



Avista Corp.

1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

March 29, 2019

Mr. Mark L Johnson, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive, S.W.
P.O. Box 47250
Olympia, Washington 98504-7250

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, 2019:

Fourth Revision Sheet 98 Canceling Substitute Third Revision Sheet 98

The proposed tariff sheet reflects an electric rate adjustment to decrease 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 \$0.4 million is the expected rebate balance remaining from the July 2018 through June 2019 time period, and the projected REC revenues for the July 2019 through June 2020 time period is \$1.0 million, for a total rebate effective July 1, 2019 of approximately \$1.4 million. The current rebate in effect is designed to rebate approximately \$2.0 million. Information contained in this filing is confidential in nature and is filed under seal, per WAC 480-07-160 along with a redacted version.

The net effect of the new and expiring REC rebate is a decreased benefit (i.e., rate increase) to electric customers of approximately \$0.6 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	Total Increase % Billed Revenue
1/2	Residential	0.1%
11/12	General Service Schedule	0.1%
21/22	Large General Service Schedule	0.1%
25	Ext. Lg General Service Schedule	0.2%
31/32	Pumping Service Schedule	0.2%
41-48	Street and Area Lights Schedule	0.0%
Overall		0.1%

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, 2019.

After combining the impact of this REC filing with the Energy Recovery Mechanism (ERM) filing, which was also filed on March 29, 2019 and also has an effective date of July 1, 2019, the average residential customer using 918 kWhs per month will see a decrease of \$2.00 per month, or approximately 2.4%. The present bill for 918 kWhs is \$81.21 while the proposed bill is \$79.21. The actual bill change will vary based on customer usage. The combined effect of the two filings by rate schedule is as follows:

Schedule No.	Rate Schedule	Total Decrease % Billed
1/2	Residential	-2.4%
11/12	General Service Schedule	-1.8%
21/22	Large General Service Schedule	-2.4%
25	Ext. Lg General Service Schedule	-3.6%
31/32	Pumping Service Schedule	-2.6%
41-48	Street and Area Lights Schedule	-0.7%
Overall		-2.4%

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 2019 bill cycle.

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

Sincerely,



Patrick D. Ehrbar
Director of Regulatory Affairs

Enclosures

