**APPENDIX 1**

**SCHEDULE OF ESTIMATED AVOIDED COST**

**State of Washington**

Consistent with WAC 480-107-055, this schedule of estimated avoided cost is intended to provide general information to potential bidders about the cost of new power supplies. It does not provide a guaranteed contract price for electricity.

The schedule below provides the nominal levelized price forecast on a monthly basis and on an annual flat basis using the September 2011 official forward price curve.

|  |  |  |
| --- | --- | --- |
| **Avoided Cost Prices** | | |
|  |  |  |
|  |  |  |
|  |  |  |
| Deliveries | Capacity | Energy |
| During | Payment | Payment |
| Calendar Year | $/kW - Month | $/MWH |
| 2012 | $2.31 | 28.82 |
| 2013 | $2.35 | 35.03 |
| 2014 | $2.39 | 38.50 |
| 2015 | $2.44 | 42.40 |
| 2016 | $2.49 | 45.47 |
|  |  |  |
| 5 Year (2012 - 2016) Levelized Prices (Nominal) @ 7.15% Discount Rate (1) | | |
| $/kW - Month | $2.39 |  |
| $/kW - Year | $28.68 |  |
| $/MWh |  | $37.48 |
|  |  |  |
| Footnotes: |  |  |
| 1 Discount Rate - Company Official Discount Rate - Dated September 2011 | | |
|  |  |  |