AVISTA CORPORATION dba Avista Utilities

SCHEDULE 150 PURCHASE GAS COST ADJUSTMENT - WASHINGTON

APPLICABLE:

To Customers in the State of Washington where Company has natural gas service available.

PURPOSE:

To pass through increases or decreases in natural gas costs to become effective as noted below.

RATE:

- (a) The rates of gas Schedule 101 is to be increased by 38.907¢ per therm in all blocks of these rate schedules.
- (b) The rates of gas Schedules 111 and 112 are to be increased by 38.166¢ per therm in all blocks.
- (c) The rates of gas Schedules 121 and 122 are to be increased by 37.077¢ per therm in all blocks.
- (d) The rates of interruptible Schedules 131 and 132 are to be increased by 33.645¢ per therm in all blocks.
- (e) The rates of transportation Schedule 146 are to be increased by 0.056¢ per therm in all blocks.

WEIGHTED AVERAGE GAS COST:

The above rate changes are based on the following weighted average cost of gas as of the effective date shown below:

	<u>Demand</u>	Commodity	<u>Total</u>
Schedule 101	12.702¢ (I)	26.205¢ (R)	38.907¢ (R)
Schedule 111 & 112	11.961¢ (R)	26.205¢ (R)	38.166¢ (R)
Schedule 121/122	10.872¢ (I)	26.205¢ (R)	37.077¢ (R)
Schedule 131/132	7.440¢ (I)	26.205¢ (R)	33.645¢ (R)
Schedule 146	0.056¢	0.000¢	0.056¢

The above amounts include revenue sensitive items.

	<u>Demand</u>	Commodity	<u>Total</u>
Schedule 101	12.133¢ (I)	25.031¢ (R)	37.164¢ (R)
Schedule 111 & 112	11.426¢ (R)	25.031¢ (R)	36.457¢ (R)
Schedule 121/122	10.385¢ (I)	25.031¢ (R)	35.416¢ (R)
Schedule 131/132	7.107¢ (I)	25.031¢ (R)	32.138¢ (R)
Schedule 146	0.054¢	0.000¢	0.054¢

The above amounts do not include revenue sensitive items.

BALANCING ACCOUNT:

The Company will maintain a Purchase Gas Adjustment (PGA) Balancing Account whereby monthly entries into this Balancing Account will be made to reflect differences between the actual purchased gas costs collected from customers and the

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SCHEDULE 155

GAS RATE ADJUSTMENT - WASHINGTON

AVAILABLE:

To Customers in the State of Washington where Company has natural gas service available.

PURPOSE:

To adjust gas rates for amounts generated by the sources listed below.

MONTHLY RATE:

- (a) The rate of firm gas Schedule 101 is to be decreased by 2.706¢ per therm.
- (b) The rate of firm gas Schedule 111 is to be decreased by 1.451¢ per therm in all blocks of this schedule.
- (c) The rates of firm gas Schedules 112 and 122 are to be decreased by 0.014¢ per therm in all blocks of these schedules.
- (d) The rate of firm gas Schedule 121 is to be increased by 0.539¢ per therm in (R) all blocks of this schedule.
- (e) The rate of interruptible gas Schedule 131 is to be decreased by 1.726¢ per therm.
- (f) The rate of interruptible gas Schedule 132 is to be decreased by 0.014¢ per therm.
- (g) The rate of gas Schedule 146 is to be decreased by 0.002¢ per therm.

SOURCES OF MONTHLY RATE:

Changes in the monthly rates above result from amounts which have been accumulated in the Purchase Gas Adjustment (PGA) Balancing Account as described in Schedule 150 - Purchase Gas Cost Adjustment.

SPECIAL TERMS AND CONDITIONS:

The above Monthly Rates are subject to the provisions of Tax Adjustment Schedule 158.

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By Kelly Norwood Kelly Norwood

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SCHEDULE 149 BACKUP AND SUPPLEMENTAL COMPRESSED NATURAL GAS SERVICE

APPLICABLE: Service under this Schedule is available to compressed natural gas ("CNG") fleet operators to backup and supplement their own CNG fueling facilities. Customer shall provide Avista access to customer-owned CNG fueling facility to ensure it is operational. Service is available only at the Company's Dollar Road Facility (2406 N. Dollar Rd, Spokane Valley, WA). The Company has priority for using its CNG facilities to fuel its utility vehicles and equipment, and service under this schedule is offered on a best-efforts basis. The customer shall enter into a service agreement prior to taking service under this Schedule. The customer shall pay the rate per gasoline gallon equivalent shown below, for the term of the service agreement.

RATE PER GASOLINE GALLON EQUIVALENT ("GGE"):

Schedule 111 Rate* (1st Block) (\$0.83298 x 1.276 GGE Ratio**)	= \$1.06	(T)(R)
Contribution to Fixed CNG Station Costs	= \$0.52	
CNG Station O&M Expense per GGE	= \$0.12	
Retail Billing Expense	= \$0.15	
Federal Fuel Tax	= \$ <u>0.18</u>	
Retail Rate per GGE	= \$ 2.03	(R)
Less – Excise Tax Credit (3.852%)***	$=(\$\overline{0.09})$	
Retail Rate per GGE less Excist Tax Credit	= \$1.94	(R)

- * The billing rate for Schedule 111 includes both the base Schedule 111 rate as well as Schedule 150 (Purchased Gas Cost Adjustment), Schedule 155 (Gas Rate Adjustment), Schedule 191 (DSM Rate Adjustment), Schedule 192 (LIRAP Rate Adjustment), and Schedule 175 (Decoupling Rate Adjustment). This portion of the Price per GGE will change annually on November 1, and at the end of any general rate case proceeding.
- ** The gasoline gallon equivalent ratio conversion factor is 1.276 therms = 1 GGE.
- *** Customers using or selling CNG as a transporation fuel who have submitted an exemption certificate to Avista in accordance with RCW 82.16.310(2) will be eligible, following receipt and processing of the certificate by Avista, to receive an excise tax credit in the amount of 3.852% in accordance with RCW 82.16.310.

TAX ADJUSTMENT:

The rates and charges in this tariff shall be proportionately increased by an adjustment equivalent to the amount of municipal, occupation, or business taxes or charges imposed by the City of Spokane Valley as outlined in Tax Adjustment Schedule 158. The current tax rate for the City of Spokane Valley for natural gas service is 0.0%.

SPECIAL TERMS AND CONDITIONS:

Service under this Schedule is subject to the Rules and Regulations contained in this tariff, specifically Schedule 170.

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