



Avista Corp.

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August 22, 2019

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

Re: Tariff WN U-28, Electric Service
Residential and Small Farm Energy Rate Adjustment Credit

Dear Mr. Johnson:

Attached for electronic filing with the Commission is the following tariff sheet proposed to be effective November 1, 2019:

Seventeenth Revision Sheet 59 Canceling Sixteenth Revision Sheet 59

The proposed tariff sheet reflects a rate adjustment to increase the rebate related to Residential Exchange Program benefits the Company receives from the Bonneville Power Administration. The Residential Exchange Program provides a share of the benefits of the federal Columbia River power system to the residential and small-farm customers of the six investor utilities of the Pacific Northwest including Avista.

Under the current Residential Exchange rate adjustment, approximately \$2.0 million annually is being passed through to applicable customers through a uniform 0.081¢ per kilowatt-hour rate credit. The current rate was approved by the Washington Utilities and Transportation Commission effective November 1, 2017.

The proposed rate credit of 0.414¢ per kilowatt-hour is designed to pass through approximately \$10.3 million, which represents the Washington portion of the annual level of benefits Avista will receive starting in October 2019. The Company is therefore proposing an overall revenue decrease of \$8.3 million or 1.6%. The change in rate credit has no effect on Avista's net income.

Enclosed is a set of workpapers that shows the derivation of the proposed 0.414¢ per kilowatt-hour rate credit proposed to be effective November 1, 2019. The average residential customer using 918 kWhs per month will see a decrease of \$3.06 per month, or approximately 3.8%. The present

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bill for 918 kWh is \$81.59 while the proposed bill is \$78.53. The actual decrease will vary based on customer usage.

The Company has included workpapers with its filing which supports the Company's request. Also, the Company has provided in this filing a copy of its customer notice which will be included as a bill insert in the September – October time frame. Please direct any questions regarding this filing to Joe Miller at (509) 495-4546.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick D. Ehrbar", with a long horizontal flourish extending to the right.

Patrick D. Ehrbar
Director of Regulatory Affairs

Enclosures

