

**Revised look at photovoltaic (PV) utilizing a Utility Cost Test analysis for cost effectiveness.**

As requested in the August 13, 2008 technical conference in Salt Lake City, cost effectiveness of photovoltaic (PV) applications in each of the six states were analyzed from the utility cost perspective. The analysis took into account only the costs associated with utility incentive payments and administrative costs (assumptions can be found in Volume I of the study on page 117 in the second paragraph). Incentives were assumed at \$2 per Watt (\$2000/kW) for PV, consistent with what is currently available in Utah. Administration costs are assumed to be 15% of the total capital cost escalating for inflation each year at 1.9%. Capital costs are assumed to be nominally constant, therefore decreasing in real terms. As shown in the REVISED Table 79 from the Study below, levelized avoided life cycle costs for PV decrease from the TRC level of \$0.79 per kWh to \$0.23 per kWh for the utility perspective.

**Table 79 (REVISED). On-Site Solar Market Potential and Levelized Costs by State (aMW in 2027)**

	CA	ID	OR	UT	WA	WY	Total
<b>Photovoltaics</b>							
Potential (aMW)	0.03	0.06	0.67	1.25	0.10	0.14	2.25
Levelized Cost (\$/kWh) - TRC	\$0.85	\$0.83	\$0.85	\$0.79	\$0.90	\$0.76	
Levelized Cost (\$/kWh) - UCT	\$0.24	\$0.24	\$0.24	\$0.23	\$0.26	\$0.22	