

AVISTA UTILITIES

2020 Washington Residential Exchange Filing

Customer Notice

**Important Notice for Washington Electric Customers
September-October 2020**

DRAFT

Proposed Annual Rate Adjustment Filed to be Effective Nov. 1, 2020

On Sep. 15, 2020, Avista filed an annual rate adjustment request with the Washington Utilities and Transportation Commission (UTC or Commission), with a requested effective date of Nov. 1, 2020. This annual filing has no impact on the company's earnings.

The annual rate adjustment is related to the Bonneville Power Administration (BPA) Residential Exchange Program. 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 investor-owned utilities in the Pacific Northwest, including Avista. Avista applies the benefits it receives, which typically fluctuate from year to year, to customers as a credit in their monthly electric rates. Due to fluctuations in usage, Avista rebated a level of benefits to customers that was slightly higher than the level of benefits received from BPA. Through this filing Avista is seeking to slightly reduce the level of benefits provided to qualifying customers in order to recover the over-rebated balance. As a result, the proposed revenue increase for these customers is approximately \$0.6 million, or 0.1%.

Change in Rates - If approved by the Commission, residential electric customers in Washington using an average of 918 kilowatt hours per month would see their monthly bills change from \$82.59 to \$82.85, an increase of \$0.26 per month, or approximately 0.3%.

The percentage change for electric customers varies by rate schedule and depends on how much energy a customer uses.

If approved, customers would see the following rate adjustments:

Proposed Schedule 1 Residential Rates (effective Nov. 1, 2020)

Electric Service	Current Billing Rate	Proposed Change	Proposed Billing Rates
Basic Charge	\$9.00	\$0.00	\$9.00
First 800 kWh/month	\$0.07846/kWh	\$0.00028/kWh	\$0.07874/kWh
Next 700 kWh/month	\$0.09170/kWh	\$0.00028/kWh	\$0.09198/kWh
Over 1,500 kWh/month	\$0.10796/kWh	\$0.00028/kWh	\$0.10824/kWh

Proposed Electric Rate Change by Schedule (effective Nov. 1, 2020)

Schedule No.	Rate Schedule	% Change in Billed Revenue
1/2	Residential	0.3%
11/12	General Service	0.0%
21/22	Large General Service	0.0%
25	Ex. Lg. General Service	0.0%
31/32	Pumping Service	0.0%
41-48	Street and Area Lights	0.0%
	Overall	0.1%

The Company's request is a proposal, subject to public review and a Commission decision. The Commission has the authority to set final rates that may vary from the utility's request, which may be either higher or lower depending on the results of the investigation. You may contact the UTC to inquire about the Commission process, or to be notified about the scheduled open meetings at which the proposal will be considered. You can contact the Commission to comment on Avista's rate proposals via email at comments@utc.wa.gov, by telephone at 1-888-333-WUTC (9882), via letter at: UTC, P.O. Box 47250, Olympia, WA 98504-7250, or online at: www.utc.wa.gov. Copies of the applications are available for public review on the Commission website.

Due to the COVID-19 pandemic, we are unable to provide copies at our office locations as we usually do. However, copies of our filings are available for public review at www.myavista.com/rates or on the Commission website at www.utc.wa.gov. You can also submit written questions directly to the Company via mail at: 1411 E Mission Ave, C/O Regulatory Affairs, Spokane, WA 99202.

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