

13-035-116/Rocky Mountain Power
August 1, 2013
DPU Data Request 1.4

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Please explain in detail how the pricing figures in contract Exhibit 5.1 were derived.

Response to DPU Data Request 1.4

- (1) The wind profile provided by the developer was used to produce a monthly generation profile by heavy load hour (HLH) and light load hour (LLH) by year was developed.
- (2) The monthly HLH /LLH generation profile was multiplied by the monthly HLH/LLH avoided cost prices to produce monthly avoided cost dollars by year with HLH/LLH detail. Avoided cost prices are per the Public Service Commission of Utah's order dated December 20, 2012 in Docket No. 12-035-100, where the Commission directed the Company to use Dunlap I as the proxy wind resource. Avoided cost prices are available on the Commission web site, and can be accessed utilizing the following website link:

<http://www.psc.utah.gov/utilities/misc/10docs/1099901/65557Exhibit%20D.xls>
- (3) The net present value (NPV) of each monthly HLH/LLH avoided cost dollar was calculated. For example, the NPV of the 20 January HLH avoided cost dollars was calculated. Likewise the NPV of the 20 January LLH.
- (4) In a similar fashion as described above, a NPV for monthly HLH/LLH generation (MWh) was calculated.
- (5) The monthly HLH/LLH NPV dollars was divided by the monthly HLH/LLH NPV MWh to get the levelized monthly HLH/LLH avoided cost prices.