Generating Resource Advisory Committee
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2014 Wholesale Electric Price Forecast
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Forecast Approach

1. Council utilizes the AURORAxmp Electric Market Model by EPIS
2. Produces an hourly wholesale power price for hubs across the WECC
3. Key components & assumptions
   - Demand (net of conservation)
   - Existing and new generating resource characteristics
   - Fuel prices – especially Natural Gas
   - Transmission capability
   - Greenhouse gas policies
   - RPS projections along with integration costs
2014 Forecast Updates

1. Fresh natural gas and coal price forecasts
2. Hydro generation curve updated to 80-year average
3. Updated load forecast
4. Updated transmission links
5. Updates to CA Cap and Trade and BC Carbon Tax costs
6. Financial parameters set to 2012 dollars
7. New Solar PV utility scale capital cost estimates

For reference, the 2013 Power Price Forecast Report is available at

http://www.nw council.org/energy/forecast/
2014 Forecast Results

- Little change in price from the 2013 Forecast
- Forecast range is input to Regional Portfolio Model

1. Hydro generation still key
2. Relatively low demand growth and natural gas prices
3. Consistent RPS projections
4. No new significant emission policy changes
Forecast Reference Case

- Mid point forecasts for
  - Demand
  - Fuel price
- Average hydro gen
- CO2 emissions price ($/ton) for California Cap and Trade, and British Columbia Carbon Tax
- Established RPS targets
Annual Electric Price Forecast
PNW East (Mid C)

$/MWh 2012$
Electric Price Forecast Range for Mid C bounded by low and high fuel prices

$/MWh 2012$