



Avista Receives Approval in Oregon Natural Gas Rate Request

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Oregon Public Utilities Commission Approves All-Party Settlement Agreement

SPOKANE, WA -- (Marketwired) -- 01/22/14 -- Avista (NYSE: AVA) has received approval from the Oregon Public Utilities Commission (OPUC) on the all-party settlement agreement filed with the OPUC on [Dec. 17, 2013](#), concluding the company's natural gas rate request filed on [Aug. 15, 2013](#). New rates will take effect on Feb. 1, 2014, and Nov. 1, 2014.

The approved rates are designed to increase annual billed revenues by 4.4 percent or \$3.8 million on Feb. 1, 2014. The second phase will become effective Nov. 1, 2014, and is estimated to provide for an increase of 1.6 percent or \$1.35 million. The approved rates are based on a 48 percent equity layer and a 9.65 percent return on equity (ROE).

"We are pleased with the approval by the Commission of the all-party settlement agreement which provides a framework for positive outcomes from our Oregon operations for both our customers and our shareholders," said Dennis Vermillion, Avista Corp. senior vice president and president of Avista Utilities.

Beginning Feb. 1, 2014, a residential customer using an average of 48 therms per month would see a \$2.65 per month increase, or 4.9 percent, for a revised monthly bill of \$57.00. Effective Nov. 1, 2014, a residential customer using an average of 48 therms per month would see an increase of \$0.92 per month, or 1.6 percent, for a revised monthly bill of \$57.92. Avista serves approximately 96,700 customers in Oregon.

The majority of Avista's general rate request filing was related to the need to expand and replace the facilities used to serve customers. This included, among other things, increased investment to replace certain natural gas service pipe and updated technology that is the backbone of the company's customer information system.

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 our operating division that provides electric service to 364,000 customers and natural gas to 321,000 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 1.5 million. Avista's primary, non-utility subsidiary is [Ecova](#), an energy and sustainability management company with over 700 expense management customers, representing more than 700,000 sites. 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 Annual Report on Form 10-K for the year ended Dec. 31, 2012 and the Quarterly Report on Form 10-Q for the quarter ended Sept. 30, 2013.

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