



Avista Makes Annual Price Adjustment Filings in Idaho

July 31, 2023

Requests would result in higher electric prices effective Oct. 1, 2023 and lower natural gas prices Nov. 1, 2023

SPOKANE, Wash., July 31, 2023 (GLOBE NEWSWIRE) -- Avista (NYSE: AVA) has made annual rate adjustment filings with the Idaho Public Utilities Commission (IPUC or Commission) that, if approved, are designed to increase overall electric revenues by approximately \$6.1 million or 2.4% effective Oct. 1, 2023 and decrease overall natural gas revenue by approximately \$0.4 million or 0.4% effective Nov. 1, 2023. These annual filings have no impact on Avista's earnings.

Electric Adjustment Filings

Four annual electric adjustments were filed, that if approved, are designed to change overall electric revenues effective Oct. 1, 2023 as follows:

1. Power Cost Adjustment (PCA): an increase of approximately \$10.9 million or 4.3%
2. Fixed Cost Adjustment (FCA): a decrease of approximately \$1.9 million or 0.7%
3. Electric Energy Efficiency: a decrease of approximately \$3.1 million or 1.2%
4. Bonneville Power Administration Residential Exchange (ResEx) Program: an increase of approximately \$0.2 million or 0.1%

Natural Gas Adjustment Filing

The natural gas adjustment request is the annual natural gas FCA. If approved, Avista's request is designed to decrease overall natural gas revenues by approximately \$0.4 million or 0.4% effective Nov. 1, 2023.

Customer Bills Resulting from these Filings

If the electric PCA, FCA, Energy Efficiency and ResEx filings are approved, residential electric customers in Idaho using an average of 927 kilowatt hours per month would see their monthly bills increase from \$85.40 to \$86.54, an increase of \$1.14 per month, or approximately 1.3%. The proposed electric rate change would be effective Oct. 1, 2023.

The net effect, on an annual revenue basis, for the requested electric rate changes by rate schedule are as follows:

Residential Service - Schedule 1	1.4%
General Service - Schedules 11 & 12	2.9%
Large General Service - Schedules 21 & 22	2.2%
Extra Large General Service - Schedule 25	5.2%
Extra Large General Service - Schedule 25P	5.6%
Pumping Service - Schedules 31 & 32	2.4%
Street & Area Lights - Schedules 41-49	-0.4%
Overall	2.4%

If the natural gas FCA filing is approved, residential natural gas customers in Idaho using an average of 64 therms per month would see their monthly bills decrease from \$73.42 to \$73.29, a decrease of \$0.13 per month, or approximately 0.2%. The proposed natural gas rate change would be effective Nov. 1, 2023.

The net effect, on a revenue basis, for the requested natural gas rate change by rate schedule are as follows:

General Service - Schedule 101	-0.2%
Large General Service - Schedules 111 & 112	-1.2%
Interruptible Service - Schedules 131 & 132	0.0%
Transportation Service - Schedule 146	0.0%
Overall	-0.4%

Power Cost Adjustment (PCA)

The PCA is an annual rate adjustment made to reflect the difference between the actual cost of generating and purchasing electric power to serve customers and the cost currently included in customer rates. Over the last year, power supply costs were higher than those included in retail rates due to higher wholesale electric and natural gas prices.

Fixed Cost Adjustment (FCA)

The electric and natural gas FCA is a mechanism designed to break the link between a utility's revenues and customers' energy usage. Avista's actual revenue, based on kilowatt hour or therm sales, will vary, up or down, from the level included in a general rate case and approved by the Commission. This could be caused by changes in weather, energy conservation or other factors. Under the FCA, Avista's revenues are adjusted each month based on the number of customers. The annual difference between revenues based on sales and the number of customers is surcharged or rebated to customers beginning in the following year.

The proposed FCA rate adjustments are primarily driven by variations in 2022 customer usage related to weather and savings from participating in efficiency programs. The FCA mechanisms do not apply to Avista's Electric Extra Large General and Street Lighting Service Schedules, nor to its Natural Gas Interruptible and Transportation Service Schedules.

Energy Efficiency Adjustment

The Energy Efficiency Adjustment is related to the funding of Avista's electric energy efficiency programs. This adjustment aligns the amount that is collected in customer rates with the actual costs to run and deliver the programs. Avista's energy efficiency programs are designed to provide a financial incentive or rebate for cost-effective energy efficiency measures. The Commission approves the amount of funding for these important programs through a portion of energy rates. The rate reduction proposed reflects the lower level of funding needed to operate the programs in the coming year.

Residential Exchange Adjustment

The Residential Exchange Program provides a share of the benefits of the federal Columbia River power system to the residential and small farm customers of the investor-owned utilities in the Pacific Northwest, including Avista. Avista applies the benefits it receives, which typically fluctuate from year to year, to customers as a credit in their monthly electric rates. Due to fluctuations in usage, Avista rebated to customers a level of benefits that was slightly higher than the level of benefits received from BPA. Through this filing Avista is seeking to slightly decrease the level of benefits provided to qualifying customers in order to return the over-rebated balance.

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.

If you would like to submit comments on the proposed rate change, you can do so by going to the Commission website or mailing comments to:

Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074

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](http://www.avista.com) is our operating division that provides electric service to 411,000 customers and natural gas to 377,000 customers. Our 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. AERC is an Avista subsidiary that, through its subsidiary AEL&P, provides retail electric service to 17,000 customers in the city and borough of Juneau, Alaska. Our 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 and the Quarterly Report on Form 10-Q for the quarter ended Mar. 31, 2023, and its Annual Report on Form 10-K for the year ended Dec. 31, 2022.

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Contact:

Media: Lena Funston (509) 495-8090 lena.funston@avistacorp.com
Investors: Stacey Wenz (509) 495-2046 stacey.wenz@avistacorp.com
Avista 24/7 Media Access (509) 495-4174



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