

2014 Incremental Cost Calculation

WAC 480-109-210 (2a)

Resource	Levelized Cost		Capacity Credit (MW)	Substitution Resource:	Substitution Resource:	Substitution Resource:	Substitution Resource:	Renewable	Net Revenue Requirement	MWh	\$/MWh	Notes
	\$/MWh	Total Cost		Energy Cost \$/MWh	Capacity Cost \$/kW-Yr	Energy Value	Capacity Value	Energy Credit Sales				
Little Falls 4	\$23.08	\$112,198	1	\$24.89	\$148.45	\$121,000	\$148,451	\$0	-\$157,253	4,862	-\$32.34	Uses 2001 IRP assumptions, levelized upgrade uses first 30 yrs
Long Lake 3	\$6.50	\$92,282	4.5	\$30.43	\$157.56	\$431,986	\$709,027	\$0	-\$1,048,731	14,197	-\$73.87	Uses 1997 IRP assumptions, levelized upgrade uses first 30 yrs
Cabinet Gorge 2	\$22.88	\$663,840	17	\$35.48	\$129.66	\$1,029,099	\$2,204,161	\$0	-\$2,569,420	29,008	-\$88.58	Uses 2003 IRP assumptions, levelized upgrade uses first 30 yrs
Cabinet Gorge 3	\$18.81	\$861,603	17	\$24.89	\$148.45	\$1,139,997	\$2,523,670	\$0	-\$2,802,064	45,808	-\$61.17	Uses 2001 IRP assumptions, levelized upgrade uses first 30 yrs
Cabinet Gorge 4	\$24.10	\$494,522	9	\$60.71	\$134.04	\$1,245,614	\$1,206,318	\$0	-\$1,957,410	20,517	-\$95.41	Uses 2007 IRP assumptions, levelized upgrade uses first 30 yrs
Noxon Rapids 1	\$83.05	\$1,780,183	7	\$64.88	\$139.61	\$1,390,672	\$977,305	\$0	-\$587,794	21,435	-\$27.42	Uses 2007 IRP assumptions (decision made in 2008, adjusted for inflation), levelized upgrade uses first 30 yrs
Noxon Rapids 2	\$115.18	\$887,937	7	\$70.96	\$146.17	\$547,064	\$1,023,198	\$0	-\$682,325	7,709	-\$88.51	Uses 2007 IRP assumptions (decision made in 2008, adjusted for inflation), levelized upgrade uses first 30 yrs
Noxon Rapids 3	\$59.71	\$867,560	7	\$67.67	\$142.71	\$983,103	\$998,986	\$0	-\$1,114,529	14,529	-\$76.71	Uses 2007 IRP assumptions (decision made in 2008, adjusted for inflation), levelized upgrade uses first 30 yrs
Noxon Rapids 4	\$65.06	\$782,277	7	\$74.72	\$149.95	\$898,396	\$1,049,664	\$0	-\$1,165,783	12,024	-\$96.96	Uses 2007 IRP assumptions (decision made in 2008, adjusted for inflation), levelized upgrade uses first 30 yrs
Wanapum Fish Bypass	\$0.00	\$0	0	\$0.00	\$0.00	\$0	\$0	\$0	\$0	0	\$0.00	Legacy Resource
Palouse Wind	\$78.34	\$26,265,655	0	\$57.88	\$209.28	\$19,405,240	\$0	\$2,302,467	\$4,557,947	335,291	\$13.59	Uses 2011 IRP assumptions (decision made in 2011, adjusted for inflation), levelized upgrade uses first 30 yrs
Total						\$27,192,172	\$10,840,779	\$2,302,467	-\$7,527,361	505,380	-\$14.89	
2014 Washington Production and Transportation Ratio									64.31%	The actual 2014 Production and Transportation ratio		
Washington Share						\$17,487,286	\$6,971,705	\$1,544,812	-\$4,840,846	325,010	-\$14.89	Includes adjustment for commission fees, uncollectibles, and excise taxes
Other RECs	\$14.50	\$725,000	0	\$0.00	\$0.00	\$0	\$0	\$162,500	\$562,500	0	\$0.00	Net of REC purchase and sale 100% assigned to Washington
Market Value of Idaho Transferred Incremental Hydro/Palouse REC sales												
Palouse RECs								\$821,750	\$821,750	119,665	\$6.87	REC value based on actual Palouse REC sales for 2014
Incremental Hydro Transfer								\$45,683	\$45,683	60,705	\$0.75	REC value based on similar REC type from 2014
Total Cost									-\$3,512,449	385,714		
2014 Washington Revenue Requirement									\$483,000,000	The 2014 Washington authorized revenue requirement		
Adjusted 2014 Revenue Requirement									\$486,512,449			
% Change to Revenue Requirement									-0.7220%			