



Avista Requests Natural Gas Price Decrease for Idaho Customers in Annual Natural Gas Cost Adjustment Filing

08/27/18

Change in natural gas prices would be effective Nov. 1, 2018

SPOKANE, Wash., Aug. 27, 2018 (GLOBE NEWSWIRE) -- Avista(**NYSE: AVA**) today filed its Purchased Gas Cost Adjustment (PGA) request with the Idaho Public Utilities Commission (IPUC or Commission) that, if approved, is designed to decrease overall natural gas revenues by approximately \$0.6 million or 1.0 percent effective Nov. 1, 2018.

This annual filing has no impact on the company's earnings, and is not related to the proposed acquisition of Avista by Hydro One.

The PGA is filed each year to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount included in rates. This includes the natural gas commodity cost as well as the cost to transport natural gas on interstate pipelines to Avista's local distribution system.

While Avista typically files PGAs in August of each year, Avista filed an out-of-cycle PGA in December 2017 which reduced natural gas rates by 7.4 percent effective Jan. 26, 2018. The primary drivers for that rate reduction included continued low natural gas commodity costs due to the continued high production levels of natural gas, and a reduction in the cost to transport natural gas to Avista's distribution system. Those costs have remained generally the same since the prior rate reduction, which is why the proposed reduction in this PGA is relatively small.

About 40 percent of an Avista natural gas customer's bill is the combined cost of purchasing natural gas on the wholesale market and transporting it to Avista's system. These costs fluctuate up and down based on market prices, and are not marked up by Avista. The remaining 60 percent covers the cost of delivering the natural gas -- the equipment and people needed to provide safe and reliable service.

Customer Bills

If the request is approved, Avista residential customers using an average of 63 therms per month could expect their monthly bill to decrease from \$48.31 to \$47.97, beginning Nov. 1, 2018, a decrease of \$0.34 or 0.7 percent.

The net effect of the requested natural gas rate changes by rate schedule are:

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| General Service - Schedule 101 | -0.7% |
| Large General Service - Schedules 111 & 112 | -1.9% |
| Interruptible Service - Schedules 131 & 132 | 0.0% |
| Transportation Service - Schedule 146 | -1.9% |
| Overall | -1.0% |

Rate Application Procedure

Avista's applications are proposals, subject to public review and a Commission decision. Copies of the applications are available for public review at the offices of both the Commission and Avista, and on the Commission's website (www.puc.idaho.gov). Customers may file with the Commission written comments related to Avista's filings. Customers may also subscribe to the Commission's RSS feed (<http://www.puc.idaho.gov/rssfeeds/rss.htm>) to receive periodic updates via e-mail about the case. Copies of rate filings are also available on Avista's website at www.myavista.com/rates.

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 383,000 customers and natural gas to 349,000 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, 2017 and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2018.

SOURCE: Avista Corporation

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Source: Avista Corporation