

Salem Electric
SERVING KEIZER AND SALEM



October 26, 2018

Paul Rossow, Utility Analyst
Electric and Natural Gas Division
Oregon Public Utility Commission
PO Box 1088
Salem, OR 97308-1088

RE: Avoided Cost Filing

Dear Mr. Rossow:

In accordance with OAR 860-29-0080(2), you have requested Salem Electric file a schedule of avoided costs equaling the utility's forecasted incremental cost of resources for at least the next 20 years.

At this time, and for the foreseeable future, Salem Electric will be a full requirements customer of the Bonneville Power Administration (BPA). Our cost of resources is BPA's priority firm (PF) rate in accordance with Section 5(b) (1) of the Northwest Power Act.

Sincerely,

Tony Schacher
Engineering & Operations Manager

ACS 10/26/2018

Owned By Those We Serve