



December 20, 2022

Charles Lockwood and Mark Brown  
Utility Program  
Oregon Public Utility Commission  
201 High Street SE  
Salem, Oregon 97301

Delivery via e-mail: [PUC.FilingCenter@puc.oregon.gov](mailto:PUC.FilingCenter@puc.oregon.gov)

**RE: 172 NWCPUD Avoided Cost Rate Submittal**

Dear Messrs. Lockwood and Brown:

Pursuant to OAR 860-29-080(2), Northern Wasco County People's Utility District (the "District") submits the attached avoided cost schedule (Schedule A) for calendar years 2023-42. Please note the following caveats.

1. The attached Schedule of Avoided Costs assumes a firm, flat (constant) production profile of energy during all hours of each year. Different avoided costs will apply to variable production profiles, and adjustments may be made to ensure the recovery of the fixed costs of the District. In practice, avoided costs vary diurnally, by month and by hour, and depending on the firmness of the commitment to provide energy during each hour.
2. Avoided Costs payable to a generating facility will be reduced by an amount equal to any incremental charges imposed on the District by the Bonneville Power Administration, or any other balancing authority or third-party transmission provider, due to existence or operation of the facility, including without limitation Resource Support Service charges or any successor thereto.
3. The busbar value of energy projection starts with current and expected charges for federal power and assumes no identified and displaceable specific non-federal power supplies for CY23-25. For CY26-30, the avoided costs are based on a current forecast of future market prices which vary daily at the ICE Mid-Columbia market hub. For CY31, the projection assumes that the Bonneville Power Administration makes a one-time "augmentation" of the federal power system that reflects market conditions. For CY32-42, this avoided cost forecast assumes a return to a long-term trend of general inflation. The attached forecast is not an offer to enter into a 20-year contract for the purchase of energy at the Schedule of Avoided Cost Rates and is only intended to represent an estimate of the value of firm, flat energy on the date of this submittal.

4. The busbar values of energy also do not incorporate or reflect any charges for fixed A&G and facilities costs associated with the District's use of facilities and staff to operate and maintain physical plant, or programs for administration of these avoided cost rates which are not otherwise allocable to retail customers.
5. The Attached Schedule A is a non-binding forecast submitted for regulatory purposes only. Actual Avoided Costs payable by the District to an eligible generating facility will be determined by the District on a case-by-case basis upon reasonable written request. Such actual Avoided Costs may take into account, as applicable, project-specific characteristics, prevailing market conditions, federal policies and contracts, regional power system requirements and standards, and other factors as allowed by law. The District expects that in most cases, the actual Avoided Costs payable to a project will differ from Schedule A.

If you have any questions, please contact me at your convenience.

Sincerely,



Kurt J. Conger  
Assistant General Manager  
Northern Wasco County PUD  
Mobile: 425.444.3149

**SCHEDULE A**  
Northern Wasco County People’s Utility District  
Schedule of Avoided Costs  
For compliance with OAR 860-29-080(2)  
December 20, 2022

CY	Avoided Cost (mills/kWh)
2023	\$22.72
2024	\$34.90
2025	\$34.90
2026	\$70.30
2027	\$66.56
2028	\$66.24
2029	\$66.11
2030	\$66.11
2031	\$69.65
2032	\$71.88
2033	\$74.18
2034	\$76.55
2035	\$78.99
2036	\$81.50
2037	\$84.09
2038	\$86.75
2039	\$89.50
2040	\$92.33
2041	\$95.24
2042	\$98.24

Notes:

- This schedule is a non-binding price forecast submitted for regulatory purposes only.
- The Avoided Cost values are estimates of the value of firm, flat energy delivered to the District’s power distribution system on the date that this schedule was prepared.
- Energy production profiles that vary in time will have different estimated values.