



Avista Makes Annual Price Adjustment Requests in Washington

August 29, 2025

Overall changes would be effective November 1, 2025 for electric and natural gas customers

SPOKANE, Wash., Aug. 29, 2025 (GLOBE NEWSWIRE) -- Avista (NYSE: AVA) has made annual rate adjustment filings with the Washington Utilities and Transportation Commission (Commission) that if approved, will result in an overall decrease in natural gas rates of 8.6%, and in an overall increase in electric rates of 1.7%.

Washington Natural Gas Adjustment Filings

Four natural gas adjustments were filed, that if approved, are designed to change overall natural gas revenues as follows:

1. Purchased Gas Cost Adjustment: decrease of \$17.2 million or 6.1%
2. Climate Commitment Act: decrease of \$7.6 million or 2.7%
3. Low Income Rate Assistance Program: increase of \$0.8 million or 0.3%
4. Insurance Expense Balancing: decrease of \$0.1 million or 0.03%

Washington Electric Adjustment Filings

Five electric adjustments were filed, that if approved, are designed to change overall electric revenues as follows:

1. Wildfire Expense Balancing: decrease of \$0.3 million or 0.03%
2. Residential Exchange Program: increase of \$4.6 million or 0.6%
3. Insurance Expense Balancing: increase of \$2.4 million or 0.3%
4. Clean Energy Implementation Plan: decrease of \$0.3 million or 0.03%
5. Low Income Rate Assistance Program: increase of \$6.7 million or 0.9%

A description of each of the rate adjustments is as follows:

Purchased Gas Cost Adjustment (PGA) – Applicable to Washington Natural Gas

PGA requests are filed annually to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount presently included in customer rates. Avista does not make a profit on, or markup, the wholesale cost of natural gas. PGAs ensure customers pay what Avista pays, dollar for dollar, only at a more predictable and stable rate throughout the year. About 55% 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.

The proposed PGA reduction is largely driven by the wholesale cost of natural gas being lower than the amount currently included in customer rates.

Climate Commitment Act (CCA) – Applicable to Washington Natural Gas

The CCA, passed by the Washington State legislature and enacted into law in 2021, implements a cap-and-invest program designed to meet state emission reduction targets and reduce emissions by 95% of 1990 levels by 2050. Natural gas utilities must meet declining targets for greenhouse gas emissions (GHG) as compared to a baseline, which is the average emissions from 2015-2019. Beginning in 2023, natural gas utilities received no-cost emissions allowances to cover a portion of their GHG baseline, which 65% of the no-cost allowances had to be consigned to allowance auctions held by the Department of Ecology.

The amount of no-cost allowances provided to utilities decreases each year. Due to the timing of implementation of the CCA, the present CCA component of customers' bills includes two years' worth of costs associated with compliance with the CCA, recovered over a one-year timeframe. In the Company's filing, CCA compliance costs for the prior two-year period are replaced with the estimated cost of CCA compliance for 2026, resulting in an overall decrease for customers.

Consignment of no-cost allowances to auction resulted in revenues back to the utility, which shall be used for the benefit of customers as determined by the Commission, including at minimum, eliminating any additional cost burden to low-income customers due to the implementation of the CCA. Locations connected to the natural gas system after July 25, 2021, are not eligible to receive any benefit from these revenues, according to state law. The rate change proposed reflects the cost of compliance with the CCA.

Low Income Rate Assistance Program – Applicable to Washington Electric and Natural Gas

The Low Income Rate Assistance Program, or LIRAP, provides bill assistance to income eligible customers with a household income less than or equal to 200% Federal Poverty Level (FPL) or 80% Area Median Income (AMI), whichever is greater. This rate increase is necessary to support the continuation and expansion of all LIRAP components, which includes both an income-based bill discount as well as offerings intended to help customers manage their past due balances.

Insurance Balancing Account – Applicable to Washington Electric and Natural Gas

The Insurance Expense Balancing account tracks the difference in insurance expense incurred by Avista to the base level of expense approved by the Commission. The difference is rebated to, or collected from, customers annually. The rate changes proposed reflect the higher level of expense incurred for electric customers and slightly lower expense incurred for natural gas customers, as compared to the existing amount presently being collected in customers rates.

Wildfire Balancing Account – Applicable to Washington Electric

The Wildfire Expense Balancing account tracks the difference in wildfire expenses incurred by Avista to address the growing frequency of extreme and dangerous wildfires in Avista's service territory to the base level of expense approved by the Commission. The difference is rebated to, or collected from, customers annually. The rate change reflects the level of expense incurred as compared to the existing amount being collected in customers rates.

Residential Exchange Program – Applicable to Washington Electric

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 reduction in their monthly electric rates. The benefit Avista will receive from BPA starting in October 2025 will result in a lower level of benefits than is currently being passed through to qualifying customers.

Clean Energy Implementation Plan – Applicable to Washington Electric

Avista's Clean Energy Implementation Plan (CEIP) tariff recovers the costs associated with our clean energy transition. These costs include a "Named Communities Investment Fund" (NCIF), which helps assist with the equitable distribution of CEIP energy and non-energy benefits and reduction in burdens to vulnerable populations and highly impacted communities (Named Communities). In addition to the NCIF, this tariff recovers the costs for additional resources necessary for implementation of Avista's CEIP and associated conditions to the CEIP.

Effect on Customer Bills

Natural Gas Customer Bills

Washington: If approved by the Commission, most residential natural gas customers in Washington using an average of 66 therms per month would see their monthly bills change from \$95.97 to \$86.84, a decrease of \$9.13 per month, or approximately 9.5%, when compared to rates currently in effect.

The percentage change will vary by rate schedule, depending on when the customer's meter was first installed at their premise, and how much energy a customer uses. If approved, natural gas customers could see the following rate adjustments:

General Service - Schedule 101	(9.1)%
Large General Service - Schedules 111 & 112	(8.1)%
Interruptible Sales Service - Schedules 131 & 132	(5.7)%
Transportation Service - Schedule 146	<u>(3.3)%</u>
Overall	(8.6)%

Customers served on Transportation Service Schedule 146 procure their own wholesale natural gas and interstate pipeline transportation service. As such, those customers do not receive the effects of the reduction due to the PGA.

Electric Customer Bills

Washington: If approved by the Commission, residential electric customers in Washington using an average of 945 kilowatt hours/month would see their monthly bills change from \$123.42 to \$126.69, an increase of \$3.27/month, or approximately 2.6%.

The percentage change varies by rate schedule and is dependent upon how much energy customers on the respective rate schedules use. If approved, residential electric customers would see the following rate adjustments:

Residential Service - Schedules 1, 7 & 8	2.6%
General Service - Schedules 11, 12, 13, 17 & 18	1.5%
Large General Service - Schedules 21, 22 & 23	1.2%
Extra Large General Service - Schedules 25 & 25I	-0.2%
Pumping Service - Schedules 31 & 32	2.0%
Street & Area Lights - Schedules 42-48	<u>1.4%</u>
Overall	1.7%

Customer Resources

When customers need help with their energy use and billing, Avista has ways to assist. In Washington, Avista offers My Energy Discount, a personalized monthly bill discount program to help eligible customers lower their energy bills. The program offers more inclusive eligibility guidelines, quick and easy enrollment, and a two-year discount term. In addition, billing options, such as Comfort Level Billing, preferred due date, and payment arrangements, give customers more control over how their energy costs are spread out.

For help with managing energy usage, Avista's Energy Manager and home energy audit tools, as well as energy-saving tips, videos and money-saving rebates for energy-efficient upgrades, are available. In addition, Avista provides local community action agencies with funding for eligible customers who need emergency grants, home weatherization and heating system improvements. Customers with special health or financial circumstances can also work directly with our Customer Assistance Referral and Evaluation Services (CARES) team to be connected with resources for help with housing, other utilities, medical assistance, and more. For more information on assistance options, customers can visit www.myavista.com/assistance.

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 422,000 customers and natural gas to 383,000 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 18,000 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 Jun. 30, 2025, and its Annual Report on Form 10-K for the year ended Dec. 31, 2024.

Avista Corp. and the Avista Corp. logo are trademarks of Avista Corporation.

Contact:

Media: Lena Funston (509) 495-8090 lena.funston@avistacorp.com

Investors: Stacey Walters (509) 495-2046, stacey.walters@avistacorp.com

Avista 24/7 Media Access (509) 495-4174

SOURCE: Avista Corporation

To unsubscribe from Avista's news release distribution, send a reply message to dalila.sheehan@avistacorp.com



Source: Avista Corporation