

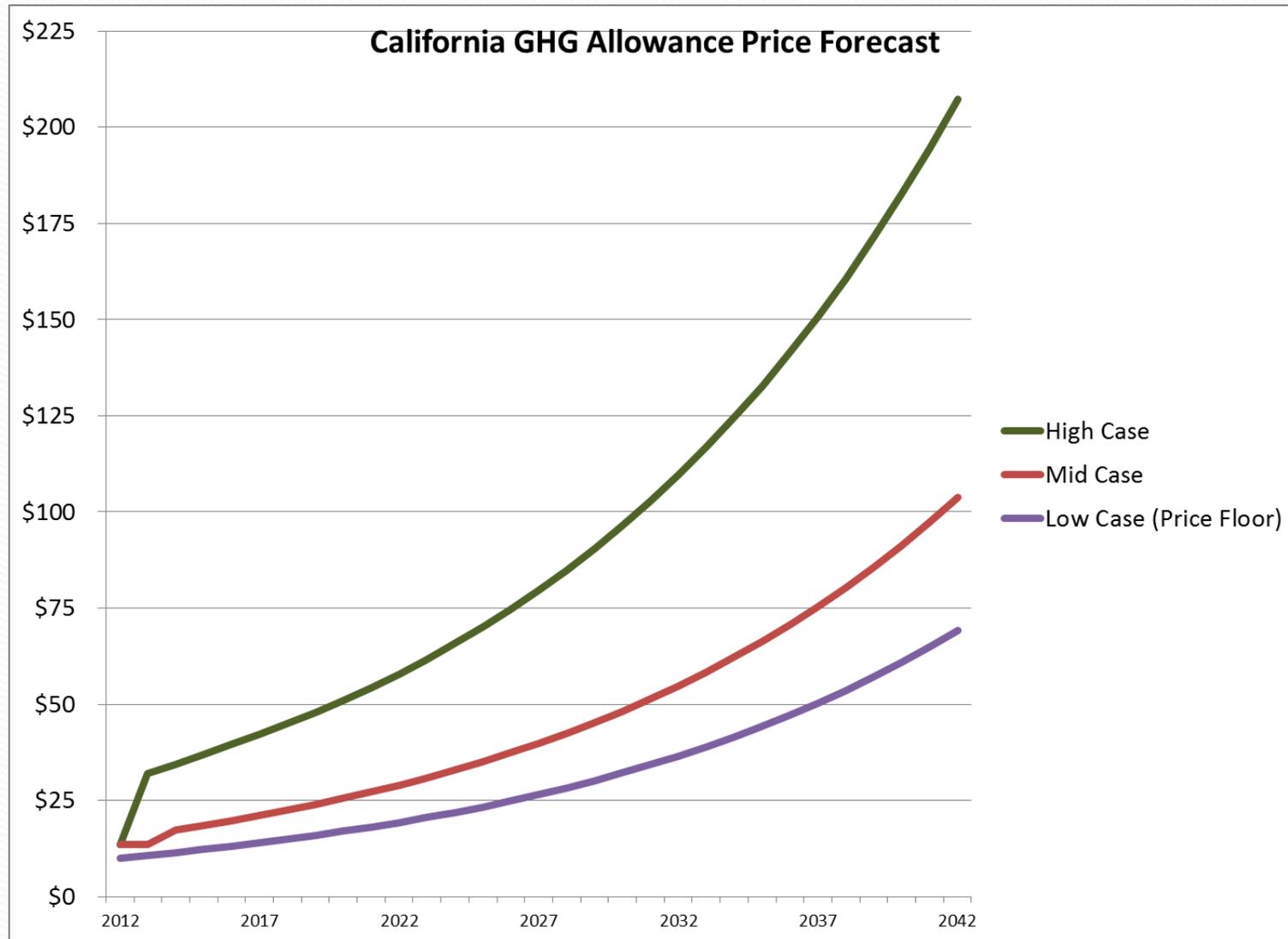
# Cost of Generation Workshop: Other Input Forecasts

Richard McCann  
Aspen Environmental Group  
March 7, 2013

# GHG Allowance Prices

- Price trend unknown as market matures and federal policy evolves
- Based on reserve price floor with Mid Case = 1.5 \* floor and High Case = 3 \* floor

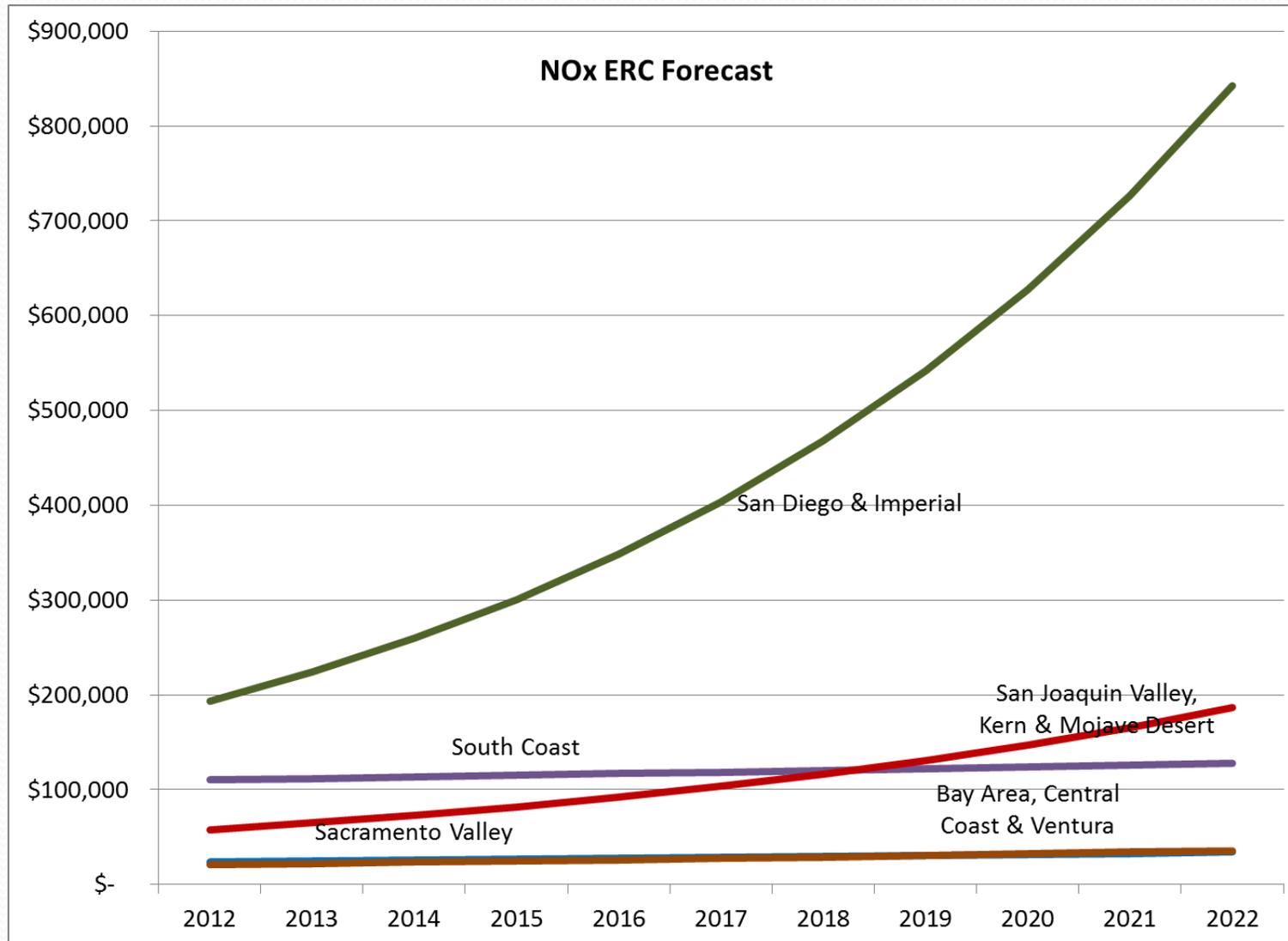
# GHG Allowances



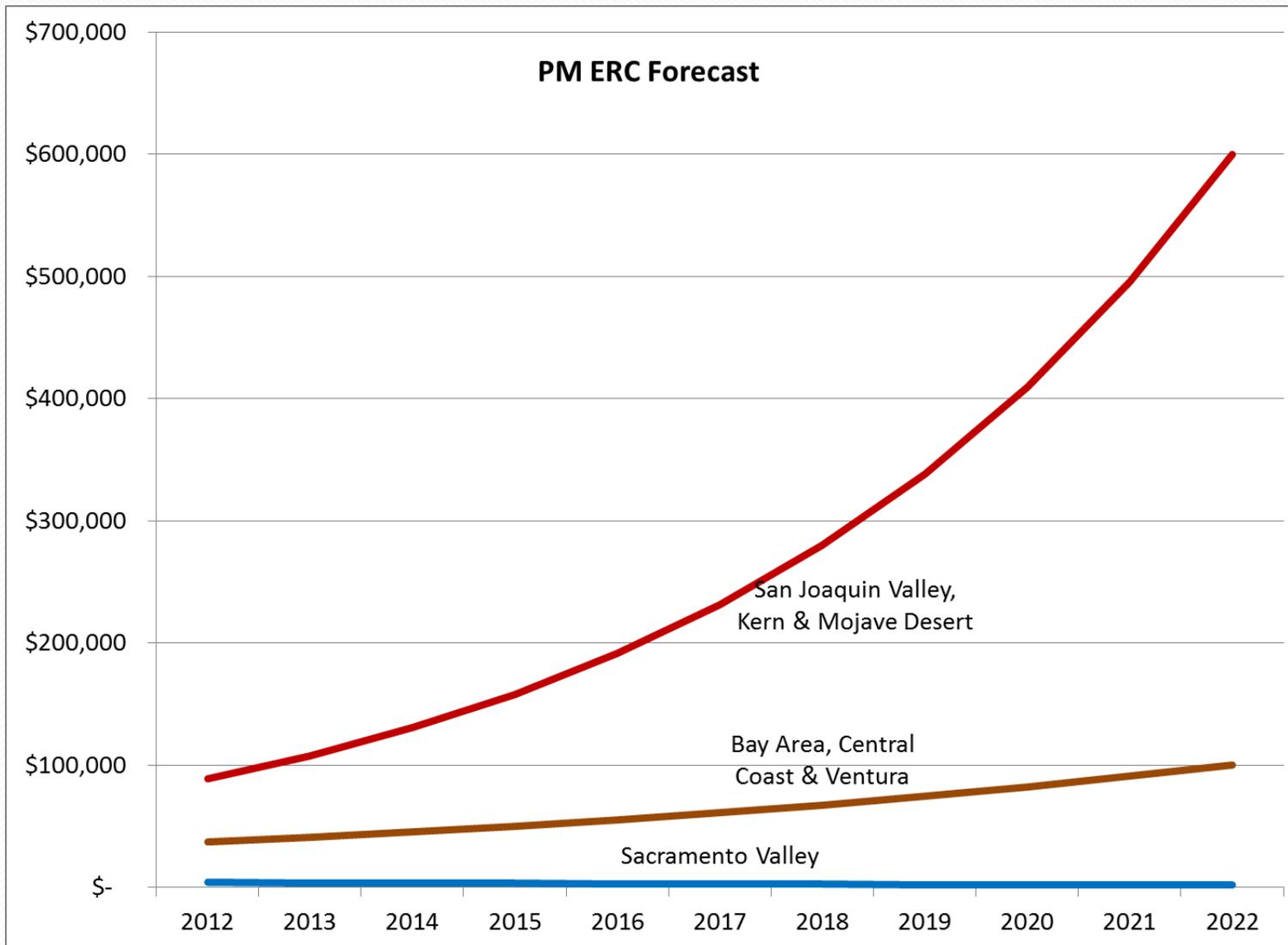
# ERC Price Forecasts

- Started with trends for 1993 to 2010 from ARB data
- Separated by district and pollutant
  - Only for non-attainment districts and pollutants
- SCAQMD treated separately
  - Relied on recently adopted and proposed rules and RECLAIM market prices
- ERC prices escalating rapidly and could become significant cost driver
  - (Emission rates reflect ERC calculation method, not actual rates)

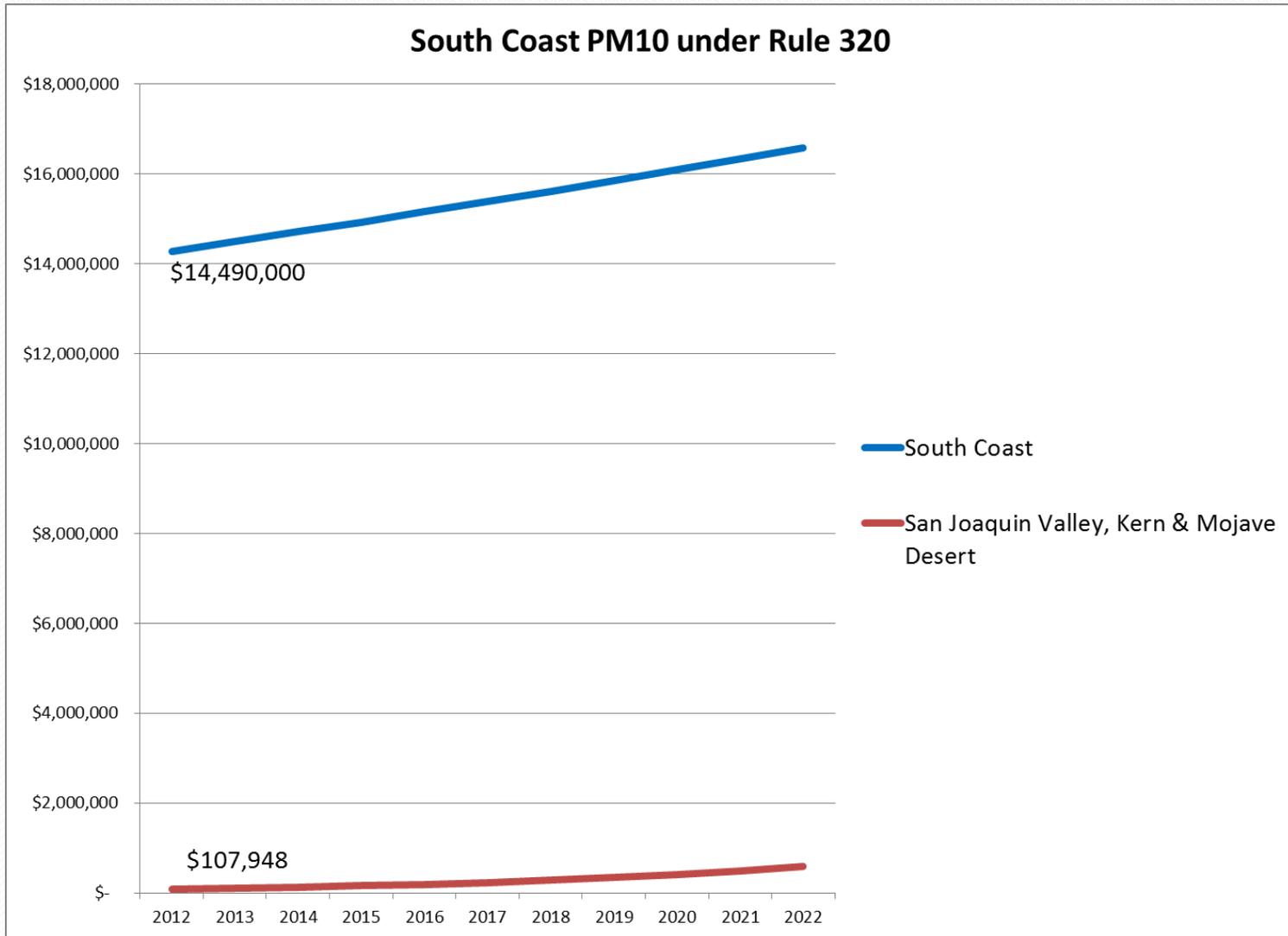
# NOx ERCs



# PM10 ERCs



# SCAQMD PM10 ERCs



# Transmission Wheeling Charge

- CAISO Wheeling Charge forecasts based on trends of different periods from 1998 to 2012
- Could reach \$20 per MWH by 2020
  - Consistent with other forecasts

# Transmission Cost

