

Customers want rates that are reasonable and fair. So do we.

That's why we work hard to keep all costs low – especially the two biggest components of rates: the cost of energy, which is ultimately set by the wholesale market, and the cost of delivering that energy.

And, when a rate change is proposed, the state review process provides our customers with an additional, independent look at costs and rates.

Some may think that we can raise our rates whenever we want – but in fact, the opposite is true. As a *regulated monopoly*, our rates can change only with state approval.

Here's how it works. When our costs change, we apply to the state utility regulatory commission for a rate change. They examine all information about our costs. Nothing is off limits.

They also take testimony from interested organizations and our customers. The commission, which is appointed by the governor, can take up to 11 months in Washington

and seven months in Idaho to review a rate case. It's a long, detailed and transparent process.

This process ensures accountability. For example, as a regulated utility, we can't raise rates simply because no other utility serves the area. Nor can a rate increase favor investors. The regulatory process wouldn't allow it. The process was created to make sure the interests of customers and shareholders are both protected.

In the end, the commission sets rates that it determines to be reasonable and fair for our customers, while allowing us a chance to earn enough to be financially stable and continue to deliver energy safely and reliably to our customers.

We're interested in your thoughts on rates and regulation. Share them and learn more at www.avistautilities.com/conversation. Join the conversation at www.avistautilities.com/blog or email us at conversation@avistautilities.com.

Join the conversation

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