



Columbia Power Cooperative Association

P.O. Box 97
Monument, Oregon 97864
Tel: (541) 934-2311
Fax: (541) 934-2312

January 16, 2019

Paul Rossow, Utility Analyst
Public Utility Commission
PO Box 1088
Salem, OR 97308-1088

Dear Mr. Rossow,

In response to your letter of October 23, 2018 and pursuant to OAR 860-029-080(2) we have enclosed the best information currently available in order to outline the avoided cost for Columbia Power Co-op's (CPC) power resources for the next 20 years.


As a consumer owned utility, CPC purchases all of our power requirements from the Bonneville Power Administration (BPA). We anticipate that we will remain an all requirements customer of BPA for the next 20 years; therefore our projected costs will continue to mirror their wholesale power rates established in their regular rate proceedings.

That being said, it's difficult to say with any certainty what our forecasted rates will be; however we do know that it was \$38.98 MWh for 2018. If we apply a reasonable 4% inflationary rate to that figure for 2018 and beyond, we see by the attached schedule "A", that it would escalate to \$85.41 MWh by the year 2038.

We don't anticipate that we will be required to purchase any TIER 2 power during the next 20 years.

If you have any additional questions, or require additional information, please don't hesitate to call.

Best Regards,


Troy Cox, Manager

Future Power Cost Estimate (no load growth) - annual cost increase:

4.0%

2018	\$38.98
2019	\$40.54
2020	\$42.16
2021	\$43.85
2022	\$45.60
2023	\$47.43
2024	\$49.32
2025	\$51.30
2026	\$53.35
2027	\$55.48
2028	\$57.70
2029	\$60.01
2030	\$62.41
2031	\$64.90
2032	\$67.50
2033	\$70.20
2034	\$73.01
2035	\$75.93
2036	\$78.97
2037	\$82.12
2038	\$85.41