BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE ANNUAL UPDATE)	
TO PUBLISHED AVOIDED COST RATES)	CASE NOS. AVU-E-17-02
BASED ON THE UPDATED NATURAL GAS)	IPC-E-17-07
PRICE FORECAST OF THE U.S. ENERGY)	PAC-E-17-05
INFORMATION ADMINISTRATION (EIA))	
	_)	ORDER NO. 33773

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 the *Annual Energy Outlook* by the U.S. Energy Information Administration (EIA) triggered an updated calculation of avoided cost rates.

EIA UPDATE TO THE NATURAL GAS PRICE FORECAST

Because the surrogate resource is based on natural gas plant pricing, 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 16, 2017, for review and comment, showing the computation of the updated avoided cost rates.

In its response letter, Avista identified an issue with capacity payment calculations for replacement contracts.¹ However, both Avista and PacifiCorp acknowledged that the rates as presented are correct.

Idaho Power objected to use of the EIA's Mountain Region natural gas forecast upon which the updated avoided cost rates are based. Idaho Power believes that the continued use of this forecast "results in an artificially high price that customers should not be required to pay." Response and Objection of Idaho Power Company at 7. Instead, Idaho Power proposed using the EIA's natural gas spot price at Henry Hub: High Oil and Gas Resource and Technology forecast, adjusted for Sumas and Idaho City Gate, which is used in Idaho Power's 2017 Integrated Resource Planning process and Incremental Cost IRP methodology.

Staff recommended that its proposed updated rates be approved, effective June 1, 2017 (per Order No. 32697), but that the Commission accept Idaho Power's objection as an application in a generic proceeding (as to all three utilities) to revise the Commission's methodology for updating published avoided cost rates to reflect updated natural gas price forecasts. In such proceeding, all electric utilities and interested parties would have the opportunity to provide comment so the Commission can more fully understand the impact of Idaho Power's proposal.

Staff advised that it contacted Idaho Power, and Idaho Power indicated it did not object to Staff's proposal for processing Idaho Power's objection.

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 and the matters considered in this case 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

¹ Staff believes the issue is outside the scope of this case as it only affects Avista, as a winter peaking utility, not the other two utilities which are summer peaking. Staff indicated it will discuss the issue with Avista.

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. The annual update to the SAR methodology's avoided cost rates is a relatively simple arithmetic re-calculation. 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 objection raised by Idaho Power – the only objection to Staff's calculations and proposed rates – concerns the particular EIA forecast Staff used to update published avoided cost rates. We further find that the EIA's "reference case" natural gas price forecast for the Mountain Region's Electric Power sector has been used to update published avoided cost rates each year for the past four years without objection. *See* Order Nos. 32817, 33041, 33305, 33538. We find the updated published avoided cost rates are fair, just, and reasonable.

However, we find it appropriate to consider Idaho Power's objection in a separate matter through which the other utilities and any interested parties can provide comments to fully inform the Commission about the issue. Idaho Power having expressed agreement to process its objection as such, we direct the Commission Secretary to treat Idaho Power's objection filed in this matter as an application in a new generic case. We will issue notice of that application and notice of a 14-day period for petitions to intervene therein.

ORDER

IT IS HEREBY ORDERED that the updates to published avoided cost rates for Avista, Idaho Power, and PacifiCorp are approved, effective June 1, 2017.

IT IS FURTHER ORDERED that the Commission Secretary shall accept Idaho Power's objection in this case as an application, and open a separate generic case in which the Commission will issue notice of the application and a 14-day period for petitions to intervene therein.

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 3/54 day of May 2017.

PAUL KJELLANDER, PRESIDENT

KRISTINE RAPER, COMMISSIONER

ERIC ANDERSON, COMMISSIONER

ATTEST:

Diane M. Hanian Commission Secretary

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3.8 Energy Prices by Sector and Source (2016 dollars per million Btu, unless otherwise noted)

wise noted)

unless otherwis	
o dollars per million btu, unless	
(2016 dollars per	Mountain - 08

Mountain - US										
Sector and Source	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Electric Power 8/										
Distillate Fuel Oil	15.17	11.89	14.27	16.45	17.78	18.60	19.24	19.77	20.10	20.42
Residual Fuel Oil	4.04	3.11	3.55	5.99	7.76	9.18	10.43	11.57	11.93	12.22
Natural Gas	3.28	2.94	3.65	3.96	4.27	4.37	4.37	4.22	4.21	4.32
Steam Coal	1.85	1.84	1.90	1.87	1.88	1.90	1.88	1.89	1.88	1.87
Uranium	0.54	0.56	0.60	0.62	0.62	0.62	0.64	0.66	0.69	0.70
Prices in Nominal Dollars										0 4
Electric Power 8/										
Distillate Fuel Oil	14.96	11.89	14.58	17.14	18.91	20.22	21.38	22.46	23.33	24.18
Residual Fuel Oil	3.98	3.11	3.63	6.24	8.26	9.38	11.59	13.14	13.85	14.47
Natural Gas	3.24	2.94	3.73	4.13	4.54	4.75	4.86	4.79	4.89	5.12
Steam Coal	1.83	1.84	1.95	1.95	2.00	2.06	2.09	2.14	2.18	2.21
Uranium	0.53	0.56	0.61	0.64	0.66	0.67	0.71	0.75	0.80	0.83

2039 2040		1		1.92 1.94					7.97 8.22			
2038				1.91					7.7		8	
2037	24.16	15.29	4.92	1.90	0.99		37.42	23.69	7.62	2.95	1.54	
2036	24.07	15.21	4.87	1.30	96.0		36.61	23.13	7.41	2.89	1.47	
2035	23.54	14.79	4.84	1.88	0.94		35.14	22.07	7.22	2.81	1.40	
2034	23.40	14.65	4.80	1.87	0.91		34.28	21.47	7.03	2.74	1.34	
2033	23.07	14.39	4.78	1.86	0.89		33.16	20.68	6.87	2.67	1.28	
2032	23.10	14.40	4.81	1.85	0.86		32.55	20.30	6.77	2.61	1.22	
2031	22.64	14.03	4.80	1.83	0.84		31.24	19.37	6.63	2.53	1.16	
2030	22.23	13.71	4.84	1.83	0.82		30.03	18.52	6.54	2.47	1.10	
5029	21.79	13.38	4.88	1.82	0.81		28.80	17.69	6.45	2.41	1.07	
2028	21.53	13.13	4.84	1.83	0.80		27.84	16.98	6.26	2.37	1.03	
2027	21.53	13.07	4.82	1.84	0.78		27.25	16.54	6.10	2.33	0.98	
2026	21.28	12.94	4.79	1.85	0.76		26.32	16.01	5.92	2.29	0.94	
2025	20.90	12.62	4.61	1.85	0.74		25.28	15.27	5.57	2.24	0.89	

AVISTA AVOIDED COST RATES FOR WIND PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

	West-Market - 1980	L	EVELIZEI)			NON-	LEVELIZED
CONTRACT LENGTH			ON-LIN	E YEAR			CONTRACT	NON-LEVELIZED
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
1	28.61	31.48	34.42	38.93	39.80	39.43	2017	28.61
2	29.99	32.89	36.59	39.35	39.62	39.81	2018	31.48
3	31.36	34.76	37.58	39.38	39.81	40.46	2019	34.42
4	33.04	35.88	37.99	39.56	40.28	41.53	2020	38.93
5	34.19	36.48	38.37	39.97	41.13	42.61	2021	39.80
5 6 7	34.91	36.99	38.86	40.69	42.05	43.51	2022	39.43
	35.51	37.55	39.58	41.49	42.85	44.28	2023	40.22
8	36.11	38.28	40.36	42.22	43.56	45.00	2024	41.93
9	36.85	39.04	41.07	42.88	44.23	45.61	2025	45.26
10	37.61	39.75	41.72	43.50	44.81	46.15	2026	47.84
11	38.31	40.39	42.33	44.05	45.33	46.65	2027	49.20
12	38.95	41.00	42.87	44.54	45.81	47.11	2028	50.42
13	39.56	41.54	43.36	45.01	46.26	47.55	2029	51.88
14	40.10	42.03	43.83	45.44	46.68	47.98	2030	52.60
15	40.59	42.50	44.25	45.85	47.10	48.41	2031	53.33
16	41.05	42.92	44.66	46.25	47.51	48.83	2032	54.48
17	41.48	43.33	45.06	46.65	47.92	49.23	2033	55.32
18	41.88	43.72	45.45	47.04	48.31	49.63	2034	56.55
19	42.28	44.11	45.83	47.41	48.68	50.02	2035	57.99
20	42.65	44.48	46.19	47.77	49.06	50.39	2036	59.45
							2037	61.10
							2038	62.26
						ĺ	2039	63.80
							2040	65.68
							2041	66.82
							2042	68.84

AVISTA AVOIDED COST RATES FOR SOLAR PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

		L	EVELIZE)			NON-	LEVELIZED
CONTRACT LENGTH			ON-LIN	IE YEAR		:	CONTRACT	NON-LEVELIZED
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
1	28.61	31.48	34,42	40.31	41.20	40.85	2017	28.61
2	29.99	32.89	37.25	40.31	41.20	40.65	2017	31.48
3	31.36	35.18	38.47	40.74	41.03	41.23	2019	31.46
4	33.34	36.52	39.00	40.77	41.22	41.90	2019	34.42 40.31
	34.69	37.26	39.45	41.38	41.70	44.06	2020	
5 6	35.53	37.86	39.45					41.20
7	36.22	38.48	40.75	42.11 42.92	43.49 44.30	44.97 45.76	2022 2023	40.85
8	36.89	39.26						41.65
9	37.68	39.26 40.07	41.56	43.66	45.02	46.48	2024	43.38
10			42.29	44.33	45.70	47.10	2025	46.74
	38.49	40.81	42.96	44.96	46.29	47.64	2026	49.34
11	39.23	41.48	43.60	45.52	46.81	48.16	2027	50.72
12	39.90	42.11	44.16	46.02	47.30	48.62	2028	51.97
13	40.54	42.68	44.66	46.49	47.76	49.07	2029	53.45
14	41.11	43.19	45.14	46.92	48.19	49.51	2030	54.19
15	41.62	43.67	45.58	47.34	48.62	49.95	2031	54.95
16	42.10	44.11	46.00	47.75	49.04	50.38	2032	56.11
17	42.54	44.53	46.41	48.16	49.45	50.78	2033	56.98
18	42.97	44.94	46.81	48.55	49.84	51.18	2034	58.23
19	43.37	45.34	47.20	48.93	50.23	51.58	2035	59.70
20	43.77	45.72	47.57	49.30	50.61	51.96	2036	61.19
							2037	62.86
							2038	64.05
							2039	65.61
1							2040	67.52
							2041	68.69
							2042	70.73

AVISTA AVOIDED COST RATES FOR NON-SEASONAL HYDRO PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

		L	EVELIZE)			NON-	LEVELIZED
CONTRACT LENGTH			ON-LIN	E YEAR			CONTRACT	NON-LEVELIZED
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
1	28.61	31.48	34.42	46.65	47.64	47.38	2017	28.61
2	29.99	32.89	40.31	47.13	47.52	47.82	2018	31.48
3	31.36	37.14	42.57	47.13	47.75	48.52	2019	34.42
4	34.76	39.47	43.64	47.45	48.28	49.64	2019	46.65
5	36.96	40.82	44.43	47.45	49.18	49.64 50.77	2020	46.65 47.64
5	38.38	40.82	44.43 45.21	48.67	49.16 50.15		2021	
6 7	39.49	41.84	45.21 46.15	49.53	50.15	51.73 52.56	2022	47.38 48.28
	40.49						2023	
8 9		43.79	47.10	50.30	51.77	53.32	1	50.11
	41.55	44.79	47.96	51.01	52.48	53.98	2025	53.57
10	42.57	45.69	48.73	51.68	53.11	54.57	2026	56.27
11	43.48	46.50	49.45	52.28	53.67	55.12	2027	57.75
12	44.31	47.25	50.09	52.81	54.20	55.62	2028	59.10
13	45.08	47.92	50.67	53.32	54.69	56.11	2029	60.68
14	45.76	48.52	51.21	53.79	55.16	56.59	2030	61.54
15	46.38	49.08	51.71	54.24	55.62	57.05	2031	62.40
16	46.95	49.60	52.18	54.69	56.07	57.52	2032	63.67
17	47.48	50.09	52.64	55.12	56.52	57.96	2033	64.65
18	47.98	50.56	53.09	55.55	56.94	58.39	2034	66.02
19	48.46	51.02	53.52	55.96	57.36	58.82	2035	67.60
20	48.92	51.46	53.94	56.36	57.77	59.23	2036	69.20
							2037	70.99
							2038	72.30
							2039	73.98
							2040	76.02
							2041	77.31
							2042	79.48

AVISTA AVOIDED COST RATES FOR SEASONAL HYDRO PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

- 1: - :		L	EVELIZE)			NON-	LEVELIZED
CONTRACT LENGTH				E YEAR			CONTRACT	NON-LEVELIZED
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
1	28.61	31.48	34.42	35.95	36.78	36.36	2017	28.61
2	29.99	32.89	35.16	36.35	36.57	36.71	2017	31.48
3	31.36	33.84	35.65	36.35	36.74	37.35	2019	34.42
4	32.38	34.49	35.81	36.52	37.19	38.39	2020	35.95
5	33.13	34.81	36.03	36.90	38.02	39.45	2021	36.78
6	33.57	35.12	36.40	37.60	38.91	40.33	2022	36.36
7	33.97	35.12	37.04	38.39	39.70	41.09	2022	37.10
8	34.42	36.15	37.75	39.10	40.39	41.78	2023	38.76
9	35.03	36.82	38.40	39.74	41.04	41.78	2025	42.05
10	35.69	37.45	39.01	40.34	41.61	42.89	2026	44.58
11	36.31	38.03	39.58	40.87	42.10	42.89	2027	45.89
12	36.88	38.59	39.56 40.08	41.35	42.10	43.82	2027	45.69 47.07
13	37.42	39.08	40.06	41.80	43.00	44.24	2029	48.48
14	37.42 37.91	39.53	40.54	42.21	43.41	44.24	2029	49.15
15		39.53 39.95		42.21		45.07	2030	49.15 49.83
1	38.35		41.37		43.81		1	
16	38.77	40.34	41.75	42.99	44.21	45.47	2032 2033	50.92 51.71
17	39.16	40.72	42.13	43.37	44.60	45.86		
18	39.53	41.08	42.49	43.75	44.97	46.24	2034	52.89
19	39.89	41.44	42.85	44.10	45.33	46.61	2035	54.28
20	40.23	41.79	43.20	44.45	45.69	46.97	2036	55.68
							2037	57.27
							2038	58.38
							2039	59.86
							2040	61.69
							2041	62.77
							2042	64.72

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

AVISTA AVOIDED COST RATES FOR OTHER PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

		L	EVELIZEI)			NON-	LEVELIZED
CONTRACT LENGTH			ON-LIN	E YEAR			CONTRACT	NON-LEVELIZED
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
4	28.61	31.48	34.42	56.53	57.66	57.55	2017	28.61
1	29.99							
2		32.89	45.06	57.08	57.61	58.06	2018	31.48
3	31.36	40.18	48.94	57.22	57.92	58.84	2019	34.42
4	36.95	44.07	50.86	57.53	58.51	60.03	2020	56.53
5	40.49	46.37	52.18	58.05	59.48	61.23	2021	57.66
6	42.82	48.04	53.33	58.89	60.51	62.24	2022	57.55
7	44.59	49.45	54.55	59.81	61.43	63.14	2023	58.60
8	46.10	50.84	55.73	60.64	62.26	63.97	2024	60.58
9	47.56	52.14	56.77	61.41	63.04	64.69	2025	64.19
10	48.91	53.29	57.70	62.14	63.73	65.34	2026	67.05
11	50.10	54.31	58.56	62.80	64.35	65.95	2027	68.69
12	51.17	55.25	59.32	63.39	64.93	66.51	2028	70.20
13	52.14	56.07	60.01	63.95	65.48	67.05	2029	71.95
14	53.00	56.82	60.65	64.48	66.00	67.59	2030	72.96
15	53.78	57.51	61.24	64.98	66.52	68.11	2031	73.99
16	54.50	58.14	61.80	65.48	67.02	68.63	2032	75.44
17	55.16	58.74	62.34	65.96	67.52	69.12	2033	76.59
18	55.78	59.31	62.86	66.44	67.99	69.60	2034	78.13
19	56.37	59.86	63.37	66.90	68.46	70.08	2035	79.89
20	56.93	60.38	63.85	67.34	68.92	70.54	2036	81.67
							2037	83.64
							2038	85.14
							2039	87.01
							2040	89.24
							2041	90.72
							2042	93.09

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.

IDAHO POWER COMPANY AVOIDED COST RATES FOR WIND PROJECTS June 01, 2017

\$/MWh New Contracts and Replacement Contracts without Full Capacity Payments

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

		L	EVELIZE)			NON-	LEVELIZED
CONTRACT LENGTH			ON-LIN	E YEAR			CONTRACT	NON-LEVELIZED
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
4	28.61	31.48	34.42	35.95	36.78	36.36	2017	28.61
1	29.99	32.89	35.15	36.35	36.76 36.57	36.36	2017	31.48
2 3	31.35		35.15 35.65	36.35		1	t - E	
4	31.35	33.83			36.74	38.36	2019	34.42
		34.48	35.81	36.52	37.92	39.92	2020	35.95
٥	33.12	34.80	36.03	37.46	39.19	41.29	2021	36.78
5 6 7	33.56	35.11	36.85	38.54	40.38	42.39	2022	36.36
	33.95	35.89	37.80	39.59	41.38	43.30	2023	37.10
8	34.71	36.78	38.75	40.50	42.24	44.12	2024	42.07
9	35.56	37.67	39.60	41.30	43.02	44.80	2025	45.41
10	36.41	38.47	40.35	42.04	43.69	45.40	2026	47.99
11	37.18	39.19	41.04	42.68	44.27	45.95	2027	49.35
12	37.88	39.86	41.66	43.24	44.81	46.45	2028	50.58
13	38.53	40.45	42.20	43.77	45.30	46.92	2029	52.04
14	39.11	40.98	42.71	44.24	45.77	47.38	2030	52.76
15	39.63	41.48	43.17	44.70	46.22	47.82	2031	53.50
16	40.12	41.94	43.61	45.13	46.65	48.26	2032	54.64
17	40.57	42.37	44.04	45.56	47.08	48.67	2033	55.49
18	40.99	42.78	44.44	45.97	47.48	49.07	2034	56.72
19	41.40	43.18	44.84	46.36	47.87	49.47	2035	58.16
20	41.79	43.57	45.22	46.74	48.26	49.85	2036	59.63
·							2037	61.27
							2038	62.44
							2039	63.98
							2040	65.87
							2041	67.01
							2042	69.03

IDAHO POWER COMPANY AVOIDED COST RATES FOR SOLAR PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

		L	EVELIZE)			NON-	LEVELIZED
CONTRACT LENGTH			ON-LIN	E YEAR			CONTRACT	NON-LEVELIZED
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
1	28.61	31.48	34.42	35.95	36.78	36.36	2017	28.61
2	29.99	32.89	35.15	36.35	36.57	36.71	2018	31.48
3	31.35	33.83	35.65	36.35	36.74	47.75	2019	34.42
4	32.37	34.48	35.81	36.52	44.68	54.09	2020	35.95
5	33.12	34.80	36.03	42.65	50.06	58.39	2021	36.78
5 6 7	33.56	35.11	40.99	47.23	54.05	61.50	2022	36.36
	33.95	39.29	44.94	50.81	57.08	63.89	2023	37.10
8	37.56	42.76	48.16	53.66	59.50	65.85	2024	72.61
9	40.65	45.67	50.79	55.98	61.51	67.46	2025	76.39
10	43.30	48.11	52.99	57.96	63.19	68.81	2026	79.43
11	45.56	50.18	54.89	59.64	64.63	70.01	2027	81.25
12	47.51	51.99	56.51	61.08	65.90	71.07	2028	82.94
13	49.23	53.56	57.93	62.36	67.02	72.03	2029	84.88
14	50.73	54.93	59.19	63.50	68.04	72.93	2030	86.08
15	52.06	56.17	60.32	64.53	68.98	73.77	2031	87.30
16	53.26	57.28	61.35	65.49	69.86	74.56	2032	88.94
17	54.34	58.29	62.30	66.38	70.68	75,30	2033	90.29
18	55.33	59.23	63.19	67.21	71.45	76.00	2034	92.03
19	56.24	60.10	64.02	67.99	72.17	76.67	2035	93.99
20	57.09	60.91	64.78	68.71	72.86	77.30	2036	95.98
							2037	98.16
							2038	99.87
							2039	101.96
							2040	104.40
							2041	106.11
							2042	108.71

IDAHO POWER COMPANY AVOIDED COST RATES FOR NON-SEASONAL HYDRO PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

		L	EVELIZE)			NON-LEVELIZED				
CONTRACT LENGTH			ON-LIN	E YEAR			CONTRACT	NON-LEVELIZED			
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES			
	28.61	31.48	34.42	35.95	36.78	36.36	2017	28.61			
1	29.99	32.89	34.42 35.15	36.35	36.76 36.57	36.71	2017	31.48			
2					36.74	46.84	2019	31.46			
3	31.35 32.37	33.83	35.65 35.81	36.35 36.52	36.74 44.02	52.72	2019	34.42 35.95			
4		34.48			44.02 49.01	52.72 56.73	2020	35.95 36.78			
5	33.12	34.80	36.03	42.14			1 ' 1				
5 6 7	33.56	35.11	40.59	46.38	52.72	59.64	2022	36.36			
	33.95	38.96	44.25	49.73	55.56	61.89	2023	37.10			
8	37.29	42.18	47.25	52.38	57.82	63.74	2024	69.65			
9	40.15	44.90	49.70	54.56	59.72	65.26	2025	73.39			
10	42.63	47.17	51.76	56.42	61.30	66,54	2026	76.38			
11	44.75	49.11	53.54	57.99	62.65	67.68	2027	78.15			
12	46.57	50.81	55.07	59.35	63.85	68.68	2028	79.80			
13	48.19	52.28	56.40	60.55	64.91	69.59	2029	81.69			
14	49.60	53.58	57.59	61.63	65.88	70.45	2030	82.85			
15	50.85	54.74	58.66	62.61	66.77	71.25	2031	84.02			
16	51.98	55.79	59.63	63.51	67.61	72.00	2032	85.61			
17	53.00	56.74	60.53	64.36	68.39	72.71	2033	86.91			
18	53.93	57.63	61.37	65.15	69.12	73.38	2034	88.61			
19	54.80	58.45	62.16	65.89	69.81	74.03	2035	90.52			
20	55.61	59.23	62.89	66.58	70.47	74.63	2036	92.45			
							2037	94.58			
							2038	96.24			
							2039	98.28			
							2040	100.66			
							2041	102.32			
							2042	104.85			

IDAHO POWER COMPANY AVOIDED COST RATES FOR SEASONAL HYDRO PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

		L	NON-LEVELIZED					
CONTRACT LENGTH			ON-LIN	CONTRACT NO	NON-LEVELIZED			
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
								00.04
1	28.61	31.48	34.42	35.95	36.78	36.36	2017	28.61
2	29.99	32.89	35.15	36.35	36.57	36.71	2018	31.48
3	31.35	33.83	35.65	36.35	36.74	53.23	2019	34.42
4 5 6 7	32.37	34.48	35.81	36.52	48.62	62.36	2020	35.95
5	33.12	34.80	36.03	45.67	56.41	68.37	2021	36.78
6	33.56	35.11	43.41	52.29	62.02	72.64	2022	36.36
	33.95	41.28	49.10	57.36	66.24	75.89	2023	37.10
8	39.23	46.25	53.65	61.33	69.56	78.52	2024	90.42
9	43.62	50.34	57.32	64.55	72.30	80.67	2025	94.47
10	47.32	53.73	60.36	67.25	74.57	82.47	2026	97.77
11	50.45	56.59	62.96	69.53	76.50	84.05	2027	99.85
12	53.13	59.06	65.18	71.48	78.19	85.43	2028	101.82
13	55.47	61.20	67.10	73.20	79.68	86.68	2029	104.03
14	57.51	63.07	68.81	74.73	81.03	87.83	2030	105.52
15	59.31	64.73	70.33	76.11	82.26	88.90	2031	107.02
16	60.92	66.22	71.70	77.37	83.39	89.90	2032	108.95
17	62.37	67.58	72.96	78.53	84.45	90.83	2033	110.59
18	63.69	68.82	74.12	79.61	85.43	91.70	2034	112,63
19	64.90	69.96	75.20	80.60	86.34	92.53	2035	114.89
20	66.02	71.03	76.20	81.54	87.21	93.31	2036	117.19
							2037	119.68
							2038	121.71
							2039	124.12
							2040	126.88
							2041	128.92
							2042	131.85

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

IDAHO POWER COMPANY AVOIDED COST RATES FOR OTHER PROJECTS June 01, 2017

\$/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			ON-LIN	CONTRACT	NON-LEVELIZED				
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES	
1	28.61	31.48	34.42	35.95	36.78	36.36	2017	28.61	
2	29.99	32.89	35.15	36.35	36.70	36.71	2018	31.48	
3	31.35	33.83	35.65	36.35	36.74	44.37	2019	34.42	
4	32.37	34.48	35.81	36.52	42.24	48.98	2020	35.95	
-	33.12	34.80	36.03	40.78	46.14	52.23	2020	36.78	
5 6	33.56	35.11	39.50	44.09	49.12	54.61	2021	36.36	
7	33.95	38.07	42.37	46.77	51.42	56.46	2022	37.10	
	36.53	40.60	42.31 44.77	48.91	53.28	58.01	2023	61.60	
8						56.01 59.29	2024	65.22	
i i	38.81	42.79	46.75	50.69	54.85		1	65.22 68.09	
10	40.82	44.63	48.43	52.22	56.16	60.37	2026		
11	42.54	46.22	49.90	53.52	57.29	61.34	2027	69.75	
12	44.04	47.62	51.16	54.65	58.29	62.19	2028	71.28	
13	45.37	48.83	52.26	55.66	59.19	62.98	2029	73.04	
14	46.54	49.90	53.25	56.56	60.01	63.72	2030	74.07	
15	47.58	50.87	54.14	57.38	60.77	64.41	2031	75.11	
16	48.52	51.75	54.96	58.15	61.49	65.08	2032	76.57	
17	49.37	52.55	55.72	58.87	62.17	65.70	2033	77.75	
18	50.16	53.30	56.43	59.55	62.81	66.29	2034	79.30	
19	50.89	54.00	57.10	60.19	63.41	66.86	2035	81.07	
20	51.57	54.66	57.73	60.79	63.99	67.40	2036	82.88	
							2037	84.86	
							2038	86.38	
ļ							2039	88.27	
							2040	90.51	
1							2041	92.01	
							2042	94.40	

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.

PACIFICORP AVOIDED COST RATES FOR WIND PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

		L	NON-LEVELIZED					
CONTRACT LENGTH			ON-LIN	CONTRACT	NON-LEVELIZED			
(YEARS)	ARS) 2017 2018 2019 2020 2021 2022	2022	YEAR	RATES				
1	28.61	31.48	34.42	35.95	36.78	36.36	2017	28.61
	29.99	32.89	35.15	36.35	36.78	36.71	2017	31.48
2 3	31.35	33.83	35.15 35.65	36.35	36.57 36.74	35.71	2018	31.48 34.42
3	32.37	33.63 34.49	35.81	36.52	37.19	37.35	2019	
4	33.12	34.49	36.03	36.90	38.58		2020	35.95
5						40.62		36.78
4 5 6 7	33.57	35.12	36.40	38.05	39.85	41.80	2022	36.36
	33.96	35.53	37.40	39.16	40.91	42.78	2023	37.10
8	34.41	36.45	38.39	40.11	41.81	43.64	2024	38.76
9	35.29	37.37	39.27	40.94	42.62	44.37	2025	45.34
10	36.16	38.19	40.04	41.70	43.32	44.99	2026	47.92
11	36.95	38.93	40.76	42.36	43.93	45.57	2027	49.28
12	37.67	39.62	41.39	42.95	44.49	46.09	2028	50.51
13	38.33	40.23	41.95	43.49	45.00	46.58	2029	51.96
14	38.93	40.77	42.47	43.98	45.48	47.05	2030	52.69
15	39.46	41.28	42.95	44.45	45.94	47.51	2031	53.42
16	39.96	41.75	43.40	44.90	46.39	47.97	2032	54.56
17	40.42	42.19	43.84	45.33	46.83	48.39	2033	55.41
18	40.85	42.62	44.26	45.76	47.25	48.81	2034	56.64
19	41.27	43.03	44.67	46.16	47.65	49.22	2035	58.08
20	41.67	43.42	45.05	46.55	48.05	49.61	2036	59.54
							2037	61.19
							2038	62.35
							2039	63.89
							2040	65.78
							2041	66.92
							2042	68.93
							2012	00.00

PACIFICORP AVOIDED COST RATES FOR SOLAR PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

		Ļ	NON-LEVELIZED					
CONTRACT LENGTH			ON-LIN	CONTRACT	NON-LEVELIZED			
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
1	28.61	31.48	34.42	35.95	36.78	36.36	2017	28.61
	29.99	32.89	35.15	36.35	36.78	36.71	2018	31.48
2 3		33.83	35.65	36.35	36.74	37.35	2019	34.42
3	31.35					45.85	2020	35.95
4	32.37	34.49	35.81	36.52	37.19		2020	35.95 36.78
5	33.12	34.81	36.03	36.90	43.75	51.45		
6	33.57	35.12	36.40	42.18	48.51	55.41	2022	36.36
7	33.96	35.53	40.80	46.28	52.10	58.41	2023	37.10
8	34.41	39.30	44.37	49.50	54.93	60.83	2024	38.76
9	37.72	42.46	47.26	52.11	57.26	62.79	2025	75.65
10	40.55	45.09	49.67	54.32	59.20	64.42	2026	78.68
11	42.95	47.32	51.74	56.19	60.84	65.85	2027	80.49
12	45.02	49.26	53.51	57.79	62.28	67.10	2028	82.17
13	46.84	50.94	55.05	59.20	63.55	68.22	2029	84.09
14	48.43	52.41	56.42	60.45	64.69	69.25	2030	85.29
15	49.83	53.72	57.64	61.58	65.74	70.20	2031	86.50
16	51.10	54.90	58.75	62.63	66.71	71.10	2032	88.13
17	52.24	55.98	59.77	63.59	67.62	71.93	2033	89.47
18	53.28	56.98	60.71	64.49	68.46	72.71	2034	91.19
19	54.24	57.90	61.60	65.33	69.25	73.45	2035	93.14
20	55.14	58.76	62.42	66.11	70.00	74.14	2036	95.12
							2037	97.29
							2038	98.99
							2039	101.06
							2040	103.49
							2041	105.19
							2042	107.77

PACIFICORP AVOIDED COST RATES FOR NON-SEASONAL HYDRO PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

	LEVELIZED							LEVELIZED
CONTRACT LENGTH			ON-LIN	CONTRACT	NON-LEVELIZED			
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
1	28.61	31.48	34.42	35.95	36.78	36.36	2017	28.61
2	29.99	32.89	35.15	36.35	36.57	36.71	2018	31.48
3	31.35	33.83	35.65	36.35	36.74	37.35	2019	34.42
4	32.37	34.49	35.81	36.52	37.19	45.20	2020	35.95
5	33.12	34.81	36.03	36.90	43.24	50.40	2021	36.78
6	33.57	35.12	36.40	41.78	47.67	54.09	2022	36.36
7	33.96	35.53	40.47	45.59	51.01	56.89	2023	37.10
8	34.41	39.03	43.79	48.58	53.65	59.16	2024	38.76
9	37.48	41.96	46.49	51.03	55.84	61.00	2025	72.71
10	40.12	44.42	48.74	53.10	57.66	62.54	2026	75.69
11	42.37	46.50	50.68	54.84	59.20	63.88	2027	77.46
12	44.31	48.32	52.34	56.34	60.55	65.06	2028	79.10
13	46.01	49.90	53.78	57.67	61.75	66.12	2029	80.97
14	47.51	51.28	55.06	58.85	62.83	67.09	2030	82.12
15	48.83	52.52	56.21	59.92	63.82	68.00	2031	83.29
16	50.02	53.63	57.26	60.91	64.74	68.85	2032	84.87
17	51.09	54.64	58.22	61.82	65.60	69.64	2033	86.16
18	52.07	55.58	59.12	62.67	66.40	70.39	2034	87.84
19	52.98	56.45	59.95	63.47	67.15	71.10	2035	89.74
20	53.83	57.27	60.73	64.21	67.86	71.76	2036	91.67
							2037	93.78
							2038	95.43
							2039	97.45
							2040	99.83
							2041	101.47
1							2042	104.00

PACIFICORP AVOIDED COST RATES FOR SEASONAL HYDRO PROJECTS June 01, 2017

\$/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			ON-LIN	CONTRACT	NON-LEVELIZED			
(YEARS)	2017	2018	2019	2020	2021	2022	YEAR	RATES
1	28,61	31.48	34.42	35.95	36.78	36,36	2017	28.61
	29.99	32.89	35.15	36.35	36.57	36.71	2018	31.48
2 3	31,35	33.83	35.65	36.35	36.74	37.35	2019	34.42
	32.37	33.63 34.49	35.81	36.52	37.19	49.77	2020	35.95
4			36.03	36.90	46.76	57.76	2021	36.78
5	33.12	34.81		36.90 44.60	53.56	63.34	2022	36.36
6 7	33.57	35.12	36.40		53.56 58.62	67.53	2022	37,10
	33.96	35.53	42.79	50.43 54.97	62.58	70,85	2024	38.76
8	34.41	40.97	47.85		62.56 65.80	70.65	2025	93.34
9	39.14	45.43	51.93	58.63			2026	96.62
10	43.11	49.11	55.29	61.69	68.46	75.76		98.69
11	46.45	52.21	58.15	64.25	70.71	77.68	2027 2028	100.64
12	49.31	54.88	60.59	66.44	72.66	79.35		
13	51.80	57.18	62.69	68.36	74.37	80.84	2029	102.84
14	53.97	59.19	64.55	70.06	75.90	82.20	2030	104.31
15	55.89	60.98	66.21	71.58	77.29	83.44	2031	105.79
16	57.60	62.58	67.70	72.97	78.56	84.59	2032	107.70
17	59.13	64.02	69.06	74.24	79.74	85.65	2033	109.33
18	60.53	65.35	70.31	75.42	80.83	86.65	2034	111.35
19	61.81	66.57	71.47	76.51	81.84	87.58	2035	113.60
20	63.00	67.71	72.54	77.52	82.80	88.46	2036	115.87
							2037	118.35
							2038	120.35
							2039	122.74
							2040	125.49
							2041	127.51
							2042	130.42

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

PACIFICORP AVOIDED COST RATES FOR OTHER PROJECTS June 01, 2017

\$/MWh

New Contracts and Replacement Contracts without Full Capacity Payments

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

	L	NON-LEVELIZED					
		ON-LIN	CONTRACT	NON-LEVELIZED			
2017	2018	2019	2020	2021	2022	YEAR	RATES
28.61	31.48	34.42	35.95	36.78	36.36	2017	28.61
29.99	32.89	35.15	36.35	36.78	36.71	2017	31.48
31.35	33.83	35.65	36.35	36.74	37.35	2019	34.42
32.37	33.03 34.49	35.81	36.52	37.19	43.42	2020	35.95
33.12	34.49	36.03	36.90	41.88	47.54	2021	36.78
33.57	35.12	36.40	40.69	45.39	50.50	2022	36.36
33.96	35.53	39.58	43.71	48.06	52.77	2023	37.10
34.41	38.27	42.21	46.11	50.20	54.63	2024	38.76
36.84	40.62	44.38	48.09	51.99	56.15	2025	64.72
38.97	40.62	46.20	49.77	53.47	57.42	2026	67.59
40.79	44.29	47.78	51.20	54.74	58.54	2027	69.23
40.79	44.29 45.78	49.14	51.20	55.87	59.52	2028	70.76
43.77	47.08	50.33	53.53	56.86	60.42	2029	72.51
45.00	48.21	51.39	54.51	57.76	61.25	2030	73.53
46.09	49.24	52.34	55.41	58.60	62.02	2031	74.57
47.08	50.16	53.21	56.23	59.38	62.76	2032	76.02
47.08	51.01	54.02	50.23 57.01	60.12	63.44	2032	77.19
48.80	51.80	54.78	57.74	60.81	64.09	2034	78.74
49.57	52.54	55.49	58.42	61.46	64.71	2035	80.50
50.28	53.23	56.16	59.06	62.08	65.30	2036	82.29
30.20	55.25	30.10	39.00	02.00	00.00		84.27
							85.78
							87.66
							89.89
							91.39
							93.77
							2037 2038 2039 2040 2041 2042

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.