

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE ANNUAL UPDATE )**  
**TO PUBLISHED AVOIDED COST RATES )** **CASE NOS. AVU-E-16-04**  
**BASED ON THE UPDATED NATURAL GAS )** **IPC-E-16-12**  
**PRICE FORECAST OF THE U.S. ENERGY )** **PAC-E-16-10**  
**INFORMATION ADMINISTRATION (EIA) )**  
**ORDER NO. 33538**

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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 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**

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 27, 2016, 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 2016* 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 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 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.

### **ORDER**

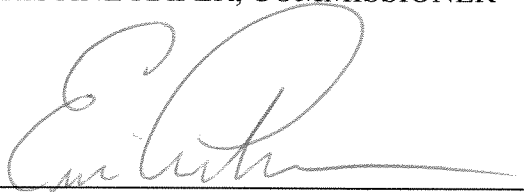
IT IS HEREBY ORDERED that the updates to published avoided cost rates for Avista, Idaho Power, and PacifiCorp are approved, effective June 15, 2016.

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.

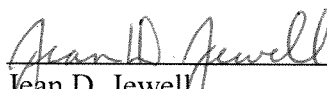
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 14<sup>th</sup>  
day of June 2016.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

  
\_\_\_\_\_  
ERIC ANDERSON, COMMISSIONER

ATTEST:

  
\_\_\_\_\_  
Jean D. Jewell  
Commission Secretary

O:AVU-E-16-04\_IPC-E-16-12\_PAC-E-16-10\_djh

### 3.8. Energy Prices by Sector and Source

(2015 dollars per million Btu, unless otherwise noted)

Mountain - 08

Sector and Source	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Electric Power 8/</b>													
Distillate Fuel Oil	23.71	14.95	11.53	13.06	15.28	18.01	19.57	20.82	21.82	22.21	22.57	23.06	23.61
Residual Fuel Oil	14.60	3.92	2.86	3.32	5.70	8.13	9.67	10.95	12.09	12.47	12.79	13.15	13.61
Natural Gas	4.90	3.35	3.63	4.01	4.22	4.12	4.20	4.25	4.36	4.55	4.73	4.92	4.96
Steam Coal	1.92	1.86	1.77	1.76	1.81	1.78	1.79	1.78	1.77	1.79	1.77	1.75	1.75

#### Prices in Nominal Dollars

##### Electric Power 8/

Distillate Fuel Oil	23.46	14.95	11.74	13.59	16.21	19.47	21.62	23.54	25.23	26.18	27.10	28.22	29.47
Residual Fuel Oil	14.45	3.92	2.91	3.45	6.05	8.79	10.68	12.39	13.98	14.70	15.36	16.09	16.99
Natural Gas	4.85	3.35	3.70	4.17	4.47	4.46	4.64	4.81	5.04	5.37	5.68	6.02	6.19
Steam Coal	1.90	1.86	1.80	1.83	1.91	1.92	1.98	2.02	2.05	2.11	2.13	2.14	2.18

2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
24.08	24.44	24.94	25.28	25.88	26.50	27.12	27.83	28.27	28.92	29.31	30.00	30.61	31.34
13.98	14.26	14.65	14.92	15.39	15.87	16.36	16.91	17.20	17.71	18.02	18.55	19.03	19.58
4.94	4.83	4.89	4.83	4.70	4.80	4.82	4.78	4.81	4.82	4.87	4.88	4.93	4.96
1.75	1.75	1.75	1.77	1.79	1.81	1.83	1.84	1.85	1.86	1.87	1.89	1.90	1.92
30.64	31.72	33.04	34.21	35.77	37.45	39.18	41.10	42.69	44.64	46.25	48.37	50.44	52.74
17.80	18.51	19.42	20.19	21.27	22.42	23.64	24.97	25.98	27.34	28.43	29.91	31.36	32.95
6.28	6.27	6.47	6.54	6.50	6.78	6.97	7.06	7.26	7.44	7.68	7.87	8.12	8.35
2.23	2.27	2.32	2.39	2.47	2.56	2.64	2.72	2.80	2.88	2.96	3.05	3.14	3.23

**AVISTA**  
**AVOIDED COST RATES FOR WIND PROJECTS**  
**June 15, 2016**

\$/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
	2016	2017	2018	2019	2020	2021		
1	31.16	31.72	33.91	33.86	38.17	39.44	2016	31.16
2	31.43	32.77	33.88	35.93	38.78	40.28	2017	31.72
3	32.19	33.11	35.21	37.02	39.52	41.31	2018	33.91
4	32.56	34.23	36.15	37.94	40.43	42.34	2019	33.86
5	33.52	35.12	37.01	38.91	41.37	43.38	2020	38.17
6	34.33	35.95	37.91	39.87	42.34	44.25	2021	39.44
7	35.10	36.81	38.81	40.83	43.17	44.95	2022	41.19
8	35.90	37.67	39.72	41.67	43.86	45.48	2023	43.60
9	36.71	38.54	40.53	42.38	44.40	46.00	2024	45.95
10	37.52	39.31	41.22	42.95	44.93	46.46	2025	48.41
11	38.26	39.99	41.78	43.50	45.39	46.83	2026	49.77
12	38.91	40.55	42.32	43.98	45.77	47.23	2027	50.49
13	39.45	41.09	42.80	44.38	46.18	47.64	2028	50.51
14	39.98	41.57	43.21	44.80	46.58	48.02	2029	52.05
15	40.44	41.97	43.63	45.21	46.96	48.40	2030	52.62
16	40.84	42.39	44.04	45.60	47.34	48.77	2031	52.47
17	41.25	42.79	44.42	45.97	47.70	49.16	2032	54.54
18	41.65	43.17	44.79	46.34	48.08	49.53	2033	55.98
19	42.02	43.54	45.15	46.71	48.44	49.90	2034	56.72
20	42.38	43.89	45.51	47.07	48.80	50.27	2035	58.27
							2036	59.66
							2037	61.50
							2038	62.97
							2039	64.89
							2040	66.63
							2041	68.15

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

AVISTA AVOIDED COST RATES FOR SOLAR PROJECTS June 15, 2016 \$/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
	2016	2017	2018	2019	2020	2021		
1	32.45	31.72	33.91	33.86	39.54	40.84	2016	32.45
2	32.10	32.77	33.88	36.59	40.17	41.69	2017	31.72
3	32.66	33.11	35.63	37.90	40.92	42.72	2018	33.91
4	32.92	34.54	36.79	38.95	41.83	43.76	2019	33.86
5	34.06	35.61	37.78	39.99	42.78	44.81	2020	39.54
6	34.98	36.57	38.77	41.00	43.76	45.69	2021	40.84
7	35.84	37.52	39.74	42.00	44.60	46.40	2022	42.60
8	36.71	38.45	40.70	42.87	45.30	46.93	2023	45.04
9	37.57	39.37	41.55	43.61	45.84	47.47	2024	47.40
10	38.42	40.20	42.27	44.19	46.38	47.94	2025	49.89
11	39.20	40.91	42.86	44.76	46.85	48.31	2026	51.27
12	39.87	41.50	43.43	45.26	47.24	48.73	2027	52.01
13	40.44	42.07	43.94	45.68	47.66	49.14	2028	52.06
14	40.99	42.57	44.36	46.11	48.07	49.53	2029	53.62
15	41.48	43.00	44.80	46.54	48.45	49.92	2030	54.21
16	41.90	43.44	45.23	46.93	48.84	50.30	2031	54.09
17	42.33	43.86	45.62	47.32	49.21	50.68	2032	56.18
18	42.74	44.25	46.01	47.70	49.59	51.06	2033	57.64
19	43.12	44.64	46.38	48.08	49.96	51.44	2034	58.40
20	43.49	45.01	46.75	48.45	50.33	51.82	2035	59.98
							2036	61.39
							2037	63.26
							2038	64.75
							2039	66.70
							2040	68.47
							2041	70.02

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

AVISTA								
AVOIDED COST RATES FOR NON-SEASONAL HYDRO PROJECTS								
June 15, 2016								
\$/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
	2016	2017	2018	2019	2020	2021		
1	38.44	31.72	33.91	33.86	45.89	47.28	2016	38.44
2	35.21	32.77	33.88	39.65	46.56	48.17	2017	31.72
3	34.81	33.11	37.59	42.00	47.35	49.25	2018	33.91
4	34.60	35.95	39.74	43.59	48.31	50.34	2019	33.86
5	36.53	37.88	41.35	44.97	49.31	51.43	2020	45.89
6	38.00	39.42	42.76	46.22	50.32	52.35	2021	47.28
7	39.25	40.80	44.03	47.40	51.20	53.10	2022	49.14
8	40.42	42.06	45.23	48.42	51.94	53.68	2023	51.67
9	41.52	43.23	46.27	49.27	52.53	54.25	2024	54.13
10	42.58	44.27	47.16	49.96	53.10	54.76	2025	56.72
11	43.52	45.16	47.88	50.62	53.61	55.17	2026	58.19
12	44.34	45.91	48.57	51.20	54.03	55.62	2027	59.04
13	45.04	46.61	49.18	51.68	54.49	56.08	2028	59.19
14	45.69	47.23	49.69	52.18	54.94	56.50	2029	60.85
15	46.28	47.76	50.21	52.67	55.36	56.92	2030	61.56
16	46.79	48.29	50.72	53.12	55.77	57.33	2031	61.54
17	47.29	48.80	51.18	53.56	56.18	57.75	2032	63.74
18	47.78	49.27	51.63	53.98	56.59	58.16	2033	65.31
19	48.23	49.72	52.06	54.41	56.99	58.58	2034	66.18
20	48.66	50.15	52.49	54.82	57.39	58.98	2035	67.87
							2036	69.40
							2037	71.39
							2038	73.01
							2039	75.07
							2040	76.97
							2041	78.64

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)



<p style="text-align: center;"><b>AVISTA</b>  <b>AVOIDED COST RATES FOR SEASONAL HYDRO PROJECTS</b>  <b>June 15, 2016</b>  \$/MWh  <b>New Contracts and Replacement Contracts without Full Capacity Payments</b></p>								
<p style="text-align: center;">Eligibility for these rates is limited to projects smaller than 10 aMW.</p>								
LEVELIZED							NON-LEVELIZED	
CONTRACT LENGTH (YEARS)	ON-LINE YEAR						CONTRACT YEAR	NON-LEVELIZED RATES
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.97	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.29	35.09	36.50	38.24	2018	33.91
4	31.78	33.57	34.76	35.76	37.38	39.25	2019	33.86
5	32.36	34.06	35.33	36.57	38.31	40.26	2020	35.19
6	32.91	34.61	36.04	37.42	39.25	41.12	2021	36.42
7	33.50	35.27	36.79	38.29	40.06	41.80	2022	38.11
8	34.16	35.98	37.59	39.07	40.74	42.30	2023	40.49
9	34.85	36.72	38.30	39.72	41.25	42.81	2024	42.79
10	35.57	37.40	38.92	40.24	41.77	43.26	2025	45.20
11	36.23	37.99	39.42	40.74	42.21	43.60	2026	46.51
12	36.81	38.48	39.91	41.19	42.57	43.99	2027	47.19
13	37.29	38.95	40.34	41.55	42.96	44.38	2028	47.16
14	37.77	39.38	40.70	41.95	43.36	44.74	2029	48.65
15	38.19	39.73	41.08	42.33	43.72	45.11	2030	49.17
16	38.55	40.11	41.46	42.69	44.08	45.47	2031	48.97
17	38.92	40.47	41.80	43.04	44.43	45.83	2032	50.99
18	39.28	40.81	42.15	43.39	44.79	46.19	2033	52.37
19	39.62	41.15	42.48	43.74	45.13	46.55	2034	53.06
20	39.95	41.47	42.82	44.08	45.48	46.90	2035	54.55
							2036	55.89
							2037	57.68
							2038	59.09
							2039	60.95
							2040	62.64
							2041	64.10

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.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

**AVISTA**  
**AVOIDED COST RATES FOR OTHER PROJECTS**  
**June 15, 2016**  
 \$/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
	2016	2017	2018	2019	2020	2021		
1	47.77	31.72	33.91	33.86	55.77	57.30	2016	47.77
2	40.05	32.77	33.88	44.40	56.51	58.27	2017	31.72
3	38.16	33.11	40.63	48.38	57.37	59.42	2018	33.91
4	37.20	38.14	44.34	50.81	58.40	60.57	2019	33.86
5	40.37	41.42	46.89	52.72	59.46	61.73	2020	55.77
6	42.69	43.86	48.96	54.34	60.54	62.72	2021	57.30
7	44.55	45.90	50.72	55.80	61.48	63.53	2022	59.31
8	46.20	47.66	52.28	57.04	62.29	64.17	2023	61.99
9	47.68	49.24	53.63	58.08	62.93	64.81	2024	64.61
10	49.04	50.61	54.76	58.93	63.57	65.38	2025	67.34
11	50.24	51.78	55.70	59.73	64.13	65.84	2026	68.98
12	51.29	52.76	56.57	60.43	64.61	66.36	2027	69.98
13	52.18	53.67	57.33	61.02	65.12	66.87	2028	70.29
14	53.01	54.47	57.99	61.62	65.62	67.34	2029	72.12
15	53.75	55.16	58.64	62.20	66.09	67.82	2030	72.98
16	54.39	55.84	59.26	62.74	66.56	68.28	2031	73.13
17	55.02	56.48	59.83	63.26	67.02	68.75	2032	75.50
18	55.62	57.07	60.38	63.76	67.48	69.21	2033	77.25
19	56.17	57.63	60.90	64.26	67.93	69.67	2034	78.30
20	56.70	58.16	61.41	64.73	68.37	70.13	2035	80.16
							2036	81.88
							2037	84.05
							2038	85.85
							2039	88.10
							2040	90.19
							2041	92.05

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

**IDAHO POWER COMPANY**  
**AVOIDED COST RATES FOR WIND PROJECTS**  
**June 15, 2016**

\$/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
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.96	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.28	35.09	36.50	38.23	2018	33.91
4	31.77	33.57	34.76	35.76	37.38	39.97	2019	33.86
5	32.35	34.05	35.33	36.56	38.86	41.43	2020	35.19
6	32.90	34.60	36.03	37.85	40.18	42.58	2021	36.42
7	33.48	35.26	37.15	39.05	41.26	43.48	2022	38.11
8	34.14	36.27	38.21	40.06	42.14	44.15	2023	40.49
9	35.09	37.25	39.15	40.90	42.82	44.79	2024	46.10
10	36.01	38.11	39.93	41.57	43.46	45.34	2025	48.56
11	36.84	38.86	40.57	42.21	44.01	45.77	2026	49.92
12	37.56	39.48	41.18	42.76	44.46	46.24	2027	50.65
13	38.16	40.06	41.71	43.21	44.93	46.70	2028	50.67
14	38.73	40.58	42.16	43.68	45.39	47.11	2029	52.21
15	39.24	41.02	42.61	44.13	45.81	47.52	2030	52.78
16	39.68	41.46	43.05	44.55	46.22	47.92	2031	52.64
17	40.12	41.89	43.46	44.95	46.62	48.32	2032	54.71
18	40.54	42.28	43.85	45.34	47.01	48.71	2033	56.15
19	40.92	42.67	44.23	45.73	47.39	49.10	2034	56.89
20	41.30	43.03	44.60	46.10	47.77	49.48	2035	58.44
							2036	59.83
							2037	61.68
							2038	63.15
							2039	65.07
							2040	66.82
							2041	68.34

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

**IDAHO POWER COMPANY**  
**AVOIDED COST RATES FOR SOLAR PROJECTS**  
**June 15, 2016**  
 \$/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
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.96	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.28	35.09	36.50	38.23	2018	33.91
4	31.77	33.57	34.76	35.76	37.38	46.73	2019	33.86
5	32.35	34.05	35.33	36.56	44.05	52.31	2020	35.19
6	32.90	34.60	36.03	42.00	48.86	56.25	2021	36.42
7	33.48	35.26	40.55	46.18	52.48	59.18	2022	38.11
8	34.14	39.12	44.19	49.47	55.29	61.41	2023	40.49
9	37.51	42.33	47.15	52.10	57.50	63.29	2024	76.63
10	40.39	45.01	49.57	54.21	59.38	64.85	2025	79.54
11	42.83	47.24	51.56	56.05	60.97	66.13	2026	81.36
12	44.90	49.11	53.31	57.62	62.30	67.32	2027	82.54
13	46.65	50.76	54.82	58.94	63.53	68.41	2028	83.03
14	48.22	52.20	56.10	60.17	64.65	69.38	2029	85.05
15	49.59	53.44	57.30	61.28	65.65	70.28	2030	86.10
16	50.79	54.60	58.39	62.29	66.58	71.13	2031	86.44
17	51.90	55.66	59.38	63.22	67.44	71.93	2032	89.01
18	52.93	56.62	60.29	64.09	68.26	72.68	2033	90.95
19	53.86	57.51	61.14	64.90	69.02	73.40	2034	92.20
20	54.72	58.34	61.95	65.67	69.75	74.08	2035	94.27
							2036	96.19
							2037	98.57
							2038	100.58
							2039	103.05
							2040	105.35
							2041	107.44

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

**IDAHO POWER COMPANY**  
**AVOIDED COST RATES FOR NON-SEASONAL HYDRO PROJECTS**  
**June 15, 2016**  
 \$/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
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.96	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.28	35.09	36.50	38.23	2018	33.91
4	31.77	33.57	34.76	35.76	37.38	46.08	2019	33.86
5	32.35	34.05	35.33	36.56	43.54	51.25	2020	35.19
6	32.90	34.60	36.03	41.60	48.02	54.92	2021	36.42
7	33.48	35.26	40.22	45.49	51.40	57.65	2022	38.11
8	34.14	38.85	43.61	48.55	54.02	59.73	2023	40.49
9	37.28	41.84	46.37	51.01	56.07	61.49	2024	73.67
10	39.97	44.34	48.64	52.99	57.84	62.95	2025	76.54
11	42.25	46.43	50.49	54.70	59.33	64.16	2026	78.30
12	44.19	48.17	52.13	56.17	60.57	65.28	2027	79.45
13	45.83	49.72	53.54	57.41	61.72	66.30	2028	79.89
14	47.30	51.07	54.75	58.57	62.78	67.22	2029	81.86
15	48.59	52.24	55.87	59.62	63.72	68.08	2030	82.87
16	49.71	53.32	56.90	60.57	64.60	68.87	2031	83.16
17	50.76	54.32	57.83	61.45	65.42	69.63	2032	85.68
18	51.73	55.22	58.70	62.27	66.19	70.35	2033	87.57
19	52.60	56.07	59.50	63.04	66.92	71.04	2034	88.77
20	53.42	56.85	60.26	63.77	67.62	71.69	2035	90.79
							2036	92.66
							2037	94.99
							2038	96.95
							2039	99.36
							2040	101.61
							2041	103.65

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

IDAHO POWER COMPANY								
AVOIDED COST RATES FOR SEASONAL HYDRO PROJECTS								
June 15, 2016								
\$/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
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.96	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.28	35.09	36.50	38.23	2018	33.91
4	31.77	33.57	34.76	35.76	37.38	50.67	2019	33.86
5	32.35	34.05	35.33	36.56	47.07	58.65	2020	35.19
6	32.90	34.60	36.03	44.41	53.93	64.22	2021	36.42
7	33.48	35.26	42.54	50.34	59.03	68.33	2022	38.11
8	34.14	40.79	47.68	54.95	62.96	71.47	2023	40.49
9	38.93	45.30	51.82	58.63	66.06	74.07	2024	94.45
10	42.95	49.03	55.19	61.59	68.67	76.22	2025	97.62
11	46.32	52.13	57.97	64.12	70.86	78.01	2026	99.69
12	49.18	54.72	60.38	66.28	72.70	79.62	2027	101.15
13	51.61	57.00	62.46	68.12	74.37	81.08	2028	101.91
14	53.75	58.98	64.24	69.78	75.88	82.37	2029	104.20
15	55.63	60.69	65.87	71.29	77.22	83.56	2030	105.54
16	57.27	62.26	67.34	72.64	78.45	84.66	2031	106.16
17	58.78	63.69	68.67	73.88	79.59	85.69	2032	109.02
18	60.16	64.98	69.89	75.02	80.65	86.66	2033	111.25
19	61.40	66.16	71.01	76.09	81.64	87.57	2034	112.80
20	62.56	67.26	72.06	77.08	82.57	88.43	2035	115.17
							2036	117.39
							2037	120.09
							2038	122.41
							2039	125.20
							2040	127.83
							2041	130.25

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.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

**IDAHO POWER COMPANY**  
**AVOIDED COST RATES FOR OTHER PROJECTS**  
**June 15, 2016**  
 \$/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
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.96	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.28	35.09	36.50	38.23	2018	33.91
4	31.77	33.57	34.76	35.76	37.38	44.30	2019	33.86
5	32.35	34.05	35.33	36.56	42.18	48.38	2020	35.19
6	32.90	34.60	36.03	40.50	45.73	51.32	2021	36.42
7	33.48	35.26	39.33	43.61	48.44	53.52	2022	38.11
8	34.14	38.09	42.04	46.08	50.55	55.19	2023	40.49
9	36.64	40.50	44.26	48.06	52.20	56.62	2024	65.62
10	38.81	42.52	46.10	49.66	53.64	57.81	2025	68.37
11	40.67	44.22	47.60	51.06	54.86	58.79	2026	70.02
12	42.25	45.63	48.93	52.26	55.87	59.72	2027	71.04
13	43.59	46.90	50.09	53.27	56.82	60.58	2028	71.36
14	44.80	48.01	51.08	54.22	57.70	61.35	2029	73.21
15	45.86	48.96	52.00	55.10	58.49	62.08	2030	74.09
16	46.78	49.86	52.86	55.89	59.24	62.76	2031	74.26
17	47.65	50.69	53.64	56.63	59.93	63.42	2032	76.64
18	48.46	51.45	54.36	57.33	60.60	64.04	2033	78.41
19	49.20	52.16	55.04	57.99	61.22	64.64	2034	79.47
20	49.88	52.82	55.69	58.61	61.83	65.21	2035	81.35
							2036	83.08
							2037	85.27
							2038	87.08
							2039	89.36
							2040	91.46
							2041	93.34

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

<b>PACIFICORP</b> <b>AVOIDED COST RATES FOR WIND PROJECTS</b> <b>June 15, 2016</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>
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.97	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.28	35.09	36.50	38.24	2018	33.91
4	31.77	33.57	34.76	35.76	37.38	39.25	2019	33.86
5	32.36	34.05	35.33	36.57	38.30	40.82	2020	35.19
6	32.91	34.61	36.03	37.41	39.69	42.05	2021	36.42
7	33.49	35.27	36.79	38.66	40.83	43.01	2022	38.11
8	34.15	35.97	37.89	39.71	41.75	43.72	2023	40.49
9	34.84	36.98	38.85	40.58	42.46	44.40	2024	42.79
10	35.79	37.87	39.66	41.27	43.13	44.97	2025	48.49
11	36.63	38.63	40.32	41.92	43.70	45.43	2026	49.85
12	37.37	39.26	40.94	42.49	44.17	45.91	2027	50.57
13	37.98	39.86	41.49	42.96	44.66	46.38	2028	50.59
14	38.57	40.39	41.95	43.44	45.13	46.82	2029	52.13
15	39.09	40.84	42.41	43.91	45.56	47.24	2030	52.71
16	39.54	41.30	42.87	44.34	45.98	47.65	2031	52.56
17	39.98	41.74	43.28	44.75	46.39	48.07	2032	54.63
18	40.41	42.14	43.68	45.15	46.80	48.47	2033	56.07
19	40.81	42.53	44.07	45.55	47.19	48.87	2034	56.80
20	41.19	42.91	44.45	45.93	47.58	49.26	2035	58.36
							2036	59.75
							2037	61.59
							2038	63.06
							2039	64.98
							2040	66.73
							2041	68.25

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aao/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aao/er/tables_ref.cfm)



**PACIFICORP**  
**AVOIDED COST RATES FOR SOLAR PROJECTS**  
**June 15, 2016**  
 \$/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
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.97	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.28	35.09	36.50	38.24	2018	33.91
4	31.77	33.57	34.76	35.76	37.38	39.25	2019	33.86
5	32.36	34.05	35.33	36.57	38.30	45.99	2020	35.19
6	32.91	34.61	36.03	37.41	43.83	50.71	2021	36.42
7	33.49	35.27	36.79	42.06	47.95	54.20	2022	38.11
8	34.15	35.97	40.74	45.68	51.13	56.84	2023	40.49
9	34.84	39.41	43.94	48.58	53.63	59.03	2024	42.79
10	37.88	42.25	46.55	50.90	55.75	60.85	2025	78.80
11	40.45	44.63	48.70	52.91	57.52	62.34	2026	80.61
12	42.63	46.62	50.58	54.62	59.01	63.70	2027	81.78
13	44.48	48.37	52.19	56.06	60.37	64.94	2028	82.26
14	46.12	49.90	53.58	57.39	61.60	66.03	2029	84.26
15	47.57	51.22	54.85	58.60	62.70	67.04	2030	85.31
16	48.83	52.44	56.02	59.68	63.71	67.97	2031	85.64
17	49.99	53.56	57.07	60.68	64.65	68.86	2032	88.19
18	51.07	54.57	58.04	61.61	65.53	69.68	2033	90.13
19	52.04	55.51	58.94	62.48	66.36	70.47	2034	91.36
20	52.95	56.38	59.79	63.30	67.14	71.21	2035	93.42
							2036	95.32
							2037	97.69
							2038	99.69
							2039	102.15
							2040	104.44
							2041	106.52

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

**PACIFICORP**  
**AVOIDED COST RATES FOR NON-SEASONAL HYDRO PROJECTS**  
**June 15, 2016**  
 \$/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
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.97	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.28	35.09	36.50	38.24	2018	33.91
4	31.77	33.57	34.76	35.76	37.38	39.25	2019	33.86
5	32.36	34.05	35.33	36.57	38.30	45.49	2020	35.19
6	32.91	34.61	36.03	37.41	43.43	49.87	2021	36.42
7	33.49	35.27	36.79	41.73	47.26	53.11	2022	38.11
8	34.15	35.97	40.47	45.10	50.22	55.56	2023	40.49
9	34.84	39.17	43.44	47.80	52.54	57.61	2024	42.79
10	37.68	41.83	45.88	49.97	54.52	59.31	2025	75.86
11	40.08	44.05	47.89	51.84	56.18	60.70	2026	77.62
12	42.12	45.90	49.64	53.44	57.57	61.98	2027	78.75
13	43.85	47.54	51.16	54.79	58.84	63.13	2028	79.19
14	45.39	48.97	52.45	56.04	60.00	64.16	2029	81.15
15	46.74	50.21	53.65	57.17	61.03	65.12	2030	82.14
16	47.92	51.36	54.74	58.19	61.99	66.00	2031	82.43
17	49.02	52.41	55.73	59.14	62.88	66.84	2032	84.93
18	50.03	53.36	56.65	60.01	63.71	67.62	2033	86.82
19	50.95	54.25	57.50	60.84	64.50	68.37	2034	88.01
20	51.81	55.07	58.30	61.61	65.24	69.08	2035	90.02
							2036	91.87
							2037	94.19
							2038	96.14
							2039	98.54
							2040	100.78
							2041	102.80

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

<b>PACIFICORP</b> <b>AVOIDED COST RATES FOR SEASONAL HYDRO PROJECTS</b> <b>June 15, 2016</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>
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.97	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.28	35.09	36.50	38.24	2018	33.91
4	31.77	33.57	34.76	35.76	37.38	39.25	2019	33.86
5	32.36	34.05	35.33	36.57	38.30	49.01	2020	35.19
6	32.91	34.61	36.03	37.41	46.24	55.76	2021	36.42
7	33.49	35.27	36.79	44.04	52.11	60.72	2022	38.11
8	34.15	35.97	42.41	49.17	56.61	64.49	2023	40.49
9	34.84	40.82	46.91	53.24	60.15	67.57	2024	42.79
10	39.10	44.81	50.57	56.52	63.11	70.11	2025	96.49
11	42.68	48.13	53.59	59.32	65.59	72.21	2026	98.55
12	45.70	50.91	56.20	61.69	67.66	74.08	2027	99.99
13	48.26	53.33	58.44	63.71	69.53	75.76	2028	100.73
14	50.53	55.44	60.36	65.53	71.20	77.24	2029	103.01
15	52.51	57.27	62.11	67.17	72.69	78.59	2030	104.32
16	54.24	58.94	63.69	68.63	74.05	79.82	2031	104.93
17	55.83	60.45	65.11	69.98	75.30	80.98	2032	107.77
18	57.28	61.82	66.42	71.21	76.46	82.05	2033	109.99
19	58.59	63.08	67.62	72.36	77.54	83.06	2034	111.52
20	59.80	64.24	68.74	73.43	78.55	84.01	2035	113.87
							2036	116.08
							2037	118.75
							2038	121.06
							2039	123.83
							2040	126.44
							2041	128.84

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.

Note: The rates shown in this table have been computed using the U.S. Energy Information Administration (EIA)'s Annual Energy Outlook 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)

<b>PACIFICORP</b> <b>AVOIDED COST RATES FOR OTHER PROJECTS</b> <b>June 15, 2016</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>
	2016	2017	2018	2019	2020	2021		
1	28.34	31.72	33.91	33.86	35.19	36.42	2016	28.34
2	29.97	32.77	33.88	34.50	35.78	37.23	2017	31.72
3	31.18	33.11	34.28	35.09	36.50	38.24	2018	33.91
4	31.77	33.57	34.76	35.76	37.38	39.25	2019	33.86
5	32.36	34.05	35.33	36.57	38.30	44.13	2020	35.19
6	32.91	34.61	36.03	37.41	42.34	47.59	2021	36.42
7	33.49	35.27	36.79	40.83	45.38	50.16	2022	38.11
8	34.15	35.97	39.72	43.53	47.75	52.11	2023	40.49
9	34.84	38.53	42.10	45.69	49.60	53.76	2024	42.79
10	37.13	40.67	44.07	47.43	51.20	55.12	2025	67.87
11	39.07	42.47	45.68	48.95	52.54	56.24	2026	69.52
12	40.73	43.96	47.10	50.25	53.66	57.29	2027	70.53
13	42.14	45.30	48.33	51.34	54.70	58.25	2028	70.84
14	43.40	46.47	49.38	52.36	55.66	59.10	2029	72.68
15	44.51	47.48	50.37	53.30	56.52	59.90	2030	73.55
16	45.48	48.42	51.28	54.15	57.32	60.65	2031	73.71
17	46.38	49.29	52.10	54.94	58.07	61.36	2032	76.09
18	47.23	50.09	52.86	55.68	58.78	62.03	2033	77.85
19	47.99	50.83	53.58	56.38	59.45	62.68	2034	78.90
20	48.71	51.52	54.26	57.04	60.09	63.30	2035	80.78
							2036	82.50
							2037	84.68
							2038	86.49
							2039	88.75
							2040	90.84
							2041	92.72

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 2016, released May 17, 2016. See Annual Energy Outlook 2016, Table 3.8 Energy Prices by Sector-Mountain at [http://www.eia.gov/forecasts/aeo/er/tables\\_ref.cfm](http://www.eia.gov/forecasts/aeo/er/tables_ref.cfm)