

December 6, 2022

Charles Lockwood
Utility Analyst
Utility Strategy and Integration Division
Oregon Public Utility Commission
PO Box 1088
Salem, OR 97308-1088

Re: PUC Avoided Cost Reporting; RE 172

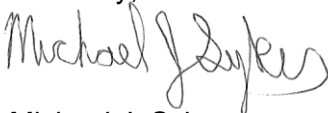
Dear Charles:

I am writing in response to your email of November 1, 2022, and pursuant to OAR 860-029-0080(2) requesting information on our Avoided Costs. Columbia River PUD (CRPUD) is a full requirements customer of the Bonneville Power Administration (BPA) and does not own any generation, therefore our avoided costs are the BPA priority firm (PF) rate.

Our power supply contract with BPA expires on September 30, 2028. At this time, we intend to remain a preference customer of BPA. Every two years, BPA sets the PF rate and the amount of Tier 1 power available to CRPUD. BPA is expected to finalize their BP-24 Rate Case sometime this coming summer, which will determine the actual PF rate for FY2024-FY2025. Moving forward, any load experienced either above (or below) CRPUD's Tier 1 Power allotment during that period will be supplied by BPA and charged (or credited, if below) to CRPUD as Load Shaping or BPA Short-Term rates. Currently, Load Shaping and BPA Short-Term rates are uncertain.

Because of CRPUD's relatively small size, it would be difficult to forecast anything beyond BPA's current rate period, therefore CRPUD does not forecast power supply costs 20 years into the future. Our current FY2022-FY2023 rate is 3.84 cents per kWh.

Sincerely,



Michael J. Sykes
General Manager

**Board of
Directors**

Russell Hubbard
Craig Melton
Debbie Reed
Neal Sheppard
Garratt Tayler

General Manager
Michael J. Sykes