



Avista Reaches Settlement in Oregon Natural Gas Rate Request

08/14/19

The monthly basic charge for all rate schedules will remain at current levels

SPOKANE, Wash., Aug. 14, 2019 (GLOBE NEWSWIRE) -- Avista(NYSE: AVA) and all other parties involved in the company's natural gas general rate filing have reached a settlement agreement that, if approved by the Public Utility Commission of Oregon (PUC), would conclude the proceedings for the general rate request filed on March 15, 2019. If the settlement agreement is approved, new rates would take effect on Jan. 15, 2020.

"We're pleased that a full settlement and joint recommendation was reached. The settlement represents a positive outcome and new natural gas rates in Oregon that are fair and reasonable for our customers, our company and our shareholders," said Dennis Vermillion, Avista President. "This supports Avista's ongoing efforts to make capital investments in infrastructure and systems, including replacing natural gas pipe, expanding the natural gas system and technology upgrades that allow us to provide our customers with the safe and reliable energy service they expect."

If approved, the settlement agreement is designed to increase annual natural gas billed revenues by \$3.6 million, or 4.2%. The settlement includes a rate of return (ROR) on rate base of 7.24%, with a common equity ratio of 50% and a 9.4% return on equity (ROE), both of which represent a continuation of existing authorized levels.

Residential Customer Bill

If the settlement is approved by the PUC, a residential customer using an average of 47 therms per month would see a \$2.19 per month increase, or 4.5%, for a revised monthly bill of \$51.13. The monthly customer basic charge for all rate schedules will remain at current levels.

Avista's Original Request and Previous Partial Settlement

Avista's original request filed with the PUC on March 15, 2019 was designed to increase overall natural gas billed revenue by approximately \$6.7 million or 7.8% and was based on a proposed rate of return of 7.55%, with a common equity ratio of 50% and a 9.9% return on equity.

In July 2019, a partial settlement agreement was reached that reduced Avista's original natural gas revenue increase request from \$6.7 million to \$5.36 million.

Parties to the Settlement

In addition to Avista, the parties to the settlement agreement include the Staff of the Public Utility Commission of Oregon (Staff), Oregon Citizens' Utility Board (CUB) and the Alliance of Western Energy Consumers (AWEC). A recommendation to the Commission by the parties to approve the settlement is not binding on the PUC itself.

Avista serves approximately 104,000 customers in Oregon.

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 the operating division that provides electric service to 389,000 customers and natural gas to 357,000 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 1.7 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, 2018 and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.

SOURCE: Avista Corporation

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