

AVOIDED COSTS AND CAPACITY PLANS

MISSOURI RIVER ENERGY SERVICES COMPLIANCE WITH FEDERAL ENERGY REGULATORY COMMISSION'S REGULATIONS ORDER 69, 18 CFR PART 292.302

FERC has adopted certain rules and regulations which require MRES to prepare and maintain for public inspection electric utility system cost and rate data as defined in the regulations Section 292.302(b)(1) through (d).

The purpose of this submittal is to make available to potential cogenerators and small power producers present and anticipated future avoided cost data of electric energy and capacity for MRES. This data is intended to help potential owners of such QFs to evaluate the financial feasibility of a cogeneration or small power production project.

This data is not intended to represent a rate for purchases from QFs, but rather the first step towards rate determination.

Rates for QF

1. 100 kW or less: Any QF 100 kW or less shall be paid a standard rate as per PURPA or as otherwise required by law. MRES Board of Directors sets the PURPA Standard Rate each year for the following calendar year.
2. Greater than 100 kW: Rates to QFs in this category are negotiated and will also take into consideration those factors enumerated in Section 292.304 of the regulations.

PURPA AVOIDED ENERGY COST
Section 292.302 (b) (1)
Date of last update: 11/2021

Avoided Energy Cost

Seasonal Avoided Energy Costs
(cents /kWh):

		2021*		2022		2023	
		Summer	Winter	Summer	Winter	Summer	Winter
On-Peak		2.98	2.97	3.09	3.09	3.23	3.22
Off-Peak		2.08	2.29	2.16	2.38	2.25	2.48

		2024		2025		2026	
		Summer	Winter	Summer	Winter	Summer	Winter
On-Peak		3.32	3.31	3.43	3.43	3.49	3.48
Off-Peak		2.33	2.57	2.40	2.65	2.42	2.67

Annual Avoided Costs (All Hours)
(cents per kWh):

2021*	2022	2023	2024	2025	2026
2.60	2.70	2.81	2.90	2.99	3.04

Rates

For QF facilities 100 kW or less, the PURPA Standard Rate is 2.70 cents per kWh for 2022 adopted in October 2021 by the MRES Board of Directors.

Qualifying facilities greater than 100 kW will be treated on a case-by-case basis as allowed by federal regulations.

* Historic as of 8/17/21

**Electric Utility's Plan for Additions of Capacity
Per PURPA
292.302 (b) (2)**

<u>Year</u>	<u>Planned Capacity Additions</u>			<u>Planned Capacity Retirements</u>	<u>Planned Firm Purchases</u>
	<u>Unit Name</u>	<u>Size (MW)</u>	<u>Unit Type</u>		
2025	Wind Gen	20	Wind	None	None
2026	Wind Gen	10	Wind	None	None
2030	Wind Gen	10	Wind	None	None
2033	Wind Gen	10	Wind	None	None

**Estimated Capacity Costs
Per PURPA
292.302 (b) (3)**

Planned Unit Addition or Firm Purchase	Planned Capacity Cost (\$/kW)
Wind Generation Project (2025)	n/a - leased
Wind Generation Project (2026)	n/a – leased
Wind Generation Project (2030)	n/a – leased
Wind Generation Project (2033)	n/a – leased