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Substitute Third Revision Sheet 98 canceling

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Substitute Second Revision Sheet 98

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AVISTA CORPORATION d/b/a Avista Utilities

SCHEDULE 98

RENEWABLE ENERGY CREDIT REVENUE MECHANISM - WASHINGTON

APPLICABLE:

To Customers in the State of Washington where the Company has electric service available. This Renewable Energy Credit Revenue Mechanism shall be applicable to all retail customers for charges for electric energy sold and to the flat rate charges for Company-owned or Customer-owned Street Lighting and Area Lighting Service.

This rebate will be based on the projected net REC revenues for the July 2018 through June 2019 time period, as well as a true-up of the amortization of the prior rebate in effect from July 1, 2017 through June 30, 2018. Interest on the deferred balance will accrue at the after-tax cost of capital interest rate (6.89%) from the Company's most recent approved general rate case (UE-170485). The revenue conversion factor used in the development of the rates set forth below will be from the Company's most recent approved general rate case (UE-170485).

MONTHLY RATE:

The rate spread is based on the generation allocation factor E02 from the Company's most recent approved general rate case (UE-170485). The energy charges of the individual rate schedules are to be decreased by the following amounts:

Schedules 1 & 2 0.034¢ per kWh 0.036¢ per kWh Schedules 11 & 12 Schedules 21 & 22 0.036¢ per kWh 0.035¢ per kWh Schedules 25 Schedules 31 & 32 0.037¢ per kWh Schedules 41 - 48 0.048¢ per kWh

TERM:

The energy charges will be reduced for the July 1, 2018 through June 30, 2019 time period.

SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Rate is subject to increases as set forth in Tax Adjustment Schedule 58.

Issued June 14, 2018 Effective July 1, 2018

Avista Utilities Issued by

Patrick Ehrbar,

Director of Regulatory Affairs

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