



Avista Corp.

1411 East Mission P.O. Box 3727 Spokane, Washington 99220-0500 Telephone 509-489-0500 Toll Free 800-727-9170

September 1, 2023

Ms. Amanda Maxwell 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 Ms. Maxwell:

Attached for electronic filing with the Commission is the following tariff sheet proposed to be effective November 1, 2023:

Twenty-first Revision Sheet 59 Canceling the Twentieth 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 \$11.0 million annually is being passed through to applicable customers through a uniform 0.426¢ per kilowatt-hour rate credit. The current rate was approved by the Washington Utilities and Transportation Commission effective November 1, 2022.

The proposed rate credit of 0.386¢ per kilowatt-hour is designed to pass through approximately \$10.3 million which represents the Washington portion of the annual level of benefits Avista will receive starting in October 2023. That amount is offset by an over-refunded balance from the prior year, which is due to actual usage being higher than what was projected in the Company's 2022 filing. The Company is therefore proposing an overall revenue increase of \$1.1 million or 0.2%. 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 0.386¢ per kilowatt-hour rate credit proposed to be effective November 1, 2023. The average residential customer using 932

kWhs per month will see an increase of \$0.37 per month, or approximately 0.4%. The present bill for 932 kWhs is \$87.53 while the proposed bill is \$87.90. The actual change 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 Tia Benjamin at (509) 495-2225.

Sincerely,

/s/ Patrick Ehrbar

Patrick D. Ehrbar Director of Regulatory Affairs

Enclosures

