highlighted to monitor trends in customers' payment behavior. Note that the data in Tables No. 1 and 2 will not subtotal to the data in Tables No. 3 and 4 as there is overlap in payment information by channel (i.e., "Total Card Payments" includes card payments made through APS, CSRs, the IVR, and web).

Table No. 3 - 2018

Payment Method	January	February	March	April	May	June	July	August	September	October	November	December	Total
APS by ACH	34,077	30,429	31,617	34,334	34,057	30,262	34,321	31,450	29,654	33,716	31,300	31,198	386,415
APS by Debit or Credit Card	5,785	5,708	6,399	7,354	7,647	7,150	8,483	8,215	8,189	9,891	9,567	9,814	94,202
Total APS Payments	39,682	36,137	38,016	41,688	41,704	37,412	42,804	39,665	37,843	43,607	40,867	41,012	480,617
Total Card Payments	45,399	42,115	44,545	46,070	45,081	42,504	47,392	47,065	46,900	51,219	49,467	51,654	559,411
CSR Payments	6,309	5,895	6,035	5,658	5,551	5,158	5,211	5,414	5,364	5,365	5,517	5,339	66,819
IVR Payments	9,412	8,588	8,911	9,011	8,508	8,380	8,892	8,968	8,830	9,000	8,158	8,859	105,517
Bank Bill Payments	37,400	33,131	35,244	34,194	33,993	31,972	35,474	34,297	31,933	34,822	33,151	32,578	408,189
Mailed & Lobby Payments	55,826	46,883	51,367	49,022	51,570	47,013	49,648	49,711	46,209	50,273	48,835	43,791	590,148
Pay Station Payments	9,958	8,676	9,006	8,848	8,759	8,226	8,221	7,946	7,739	7,964	6,971	7,466	99,780
Web Based Payments	60,846	54,780	57,046	58,236	55,816	51,966	57,849	55,642	54,438	57,686	55,949	58,707	678,961

Table No. 4 - 2019

Payment Method	January	February	March	April	May	June	July	August	September	October	November	December	Total
APS by ACH	32,517	31,215	29,954	31,286	32,349	30,532	32,563	31,470	31,482	33,371	29,837	34,988	381,564
APS by Debit or Credit Card	10,674	10,666	10,401	11,221	11,865	11,511	12,369	12,369	12,808	14,065	13,059	15,768	146,838
Total APS Payments	43,191	41,881	40,355	42,507	44,214	42,043	44,994	43,839	44,290	47,436	42,896	50,756	528,402
Total Card Payments	57,353	53,000	53,601	55,707	56,585	51,800	56,291	57,157	61,180	60,857	55,233	68,759	687,523
CSR Payments	6,050	5,303	5,623	6,069	5,932	4,871	5,433	5,291	5,918	5,412	4,941	6,248	67,523
IVR Payments	10,083	9,107	9,339	9,514	9,454	8,560	9,326	9,243	10,545	10,597	9,385	11,009	116,162
Bank Bill Payments	34,836	30,684	32,144	32,454	32,878	32,216	32,760	31,755	30,769	31,850	28,372	34,909	385,627
Mailed & Lobby Payments	51,165	43,824	44,758	45,715	45,983	44,055	46,898	44,868	43,900	46,346	39,608	45,063	542,183
Pay Station Payments	8,039	7,176	7,462	7,648	7,120	6,402	6,556	6,287	6,479	6,449	5,697	6,358	81,673
Web Based Payments	63,049	57,209	57,721	58,362	59,449	52,755	56,946	58,401	61,342	59,023	52,829	67,568	704,654

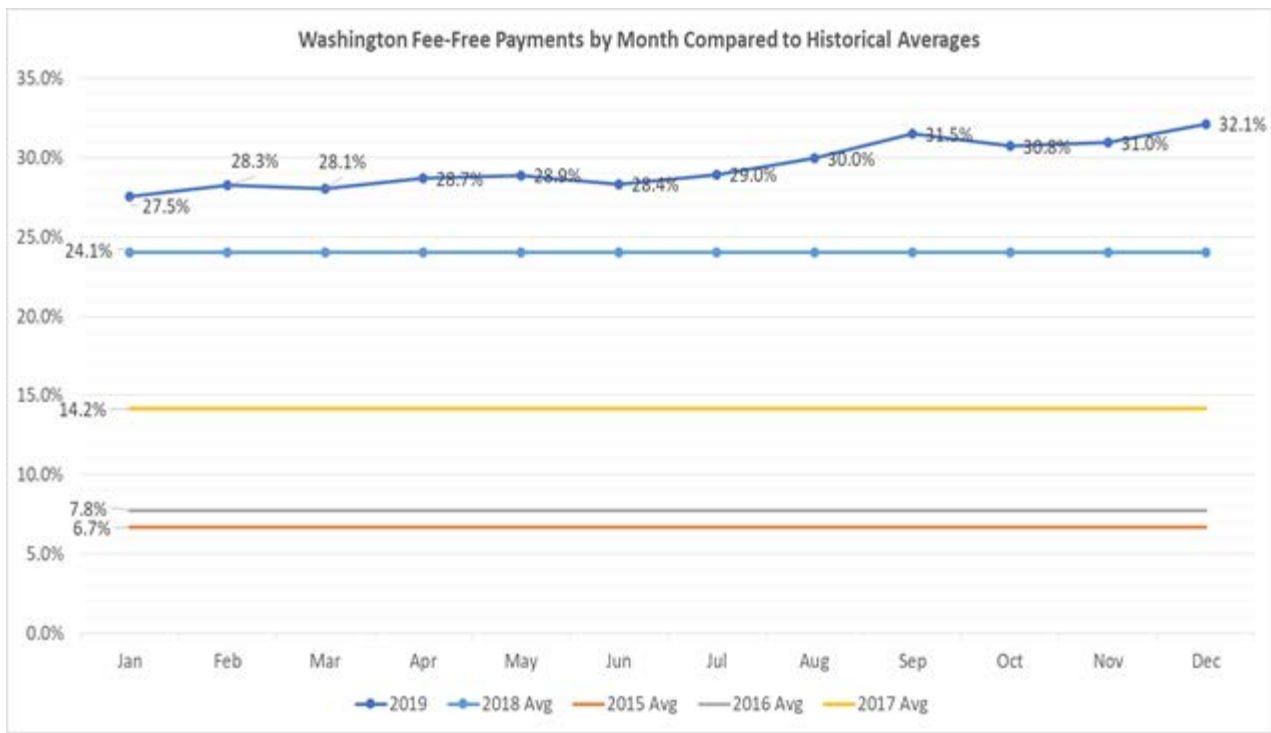
For historical comparison purposes, Table No. 5 displays residential payment data from 2015, 2016 and 2017.

Table No. 5

Year	# of Residential Payments	Fee Free Payments	% of Total
2015	2,435,536	163,570	6.72%
2016	2,474,632	191,720	7.75%
2017	2,432,838	344,731	14.2%

Chart No. 1 graphically shows the trend in fee-free payments in 2019 compared to the historical annual average in 2015 through 2018.

Chart No. 1



To date, the Company has paid invoices through December 2019, of which \$2,459,607 has been deferred for customer transactions through the fee-free payment program.

Please direct any questions regarding this report to Joel Anderson at 509-495-2811 or joel.anderson@avistacorp.com or myself at 509-495-4975 or linda.gervais@avistacorp.com.

Sincerely,

/S/Linda Gervais

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