

Ex 430

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

DOCKET NO. UE-991255
APPLICATION TO SELL THE CENTRALIA POWER PLANT

EXHIBIT NO. 304

WITNESS: WILLIAM G. JOHNSON AVISTA CORPORATION

WUTC		
DOCKET NO. <u>UE-991606</u>		
EXHIBIT # <u>430</u>		
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Centralia Plant Cost with Scrubbing (Avista Corp's 15% Share)

Capacity	201 MW
Tons of Coal Available	800,000
Conversion	1.526 MWh/ton
Annual Energy Production	1,220,800 MWh
O&M Cost	\$1.78 per MWh
Fuel Cost	\$17.90 per MWh
O&M Escalation	2.0%
Fuel Escalation	2.0%
Reserve Cost	\$1.50 per kW/mo
Reserves Escalation	2.0%
Wheeling Cost	\$1.00 per kW/mo
Wheeling Losses	1.9%
Wheeling Escalation after 2001	2.0%

	Annual Energy Production	O&M Cost	Fuel Cost	Reserves Cost	Wheeling Cost	Exchange Wheeling Credit	Fuel, O&M Reserves & Net Wheeling Cost	Fuel, O&M & Wheeling Cost \$/MWh	Capital Recovery Cost \$/MWh	Total Delivered Centralia Cost \$/MWh
Present Value		\$28,403,086	\$255,403,425	\$2,960,613	\$34,070,076	(\$22,611,907)	\$298,225,293	\$244	\$67	\$311
Levelized		\$2,920,960	\$26,265,565	\$304,468	\$3,503,750	(\$2,325,398)	\$30,669,345	\$25.12	\$6.90	\$32.02
1999	1,220,800	\$2,169,150	\$21,848,000	\$253,260	\$2,933,892	-\$1,919,415	\$25,284,887	\$20.71	\$4.29	\$25.00
2000	1,220,800	\$2,340,750	\$22,284,960	\$258,325	\$2,939,691	-\$1,927,409	\$25,896,318	\$21.21	\$5.24	\$26.45
2001	1,220,800	\$3,307,350	\$22,730,659	\$263,492	\$3,011,126	-\$1,983,383	\$27,329,244	\$22.39	\$6.54	\$28.93
2002	1,220,800	\$3,315,750	\$23,185,272	\$268,762	\$3,074,103	-\$2,026,847	\$27,817,040	\$22.79	\$7.55	\$30.33
2003	1,220,800	\$2,481,000	\$23,648,978	\$274,137	\$3,138,408	-\$2,071,276	\$27,471,247	\$22.50	\$8.10	\$30.60
2004	1,220,800	\$2,530,620	\$24,121,957	\$279,620	\$3,204,070	-\$2,116,690	\$28,019,577	\$22.95	\$7.92	\$30.87
2005	1,220,800	\$2,581,232	\$24,604,397	\$285,212	\$3,271,118	-\$2,163,113	\$28,578,846	\$23.41	\$7.74	\$31.15
2006	1,220,800	\$2,632,857	\$25,096,484	\$290,916	\$3,339,581	-\$2,210,567	\$29,149,272	\$23.88	\$7.55	\$31.43
2007	1,220,800	\$2,685,514	\$25,598,414	\$296,734	\$3,409,489	-\$2,259,074	\$29,731,078	\$24.35	\$7.36	\$31.72
2008	1,220,800	\$2,739,224	\$26,110,382	\$302,669	\$3,480,873	-\$2,308,658	\$30,324,490	\$24.84	\$7.18	\$32.02
2009	1,220,800	\$2,794,009	\$26,632,590	\$308,723	\$3,553,764	-\$2,359,345	\$30,929,741	\$25.34	\$6.99	\$32.33
2010	1,220,800	\$2,849,889	\$27,165,242	\$314,897	\$3,628,196	-\$2,411,158	\$31,547,066	\$25.84	\$6.80	\$32.64
2011	1,220,800	\$2,906,887	\$27,708,547	\$321,195	\$3,704,199	-\$2,464,123	\$32,176,705	\$26.36	\$6.61	\$32.97
2012	1,220,800	\$2,965,025	\$28,262,718	\$327,619	\$3,781,809	-\$2,518,266	\$32,818,905	\$26.88	\$6.43	\$33.31
2013	1,220,800	\$3,024,325	\$28,827,972	\$334,171	\$3,861,060	-\$2,573,613	\$33,473,915	\$27.42	\$6.24	\$33.66
2014	1,220,800	\$3,084,812	\$29,404,531	\$340,855	\$3,941,985	-\$2,630,192	\$34,141,991	\$27.97	\$6.05	\$34.01
2015	1,220,800	\$3,146,508	\$29,992,622	\$347,672	\$4,024,622	-\$2,688,030	\$34,823,394	\$28.53	\$5.86	\$34.38
2016	1,220,800	\$3,209,438	\$30,592,475	\$354,625	\$4,109,006	-\$2,747,155	\$35,518,389	\$29.09	\$5.67	\$34.76
2017	1,220,800	\$3,273,627	\$31,204,324	\$361,718	\$4,195,176	-\$2,807,597	\$36,227,247	\$29.68	\$5.47	\$35.15
2018	1,220,800	\$3,339,099	\$31,828,410	\$368,952	\$4,283,168	-\$2,869,386	\$36,950,244	\$30.27	\$5.28	\$35.55
2019	1,220,800	\$3,405,881	\$32,464,979	\$376,331	\$4,373,023	-\$2,932,551	\$37,687,663	\$30.87	\$5.01	\$35.88
2020	1,220,800	\$3,473,999	\$33,114,278	\$383,858	\$4,464,779	-\$2,997,124	\$38,439,790	\$31.49	\$4.01	\$35.50

Centralia Plant Replacement Power

PV Levelized	Market Rate Projections		
	Low Market	Med Market	High Market
	\$279	\$305	\$340
	\$28.69	\$31.37	\$34.97
1999	\$24.54	\$24.54	\$25.54
2000	\$25.21	\$25.12	\$27.12
2001	\$25.55	\$26.12	\$28.12
2002	\$26.23	\$27.04	\$29.22
2003	\$26.61	\$27.68	\$30.04
2004	\$27.00	\$28.33	\$30.89
2005	\$27.39	\$29.01	\$31.77
2006	\$27.79	\$29.69	\$32.67
2007	\$28.20	\$30.40	\$33.60
2008	\$28.62	\$31.12	\$34.56
2009	\$29.04	\$31.86	\$35.54
2010	\$29.47	\$32.62	\$36.56
2011	\$29.90	\$33.40	\$37.60
2012	\$30.34	\$34.20	\$38.68
2013	\$30.79	\$35.02	\$39.79
2014	\$31.25	\$35.86	\$40.93
2015	\$31.71	\$36.72	\$42.11
2016	\$32.19	\$37.60	\$43.32
2017	\$32.66	\$38.51	\$44.57
2018	\$33.15	\$39.43	\$45.85
2019	\$33.65	\$40.39	\$47.18
2020	\$34.15	\$41.36	\$48.54

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

DOCKET NO. UE-99 ____
APPLICATION TO SELL THE CENTRALIA POWER PLANT

EXHIBIT NO. WGJ-1

WITNESS: WILLIAM G. JOHNSON AVISTA CORPORATION

Centralia Plant Cost with Scrubbing (Avista Corp's 15% Share)

Capacity	201 MW
Tons of Coal Available	800,000
Conversion	1.526 MWh/ton
Annual Energy Production	1,220,800 MWh
O&M Cost	\$1.78 per MWh
Fuel Cost	\$17.90 per MWh
O&M Escalation	2.0%
Fuel Escalation	2.0%
Reserve Cost	\$1.50 per kW/mo
Reserves Escalation	2.0%
Wheeling Cost	\$1.00 per kW/mo
Wheeling Losses	1.9%
Wheeling Escalation after 2001	2.0%

	Annual Energy Production	O&M Cost	Fuel Cost	Reserves Cost	Wheeling Cost	Exchange Wheeling Credit	Fuel, O&M Reserves & Net Wheeling Cost	Fuel, O&M & Wheeling Cost \$/MWh	Capital Recovery Cost \$/MWh	Total Delivered Centralia Cost \$/MWh
Present Value		\$28,403,086	\$255,403,425	\$2,960,613	\$34,070,076	(\$22,611,907)	\$298,225,293	\$244	\$67	\$311
Levelized		\$2,920,960	\$26,265,565	\$304,468	\$3,503,750	(\$2,325,398)	\$30,669,345	\$25.12	\$6.90	\$32.02
1999	1,220,800	\$2,169,150	\$21,848,000	\$253,260	\$2,933,892	-\$1,919,415	\$25,284,887	\$20.71	\$4.29	\$25.00
2000	1,220,800	\$2,340,750	\$22,284,960	\$258,325	\$2,939,691	-\$1,927,409	\$25,896,318	\$21.21	\$5.24	\$26.45
2001	1,220,800	\$3,307,350	\$22,730,659	\$263,492	\$3,011,126	-\$1,983,383	\$27,329,244	\$22.39	\$6.54	\$28.93
2002	1,220,800	\$3,315,750	\$23,185,272	\$268,762	\$3,074,103	-\$2,026,847	\$27,817,040	\$22.79	\$7.55	\$30.33
2003	1,220,800	\$2,481,000	\$23,648,978	\$274,137	\$3,138,408	-\$2,071,276	\$27,471,247	\$22.50	\$8.10	\$30.60
2004	1,220,800	\$2,530,620	\$24,121,957	\$279,620	\$3,204,070	-\$2,116,690	\$28,019,577	\$22.95	\$7.92	\$30.87
2005	1,220,800	\$2,581,232	\$24,604,397	\$285,212	\$3,271,118	-\$2,163,113	\$28,578,846	\$23.41	\$7.74	\$31.15
2006	1,220,800	\$2,632,857	\$25,096,484	\$290,916	\$3,339,581	-\$2,210,567	\$29,149,272	\$23.88	\$7.55	\$31.43
2007	1,220,800	\$2,685,514	\$25,598,414	\$296,734	\$3,409,489	-\$2,259,074	\$29,731,078	\$24.35	\$7.36	\$31.72
2008	1,220,800	\$2,739,224	\$26,110,382	\$302,669	\$3,480,873	-\$2,308,658	\$30,324,490	\$24.84	\$7.18	\$32.02
2009	1,220,800	\$2,794,009	\$26,632,590	\$308,723	\$3,553,764	-\$2,359,345	\$30,929,741	\$25.34	\$6.99	\$32.33
2010	1,220,800	\$2,849,889	\$27,165,242	\$314,897	\$3,628,196	-\$2,411,158	\$31,547,066	\$25.84	\$6.80	\$32.64
2011	1,220,800	\$2,906,887	\$27,708,547	\$321,195	\$3,704,199	-\$2,464,123	\$32,176,705	\$26.36	\$6.61	\$32.97
2012	1,220,800	\$2,965,025	\$28,262,718	\$327,619	\$3,781,809	-\$2,518,266	\$32,818,905	\$26.88	\$6.43	\$33.31
2013	1,220,800	\$3,024,325	\$28,827,972	\$334,171	\$3,861,060	-\$2,573,613	\$33,473,915	\$27.42	\$6.24	\$33.66
2014	1,220,800	\$3,084,812	\$29,404,531	\$340,855	\$3,941,985	-\$2,630,192	\$34,141,991	\$27.97	\$6.05	\$34.01
2015	1,220,800	\$3,146,508	\$29,992,622	\$347,672	\$4,024,622	-\$2,688,030	\$34,823,394	\$28.53	\$5.86	\$34.38
2016	1,220,800	\$3,209,438	\$30,592,475	\$354,625	\$4,109,006	-\$2,747,155	\$35,518,389	\$29.09	\$5.67	\$34.76
2017	1,220,800	\$3,273,627	\$31,204,324	\$361,718	\$4,195,176	-\$2,807,597	\$36,227,247	\$29.68	\$5.47	\$35.15
2018	1,220,800	\$3,339,099	\$31,828,410	\$368,952	\$4,283,168	-\$2,869,386	\$36,950,244	\$30.27	\$5.28	\$35.55
2019	1,220,800	\$3,405,881	\$32,464,979	\$376,331	\$4,373,023	-\$2,932,551	\$37,687,663	\$30.87	\$5.01	\$35.88
2020	1,220,800	\$3,473,999	\$33,114,278	\$383,858	\$4,464,779	-\$2,997,124	\$38,439,790	\$31.49	\$4.01	\$35.50