



**Avista Corp.**

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May 31, 2023

Ms. Amanda Maxwell  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
Lacey, Washington 98503

Re: Tariff WN U-28, Electric Service – WA Participatory Funding Program

Dear Ms. Maxwell:

Attached for electronic filing with the Commission is the following tariff sheet proposed to be effective August 1, 2023:

**Original Sheet 61**

In Dockets UE-220151 and UG-220596 Order 01, the Commission approved the Company's request to use deferred accounting for financial assistance distributed through the interim participatory funding agreement<sup>1</sup> to intervening parties. In Dockets UE-220053, UG-220054, UE-210854 (Consolidated) Order 12/06, the Commission ordered approved payments to four entities representing customers in the proceedings and the amounts were deferred in accordance with Dockets UE-220151 and UG-220596 Order 01. In Order 01, subsection 4, the Commission requires that utilities make an annual tariff filing to recover these deferred costs to mitigate the impact of carrying costs on ratepayers. The proposed tariff sheet reflects an electric rate adjustment designed to collect the amounts paid to intervening parties from electric customers totaling \$0.1 million, an increase in revenue of 0.02% for electric operations.

On the following page, Table 1 illustrates the amounts paid to each party and the customer class the payments were applicable to and Table 2 illustrates the impact by rate schedule:

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<sup>1</sup> The original Interim Participatory Funding Agreement was approved by the Commission in Order No. 01 in Docket No. U-210595 on February 24, 2022. On February 9, 2023, the Commission issued Order No. 02 in Docket No. U-210595 approving the Revised Extended Interim Funding Agreement, subject to refiling of the modified agreement.

<b>Table 1 - Amounts Paid</b>			
<b>Participatory Party</b>	<b>Customer Class Represented</b>	<b>Total Amount Paid (a)</b>	<b>Amount Allocated to Electric Customers</b>
Alliance of Western Energy Consumers	Industrial	\$ 50,000	\$ 37,402
The Energy Project	Residential	\$ 50,000	\$ 37,402
NW Energy Coalition	All	\$ 29,340	\$ 21,947
Small Business Utility Advocates	Commercial	\$ 20,000	\$ 14,961
Total		\$ 149,340	\$ 111,712
Add: Interests and Revenue Related Expenses:			\$ 7,241
Total Requested Recovery			\$ 118,953

<b>Table 2 - Impact by Rate Schedule</b>		
<b>Schedule No.</b>	<b>Rate Schedule</b>	<b>Change in Billed Revenue</b>
1/2	Residential	0.02%
11/12/13	General Service	0.01%
21/22/23	Large General Service	0.01%
25/25I	Extra Large General Service	0.07%
31/32	Pumping Service	0.00%
41-48	Street and Area Lights	0.00%
	Overall	0.02%

This rate has no effect on Avista's earnings. Enclosed is a set of workpapers which shows the derivation of the proposed per kilowatt-hour rate credit proposed to be effective for a twelve-month period beginning August 1, 2023.

The average residential customer using 932 kWhs per month will see an increase of \$0.02 per month, or approximately 0.02%. The present bill for 932 kWhs is \$88.82 while the proposed bill is \$88.84. The actual bill change will vary based on customer usage.

In accordance with the requirements of WAC 480-100-103, attached to this filing is a draft notice to customers, which the Company will provide through a bill insert, during the June 2023 bill cycle.

Please direct any questions regarding this filing to Marcus Garbarino at (509) 495-2567.

Sincerely,

*/S/ Patrick D. Ehrbar*

Patrick D. Ehrbar  
Director of Regulatory Affairs

Enclosures



AVISTA CORPORATION  
dba Avista Utilities

SCHEDULE 61

PARTICIPATORY FUNDING - WASHINGTON

APPLICABLE:

To Customers in the State of Washington where the Company has electric service available.

The purpose of this schedule is to recover the cost of Participatory Funding Grants provided to various entities to cover their costs of advocating on behalf of customers. The awarding of such grants is governed by Section 7.6 of the Washington Extended Interim Participatory Funding Agreement adopted by the Washington Utilities and Transportation Commission in Order No. 02 in Docket No. U-210595.

MONTHLY RATE:

The energy charges of the individual rate schedules are to be adjusted by the following amounts:

<u>Rate Schedule</u>	<u>Rate</u>
Schedule 01/02	\$0.00002 per kwh
Schedule 11/12/13	\$0.00002 per kwh
Schedule 21/22/23	\$0.00001 per kwh
Schedule 25/25l	\$0.00004 per kwh

TERM:

This rate will be in effect for a one-year period from August 1, 2023 through July 31, 2024.

SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Rate is subject to increases as set forth in Tax Adjustment Schedule 58.

Issued May 31, 2023

Effective August 1, 2023

Issued by Avista Corporation  
By

Patrick Ehrbar, Director of Regulatory Affairs



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**DRAFT - Important Notice for Washington Electric and Natural Gas Customers  
June 2023**

On May 31, 2023, Avista made annual rate adjustment filings with the Washington Utilities and Transportation Commission (UTC or Commission) that if approved, are designed to decrease overall electric revenues by approximately \$14.6 million or 2.5% and decrease overall natural gas revenue by approximately \$4.0 million or 1.6%. If approved, new rates would take effect Aug. 1, 2023

The first rate adjustment is related to Avista’s electric and natural gas decoupling mechanisms. Decoupling is designed to break the link between utility revenues and customer energy usage. Generally, Avista’s electric and natural gas revenues are adjusted each month based on the number of customers instead of kilowatt hour and therm sales. The difference between revenues based on sales and revenues based on the number of customers is surcharged or rebated to customers beginning in the following year. The rate adjustments are designed to decrease revenues by \$17.3 million or 3.0% for electric operations and decrease revenues by \$3.8 million or 1.5% for natural gas operations. These rate adjustments are partly driven by fluctuations in the level of electric (cooling) and natural gas (heating) usage during the summer and winter seasons. These filings do not otherwise address any changes in customer usage that has occurred in 2023; those changes will be addressed in filings next year.

The second rate adjustment is related to the Participatory Funding Program, required by Washington State law, that requires Avista provide funding to organizations that provide representation to broad customer interests in proceedings before the Commission and collect those amounts from customers on an annual basis. The rate adjustments are designed to increase revenues by \$0.1 million or 0.02% for electric operations and increase revenues by \$0.1 million or 0.02% for natural gas operations. These rate adjustments are driven by the level of funding paid to the Participatory organizations and have no effect on Avista’s net income.

The third adjustment is Avista’s Renewable Energy Credit (REC) rate applicable to electric customers. Currently, Avista is rebating approximately \$3.6 million to customers, annually. In the present filing, Avista is proposing to adjust the REC Revenue rebate to reflect a decrease in the projected net REC revenues for the August 2023 – July 2024 time period. That amount is \$1.0 million. The net effect of the new and expiring REC rebate is an increase in revenue of approximately \$2.6 million, or 0.5%. The change in the rate credit has no effect on Avista’s net income.

**Change in Rates** - If approved by the Commission, residential electric customers in Washington using an average of 932 kilowatt hours/month would see their monthly bills change from \$88.82 to \$84.68, a decrease of \$4.14/month, or approximately 4.7%. Residential natural gas customers in Washington using an average of 67 therms per month would see their monthly bills change from \$98.99 to \$96.78, a decrease of \$2.21 per month, or approximately 2.2%.

The percentage change varies by rate schedule and depends on how much energy a customer uses. If approved, customers would see the following rate adjustments:

**Electric Rate Change**

**Proposed Schedule 1 Residential Rates (effective Aug. 1, 2023)**

Electric Service	Current Billing Rate	Proposed Change	Proposed Billing Rates
Basic Charge	\$9.00	\$0.00	\$9.00
First 800 kWh/month	\$0.08355/kWh	\$(0.00444)/kWh	\$0.07911/kWh
Next 700 kWh/month	\$0.09836/kWh	\$(0.00444)/kWh	\$0.09392/kWh
Over 1,500 kWh/month	\$0.11657/kWh	\$(0.00444)/kWh	\$0.11213/kWh

**Proposed Electric Rate Change by Schedule (effective Aug. 1, 2023)**

Schedule No.	Rate Schedule	% Change in Billed Revenue
1/2	Residential	-4.3%
11/12/13	General Service	-1.4%
21/22/23	Large General Service	-1.7%
25/25I	Ex. Lg. General Service	0.7%
31/32	Pumping Service	-2.0%
41-48	Street and Area Lights	0.1%
<b>Overall</b>		<b>-2.6%</b>

**Natural Gas Rate Change****Proposed Schedule 101 Rates (effective Aug. 1, 2023)**

Natural Gas Service	Current Billing Rate	Proposed Change	Proposed Billing Rates
Basic Charge	\$9.50	\$0.00	\$9.50
First 70 therms/month	\$1.33571/therm	\$(0.03298)/therm	\$1.30273/therm
Over 70 therms/month	\$1.47033/therm	\$(0.03298)/therm	\$1.43735/therm

**Proposed Natural Gas Rate Change by Schedule (effective Aug. 1, 2023)**

Schedule No.	Rate Schedule	% Change Billed Revenue
101/102	General Service	-2.4%
111/112	Large General Service	1.2%
131/132	Interruptible Sales Service	0.0%
146	Transportation Service	0.4%
<b>Overall</b>		<b>-1.5%</b>

The Company's request is a proposal, subject to public review and a Commission decision. The Commission has the authority to set final rates that may vary from the utility's request, which may be either higher or lower depending on the results of the investigation. You may contact the UTC to inquire about the Commission process, or to be notified about the scheduled open meetings at which the proposal will be considered. The WUTC is committed to providing reasonable accommodations for participants with disabilities. If you need reasonable accommodations to participate in this open meeting (or public comment hearing, workshop, etc.) please contact the Commission at 888-333-9882 or email at [Consumer@utc.wa.gov](mailto:Consumer@utc.wa.gov). You can contact the Commission to comment on Avista's rate proposals via email at [comments@utc.wa.gov](mailto:comments@utc.wa.gov), by telephone at 1-888-333-WUTC (9882), via letter at: UTC, P.O. Box 47250, Olympia, WA 98504-7250, or online at: [www.utc.wa.gov](http://www.utc.wa.gov). Copies of the applications are available for public review on the Commission website.

Copies of our filings are available for public review at [www.myavista.com/rates](http://www.myavista.com/rates) or on the Commission website at [www.utc.wa.gov](http://www.utc.wa.gov). You can also submit written questions directly to the Company via mail at: 1411 E Mission Ave, C/O Regulatory Affairs, Spokane, WA 99202.

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