

# PASCO Settlement

## Calculation of Savings from Settlement of Energy Dispute and Early Termination Buy-out

	(a)	(b)	(c1)	(c2)	(c)	(b-c)
	Total Payments according to FPC Position	Total Payments according to adjusted PCL Position	Total Payments to Pasco according to Settlement	Cost of Replacement minus Value of Curtailment	Net Settlement Costs	Ratepayer Savings/(Cost)
1996						
1997						
1998						
1999						
2000						
2001						
2002						
2003						
2004						
2005						
2006						
2007						
2008						
2009						
2010						
2011						
2012						
2013						
<b>Cumulative</b>						\$146,757,172
<b>NPV @ 8.67%</b>						\$26,856,516

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## Pasco Settlement Analysis Input

	COAL	11 Hours On Peak Energy (93% x 109 MW)	13 Hours Off Peak Energy (96 MW)	Energy Payment (x1.025 Del. Volt. Adj.)	Capacity Payment Rate	Special Monthly Payment	Capacity Payment plus Special Payment
1996		102,029	114,192		\$17.39	573,235	\$7,885,822
1997		407,001	455,520		\$18.27	795,437	\$35,457,827
1998		407,001	455,520		\$19.05	765,889	\$36,209,535
1999		407,001	455,520		\$19.85	684,336	\$36,365,550
2000		408,116	456,768		\$20.87	592,146	\$36,705,950
2001		407,001	455,520		\$21.28	483,408	\$35,982,602
2002		407,001	455,520		\$22.36	367,580	\$36,124,444
2003		407,001	455,520		\$23.40	256,478	\$36,266,266
2004		407,001	455,520		\$24.50	193,836	\$37,074,707
2005		408,116	456,768		\$25.48	203,292	\$38,576,126
2006		407,001	455,520		\$26.79	0	\$37,996,612
2007		407,001	455,520		\$28.14	0	\$39,911,335
2008		407,001	455,520		\$29.46	0	\$41,783,508

	Total Replace ment Price	Total Energy at 93% (MWh)	Total Replacemen t Cost
2009		888,001	
2010		888,001	
2011		888,001	
2012		890,434	
2013		518,001	

### Pasco Cogen Settlement Verification of Capacity Buydown

		(1)	(2)	(3)	(4)	(5)
		Settlement Capacity Payment	Replacement Cost of Capacity	Change in Capacity Payment	Change in Capacity Payment x (90/83)	Change in Capacity Payment (\$000)
<u>Year</u>	<u>Month</u>	<u>\$/KW-month</u>	<u>\$/KW-month</u>	<u>\$/KW-month</u>	<u>\$/KW-month</u>	<u>(\$000)</u>
IRR =						[REDACTED]
1996	10					
	11					
	12					
1997	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
1998	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
1999	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
2000	1					

**Pasco Cogen Settlement  
Verification of Capacity Buydown**

		(1)	(2)	(3)	(4)	(5)
<u>Year</u>	<u>Month</u>	<u>Settlement Capacity Payment \$/KW-month</u>	<u>Replacement Cost of Capacity \$/KW-month</u>	<u>Change in Capacity Payment \$/KW-month</u>	<u>Change in Capacity Payment x (90/83) \$/KW-month</u>	<u>Change in Capacity Payment (\$000)</u>
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
2001	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
2002	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
2003	1					
	2					
	3					
	4					
	5					
	6					
	7					

**Pasco Cogen Settlement  
Verification of Capacity Buydown**

		(1)	(2)	(3)	(4)	(5)
		Settlement Capacity Payment	Replacement Cost of Capacity	Change in Capacity Payment	Change in Capacity Payment x (90/83)	Change in Capacity Payment (\$000)
<u>Year</u>	<u>Month</u>	<u>\$/KW-month</u>	<u>\$/KW-month</u>	<u>\$/KW-month</u>	<u>\$/KW-month</u>	<u>(\$000)</u>
	8					
	9					
	10					
	11					
2004	12					
	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
2005	12					
	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
2006	12					
	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
2007	1					

**Pasco Cogen Settlement  
Verification of Capacity Buydown**

<u>Year</u>	<u>Month</u>	<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	<u>(4)</u>	<u>(5)</u>
		<b>Settlement Capacity Payment \$/KW-month</b>	<b>Replacement Cost of Capacity \$/KW-month</b>	<b>Change in Capacity Payment \$/KW-month</b>	<b>Change in Capacity Payment x (90/83) \$/KW-month</b>	<b>Change in Capacity Payment (\$000)</b>
2008	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
	1					
2009	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
	1					
2010	2					
	3					
	4					
	5					
	6					
	7					

**Pasco Cogen Settlement  
Verification of Capacity Buydown**

		(1)	(2)	(3)	(4)	(5)
<u>Year</u>	<u>Month</u>	<u>Settlement Capacity Payment \$/KW-month</u>	<u>Replacement Cost of Capacity \$/KW-month</u>	<u>Change in Capacity Payment \$/KW-month</u>	<u>Change in Capacity Payment x (90/83) \$/KW-month</u>	<u>Change in Capacity Payment (\$000)</u>
	8					
	9					
	10					
	11					
2011	12					
	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
2012	11					
	12					
	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
2013	11					
	12					
	1					
	2					
	3					
	4					
	5					
	6					
	7					