

RECEIVED  
RECORDS MANAGEMENT  
OCT 14 2019  
STATE OF WASH.  
UTIL. & TRANSP. COMMISSION

October 5, 2019

WA – UTC  
P.O. Box 47250  
Olympia, WA 98504-7250

Re: Avista Proposed Rate Increase

Dear WA-UTC Commissioners,

Good day. Blauert Farm is a small farm consisting of both livestock and farmland, irrigating approximately 300 acres from wells. The commodities we produce are alfalfa hay, lamb meat and barley; either for hay or grain, in rotation with the alfalfa acreage. We are formally requesting that you give serious consideration to the Avista request of an 8.7% in 2020 and an additional 3.3% in 2021 in Pumping Service Schedule 31/32. We request that these rate increases in Pumping Service be denied.

Avista's current rates for Pumping Service are more than double of those of Big Bend Electric, Inland Power and Light and Franklin County PUD. I believe Avista purchases power from Bonnaville and markets to Avista customers, in the same manner as the co-ops and PUD mentioned. Why is there such an enormous difference in agriculture's cost of energy for irrigation? In addition, Avista has an electric basic charge of \$18.00 per month, twelve months a year.

We pump from four (4) different wells. Three (3) smaller wells are on rate schedule 31/32 and the main well is on schedule 30. In 2018, our total energy costs (expenses) were just under \$50,000.00. In August 2019 alone, our "main" well energy cost under schedule 30 was \$7,300.00. At this pace, Blauert Farm irrigation energy costs in 2019 will exceed \$50,000.00. In addition, the \$18.00/month basic charge is assessed on all meters Avista deems as commercial which includes our corral and farm shop.

You may or may not be aware, Agriculture has no way to pass these increased costs to the next level, the consumer. Agriculture is a price taker (What will you give me?) not a price setter. The American economic system does not allow producers to set the market price of their commodities with a cost of production plus a reasonable profit. With the proposed increased energy costs, which are significant, it becomes increasingly difficult to stay in the business of farming.

Another important factor affecting Agriculture is the effect of the tariffs and trade wars. Nearly all agriculture commodities are being severely impacted by the loss of export markets and its negative effect on commodity prices. This is especially true in Washington State, which is heavily dependent upon the export market. In our farm operation, the loss of the lamb pelt market to China causes a decrease in lamb price of about \$10.00 per lamb. On 500 lambs, this amounts to a \$5,000.00 decrease in income. Our other primary commodity is alfalfa hay. The tariffs caused market losses that have resulted in a decreased price of \$30.00 per ton. On 1,000 tons, this amounts to another \$30,000.00 decrease in income. These are tough times in Agriculture.

In closing, for these reasons, and others not discussed, we sincerely ask the WA-UTC to deny the requested Pumping Service rate increases for schedule 30/31/32 proposed by Avista.

I thank you for your time and consideration in this matter.

Yours truly,

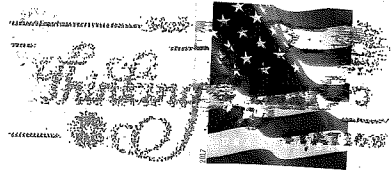
Frederic A. Blauert  
Blauert Farm LLC  
115 South Cherry Lane  
Washtucna, WA 99371



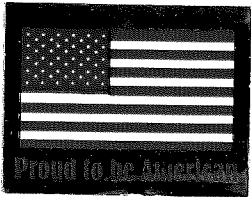
Mr. Frederic Blauert  
115 S Cherry Ln  
Washtucna, WA 99371-9511

SPOKANE WA 990

08 OCT 2019 PM 1.1



WA-UTC  
P.O. Box 47250  
Olympia, WA 98504-7250



98504-7250

