



Avista Corp.

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September 15, 2020

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, 2020:

Eighteenth Revision Sheet 59 Canceling Seventeenth Revision Sheet 59

The proposed tariff sheet reflects a rate adjustment to decrease 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 \$10.3 million annually is being passed through to applicable customers through a uniform 0.414¢ per kilowatt-hour rate credit. The current rate was approved by the Washington Utilities and Transportation Commission effective November 1, 2019.

The proposed rate credit of 0.396¢ per kilowatt-hour is designed to pass through approximately \$9.7 million. Due to fluctuations in usage, Avista rebated to customers a level of benefits 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. The Company is therefore proposing an overall revenue increase of \$0.6 million or 0.1%. 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 0.396¢ per kilowatt-hour rate credit proposed to be effective November 1, 2020. The average residential customer using

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918 kWhs per month will see an increase of \$0.26 per month, or approximately 0.3%. The present bill for 918 kWhs is \$82.59 while the proposed bill is \$82.33. The actual increase 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,

/s/ Patrick Ehrbar

Patrick D. Ehrbar
Director of Regulatory Affairs

Enclosures

