

The Company's requests are proposals, subject to public review and a Commission decision. The Commission has the authority to set final rates that may vary from the utility's requests, 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 accommodation 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. You can contact the Commission to comment on Avista's rate proposals via email at 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: utc.wa.gov. Copies of the applications are available for public review on the Commission website.

Avista offers a number of programs and services to help customers manage their energy use and costs. Visit myavista.com or call **(800) 227-9187** for information on these programs which include Comfort Level Billing, bill payment options, automated payment service, assistance programs such as My Energy Discount, conservation tips, and energy efficiency rebates. Copies of our filings are available for public review at myavista.com/rates or on the Commission website at utc.wa.gov. You can also submit written questions directly to the Company via mail at: 1411 E. Mission Ave, C/O Regulatory Affairs MSC-27, Spokane, WA 99202.

Important Notice for Washington Electric and Natural Gas Customers June 2026

On May 29, 2026, Avista made annual rate adjustment filings with the Washington Utilities and Transportation Commission (UTC or Commission) that are designed to increase overall electric revenues by approximately \$0.4 million or 0.1% and increase overall natural gas revenue by approximately \$14.0 million or 5.1%. If approved, new rates would take effect Aug. 1, 2026. The proposed rate adjustments have no impact on Avista's earnings.

The first rate adjustment is related to Avista's electric and natural gas decoupling mechanisms. Decoupling mechanisms are designed to break the link between utility revenue and customer's 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 decoupling rate adjustments are designed to decrease revenues by \$6.1 million or 0.7% for electric operations and increase revenues by \$7.8 million or 2.8% for natural gas operations. The electric and natural gas rate adjustments are primarily driven by variations in customer usage related to an unusually warm winter, energy reduction due to the Company's efficiency programs and the expiration of the prior year's surcharge rate.

The second rate adjustment modifies the level of funding for Avista's natural gas energy efficiency programs. Each year, customers achieve significant energy savings and receive rebates and incentives through Avista's energy efficiency programs. The Commission approves the amount of funding for these programs through a portion of energy rates. The natural gas rate adjustment is designed to increase the amount collected from customers by \$6.3 million, or 2.3%.

The third rate adjustment is related to Avista's Renewable Energy Credit (REC) mechanism applicable to electric customers. Currently, Avista is rebating approximately \$1.1 million to customers, annually. In the present filing,

Avista is proposing to adjust the rate to collect \$5.5 million from customers, annually. The change is driven by a reduction in the number of excess RECs available to sell which has resulted in an increase in actual net REC expense over the past year and forecasted for the August 2026 – July 2027 time period. The net effect of this change is an increase in revenue of approximately \$6.6 million, or 0.8%.

The fourth 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 decrease revenues by \$0.1 million or 0.01% for electric operations. The existing rates for natural gas customers will expire on July 31, 2026 resulting in a rate decrease to customers of \$0.1 million or 0.02%.

Change in Rates - If approved by the Commission, residential electric customers in Washington using an average of 925 kilowatt hours/month would see their monthly bills change from \$124.23 to \$125.89, an increase of \$1.66/month, or approximately 1.3%. Residential natural gas customers in Washington using an average of 61 therms per month would see their monthly bills change from \$91.06 to \$96.19, an increase of \$5.13 per month, or approximately 5.6%.

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, 2026)

Electric Service	Current Billing Rate (per kWh)	Proposed Change	Proposed Bill Rates (per kWh)
Basic Charge	\$10.00	\$0.00	\$10.00
First 800 kWhs/month	\$0.12105	\$0.00180/kWh	\$0.12285/kWh
Next 700 kWhs/month	\$0.13910	\$0.00180/kWh	\$0.14090/kWh
Over 1,500 kWhs/month	\$0.16132	\$0.00180/kWh	\$0.16312/kWh

Proposed Electric Rate Change by Schedule (effective Aug. 1, 2026)

Schedule No.	Rate Schedule	% Change in Billed Revenue
1	Residential	1.3%
11/12/13	General Service	-1.6%
21/22/23	Large General Service	-1.9%
25/25I	Ex. Lg. General Service	1.0%
31/32	Pumping Service	-2.1%
42-48	Street and Area Lights	0.2%
Overall		0.05%

Natural Gas Rate Change

Proposed Schedule 101 Rates (effective Aug. 1, 2026)

Natural Gas Service	Current Bill Rate (per therm)	Proposed Change	Proposed Bill Rates (per kWh)
Basic Charge/CCA Credit	-\$0.19	\$0.00	-\$0.19
First 70 Therm/Mo	\$1.49585	\$0.08407	\$1.57992
Over 70 Therm/Mo	\$1.67093	\$0.08407	\$1.75500

Proposed Natural Gas Rate Change by Schedule (effective Aug. 1, 2026)

Schedule No.	Rate Schedule	% Change Billed Revenue
101	General Service	5.6%
111/112	Large General Service	4.8%
131/132	Interruptible Sales Service	1.7%
146	Transportation Service	-0.2%
Overall	4.7%	5.1%