

**Important Notice for Washington Electric and Natural Gas Customers
August-September 2021**

DRAFT

On July 30, 2021, Avista filed its annual Low Income Rate Assistance Program rate adjustment filings with the Washington Utilities and Transportation Commission (UTC or Commission). These annual filings, required by Commission order, have no impact on the Company’s earnings.

Avista’s Low Income Rate Assistance Program (LIRAP) provides bill assistance and/or rate discounts to income eligible customers with a household income less than or equal to 200% of the Federal Poverty Level and funds various pilot programs such as conservation education and temporary hardships. As a part of the Commission’s orders in Avista’s 2015 and 2019 general rate cases, Avista is required to file revisions to increase LIRAP funding by 7% for the program year beginning October 1, 2016 and annual funding increases through Avista’s next general rate case, by August 15th each year. The overall rate increase to electric customers is approximately \$0.7 million, or an overall increase of approximately 0.1%. The overall rate increase to natural gas customers is approximately \$0.5 million, or an overall increase of approximately 0.3%. The LIRAP rate adjustment is proposed to be effective October 1, 2021.

Change in Rates - If approved by the Commission, residential electric customers in Washington using an average of 914 kilowatt hours per month would see their monthly bills change from \$84.48 to \$84.60, an increase of \$0.12 per month, or approximately 0.1% on October 1. Residential natural gas customers using an average of 66 therms per month would see their monthly bills change from \$57.16 to \$57.34, an increase of \$0.18 per month, or approximately 0.3% on October 1.

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

If approved, customers would see the following rate adjustments:

Electric Rate Change

Proposed Schedule 1 Residential Rates (effective Oct. 1, 2021)

Electric Service	Current Billing Rate	Proposed Change	Proposed Billing Rates
Basic Charge	\$9.00	\$0.00	\$9.00
First 800 kWh/month	\$0.08093/kWh	\$0.00013/kWh	\$0.08106/kWh
Next 700 kWh/month	\$0.09417/kWh	\$0.00013/kWh	\$0.09430/kWh
Over 1,500 kWh/month	\$0.11043/kWh	\$0.00013/kWh	\$0.11056/kWh

Proposed Electric Rate Change by Schedule (effective Oct. 1, 2021)

Schedule No.	Rate Schedule	% Increase in Billed Revenue
1/2	Residential	0.1%
11/12/13	General Service	0.2%
21/22/23	Large General Service	0.1%
25	Ex. Lg. General Service	0.1%

31/32	Pumping Service	0.1%
41-48	Street and Area Lights	0.1%
	Overall	0.1%

Natural Gas Rate Change

Proposed Schedule 101 Rates

Natural Gas Service	Current Billing Rate	Proposed Change	Proposed Billing Rates
Basic Charge	\$9.50	\$0.00	\$9.50
First 70 therms/month	\$0.72215/therm	\$0.00269/therm	\$0.72484/therm
Over 70 therms/month	\$0.84513/therm	\$0.00269/therm	\$0.84782/therm

Proposed Natural Gas Rate Increase by Schedule

Schedule No.	Rate Schedule	% Increase in Billed Revenue
101/102	General Service	0.3%
111/112	Large General Service	0.4%
131/132	Interruptible Sales Service	0.5%
146	Transportation Service	0.0%
Overall		0.3%

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.

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.