Important Notice for Washington Electric Customers April 2025

On March 28, 2025, Avista filed a rate request with the Washington Utilities and Transportation Commission (Commission or WUTC) to increase electric rates to qualifying customers effective July 1, 2025. The request reflects a rate adjustment to recover from customers certain deferred power supply costs tracked in the Company's Energy Recovery Mechanism (ERM).

The ERM is a mechanism that tracks the difference between actual power supply-related costs experienced by Avista to the authorized level approved by the Commission. Under the mechanics of the Commission-approved ERM, if Avista has a cumulative deferral balance of \$30 million or higher, Avista is required to either surcharge, or rebate, that deferred balance to customers. In 2024, the primary driver of increased power supply costs experienced by the Company was reduced hydroelectric generation due to lower-than-expected precipitation and snowpack. Increased costs in 2024, along with the accumulation of prior years' ERM balances that have not yet been passed through to customers, has resulted in a cumulative ERM balance of \$34.3 million.

Avista is presently recovering approximately \$19.0 million in ERM-related expenses in customer rates, which will end July 1, 2025. Therefore, the combined effect of the current ERM balance expiring, offset by the proposed ERM recovery proposed in this filing, is a net increase in revenue of \$15.3 million, or 2.1%. The Company's filing seeks to recover this balance, which includes the associated interest, from customers effective July 1, 2025 over a 12-month period. The proposed rate increase by schedule is shown below:

Proposed Rate Change by Schedule:

Schedule No.	Rate Schedule	Change in Billed Revenue
1/7/8	Residential	2.1%
11/12/13/17/18	General Service Schedule	1.8%
21/22/23	Large General Service Schedule	2.2%
25/Sp Ct	Ext. Lg General Service Schedule	2.7%
30/31/32	Pumping Service Schedule	1.8%
42-48	Street and Area Lights Schedule	0.4%
	Overall	2.1%

The percentage change for electric customers varies by rate schedule and depends on how much energy a customer uses. An average residential customer using 945 kWhs per month will see an increase of \$2.55 per month, or approximately 2.1%. The present bill for 945 kWhs is \$120.86 while the proposed bill is \$123.41. The actual change will vary based on customer usage. If approved, customers would see the following rate adjustments:

Proposed Schedule 1 Residential Rates:

Electric Comice	Current	Proposed	Propose	ed
Electric Service	Billing Rate	Change	Billing Rate	
Basic Charge	\$ 10.00	\$ -	\$ 10	0.00
First 800 Kwh/Month	\$ 0.11485	\$ 0.00270	\$ 0.11	755
Next 700 Kwh/Month	\$ 0.13089	\$ 0.00270	\$ 0.13	359
Over 1, 500 Kwh/Month	\$ 0.15064	\$ 0.00270	\$ 0.15	334

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. The WUTC is committed to providing reasonable accommodations for participants with disabilities. If you need reasonable accommodations to participate in this open meeting (or public comment hearing, workshop, etc.) please contact the Commission at 888-333-9882 or email at Consumer@utc.wa.gov. 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.

Avista offers a number of programs and services to help customers manage their energy use and costs. Visit www.myavista.com or call 1-800-227-9187 for information on these programs which include Comfort Level Billing, bill payment options, automated payment service, assistance programs such as My Energy Discount, conservation tips, and energy efficiency rebates. 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 MSC-27, Spokane, WA 99202.

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