Utah QF Analysis with 2004 IRP Model using Production Cost Model Method
Feb 25, 2005

The estimated impact of adding a 99 MW qualifying facility (QF) to PacifiCorp's system operations was modeled within the IRP production cost model. The resulting system costs with the new QF were compared to the base case costs to calculate the $/MWh value to the system provided by the addition. To better reflect current market conditions, the latest gas and electric market prices dated December 2004 were used in this analysis.

A 99 MW unit operating with an 85% capacity factor beginning in FY 2006 was added to the base case model in the Utah-North transmission area without capital or variable operating costs. The unit capacity was de-rated by 15% to represent an annual capacity factor of 85%. The following summarizes the annual avoided costs by fiscal year.

Annual Payments in $/MWh

Fiscal Year	$/MWh
2006	$47.39
2007	$41.98
2008	$39.38
2009	$40.33
2010	$43.84
2011	$49.45
2012	$47.37
2013	$47.35
2014	$48.84
2015	$47.77
2016	$48.67
2017	$49.40
2018	$52.28
2019	$54.37
2020	$59.15
2021	$67.34
2022	$72.15
2023	$74.26
2024	$75.90
2025	$77.95
20-year levelized	**$50.33**