



e-FILING REPORT COVER SHEET

COMPANY NAME: Tillamook People's Utility District

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
 RO (Other, for example, industry safety information)

Did you previously file a similar report? No Yes, report docket number: RE 172

Report is required by: OAR 860-029-0080(2)

Statute

Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other

(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case? No Yes, docket number: RE 172

List Key Words for this report. We use these to improve search results.

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

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Tillamook People's Utility District

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February 1, 2023

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VIA EMAIL: PUC.FilingCenter@state.or.us

RE: Tillamook People's Utility District Avoided Costs

Dear Mr. Lockwood

I am writing to report Tillamook People's Utility District's ("TPUD") current avoided costs pursuant to OAR 860-029-0080(2). TPUD's net avoided costs are estimated based on the Bonneville Power Administration's ("BPA") current Tier 1 wholesale power rate less a reasonable estimate of the Resource Support Service ("RSS") charges that would be imposed on TPUD by BPA with respect to the output of any Qualifying Facility ("QF"). Using this methodology, TPUD's current avoided cost is as follows:

Current BPA Wholesale Rates for Tier 1 Power	Estimated BPA RSS Charge for Typical QF	Estimated Net Avoided Cost Payment
\$36.60 MWh	\$15.54 MWh	\$20.80 MWh

Although OAR 860-029-0080(2) requests the utility's forecasted avoided costs over the next twenty (20) years, TPUD does not forecast its avoided costs over twenty (20) years. TPUD's avoided costs are a function of BPA's wholesale power rates. BPA revises its wholesale rates every two (2) years. The current Tier 1 rate will be updated as of September 30, 2023.

The adjustment for BPA's RSS charges reflected in the above schedule is a function of BPA's policies. These charges are discussed in BPA's October 31, 2008 Record of Decision approving its current wholesale power contracts: "BPA has decided to include a contract provision that allows customers to add PURPA resources, but will retain the requirement that the resource be a specified resource requiring RSS." BPA's RSS charge is not a fixed charge, but will vary depending on project-specific characteristics. The actual RSS charge applicable to a particular QF would be calculated on a project-specific basis.

Sincerely,

Marty Holm
Finance Manager