



Avista reaches all-party settlement in Idaho general rate case

10/11/19

If approved, new rates would take effect beginning Dec. 1, 2019

SPOKANE, Wash., Oct. 11, 2019 (GLOBE NEWSWIRE) -- Avista (**NYSE: AVA**) and all parties to the company's electric general rate case 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 Dec. 1, 2019.

If approved, the settlement agreement is designed to decrease annual billed electric revenues by \$7.18 million, or 2.84%, effective Dec. 1, 2019. The settlement revenue decreases are based on a 9.5% return on equity (ROE) with a common equity ratio of 50% and a rate of return (ROR) on rate base of 7.35%, which is a continuation of current levels. This outcome is in line with the Company's expected margin in this case.

"We're pleased to pass the benefits of this settlement agreement to our customers during the heating season. 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 president and CEO. "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."

The primary element of the difference in the agreed upon base revenues in the settlement agreement from Avista's original request is the continued recovery of costs for Avista's wind generation power purchase agreements, which will include Palouse Wind and Rattlesnake Flat, through the Power Cost Adjustment (PCA) mechanism rather than through base rates.

Residential Customer Electric Bills

If the settlement is approved, a residential electric customer using an average of 900 kilowatt hours per month would see a billed decrease of \$0.86 per month, or 1.0%, for a revised monthly bill of \$84.45, effective Dec. 1, 2019.

The actual percentage rate change will vary by customer class and will depend on how much energy a customer uses.

Avista serves more than 133,000 electric customers in Idaho.

Avista's Original Request

Avista's original request included an increase of annual electric billed revenues by \$5.3 million or 2.1%, effective Jan. 1, 2020.

The electric request was based on a proposed rate of return (ROR) on rate base of 7.55% with a common equity ratio of 50% and a 9.9% 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 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 1.6 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, 2018 and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.

Contact:

Media: David Vowels (509) 495-7956, david.vowels@avistacorp.com

Investors: John Wilcox (509) 495-4147, john.wilcox@avistacorp.com
Avista 24/7 Media Access (509) 495-4174



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