



Avista Corp.

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March 26, 2020

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

Re: Tariff WN U-28, Electric Service – WA Renewable Energy Credit Revenue Mechanism

Dear Mr. Johnson:

Attached for electronic filing with the Commission is the following tariff sheet proposed to be effective July 1, 2020:

Fifth Revision Sheet 98 Canceling Fourth Revision Sheet 98

The proposed tariff sheet reflects an electric rate adjustment to increase the present rebate customers are receiving related to Renewable Energy Credits (“RECs”). In Docket Nos. UE-140188 and UG-140189, the Settlement Stipulation approved by the Commission in Order No. 05 required Avista to file an adjustment to the REC Revenue rebate on or before April 1, 2016, and each year thereafter, to reflect both the under or over amortized balance from the current rebate as well as the projected net REC revenues for the following July – June time period.¹ The new rates would go into effect July 1 for a twelve-month period.

As provided in the workpapers accompanying this filing, approximately \$0.1 million is the expected surcharge balance remaining from the July 2019 through June 2020 time period, and the projected REC revenues (rebate direction) for the July 2020 through June 2021 time period is \$1.9 million, for a total rebate effective July 1, 2020 of approximately \$1.8 million. The current rebate in effect is designed to rebate approximately \$1.4 million.

The net effect of the new and expiring REC rebate is an increased benefit (i.e., rate decrease) to electric customers of approximately \$0.4 million, or 0.1%. The table below illustrates the impact by rate schedule:

¹ See Docket Nos. UE-140188 and UG-140189, Settlement Stipulation Appendix 2, p. 4.

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Schedule No.	Rate Schedule	Increase in Billed Revenue
1/2	Residential	-0.08%
11/12	General Service Schedule	-0.05%
21/22	Large General Service Schedule	-0.06%
25	Ext. Lg General Service Schedule	-0.12%
31/32	Pumping Service Schedule	-0.10%
41-48	Street and Area Lights	0.03%
Overall		-0.08%

The change in the rate credit has no effect on Avista's earnings. Enclosed is a set of workpapers which shows the derivation of the proposed per kilowatt-hour rate credit proposed to be effective for a twelve-month period beginning July 1, 2020.

The average residential customer using 918 kWhs per month will see a decrease of \$0.06 per month, or approximately 0.1%. The present bill for 918 kWhs is \$82.22 while the proposed bill is \$82.16. The actual bill change will vary based on customer usage.

Information contained in this filing is confidential in nature and is filed under seal, per WAC 480-07-160 along with a redacted version. In accordance with the requirements of WAC 480-100-103, attached to this filing is a draft notice to customers, which the Company will provide through a bill insert, during the May 2020 bill cycle.

Please direct any questions regarding this filing to Annette Brandon at (509) 495-4324.

Sincerely,

/S/ Patrick D. Ehrbar

Patrick D. Ehrbar
Director of Regulatory Affairs

Enclosures

