

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE ANNUAL UPDATE )**  
**TO PUBLISHED AVOIDED COST RATES ) CASE NOS. AVU-E-14-04**  
**BASED ON THE UPDATED NATURAL GAS ) IPC-E-14-11**  
**PRICE FORECAST OF THE U.S. ENERGY ) PAC-E-14-03**  
**INFORMATION ADMINISTRATION (EIA) )**  
**) ORDER NO. 33041**  
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Pursuant to the Public Utility Regulatory Policies Act of 1978 (PURPA) and the implementing regulations of the Federal Energy Regulatory Commission (FERC), the Idaho Public Utilities Commission (Commission) has approved a Surrogate Avoided Resource (SAR) methodology for calculation of the published avoided cost rates at which PURPA qualifying cogeneration and small power production facilities (QFs) are paid by Avista, Idaho Power and PacifiCorp. Avoided cost rates are the purchase price paid to QFs for purchases of QF capacity and energy. The release of a new natural gas price forecast by the U.S. Energy Information Administration (EIA) triggered an updated calculation of avoided cost rates.

**EIA UPDATE TO THE NATURAL GAS PRICE FORECAST**

One of the key input variables in the computation of published avoided cost rates is the long-term natural gas price forecast. In accordance with the methodology approved in Order No. 32697, the “reference case” natural gas price forecast for the Mountain Region’s Electric Power sector included in EIA’s *Annual Energy Outlook* serves as the basis for computing published avoided cost rates. In Order No. 32697, this Commission stated that each year the final release of the *Annual Energy Outlook* should automatically trigger a re-calculation of the published avoided cost rates. In Order 32802, the Commission clarified that an update should occur on June 1 or within 30 days of the final release of the *Annual Energy Outlook*, whichever is later. This clarification was to accommodate the possibility that the final release of EIA data does not occur in time to meet the June 1 effective date.

**UPDATED PUBLISHED AVOIDED COST RATES**

Commission Staff recomputed published avoided cost rates for Idaho Power, Avista, and PacifiCorp using EIA’s most recent annual natural gas price forecast. Staff provided Avista, Idaho Power, and PacifiCorp with worksheets on May 22, 2014, for review and comment,

showing the computation of the updated avoided cost rates. Idaho Power, Avista, and PacifiCorp responded by letter accepting Staff's avoided cost calculations based on EIA's *Annual Energy Outlook 2014* natural gas price forecast and consistent with the Commission's approved SAR methodology.

### **FINDINGS AND CONCLUSIONS**

The Idaho Public Utilities Commission has jurisdiction over Avista Corporation dba Avista Utilities, Idaho Power Company, and PacifiCorp dba Rocky Mountain Power pursuant to the authority and power granted it under Title 61 of the Idaho Code and the Public Utility Regulatory Policies Act of 1978 (PURPA). The Commission has authority under PURPA and the implementing regulations of the Federal Energy Regulatory Commission (FERC) to set avoided costs, to order electric utilities to enter into fixed-term obligations for the purchase of energy from qualified facilities, and to implement FERC rules.


Pursuant to its authority, the Commission has reviewed and considered the filings of record. We find that the accuracy of the calculations and the resulting rates disseminated by Staff based upon EIA's most recent annual natural gas price forecast have not been challenged. The annual update to the SAR methodology's avoided cost rates is a relatively simple arithmetic re-calculation. We find the updated published avoided cost rates are fair, just, and reasonable. We direct Staff to correct the clerical errors noted by the utilities.

### **ORDER**

IT IS HEREBY ORDERED that the updates to published avoided cost rates for Avista, Idaho Power, and PacifiCorp are approved, effective June 1, 2014.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

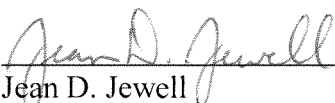
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 30<sup>th</sup>  
day of May 2014.

  
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PAUL KJELLANDER, PRESIDENT

  
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MACK A. REDFORD, COMMISSIONER

  
\_\_\_\_\_  
MARSHA H. SMITH, COMMISSIONER

ATTEST:

  
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Jean D. Jewell  
Commission Secretary

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## 18. Energy Prices by Sector and Source

(2012 dollars per million Btu, unless otherwise noted)

### Mountain - 08

Sector and Source	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Electric Power 8/														
Distillate Fuel Oil	23.71	24.04	23.80	22.47	21.39	20.72	20.55	20.71	21.15	21.59	22.08	22.59	23.00	23.45
Residual Fuel Oil	11.65	15.59	12.88	11.99	13.82	13.36	13.12	13.23	13.47	13.80	14.20	14.61	14.97	15.31
Natural Gas	4.92	3.44	4.39	4.51	4.11	3.95	4.26	4.65	4.90	4.84	4.96	4.98	5.11	5.28
Steam Coal	1.85	1.84	1.93	1.85	1.91	1.99	2.04	2.05	2.07	2.10	2.13	2.17	2.20	2.24

### Nominal Prices

#### Electric Power 8/

Distillate Fuel Oil	23.30	24.04	24.16	23.22	22.45	22.08	22.22	22.73	23.58	24.46	25.42	26.44	27.38	28.40
Residual Fuel Oil	11.45	15.59	13.07	12.39	14.51	14.23	14.18	14.52	15.02	15.63	16.35	17.10	17.82	18.54
Natural Gas	4.83	3.44	4.46	4.66	4.32	4.21	4.61	5.10	5.46	5.48	5.71	5.83	6.08	6.39
Steam Coal	1.82	1.84	1.96	1.91	2.00	2.13	2.21	2.25	2.31	2.38	2.45	2.54	2.62	2.71

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
	23.87	24.20	24.64	24.97	25.33	25.67	25.97	26.33	26.70	27.12	27.47	27.79	28.16	28.62	29.12	29.67
	15.60	15.91	16.29	16.60	16.90	17.14	17.43	17.75	18.08	18.43	18.71	18.99	19.26	19.55	19.97	20.43
	5.35	5.26	5.26	5.31	5.56	5.80	5.94	6.16	6.39	6.56	6.75	7.19	7.29	7.27	7.49	7.69
	2.27	2.30	2.33	2.31	2.32	2.32	2.33	2.34	2.36	2.38	2.40	2.42	2.44	2.47	2.50	2.52
	29.41	30.32	31.41	32.40	33.48	34.55	35.65	36.88	38.16	39.57	40.91	42.28	43.76	45.44	47.24	49.19
	19.22	19.94	20.77	21.55	22.33	23.08	23.93	24.86	25.84	26.89	27.87	28.90	29.93	31.03	32.39	33.87
	6.59	6.59	6.71	6.89	7.34	7.81	8.16	8.63	9.13	9.58	10.06	10.95	11.32	11.54	12.15	12.76
	2.80	2.88	2.97	3.00	3.06	3.12	3.20	3.28	3.38	3.47	3.58	3.68	3.80	3.92	4.05	4.19

**IDAHO POWER COMPANY  
 AVOIDED COST RATES FOR WIND PROJECTS  
 June 1, 2014**

\$/MWh

**New Contracts and Replacement Contracts without Full Capacity Payments**

Eligibility for these rates is limited to projects 100 kW or smaller.

LEVELIZED							NON-LEVELIZED	
CONTRACT LENGTH (YEARS)	ON-LINE YEAR						CONTRACT YEAR	NON-LEVELIZED RATES
	2014	2015	2016	2017	2018	2019		
1	37.96	35.58	34.90	37.82	41.40	44.04	2014	37.96
2	36.82	35.25	36.30	39.54	42.67	44.15	2015	35.58
3	36.23	36.04	37.87	40.92	43.16	44.73	2016	34.90
4	36.58	37.23	39.23	41.66	43.79	45.22	2017	37.82
5	37.40	38.38	40.09	42.40	44.33	45.84	2018	41.40
6	38.30	39.18	40.89	43.02	44.94	46.55	2019	44.04
7	38.96	39.94	41.57	43.67	45.63	47.23	2020	44.27
8	39.62	40.60	42.25	44.37	46.29	47.75	2021	46.02
9	40.21	41.26	42.96	45.02	46.80	48.22	2022	46.97
10	40.80	41.93	43.62	45.55	47.27	48.69	2023	48.82
11	41.41	42.57	44.16	46.04	47.74	49.26	2024	51.13
12	42.00	43.10	44.66	46.51	48.29	49.92	2025	52.63
13	42.49	43.59	45.14	47.05	48.91	50.58	2026	52.76
14	42.95	44.05	45.68	47.65	49.54	51.29	2027	53.67
15	43.39	44.57	46.26	48.26	50.21	52.02	2028	55.07
16	43.88	45.13	46.85	48.90	50.90	52.76	2029	58.37
17	44.40	45.69	47.46	49.56	51.59	53.50	2030	61.79
18	44.92	46.28	48.09	50.22	52.30	54.32	2031	64.38
19	45.47	46.87	48.72	50.88	53.06	55.11	2032	67.85
20	46.02	47.47	49.36	51.61	53.80	55.84	2033	71.49
							2034	74.78
							2035	78.31
							2036	84.74
							2037	87.54
							2038	89.23
							2039	93.64

Note: These rates will be further adjusted with the applicable integration charge.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

**IDAHO POWER COMPANY**  
**AVOIDED COST RATES FOR SOLAR PROJECTS**  
**June 1, 2014**  
 \$/MWh

**New Contracts and Replacement Contracts without Full Capacity Payments**

Eligibility for these rates is limited to projects 100 kW or smaller.

LEVELIZED							NON-LEVELIZED	
CONTRACT LENGTH (YEARS)	ON-LINE YEAR						CONTRACT YEAR	NON-LEVELIZED RATES
	2014	2015	2016	2017	2018	2019		
1	64.38	62.38	62.09	65.41	69.39	72.44	2014	64.38
2	63.42	62.24	63.68	67.32	70.86	72.75	2015	62.38
3	63.01	63.21	65.44	68.90	71.54	73.52	2016	62.09
4	63.54	64.58	66.99	69.82	72.36	74.21	2017	65.41
5	64.53	65.92	68.02	70.75	73.09	75.01	2018	69.39
6	65.61	66.89	69.00	71.54	73.88	75.91	2019	72.44
7	66.44	67.82	69.86	72.37	74.75	76.77	2020	73.08
8	67.26	68.64	70.70	73.24	75.58	77.47	2021	75.26
9	68.01	69.46	71.57	74.06	76.26	78.11	2022	76.64
10	68.76	70.30	72.40	74.75	76.90	78.75	2023	78.92
11	69.52	71.09	73.10	75.40	77.53	79.49	2024	81.67
12	70.26	71.77	73.75	76.03	78.24	80.30	2025	83.62
13	70.90	72.41	74.38	76.72	79.02	81.13	2026	84.20
14	71.50	73.02	75.07	77.47	79.80	81.98	2027	85.57
15	72.08	73.68	75.79	78.23	80.61	82.87	2028	87.44
16	72.70	74.38	76.52	79.00	81.44	83.75	2029	91.21
17	73.35	75.07	77.27	79.80	82.28	84.64	2030	95.11
18	74.00	75.78	78.03	80.59	83.11	85.59	2031	98.19
19	74.67	76.50	78.79	81.39	84.01	86.51	2032	102.15
20	75.35	77.22	79.55	82.24	84.88	87.37	2033	106.30
							2034	110.09
							2035	114.14
							2036	121.09
							2037	124.43
							2038	126.66
							2039	131.62

Note: These rates will be further adjusted with the applicable integration charge.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

**IDAHO POWER COMPANY**  
**AVOIDED COST RATES FOR NON-SEASONAL HYDRO PROJECTS**  
**June 1, 2014**  
 \$/MWh

**New Contracts and Replacement Contracts without Full Capacity Payments**

Eligibility for these rates is limited to projects smaller than 10 aMW.

LEVELIZED							NON-LEVELIZED	
CONTRACT LENGTH (YEARS)	ON-LINE YEAR						CONTRACT YEAR	NON-LEVELIZED RATES
	2014	2015	2016	2017	2018	2019		
1	61.81	59.78	59.45	62.73	66.67	69.68	2014	61.81
2	60.84	59.62	61.02	64.62	68.12	69.97	2015	59.78
3	60.41	60.57	62.76	66.18	68.79	70.73	2016	59.45
4	60.92	61.92	64.29	67.09	69.59	71.40	2017	62.73
5	61.90	63.24	65.31	67.99	70.30	72.18	2018	66.67
6	62.96	64.20	66.28	68.78	71.07	73.06	2019	69.68
7	63.77	65.11	67.11	69.58	71.92	73.90	2020	70.28
8	64.58	65.92	67.94	70.43	72.73	74.58	2021	72.42
9	65.31	66.72	68.80	71.24	73.40	75.21	2022	73.76
10	66.04	67.54	69.60	71.92	74.02	75.83	2023	76.00
11	66.79	68.32	70.29	72.55	74.63	76.56	2024	78.70
12	67.51	68.99	70.93	73.16	75.33	77.35	2025	80.61
13	68.14	69.61	71.54	73.84	76.09	78.16	2026	81.15
14	68.73	70.21	72.21	74.58	76.86	79.00	2027	82.47
15	69.29	70.85	72.93	75.32	77.66	79.87	2028	84.30
16	69.90	71.54	73.64	76.08	78.48	80.74	2029	88.02
17	70.54	72.22	74.37	76.86	79.30	81.61	2030	91.88
18	71.18	72.92	75.12	77.64	80.12	82.56	2031	94.91
19	71.83	73.63	75.87	78.43	81.01	83.46	2032	98.82
20	72.50	74.33	76.62	79.26	81.86	84.31	2033	102.92
							2034	106.66
							2035	110.67
							2036	117.56
							2037	120.85
							2038	123.02
							2039	127.93

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)



IDAHO POWER COMPANY								
AVOIDED COST RATES FOR SEASONAL HYDRO PROJECTS								
June 1, 2014								
\$/MWh								
New Contracts and Replacement Contracts without Full Capacity Payments								
Eligibility for these rates is limited to projects smaller than 10 aMW.								
LEVELIZED							NON-LEVELIZED	
CONTRACT LENGTH (YEARS)	ON-LINE YEAR						CONTRACT YEAR	NON-LEVELIZED RATES
	2014	2015	2016	2017	2018	2019		
1	79.79	78.01	77.95	81.50	85.72	89.01	2014	79.79
2	78.93	77.98	79.65	83.53	87.30	89.43	2015	78.01
3	78.63	79.06	81.52	85.21	88.09	90.32	2016	77.95
4	79.27	80.54	83.18	86.25	89.03	91.12	2017	81.50
5	80.36	81.97	84.32	87.28	89.86	92.03	2018	85.72
6	81.53	83.05	85.40	88.18	90.76	93.04	2019	89.01
7	82.47	84.08	86.35	89.11	91.73	94.00	2020	89.89
8	83.39	85.00	87.30	90.07	92.66	94.80	2021	92.31
9	84.22	85.91	88.27	91.00	93.45	95.55	2022	93.94
10	85.06	86.84	89.19	91.79	94.18	96.28	2023	96.48
11	85.92	87.73	89.98	92.52	94.90	97.12	2024	99.48
12	86.74	88.50	90.72	93.24	95.71	98.03	2025	101.69
13	87.47	89.22	91.44	94.03	96.57	98.94	2026	102.54
14	88.15	89.92	92.21	94.87	97.44	99.89	2027	104.18
15	88.81	90.66	93.02	95.70	98.34	100.86	2028	106.32
16	89.51	91.43	93.83	96.56	99.26	101.83	2029	110.36
17	90.24	92.21	94.65	97.44	100.18	102.80	2030	114.55
18	90.97	92.99	95.49	98.31	101.09	103.83	2031	117.91
19	91.70	93.79	96.33	99.18	102.07	104.83	2032	122.16
20	92.45	94.58	97.15	100.10	103.01	105.77	2033	126.60
							2034	130.69
							2035	135.05
							2036	142.30
							2037	145.95
							2038	148.49
							2039	153.78

Note: A "seasonal hydro project" is defined as a generation facility which produces at least 55% of its annual generation during the months of June, July, and August. Order 32802.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

**IDAHO POWER COMPANY**  
**AVOIDED COST RATES FOR OTHER PROJECTS**  
**June 1, 2014**  
 \$/MWh

**New Contracts and Replacement Contracts without Full Capacity Payments**

**Eligibility for these rates is limited to projects smaller than 10 aMW.**

LEVELIZED							NON-LEVELIZED	
CONTRACT LENGTH (YEARS)	ON-LINE YEAR						CONTRACT YEAR	NON-LEVELIZED RATES
	2014	2015	2016	2017	2018	2019		
1	54.86	52.72	52.28	55.46	59.30	62.20	2014	54.86
2	53.83	52.51	53.81	57.30	60.69	62.44	2015	52.72
3	53.35	53.42	55.50	58.81	61.31	63.14	2016	52.28
4	53.82	54.72	56.98	59.67	62.06	63.76	2017	55.46
5	54.75	55.99	57.95	60.53	62.72	64.49	2018	59.30
6	55.76	56.90	58.87	61.26	63.45	65.33	2019	62.20
7	56.53	57.77	59.66	62.02	64.25	66.12	2020	62.69
8	57.30	58.53	60.44	62.83	65.02	66.75	2021	64.72
9	57.99	59.29	61.26	63.59	65.64	67.33	2022	65.94
10	58.68	60.07	62.02	64.23	66.22	67.91	2023	68.07
11	59.39	60.81	62.67	64.81	66.79	68.59	2024	70.66
12	60.07	61.43	63.26	65.38	67.44	69.35	2025	72.44
13	60.66	62.02	63.84	66.03	68.16	70.11	2026	72.86
14	61.20	62.58	64.47	66.72	68.89	70.92	2027	74.07
15	61.73	63.19	65.15	67.42	69.65	71.75	2028	75.77
16	62.31	63.83	65.82	68.15	70.43	72.58	2029	79.37
17	62.91	64.48	66.52	68.90	71.22	73.41	2030	83.10
18	63.52	65.14	67.24	69.64	72.00	74.32	2031	86.00
19	64.14	65.82	67.95	70.39	72.85	75.19	2032	89.78
20	64.77	66.50	68.66	71.20	73.67	76.00	2033	93.75
							2034	97.36
							2035	101.23
							2036	107.99
							2037	111.13
							2038	113.16
							2039	117.93

Note: "Other projects" refers to projects other than wind, solar, non-seasonal hydro, and seasonal hydro projects. These "Other projects" may include (but are not limited to): cogeneration, biomass, biogas, landfill gas, or geothermal projects.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

<b>AVISTA</b> <b>AVOIDED COST RATES FOR WIND PROJECTS</b> <b>June 1, 2014</b> \$/MWh <b>New Contracts and Replacement Contracts without Full Capacity Payments</b>								
<b>Eligibility for these rates is limited to projects 100 kW or smaller.</b>								
<b>LEVELIZED</b>							<b>NON-LEVELIZED</b>	
<b>CONTRACT LENGTH (YEARS)</b>	<b>ON-LINE YEAR</b>						<b>CONTRACT YEAR</b>	<b>NON-LEVELIZED RATES</b>
	2014	2015	2016	2017	2018	2019		
1	35.10	35.45	34.76	34.83	38.36	40.96	2014	35.10
2	35.27	35.12	34.79	36.53	39.61	42.48	2015	35.45
3	35.11	35.03	35.90	37.90	41.01	43.53	2016	34.76
4	35.05	35.77	37.02	39.28	42.09	44.26	2017	34.83
5	35.62	36.66	38.23	40.41	42.90	45.02	2018	38.36
6	36.35	37.68	39.28	41.29	43.69	45.83	2019	40.96
7	37.22	38.60	40.13	42.12	44.51	46.58	2020	44.13
8	38.04	39.38	40.93	42.95	45.26	47.15	2021	45.88
9	38.74	40.12	41.74	43.72	45.85	47.66	2022	46.83
10	39.43	40.88	42.49	44.33	46.38	48.16	2023	48.68
11	40.13	41.58	43.10	44.89	46.90	48.77	2024	50.98
12	40.78	42.16	43.65	45.42	47.50	49.45	2025	52.48
13	41.34	42.69	44.18	46.02	48.16	50.14	2026	52.61
14	41.84	43.20	44.76	46.67	48.83	50.87	2027	53.52
15	42.33	43.76	45.39	47.32	49.53	51.63	2028	54.92
16	42.86	44.35	46.01	48.00	50.25	52.39	2029	58.21
17	43.42	44.95	46.66	48.69	50.98	53.16	2030	61.63
18	43.98	45.56	47.32	49.39	51.71	54.01	2031	64.22
19	44.56	46.19	47.99	50.09	52.51	54.82	2032	67.68
20	45.15	46.81	48.65	50.85	53.28	55.58	2033	71.32
							2034	74.61
							2035	78.14
							2036	84.56
							2037	87.36
							2038	89.05
							2039	93.46

Note: These rates will be further adjusted with the applicable integration charge.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

<b>AVISTA</b> <b>AVOIDED COST RATES FOR SOLAR PROJECTS</b> <b>June 1, 2014</b> \$/MWh <b>New Contracts and Replacement Contracts without Full Capacity Payments</b>								
<b>Eligibility for these rates is limited to projects 100 kW or smaller.</b>								
<b>LEVELIZED</b>							<b>NON-LEVELIZED</b>	
<b>CONTRACT LENGTH (YEARS)</b>	<b>ON-LINE YEAR</b>						<b>CONTRACT YEAR</b>	<b>NON-LEVELIZED RATES</b>
	2014	2015	2016	2017	2018	2019		
1	35.10	36.73	36.06	34.83	38.36	40.96	2014	35.10
2	35.88	36.41	35.47	36.53	39.61	43.14	2015	36.73
3	35.94	35.92	36.36	37.90	41.43	44.42	2016	36.06
4	35.69	36.46	37.38	39.59	42.73	45.27	2017	34.83
5	36.15	37.23	38.77	40.90	43.67	46.10	2018	38.36
6	36.80	38.36	39.93	41.90	44.55	46.96	2019	40.96
7	37.78	39.36	40.87	42.83	45.44	47.75	2020	45.50
8	38.68	40.20	41.74	43.73	46.24	48.35	2021	47.28
9	39.45	41.00	42.60	44.55	46.87	48.89	2022	48.24
10	40.19	41.79	43.39	45.22	47.44	49.41	2023	50.11
11	40.93	42.52	44.03	45.81	47.98	50.04	2024	52.44
12	41.62	43.14	44.62	46.37	48.61	50.74	2025	53.96
13	42.20	43.70	45.17	47.00	49.29	51.44	2026	54.11
14	42.73	44.23	45.78	47.68	49.98	52.19	2027	55.04
15	43.24	44.80	46.42	48.35	50.70	52.96	2028	56.46
16	43.79	45.42	47.07	49.05	51.44	53.73	2029	59.78
17	44.37	46.02	47.73	49.76	52.18	54.51	2030	63.22
18	44.95	46.65	48.41	50.48	52.93	55.37	2031	65.83
19	45.54	47.29	49.09	51.19	53.74	56.19	2032	69.32
20	46.15	47.93	49.77	51.97	54.52	56.96	2033	72.98
							2034	76.29
							2035	79.85
							2036	86.30
							2037	89.12
							2038	90.83
							2039	95.27

Note: These rates will be further adjusted with the applicable integration charge.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

**AVISTA**  
**AVOIDED COST RATES FOR NON-SEASONAL HYDRO PROJECTS**  
**June 1, 2014**  
 \$/MWh

**New Contracts and Replacement Contracts without Full Capacity Payments**

Eligibility for these rates is limited to projects smaller than 10 aMW.

LEVELIZED							NON-LEVELIZED	
CONTRACT LENGTH (YEARS)	ON-LINE YEAR						CONTRACT YEAR	NON-LEVELIZED RATES
	2014	2015	2016	2017	2018	2019		
1	35.10	42.63	42.05	34.83	38.36	40.96	2014	35.10
2	38.72	42.35	38.58	36.53	39.61	46.20	2015	42.63
3	39.75	40.03	38.51	37.90	43.39	48.52	2016	42.05
4	38.65	39.66	39.06	41.00	45.68	49.91	2017	34.83
5	38.60	39.88	41.24	43.17	47.24	51.08	2018	38.36
6	38.93	41.52	42.94	44.76	48.53	52.18	2019	40.96
7	40.38	42.89	44.28	46.10	49.73	53.15	2020	51.85
8	41.64	44.01	45.45	47.34	50.77	53.89	2021	53.72
9	42.69	45.03	46.55	48.42	51.60	54.55	2022	54.78
10	43.67	46.01	47.54	49.29	52.32	55.18	2023	56.75
11	44.60	46.91	48.36	50.06	53.00	55.89	2024	59.17
12	45.46	47.65	49.08	50.78	53.75	56.67	2025	60.79
13	46.19	48.33	49.76	51.54	54.53	57.45	2026	61.04
14	46.85	48.96	50.48	52.33	55.31	58.25	2027	62.07
15	47.47	49.63	51.22	53.11	56.11	59.08	2028	63.59
16	48.12	50.33	51.96	53.90	56.93	59.92	2029	67.01
17	48.79	51.01	52.70	54.70	57.74	60.75	2030	70.56
18	49.45	51.71	53.45	55.49	58.55	61.65	2031	73.28
19	50.12	52.42	54.20	56.27	59.42	62.52	2032	76.88
20	50.79	53.11	54.94	57.11	60.25	63.33	2033	80.66
							2034	84.08
							2035	87.75
							2036	94.31
							2037	97.25
							2038	99.08
							2039	103.64

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

<b>AVISTA</b> <b>AVOIDED COST RATES FOR SEASONAL HYDRO PROJECTS</b> <b>June 1, 2014</b> \$/MWh <b>New Contracts and Replacement Contracts without Full Capacity Payments</b>								
<b>Eligibility for these rates is limited to projects smaller than 10 aMW.</b>								
<b>LEVELIZED</b>							<b>NON-LEVELIZED</b>	
<b>CONTRACT LENGTH (YEARS)</b>	<b>ON-LINE YEAR</b>						<b>CONTRACT YEAR</b>	<b>NON-LEVELIZED RATES</b>
	2014	2015	2016	2017	2018	2019		
1	35.10	32.67	31.95	34.83	38.36	40.96	2014	35.10
2	33.93	32.32	33.33	36.53	39.61	41.05	2015	32.67
3	33.32	33.10	34.88	37.90	40.08	41.60	2016	31.95
4	33.66	34.27	36.23	38.62	40.70	42.08	2017	34.83
5	34.46	35.41	37.07	39.34	41.22	42.68	2018	38.36
6	35.35	36.19	37.86	39.94	41.81	43.38	2019	40.96
7	36.00	36.94	38.52	40.58	42.49	44.04	2020	41.14
8	36.65	37.58	39.19	41.26	43.13	44.54	2021	42.85
9	37.22	38.23	39.88	41.90	43.63	45.00	2022	43.76
10	37.80	38.89	40.53	42.42	44.09	45.45	2023	45.56
11	38.40	39.52	41.07	42.89	44.54	46.02	2024	47.82
12	38.98	40.04	41.55	43.35	45.08	46.66	2025	49.27
13	39.46	40.51	42.02	43.89	45.69	47.32	2026	49.35
14	39.91	40.97	42.55	44.48	46.32	48.02	2027	50.22
15	40.34	41.49	43.13	45.08	46.98	48.75	2028	51.56
16	40.82	42.04	43.71	45.71	47.67	49.49	2029	54.81
17	41.34	42.60	44.32	46.37	48.36	50.23	2030	58.18
18	41.86	43.18	44.95	47.03	49.07	51.06	2031	60.72
19	42.40	43.78	45.59	47.70	49.84	51.85	2032	64.13
20	42.96	44.38	46.22	48.43	50.58	52.58	2033	67.72
							2034	70.95
							2035	74.43
							2036	80.79
							2037	83.54
							2038	85.17
							2039	89.52

Note: A "seasonal hydro project" is defined as a generation facility which produces at least 55% of its annual generation during the months of June, July, and August. Order 32802.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

**AVISTA**  
**AVOIDED COST RATES FOR OTHER PROJECTS**  
**June 1, 2014**  
 \$/MWh

**New Contracts and Replacement Contracts without Full Capacity Payments**

**Eligibility for these rates is limited to projects smaller than 10 aMW.**

LEVELIZED							NON-LEVELIZED	
CONTRACT LENGTH (YEARS)	ON-LINE YEAR						CONTRACT YEAR	NON-LEVELIZED RATES
	2014	2015	2016	2017	2018	2019		
1	35.10	51.82	51.37	34.83	38.36	40.96	2014	35.10
2	43.14	51.60	43.41	36.53	39.61	50.95	2015	51.82
3	45.68	46.43	41.86	37.90	46.43	54.89	2016	51.37
4	43.27	44.64	41.66	43.19	50.28	57.13	2017	34.83
5	42.43	44.01	45.09	46.70	52.78	58.83	2018	38.36
6	42.23	46.43	47.63	49.19	54.74	60.30	2019	40.96
7	44.42	48.38	49.58	51.20	56.41	61.55	2020	61.73
8	46.24	49.94	51.23	52.94	57.83	62.52	2021	63.74
9	47.75	51.32	52.71	54.43	58.95	63.36	2022	64.95
10	49.09	52.59	54.01	55.63	59.92	64.15	2023	67.07
11	50.33	53.72	55.08	56.68	60.82	65.00	2024	69.64
12	51.44	54.68	56.03	57.64	61.74	65.90	2025	71.41
13	52.40	55.54	56.90	58.60	62.69	66.79	2026	71.82
14	53.25	56.34	57.79	59.57	63.61	67.70	2027	73.01
15	54.05	57.15	58.69	60.51	64.54	68.62	2028	74.69
16	54.85	57.97	59.56	61.45	65.47	69.54	2029	78.28
17	55.66	58.78	60.43	62.38	66.39	70.45	2030	81.99
18	56.45	59.58	61.30	63.29	67.30	71.43	2031	84.88
19	57.24	60.39	62.15	64.18	68.26	72.36	2032	88.64
20	58.02	61.18	62.98	65.12	69.18	73.24	2033	92.59
							2034	96.19
							2035	100.04
							2036	106.78
							2037	109.91
							2038	111.92
							2039	116.67

Note: "Other projects" refers to projects other than wind, solar, non-seasonal hydro, and seasonal hydro projects. These "Other projects" may include (but are not limited to): cogeneration, biomass, biogas, landfill gas, or geothermal projects.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

<b>PACIFICORP</b> <b>AVOIDED COST RATES FOR WIND PROJECTS</b> <b>June 1, 2014</b> \$/MWh <b>New Contracts and Replacement Contracts without Full Capacity Payments</b>								
<b>Eligibility for these rates is limited to projects 100 kW or smaller.</b>								
<b>LEVELIZED</b>							<b>NON-LEVELIZED</b>	
<b>CONTRACT LENGTH (YEARS)</b>	<b>ON-LINE YEAR</b>						<b>CONTRACT YEAR</b>	<b>NON-LEVELIZED RATES</b>
	2014	2015	2016	2017	2018	2019		
1	37.90	35.52	34.83	37.75	41.33	43.98	2014	37.90
2	36.75	35.19	36.24	39.48	42.60	44.08	2015	35.52
3	36.16	35.98	37.81	40.86	43.10	44.66	2016	34.83
4	36.52	37.17	39.18	41.60	43.73	45.16	2017	37.75
5	37.34	38.33	40.03	42.34	44.27	45.77	2018	41.33
6	38.24	39.13	40.84	42.97	44.88	46.49	2019	43.98
7	38.91	39.89	41.52	43.62	45.58	47.17	2020	44.20
8	39.57	40.55	42.20	44.32	46.23	47.69	2021	45.96
9	40.16	41.21	42.91	44.98	46.75	48.17	2022	46.90
10	40.75	41.89	43.58	45.51	47.22	48.64	2023	48.75
11	41.37	42.53	44.13	46.00	47.69	49.22	2024	51.06
12	41.96	43.07	44.63	46.47	48.25	49.88	2025	52.56
13	42.46	43.56	45.11	47.02	48.88	50.55	2026	52.69
14	42.92	44.03	45.65	47.63	49.52	51.26	2027	53.60
15	43.37	44.56	46.25	48.24	50.19	52.00	2028	55.00
16	43.86	45.13	46.84	48.89	50.89	52.75	2029	58.29
17	44.39	45.69	47.46	49.56	51.60	53.51	2030	61.71
18	44.93	46.29	48.10	50.23	52.31	54.34	2031	64.30
19	45.48	46.89	48.75	50.91	53.09	55.14	2032	67.77
20	46.05	47.50	49.39	51.65	53.84	55.89	2033	71.41
							2034	74.70
							2035	78.23
							2036	84.65
							2037	87.45
							2038	89.14
							2039	93.55

Note: These rates will be further adjusted with the applicable integration charge.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See 'Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)



<b>PACIFICORP</b> <b>AVOIDED COST RATES FOR SOLAR PROJECTS</b> <b>June 1, 2014</b> \$/MWh <b>New Contracts and Replacement Contracts without Full Capacity Payments</b>								
<b>Eligibility for these rates is limited to projects 100 kW or smaller.</b>								
<b>LEVELIZED</b>							<b>NON-LEVELIZED</b>	
<b>CONTRACT LENGTH (YEARS)</b>	<b>ON-LINE YEAR</b>						<b>CONTRACT YEAR</b>	<b>NON-LEVELIZED RATES</b>
	2014	2015	2016	2017	2018	2019		
1	63.74	61.73	61.43	64.74	68.72	71.76	2014	63.74
2	62.78	61.59	63.03	66.66	70.18	72.06	2015	61.73
3	62.36	62.56	64.78	68.23	70.86	72.83	2016	61.43
4	62.89	63.93	66.33	69.15	71.68	73.52	2017	64.74
5	63.89	65.26	67.36	70.07	72.41	74.32	2018	68.72
6	64.96	66.24	68.34	70.87	73.20	75.22	2019	71.76
7	65.79	67.17	69.19	71.69	74.06	76.08	2020	72.39
8	66.62	67.99	70.04	72.56	74.89	76.77	2021	74.56
9	67.36	68.81	70.91	73.39	75.58	77.42	2022	75.93
10	68.11	69.65	71.74	74.08	76.22	78.06	2023	78.20
11	68.88	70.44	72.45	74.73	76.85	78.80	2024	80.94
12	69.62	71.13	73.10	75.36	77.56	79.62	2025	82.87
13	70.27	71.77	73.73	76.06	78.34	80.45	2026	83.45
14	70.87	72.38	74.42	76.82	79.13	81.31	2027	84.81
15	71.45	73.05	75.15	77.58	79.95	82.20	2028	86.67
16	72.08	73.75	75.89	78.36	80.79	83.09	2029	90.42
17	72.74	74.45	76.64	79.16	81.64	83.99	2030	94.32
18	73.40	75.17	77.41	79.97	82.48	84.96	2031	97.38
19	74.07	75.90	78.18	80.78	83.40	85.89	2032	101.33
20	74.76	76.64	78.95	81.64	84.28	86.77	2033	105.47
							2034	109.25
							2035	113.29
							2036	120.23
							2037	123.55
							2038	125.77
							2039	130.72

Note: These rates will be further adjusted with the applicable integration charge.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

**PACIFICORP**  
**AVOIDED COST RATES FOR NON-SEASONAL HYDRO PROJECTS**  
**June 1, 2014**

\$/MWh

**New Contracts and Replacement Contracts without Full Capacity Payments**

Eligibility for these rates is limited to projects smaller than 10 aMW.

LEVELIZED							NON-LEVELIZED	
CONTRACT LENGTH (YEARS)	ON-LINE YEAR						CONTRACT YEAR	NON-LEVELIZED RATES
	2014	2015	2016	2017	2018	2019		
1	61.23	59.19	58.85	62.12	66.06	69.06	2014	61.23
2	60.25	59.03	60.42	64.02	67.50	69.35	2015	59.19
3	59.82	59.98	62.16	65.57	68.17	70.10	2016	58.85
4	60.33	61.33	63.69	66.48	68.97	70.77	2017	62.12
5	61.31	62.65	64.71	67.38	69.67	71.55	2018	66.06
6	62.37	63.60	65.67	68.16	70.45	72.43	2019	69.06
7	63.18	64.52	66.51	68.97	71.30	73.27	2020	69.65
8	63.99	65.33	67.34	69.82	72.11	73.95	2021	71.78
9	64.72	66.13	68.20	70.63	72.78	74.58	2022	73.11
10	65.46	66.95	69.01	71.31	73.40	75.20	2023	75.34
11	66.21	67.73	69.70	71.94	74.01	75.93	2024	78.04
12	66.94	68.41	70.33	72.56	74.72	76.73	2025	79.93
13	67.57	69.03	70.95	73.24	75.48	77.54	2026	80.46
14	68.15	69.63	71.63	73.98	76.25	78.39	2027	81.78
15	68.72	70.28	72.35	74.73	77.06	79.27	2028	83.59
16	69.34	70.97	73.07	75.50	77.89	80.15	2029	87.31
17	69.99	71.66	73.81	76.29	78.72	81.03	2030	91.15
18	70.63	72.37	74.57	77.08	79.55	81.99	2031	94.17
19	71.30	73.09	75.33	77.88	80.45	82.91	2032	98.08
20	71.97	73.81	76.08	78.73	81.32	83.77	2033	102.16
							2034	105.90
							2035	109.89
							2036	116.78
							2037	120.05
							2038	122.21
							2039	127.11

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

<b>PACIFICORP</b> <b>AVOIDED COST RATES FOR SEASONAL HYDRO PROJECTS</b> <b>June 1, 2014</b> \$/MWh <b>New Contracts and Replacement Contracts without Full Capacity Payments</b>								
<b>Eligibility for these rates is limited to projects smaller than 10 aMW.</b>								
<b>LEVELIZED</b>							<b>NON-LEVELIZED</b>	
<b>CONTRACT LENGTH (YEARS)</b>	<b>ON-LINE YEAR</b>						<b>CONTRACT YEAR</b>	<b>NON-LEVELIZED RATES</b>
	2014	2015	2016	2017	2018	2019		
1	78.82	77.03	76.95	80.49	84.69	87.97	2014	78.82
2	77.96	76.99	78.65	82.51	86.27	88.38	2015	77.03
3	77.65	78.07	80.51	84.19	87.06	89.26	2016	76.95
4	78.28	79.54	82.17	85.22	87.99	90.06	2017	80.49
5	79.37	80.98	83.30	86.25	88.82	90.97	2018	84.69
6	80.54	82.05	84.39	87.15	89.71	91.98	2019	87.97
7	81.47	83.08	85.34	88.07	90.68	92.94	2020	88.38
8	82.39	84.00	86.28	89.04	91.61	93.73	2021	90.06
9	83.23	84.91	87.25	89.96	92.39	94.48	2022	90.97
10	84.07	85.84	88.17	90.75	93.13	95.21	2023	91.98
11	84.93	86.72	88.96	91.49	93.85	96.05	2024	92.94
12	85.75	87.50	89.71	92.21	94.66	96.97	2025	93.73
13	86.48	88.22	90.42	93.00	95.53	97.88	2026	94.48
14	87.17	88.92	91.20	93.84	96.40	98.84	2027	95.21
15	87.83	89.67	92.02	94.68	97.31	99.81	2028	96.05
16	88.53	90.45	92.83	95.55	98.23	100.79	2029	96.97
17	89.27	91.23	93.66	96.43	99.16	101.77	2030	97.88
18	90.00	92.02	94.51	97.32	100.08	102.82	2031	98.84
19	90.75	92.83	95.35	98.20	101.07	103.83	2032	99.81
20	91.51	93.63	96.20	99.13	102.03	104.78	2033	100.79
							2034	101.77
							2035	102.82
							2036	103.83
							2037	104.78
							2038	105.73
							2039	106.68

Note: A "seasonal hydro project" is defined as a generation facility which produces at least 55% of its annual generation during the months of June, July, and August. Order 32802.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)

**PACIFICORP**  
**AVOIDED COST RATES FOR OTHER PROJECTS**  
**June 1, 2014**  
\$/MWh

**New Contracts and Replacement Contracts without Full Capacity Payments**

Eligibility for these rates is limited to projects smaller than 10 aMW.

LEVELIZED							NON-LEVELIZED	
CONTRACT LENGTH (YEARS)	ON-LINE YEAR						CONTRACT YEAR	NON-LEVELIZED RATES
	2014	2015	2016	2017	2018	2019		
1	54.43	52.28	51.84	55.01	58.85	61.74	2014	54.43
2	53.39	52.07	53.37	56.86	60.24	61.97	2015	52.28
3	52.92	52.98	55.05	58.36	60.85	62.67	2016	51.84
4	53.38	54.28	56.54	59.22	61.60	63.29	2017	55.01
5	54.31	55.55	57.51	60.08	62.26	64.03	2018	58.85
6	55.33	56.46	58.43	60.81	62.99	64.86	2019	61.74
7	56.10	57.34	59.22	61.57	63.79	65.66	2020	62.22
8	56.87	58.10	60.00	62.38	64.56	66.29	2021	64.25
9	57.56	58.86	60.82	63.15	65.18	66.87	2022	65.46
10	58.25	59.64	61.59	63.78	65.76	67.45	2023	67.58
11	58.97	60.38	62.23	64.37	66.33	68.13	2024	70.17
12	59.65	61.01	62.83	64.94	66.99	68.90	2025	71.94
13	60.24	61.60	63.41	65.59	67.72	69.67	2026	72.36
14	60.79	62.16	64.05	66.29	68.45	70.48	2027	73.56
15	61.33	62.78	64.73	67.00	69.22	71.31	2028	75.25
16	61.90	63.43	65.42	67.73	70.01	72.16	2029	78.84
17	62.52	64.08	66.12	68.49	70.81	73.00	2030	82.56
18	63.13	64.76	66.85	69.25	71.60	73.92	2031	85.46
19	63.76	65.44	67.57	70.01	72.47	74.81	2032	89.23
20	64.41	66.13	68.30	70.83	73.30	75.63	2033	93.19
							2034	96.79
							2035	100.65
							2036	107.40
							2037	110.54
							2038	112.56
							2039	117.32

Note: "Other projects" refers to projects other than wind, solar, non-seasonal hydro, and seasonal hydro projects. These "Other projects" may include (but are not limited to): cogeneration, biomass, biogas, landfill gas, or geothermal projects.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2014 released May 7, 2014. See "Annual Energy Outlook 2014, Table 18, Mountain Data, [http://www.eia.gov/forecasts/aeo/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/tables_ref.cfm)