

Tillamook People's Utility District

Directors Harry E. Hewitt Edwin L. Jenkins Doug Olson Ken R. Phillips Barbara A. Trout

A Customer-Owned Electric Utility

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www.tpud.org

Todd Simmons GENERAL MANAGER

January 8, 2019

Paul Rossow, Utility Analyst **Public Utility Commission** P. O. Box 1088 Salem, OR 97308-1088

RE: Public Utility Avoided Cost Reporting

Dear Mr. Rossow,

Tillamook P.U.D. purchases more than 99% of its wholesale power required to serve our customers from the Bonneville Power Administration (BPA).

The avoided cost of Tillamook P.U.D. is established by the terms of our contract with BPA. As a load following customer of BPA, we pay

Tillamook P.U.D. signed a 20 year Load Following Agreement Contract with BPA that covers our needs until 2028.

BPA rates are available on their web site at www.bpa.gov

Current forecasts indicate that Tillamook P.U.D.'s Tier One needs will be met by the Load Shaping rate through 2028.

Sincerely,

James R. Martin

Finance Manager

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