

Schedule of Estimated Avoided Cost

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

As provided for in WAC 480-107-055 (2) this schedule of estimated avoided costs is based upon the estimates of currently projected market prices for electricity. The schedule below provides the nominal price forecast on a monthly basis for flat load. These forecasts are based on assumptions about natural gas prices, regional demand, new resource cost and development, as are being used in PSE's 2015 Integrated Resource Plan (IRP) process. The prices are part of PSE's "Base with no federal CO₂ price" scenario used in the 2015 IRP process. Estimated prices are derived using PSE's AURORA forecast model and do not include system integration, shaping, or transmission costs.

Monthly Prices for Mid-C Market (Nominal \$/MWh)

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Avg. Annual</u>
2016	34.57	34.49	32.45	28.48	27.56	28.37	31.29	34.37	35.30	34.90	35.11	34.63	32.63
2017	35.36	35.18	33.41	29.03	29.67	29.47	31.85	35.25	35.89	35.75	36.33	35.80	33.58
2018	36.56	36.59	34.41	30.25	29.27	29.60	32.93	36.65	37.79	37.15	37.02	37.24	34.62
2019	37.66	37.62	35.17	31.72	31.08	30.28	33.75	37.56	39.35	38.89	38.35	38.77	35.85
2020	39.12	39.12	36.49	33.32	31.35	32.13	35.64	39.49	41.44	40.73	40.80	40.62	37.52
2021	41.57	42.00	39.02	35.72	34.43	35.57	38.92	43.05	44.49	44.01	44.37	43.78	40.58
2022	43.78	44.23	40.76	37.42	35.59	37.55	41.05	45.85	46.66	46.40	47.07	46.20	42.71
2023	46.24	46.19	42.14	38.59	38.33	39.25	42.55	47.49	47.76	48.26	49.42	48.26	44.54
2024	48.78	48.76	44.34	40.96	38.73	39.60	44.89	49.59	50.77	50.65	50.40	50.76	46.52
2025	50.08	49.66	46.31	43.05	41.37	41.77	47.07	51.91	54.60	54.24	53.51	54.34	48.99
2026	56.50	57.31	54.90	50.77	46.84	50.16	55.96	61.05	64.53	64.11	64.00	62.30	57.37
2027	61.66	62.79	55.53	51.20	49.09	51.48	56.62	62.43	65.17	64.63	65.39	63.36	59.11
2028	62.21	63.26	56.34	51.48	49.03	51.94	57.90	63.86	65.70	66.02	67.05	64.58	59.95
2029	65.37	65.60	59.85	54.89	53.25	54.50	61.07	67.69	69.99	69.80	69.17	69.02	63.35
2030	67.81	68.16	60.46	56.15	52.67	55.13	63.24	69.03	71.46	71.54	71.12	72.30	64.92
2031	69.67	69.47	62.73	57.88	55.90	57.54	65.26	71.85	74.11	73.85	74.16	74.41	67.24
2032	71.93	71.68	65.06	59.64	55.60	59.87	67.10	74.48	76.80	75.69	77.96	76.60	69.37
2033	74.33	74.38	66.98	61.24	60.23	62.66	69.18	77.44	79.32	78.45	80.90	79.07	72.01
2034	77.13	76.88	69.21	62.98	60.43	63.86	71.10	80.05	81.25	81.03	83.23	81.33	74.04
2035	79.84	80.20	72.10	65.50	64.33	65.10	73.72	82.88	84.73	83.74	84.66	85.05	76.82