



**Avista Corp.**

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VIA: UTC Web Portal

July 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 Q2 2020 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”) Q2 2020 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 2019 and 2020:

**Table No. 1 - 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%

**Table No. 2 - 2020**

Payments	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Payments	223,924	208,598	226,084	209,086	195,966	200,921							1,264,579
Fiserv Payments	133,981	126,014	137,126	125,935	119,158	133,328							775,542
Fee-Free Fiserv	74,301	69,663	73,760	68,053	63,430	71,726							420,933
Fee-Free Payments as % of Total	33.2%	33.4%	32.6%	32.5%	32.4%	35.7%							33.3%

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 - 2019**

Payment Method	January	February	March	April	May	June	July	August	September	October	November	December
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
APS by Debit or Credit Card	10,674	10,666	10,401	11,221	11,865	11,511	12,431	12,369	12,808	14,065	13,059	15,768
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
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
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
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
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
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
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
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

**Table No. 4 - 2020**

Payment Method	January	February	March	April	May	June	July	August	September	October	November	December
APS by ACH	32,179	30,906	36,075	31,979	31,942	34,685						
APS by Debit or Credit Card	14,955	14,737	17,710	15,984	16,266	17,914						
Total APS Payments	47,134	45,643	53,785	47,963	48,208	52,599						
Total Card Payments	70,197	65,878	69,835	64,578	60,293	62,571						
CSR Payments	7,065	6,320	5,435	3,649	3,143	3,259						
IVR Payments	12,619	11,487	11,892	11,306	11,185	13,633						
Bank Bill Payments	33,264	31,177	33,269	31,038	29,658	29,439						
Mailed & Lobby Payments	46,480	41,724	43,995	43,952	40,275	41,722						
Pay Station Payments	6,314	5,806	5,767	4,848	4,778	4,657						
Web Based Payments	66,970	62,377	65,876	62,967	56,583	62,590						

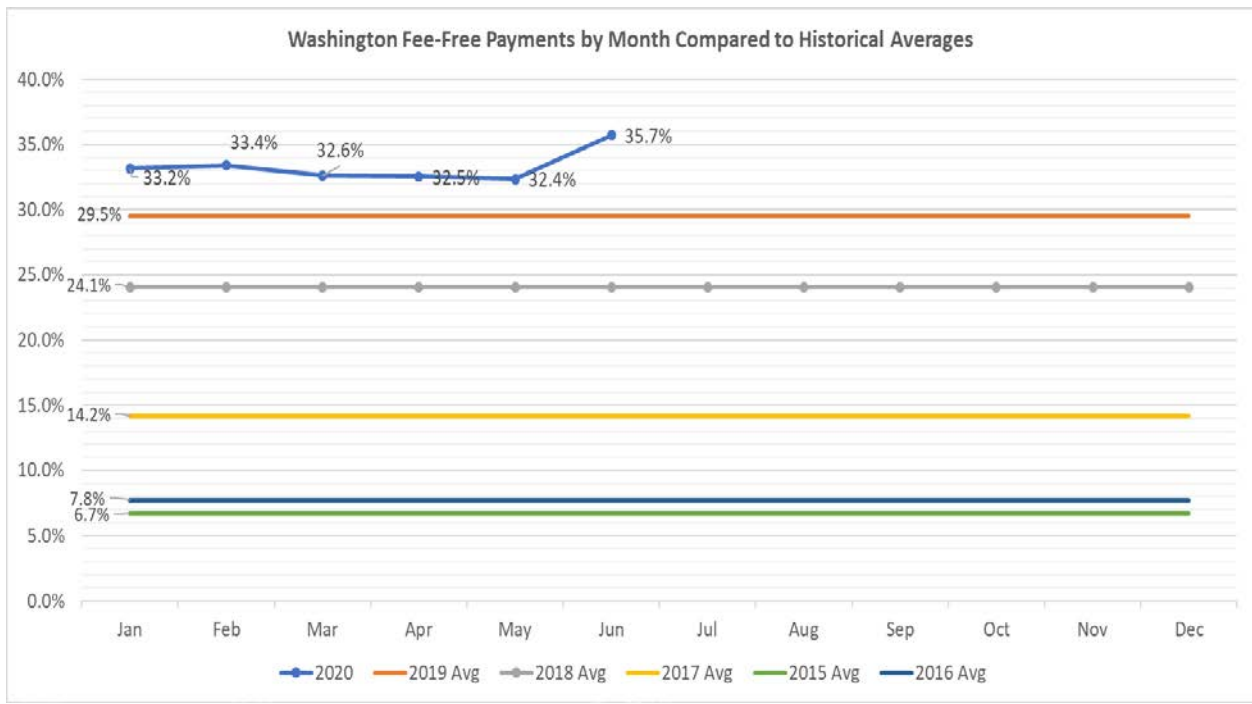
For historical comparison purposes, Table No. 5 displays residential payment data from 2015, 2016, 2017 and 2018.

**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%
2018	2,472,352	594,663	24.1%

Chart No. 1 graphically shows the trend in fee-free payments in 2020 compared to the historical annual average in 2015 through 2019.

**Chart No. 1**



To date, the Company has paid invoices through March 2020, of which \$2,774,726 has been deferred for customer transactions through the fee-free payment program.

Please Note: The deferral period for the fee-free payment program expired March 31, 2020. The company has deferred program costs through this date and therefore, this Quarterly report will be the last report filed by the Company associated with Order 01 in Docket UE-160071 and UG-160072.

Please direct any questions regarding this report to Joel Anderson at 509-495-2811 (joel.anderson@avistacorp.com) or myself at 509-495-2782 (shawn.bonfield@avistacorp.com)

Sincerely,

*/s/ Shawn Bonfield*

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