

AVISTA RATE CASE

UE-991606 AND UG-991607

Exhibit \_\_\_ (JL-RR-6) Centralia Replacement Power Cost

<b>WUTC</b>		
DOCKET NO.	<u>UE-991606</u>	
EXHIBIT #	<u>697</u>	
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Centralia Cost and Value of Power

From Johnson Exhibits 304, 332

### Avista Replacement Power Cost Estimates

Year	Total Delivered Centralia Cost \$/mwh	Exhibit 304			Exhibit 332 November 1999 Estimate	Centralia vs. Market From Exhibit 332
		Exhibit 304 Low	Exhibit 304 Medium	Exhibit 304 High		
1999	\$25.00	\$24.54	\$24.54	\$25.54	\$22.50	\$3,044,963
2000	\$26.45	\$25.21	\$25.12	\$27.12	\$26.74	(\$354,338)
2001	\$28.93	\$25.55	\$26.12	\$28.12	\$27.28	\$2,010,735
2002	\$30.33	\$26.23	\$27.04	\$29.22	\$27.53	\$3,420,464
2003	\$30.60	\$26.61	\$27.68	\$30.04	\$27.78	\$3,437,946
2004	\$30.87	\$27.00	\$28.33	\$30.89	\$29.08	\$2,188,023
2005	\$31.15	\$27.39	\$29.01	\$31.77	\$29.36	\$2,177,019
2006	\$31.43	\$27.79	\$29.69	\$32.67	\$29.65	\$2,175,550
2007	\$31.72	\$28.20	\$30.40	\$33.60	\$31.68	\$47,404
2008	\$32.02	\$28.62	\$31.12	\$34.56	\$33.71	(\$2,070,830)
2009	\$32.33	\$29.04	\$31.86	\$35.54	\$35.75	<b>(\$4,179,032)</b>
2010	\$32.64	\$29.47	\$32.62	\$36.56	\$37.79	(\$6,276,983)
2011	\$32.97	\$29.90	\$33.40	\$37.60	\$38.73	(\$7,033,850)
2012	\$33.31	\$30.34	\$34.20	\$38.68	\$39.67	(\$7,767,879)
2013	\$33.66	\$30.79	\$35.02	\$39.79	\$40.71	(\$8,613,197)
2014	\$34.01	\$31.25	\$35.86	\$40.93	\$41.75	(\$9,447,507)
2015	\$34.38	\$31.71	\$36.72	\$42.11	\$42.79	(\$10,270,579)
2016	\$34.76	\$32.19	\$37.60	\$43.32	\$43.84	(\$11,082,292)
2017	\$35.15	\$32.66	\$38.51	\$44.57	\$44.88	(\$11,882,429)
2018	\$35.55	\$33.15	\$39.43	\$45.85	\$46.03	(\$12,792,773)
2019	\$35.88	\$33.65	\$40.39	\$47.18	\$47.18	(\$13,788,752)
2020	\$35.50	\$34.15	\$41.36	\$48.54	\$48.43	(\$15,778,282)

Company testimony in UE-991606 by Norwood/McKenzie is that Centralia replacement power will cost \$4.1 million more than ownership of Centralia assumed in the original rate filing. This is an adverse cost not anticipated to be reached until the year 2009 under the HIGHEST forecast prepared by Avista at the time of the Centralia proceeding.