



Avista reaches multi-party settlement in Idaho general rate cases

10/23/17

New rates would take effect beginning Jan. 1, 2018

SPOKANE, Wash., Oct. 23, 2017 (GLOBE NEWSWIRE) -- Avista (NYSE:AVA) and multiple parties to the company's electric and natural gas general rate cases have reached a settlement agreement that has been submitted to the Idaho Public Utilities Commission (IPUC or Commission) for its consideration. If approved, new rates would take effect Jan. 1, 2018 and Jan. 1, 2019.

If approved, the settlement agreement is designed to increase annual billed electric revenues by \$12.9 million, or 5.6 percent, effective Jan. 1, 2018, and by \$4.5 million, or 2.3 percent, effective Jan. 1, 2019. For natural gas, the settlement agreement is designed to increase annual billed revenues by \$1.2 million, or 1.9 percent, effective Jan. 1, 2018, and by \$1.1 million, or 1.8 percent on Jan. 1, 2019. The settlement revenue increases are based on a 9.5 percent return on equity (ROE) with a common equity ratio of 50 percent.

"This settlement agreement will provide new rates in Idaho that are fair and reasonable for our customers, the Company and our shareholders," said Dennis Vermillion, Avista Corp. senior vice president and president of Avista Utilities. "This outcome provides us the opportunity to continue to earn a fair return in Idaho and supports Avista's efforts to invest in and maintain our infrastructure so we can continue to provide the reliable energy our customers expect. In addition, the two-year rate plan would create a stay-out period where Avista would not file a new general rate case for a new rate plan to be effective prior to Jan. 1, 2020, providing customers with some predictability in their expected future energy prices."

Residential Customer Electric Bills 2018 and 2019

If the settlement is approved, a residential electric customer using an average of 910 kilowatt hours per month would see:

- A billed increase of \$5.22 per month, or 5.9 percent, for a revised monthly bill of \$93.34, effective Jan. 1, 2018. The total revised average monthly bill amount includes the effects of an increase in the basic charge of \$0.25, from \$5.75 to \$6.00 per month.
- A billed increase of \$2.16 per month, or 2.3 percent, for a revised monthly bill of \$95.50, effective Jan. 1, 2019. There would be no change to the basic charge for 2019 rates.

If approved, the electric billed increases by service schedule for 2018 are as follows:

Rate Schedule	2018 Billing Increase
Residential Service - Schedule 1	5.9%
General Service - Schedules 11 & 12	5.2%
Large General Service - Schedules 21 & 22	5.7%
Extra Large General Service - Schedule 25	4.7%
Extra Large General Service - Schedule 25P	4.8%
Pumping Service - Schedules 31 & 32	6.1%
Street & Area Lights - Schedules 41 – 49	5.1%
Overall	5.6%

If approved, the electric billed increases by service schedule for 2019 are as follows:

Rate Schedule	2019 Billing Increase
Residential Service - Schedule 1	2.3%
General Service - Schedules 11 & 12	2.1%
Large General Service - Schedules 21 & 22	2.3%
Extra Large General Service - Schedule 25	2.2%
Extra Large General Service - Schedule 25P	2.2%
Pumping Service - Schedules 31 & 32	2.4%
Street & Area Lights - Schedules 41 – 49	1.9%
Overall	2.3%

Residential Customer Natural Gas Bills 2018 and 2019

If the settlement is approved, a residential natural gas customer using an average of 63 therms per month would see:

- A billed increase of \$1.13 per month, or 2.1 percent, for a revised monthly bill of \$53.74, effective Jan. 1, 2018. The total revised

- average monthly bill amount includes the effects of an increase in the basic charge of \$0.75, from \$5.25 to \$6.00 per month.
- A billed increase of \$1.09 per month, or 2.0 percent, for a revised monthly bill of \$54.83, effective Jan. 1, 2019. There would be no change to the basic charge for 2019 rates.

If approved, the natural gas billed increases by service schedule for 2018 are as follows:

Rate Schedule	2018 Billing Increase
General Service - Schedule 101	2.2%
Large General Service - Schedules 111 & 112	0.7%
Interruptible Service - Schedules 131 & 132	0.0%
Transportation Service - Schedule 146	3.0%
Special Contracts - Schedule 148	0.0%
Overall	1.9%

If approved, the natural gas billed increases by service schedule for 2019 are as follows:

Rate Schedule	2019 Billing Increase
General Service - Schedule 101	2.1%
Large General Service - Schedules 111 & 112	0.7%
Interruptible Service - Schedules 131 & 132	0.0%
Transportation Service - Schedule 146	2.7%
Special Contracts - Schedule 148	0.0%
Overall	1.8%

Avista serves more than 128,600 electric customers and 80,000 natural gas customers in Idaho.

Avista's Original Request

Avista's original request included an increase in annual electric billed revenues by \$18.6 million or 7.9 percent, effective Jan. 1, 2018 and \$9.9 million or 4.2 percent effective Jan. 1, 2019.

For natural gas, the rate request included an increase in annual billed revenues by \$3.5 million or 5.7 percent, effective Jan. 1, 2018 and \$2.1 million or 3.3 percent effective Jan. 1, 2019.

The electric and natural gas requests for the January 2018-December 2019 rate periods were based on a proposed rate of return (ROR) on rate base of 7.81 percent with a common equity ratio of 50 percent and a 9.9 percent return on equity (ROE).

Customer Resources

To assist customers in managing their energy bills, Avista offers services for customers such as comfort level billing, payment arrangements and Customer Assistance Referral and Evaluation Services (CARES), which provide assistance to special-needs customers through referrals to area agencies and churches for help with housing, utilities, medical assistance and other needs. Avista also partners with community action agencies in administering the Project Share bill payment assistance program.

Avista provides energy efficiency and outreach programs that include rebates and incentives as well as tips and resources to help customers manage their energy use and energy bills. Customers can learn more at www.myavista.com.

About Avista Corp.

Avista Corp. is an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. [Avista Utilities](#) is our operating division that provides electric service to 378,000 customers and natural gas to 342,000 customers. Its service territory covers 30,000 square miles in eastern Washington, northern Idaho and parts of southern and eastern Oregon, with a population of 1.6 million. Alaska Energy and Resources Company is an Avista subsidiary that provides retail electric service in the city and borough of Juneau, Alaska, through its subsidiary [Alaska Electric Light and Power Company](#). Avista stock is traded under the ticker symbol "AVA." For more information about Avista, please visit www.avistacorp.com.

This news release contains forward-looking statements regarding the company's current expectations. Forward-looking statements are all statements other than historical facts. Such statements speak only as of the date of the news release and are subject to a variety of risks and uncertainties, many of which are beyond the company's control, which could cause actual results to differ materially from the expectations. These risks and uncertainties include, in addition to those discussed herein, all of the factors discussed in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2016 and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2017.

SOURCE: Avista Corporation

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