

Appendix 5

Cost-of-Service Data for Selected Utilities

TABLE A5-1

FERC Rules, Section 292.302, Implementing Section 210 of PURPA
The Estimated Avoided Cost on the Electric Utility's System,
Solely with Respect to the Energy Component

	1982	1983	1984	1985	1986	1987
Jan.	0.988	1.721	2.237	2.492	2.759	3.054
Feb.	1.015	1.768	2.298	2.560	2.834	3.137
Mar.	0.988	1.721	2.237	2.492	2.759	3.054
Apr.	0.947	1.650	2.145	2.390	2.646	2.929
May	0.938	1.634	2.124	2.366	2.619	2.899
June	0.822	1.432	1.862	2.074	2.296	2.542
July	0.816	1.421	1.847	2.058	2.278	2.522
Aug.	0.816	1.421	1.847	2.058	2.278	2.522
Sept.	0.872	1.519	1.975	2.200	2.435	2.696
Oct.	1.512	1.966	2.190	2.424	2.683	2.970
Nov.	1.519	1.975	2.200	2.435	2.696	2.984
Dec.	<u>1.721</u>	<u>2.237</u>	<u>2.492</u>	<u>2.759</u>	<u>3.054</u>	<u>3.381</u>
Average	1.081	1.706	2.127	2.358	2.611	2.890

NOTE: All figures are cents per kwh in nominal dollars. Figures shown are BPA minimum energy costs with the following escalation rates assumed: Oct. 1982, 74.2%; Oct. 1983, 30%; Oct. 1984, 11.4%; Oct. 1985, 10.7%; Oct. 1986, 10.7%; Oct. 1987, 10.7% (from 1982 Revenue Needs Analysis Data). The above escalation rates were based on a computer model that used information that was available in May 1982.

TABLE A5-2
FERC Rules, Section 292.302, Implementing Section 210 of PURPA
The Estimated Capacity Costs at Completion of the Planned
Capacity Additions . . . and the Associated Energy Costs
of Each Unit . . .

PLANT	CAPACITY COSTS (\$/Kw)*	ENERGY COSTS (¢/kwh)†	ON-LINE
Centralia (coal, 105 Mw)	190	1.2	1983‡
South Fork Tolt (hydro, 15 Mw)	2,103	0.48	1985
High Ross (hydro, 254 Mw)	923	0.02	1986

*Capacity costs are expressed in the dollars of the on-line year.
†Energy costs are 1981 dollars.
‡Seattle City Light began accepting energy and capacity from Centralia in 1983.
The project was built in 1972. Capacity costs of Centralia are in 1972 dollars.

TABLE A5-3
Houston Lighting and Power Company
Schedule 302 (b) (1)
Estimates of Avoided Energy Costs for Purchases
of 100 Mw
(¢/kwh)

YEAR	SUMMER		WINTER ALL HOURS
	ON-PEAK	OFF-PEAK	
1982	5.03	4.41	4.79
1983	5.91	4.98	5.39
1984	6.65	5.59	5.74
1985	12.51	9.77	10.74
1986	10.79	8.62	9.03
1987	10.85	8.80	10.08

NOTES: Energy costs are in current (as-spent) dollars. All costs are shown at the generation level.

A number of individual factors shall be considered and evaluated in determining the company's avoided costs. These factors are set forth in § 292.304 (e) of the regulations of the Federal Energy Regulatory Commission. The data provided in this schedule are merely estimates. They are not intended to represent rates for future purchases by the company from qualifying facilities.

Avoided cost estimates were also developed for purchases of 500 Mw and 1,000 Mw. These costs were slightly lower than the above.

TABLE A5-4
Houston Lighting and Power Company
Schedule 302 (b) (3)
Estimated Capacity and Energy Costs for Planned
Capacity Additions and Firm Purchases

YEAR OF COMMISSIONING	UNIT NAME	CAPACITY COST (\$/Kw)* ¹	ENERGY COST (¢/Kwh) ²
	Planned Purchases ³	22	4.50
1983	W. A. Parish 8	680	4.45
	Deepwater Lowside ⁴	...	9.11
1986	Limestone 1	1,153	3.94
1987	South Texas 1	1,840	1.09
	Limestone 2	1,153	4.15
1988	Malakoff 1	1,460	3.64
1989	South Texas 2	1,840	1.20
	Malakoff 2	1,460	3.89
1991	A 1	1,472	8.63

* In as-spent \$/kw of gross capability.

¹All capacity costs exclude AFUDC.

²At maturity date in as-spent dollars. Maturity occurs within the third year of operation.

³For 1982 purchases in \$/kw per year.

⁴A rehabilitation project.