

Important Notice for Idaho
Natural Gas Customers

(September/October 2019)

**Proposed Natural Gas Rate Adjustment
to be Effective Nov. 1, 2019**

Avista has filed a natural gas rate request with the Idaho Public Utilities Commission (Commission), with a requested effective date of Nov. 1, 2019. This annual filing is separate from the general rate case request filed in June 2019 regarding base retail rates in Idaho and has no impact on the company's earnings.

The rate request is the annual Purchased Gas Cost Adjustment (PGA). The PGA is filed each year to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount included in rates. This includes the natural gas commodity cost as well as the cost to transport natural gas on interstate pipelines to Avista's local distribution system. This rate adjustment is driven primarily by higher wholesale natural gas prices in the 2018-2019 winter season, which were caused, in part, by a Canadian pipeline disruption that restricted natural gas flows into the Pacific Northwest. If approved, Avista's request is designed to increase natural gas revenues by \$3.3 million or 5.6 percent.

Customer Bills - If approved, residential natural gas customers in Idaho using an average of 64 therms per month would see their monthly bills increase from \$47.62 to \$49.88, an increase of \$2.26 per month, or approximately 4.8 percent. The proposed natural gas rate change would be effective Nov. 1, 2019. The requested natural gas rate change by rate schedule are:

Schedule No.	Rate Schedule	Change in Billed Revenue
101	General Service Schedule	4.8%
111/112	Large General Service Schedule	8.9%
146	Transportation Schedule	2.0%
	Overall	5.6%

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Customer Bills Resulting from all Annual Natural Gas Adjustments

– In addition to the filing discussed above, the Company previously made its annual Fixed Cost Adjustment (FCA) filing on June 28, 2019 with the same proposed effective date of Nov. 1, 2019. If the FCA and PGA filings are approved, residential natural gas customers in Idaho using an average of 64 therms per month would see their monthly bills increase from \$47.62 to \$50.98, an increase of \$3.36 per month, or approximately 7.1 percent.

The Company’s application is a proposal, subject to public review and a Commission decision. Copies of the application 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 the Company’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 our website, 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

To assist customers in managing their energy use and energy bills, Avista offers services such as energy efficiency programs and rebates, comfort level billing, payment arrangements and Customer Assistance Referral and Evaluation Services (CARES). To learn more, visit www.myavista.com.

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