Important Notice for Washington Electric Customers May 2021

On March 31, 2021, Avista filed a request with the Washington Utilities and Transportation Commission (Commission) to increase electric rates to qualifying customers effective July 1, 2021. The request reflects a rate adjustment to decrease the present rebate customers are receiving related to Renewable Energy Credits ("RECs").

Currently, Avista is currently rebating to customers approximately \$1.8 million. That rebate expires June 30, 2021. In the present filing, Avista is proposing to adjust the REC Revenue rebate to reflect a decrease in the projected net REC revenues for the July 2021 – June 2022 time period. That amount is \$0.9 million. The net effect of the new and expiring REC rebate is an increase in revenue of approximately \$0.9 million, or 0.2%. The change in the rate credit has no effect on Avista's net income.

Change in Rates - The average residential customer using 914 kWhs per month will see an increase of \$0.16 per month, or approximately 0.2%. The present bill for 914 kWhs is \$89.80 while the proposed bill is \$89.96. The actual change will vary based on customer usage. 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:

| Electric Service | | Current Bill | | Proposed | | Proposed | |
|----------------------|----|--------------|----|----------|----|------------|--|
| | | Rate | | Change | | Bill Rates | |
| Basic Charge | \$ | 9.00 | | | \$ | 9.00 | |
| First 800 Kwh/Month | \$ | 0.08760 | \$ | 0.00017 | \$ | 0.08777 | |
| Next 700 Kwh/Month | \$ | 0.09400 | \$ | 0.00017 | \$ | 0.09417 | |
| Over 1,500 Kwh/Month | \$ | 0.10560 | \$ | 0.00017 | \$ | 0.10577 | |

Proposed Rate Change by Schedule:

| Schedule No. | Rate Schedule | Change in |
|--------------|----------------------------------|----------------|
| Schedule No. | Kate Schedule | Billed Revenue |
| 1/2 | Residential | 0.2% |
| 11/12 | General Service Schedule | 0.1% |
| 21/22 | Large General Service Schedule | 0.2% |
| 25 | Ext. Lg General Service Schedule | 0.2% |
| 31/32 | Pumping Service Schedule | 0.2% |
| 41-48 | Street and Area Lights | 0.0% |
| | Overall | 0.2% |

For more information and or questions about the proposed rate changes, conservation tips and energy efficiency programs, energy assistance programs and bill payment plans, visit us at <u>www.myavista.com</u> or contactus at 1-800-227-9187.

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 <u>www.myavista.com/rates</u> or on the Commission website at <u>www.utc.wa.gov</u>. 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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