



# Columbia Power Cooperative Association

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December 28, 2020

Paul Rossow, Utility Analyst  
Public Utility Commission  
PO Box 1088  
Salem, OR 97308-1088

Dear Mr. Rossow,

In response to your letter of December 14, 2020 and pursuant to OAR 860-029-080(2) we have enclosed the best information currently available in order to outline the avoided cost for Columbia Power Co-op's (CPC) power resources for the next 20 years.

As a consumer owned utility, CPC purchases all of our power requirements from the Bonneville Power Administration (BPA). We anticipate that we will remain an all requirements customer of BPA for the next 20 years; therefore our projected costs will continue to mirror their wholesale power rates established in their regular rate proceedings.

That being said, it's difficult to say with any certainty what our forecasted rates will be; however we do know that it was \$39.62 MWh for 2020. If we apply a reasonable 4% inflationary rate to that figure for 2020 and beyond, we see by the attached schedule "A", that it would escalate to \$92.38 MWh by the year 2040.

We don't anticipate that we will be required to purchase any TIER 2 power during the next 20 years.

If you have any additional questions, or require additional information, please don't hesitate to call.

Best Regards,

Troy Cox, Manager

Future Power Cost Estimate (no load growth) - annual cost increase: 4.0%

2018	\$38.98
2019	\$40.54
2020	\$42.16
2021	\$43.85
2022	\$45.60
2023	\$47.43
2024	\$49.32
2025	\$51.30
2026	\$53.35
2027	\$55.48
2028	\$57.70
2029	\$60.01
2030	\$62.41
2031	\$64.90
2032	\$67.50
2033	\$70.20
2034	\$73.01
2035	\$75.93
2036	\$78.97
2037	\$82.12
2038	\$85.41

Future Power Cost Estimate (no load growth) - annual cost increase: 4.0%

2020	\$39.62
2021	\$41.20
2022	\$42.85
2023	\$44.57
2024	\$46.35
2025	\$48.20
2026	\$50.13
2027	\$52.14
2028	\$54.22
2029	\$56.39
2030	\$58.65
2031	\$60.99
2032	\$63.43
2033	\$65.97
2034	\$68.61
2035	\$71.35
2036	\$74.21
2037	\$77.18
2038	\$80.26
2039	\$83.47
2040	\$86.81
2041	\$90.28
2042	\$93.90