



## Avista reaches partial multiparty settlement in Washington general rate case

11/21/19

### If approved, new rates would take effect beginning April 1, 2020

SPOKANE, Wash., Nov. 21, 2019 (GLOBE NEWSWIRE) -- Avista (**NYSE: AVA**) and certain parties to the company's electric and natural gas general rate cases have reached a partial settlement agreement that has been submitted to the Washington Utilities and Transportation Commission (UTC or Commission) for its consideration. If approved, new rates would take effect April 1, 2020.

The partial settlement agreement includes, among other things, agreement among all parties on the electric revenue increase and cost of capital as well as electric and natural gas rate spread and rate design. All parties, with the exception of the Public Counsel Unit of the Washington Office of Attorney General, agree on the natural gas revenue increase.

If approved, the partial settlement agreement is designed to increase annual billed electric revenues by \$28.5 million, or 5.4%, and annual natural gas billed revenues by \$8.0 million, or 5.2%, effective April 1, 2020. The partial settlement revenue increases are based on a 9.4% return on equity (ROE) with a common equity ratio of 48.5% and a rate of return (ROR) on rate base of 7.21%.

The other remaining issues to be resolved in the cases include the Energy Recovery Mechanism (ERM) deferral and the extension of the electric and natural gas decoupling mechanisms. The parties have agreed that the final ERM rebate determined by the Commission, after it resolves the remaining ERM contested issues, should be returned to customers over a two-year period. The ERM rebate is approximately \$34.0 million.

"We are pleased that the parties were able to reach a joint recommendation to the commission in this case. The outcome, if approved by the Commission, provides a framework for positive outcomes from our Washington operations for both our customers and our shareholders," said Dennis Vermillion, Avista president and CEO. "This outcome supports Avista's efforts to invest in and maintain our infrastructure so we can continue to provide the reliable energy our customers expect. We take our responsibility to provide safe, reliable energy at an affordable price very seriously, and we work hard to manage our costs and identify ways to best serve our customers that contribute to keeping energy prices affordable."

### Residential Customer Electric and Natural Gas Bills

If the partial settlement is approved, a residential electric customer using an average of 918 kilowatt hours per month would see a billed increase of \$5.41 per month, or 6.6%, for a revised monthly bill of \$87.63, effective April 1, 2020. A residential natural gas customer using an average of 66 therms per month would see a billed increase of \$2.91 per month, or 5.3%, for a revised monthly bill of \$57.85, effective April 1, 2020.

### Changes by Service Schedule

Under the settlement, the electric increase by service schedule would be as follows:

Rate Schedule	Proposed Billing Increase
Residential Service - Schedules 1/2	6.6 percent
General Service - Schedules 11/12	2.7 percent
Large General Service - Schedules 21/22	5.3 percent
Extra Large General Service - Schedule 25	5.5 percent
Pumping Service - Schedules 31/32	5.3 percent
Street & Area Lights - Schedules 41 – 48	2.8 percent
<b>Total</b>	<b>5.5 percent</b>

Under the settlement, the natural gas increase by service schedule would be as follows:

Rate Schedule	Proposed Billing Increase
General Service - Schedules 101/102	5.6 percent
Large General Service - Schedules 111/112/116	4.5 percent
Interruptible Service – Schedules 131/132	4.1 percent
Transportation Service - Schedule 146	8.8 percent

Total	5.3 percent
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The actual percentage increase for individual electric and natural gas customers would depend on how much energy a customer uses.

In addition to Avista, the parties to the electric and natural gas rate cases include the Staff of the UTC, the Public Counsel Unit of the Washington Office of Attorney General, the Alliance of Western Energy Consumers, the NW Energy Coalition, The Energy Project, and Sierra Club. The recommendation to the Commission by the UTC Staff or other parties to approve the partial multiparty settlement is not binding on the Commission itself.

#### **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 provides funding for energy assistance programs Project Share and the company's Low Income Rate Assistance Program, which are administered through community action agencies.

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](http://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 392,000 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](http://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 Sep. 30, 2019.

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