

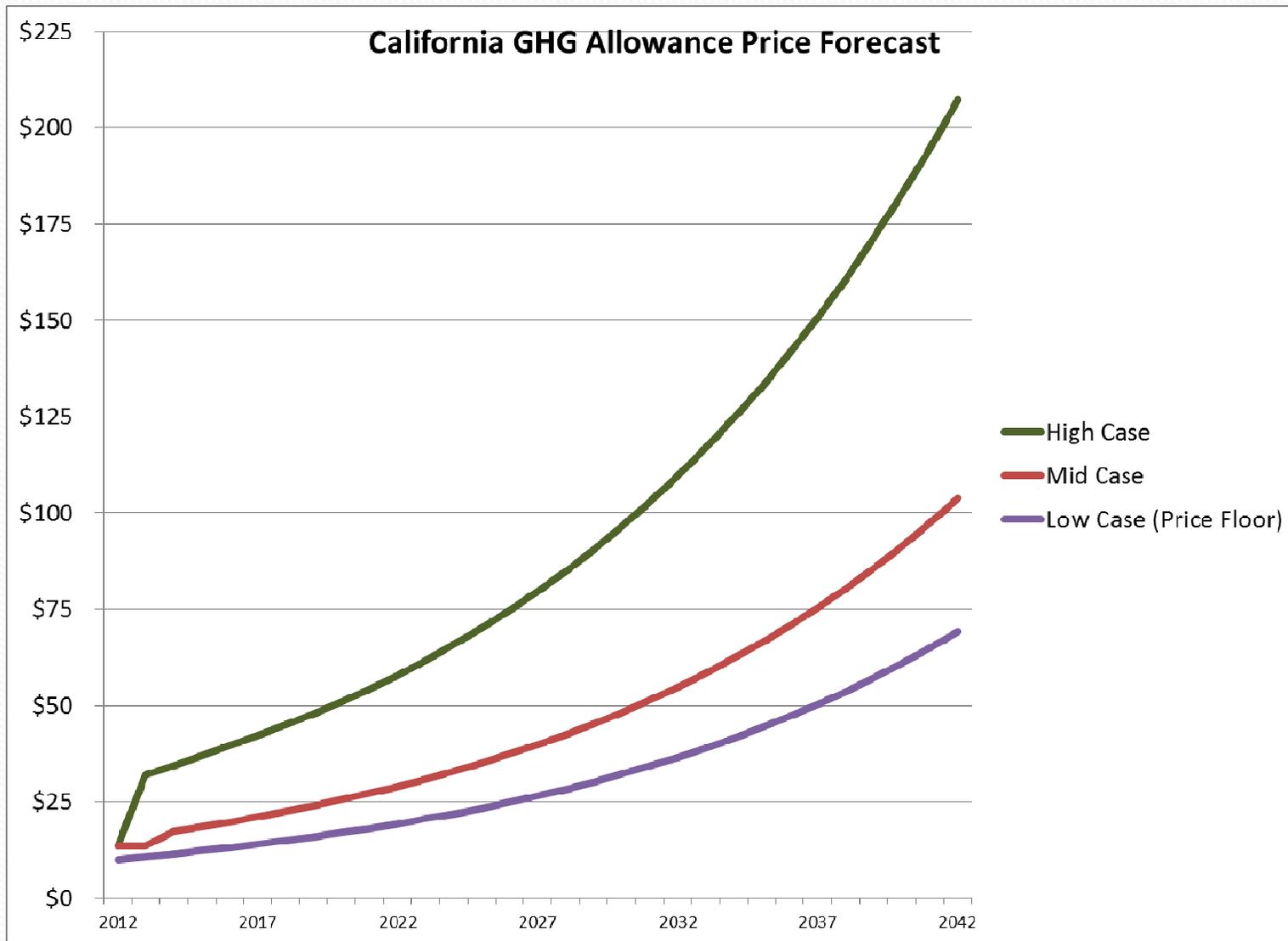
Cost of Generation Workshop: Other Input Forecasts

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Aspen Environmental Group
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GHG Allowance Prices

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

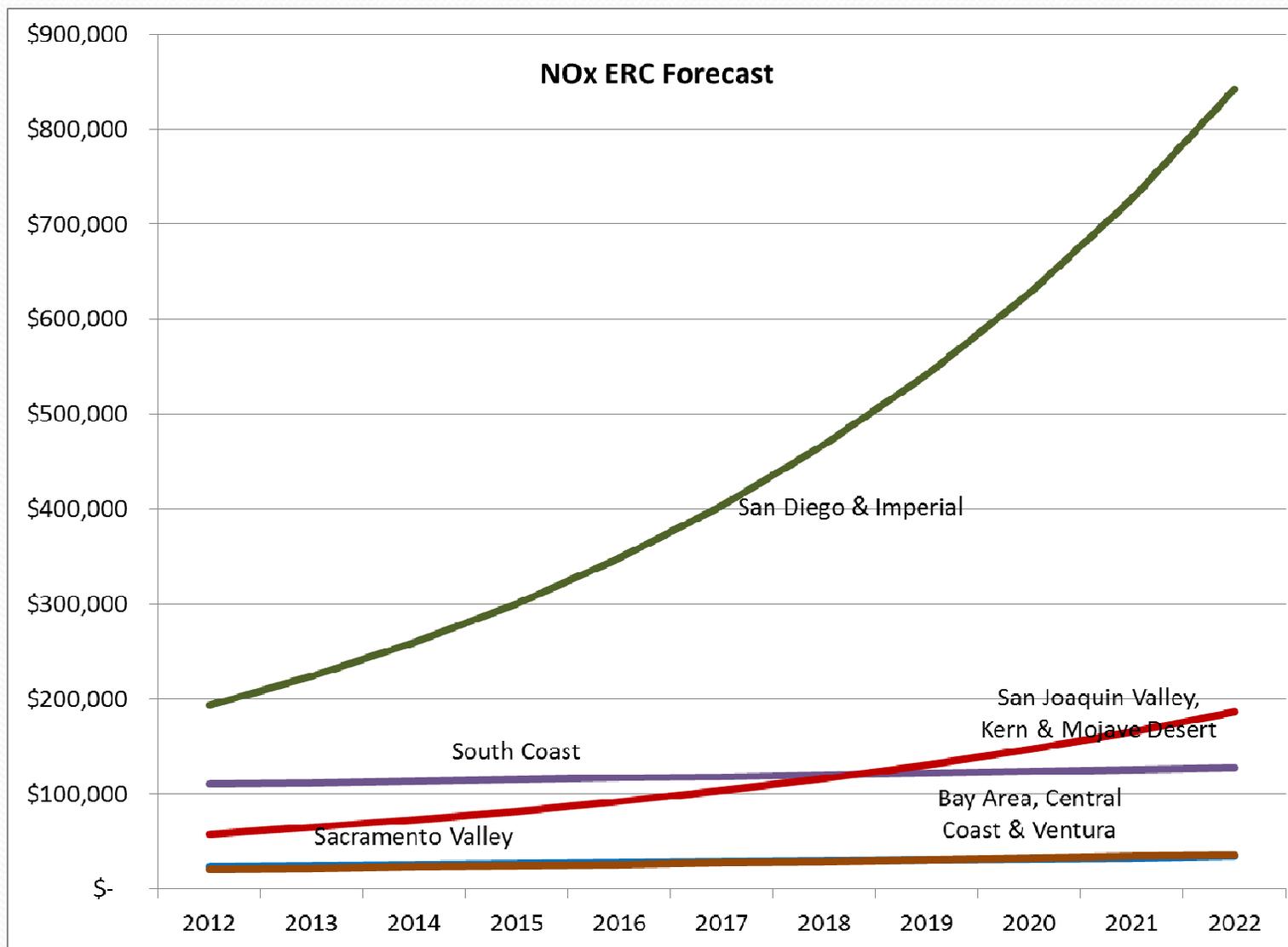
GHG Allowances



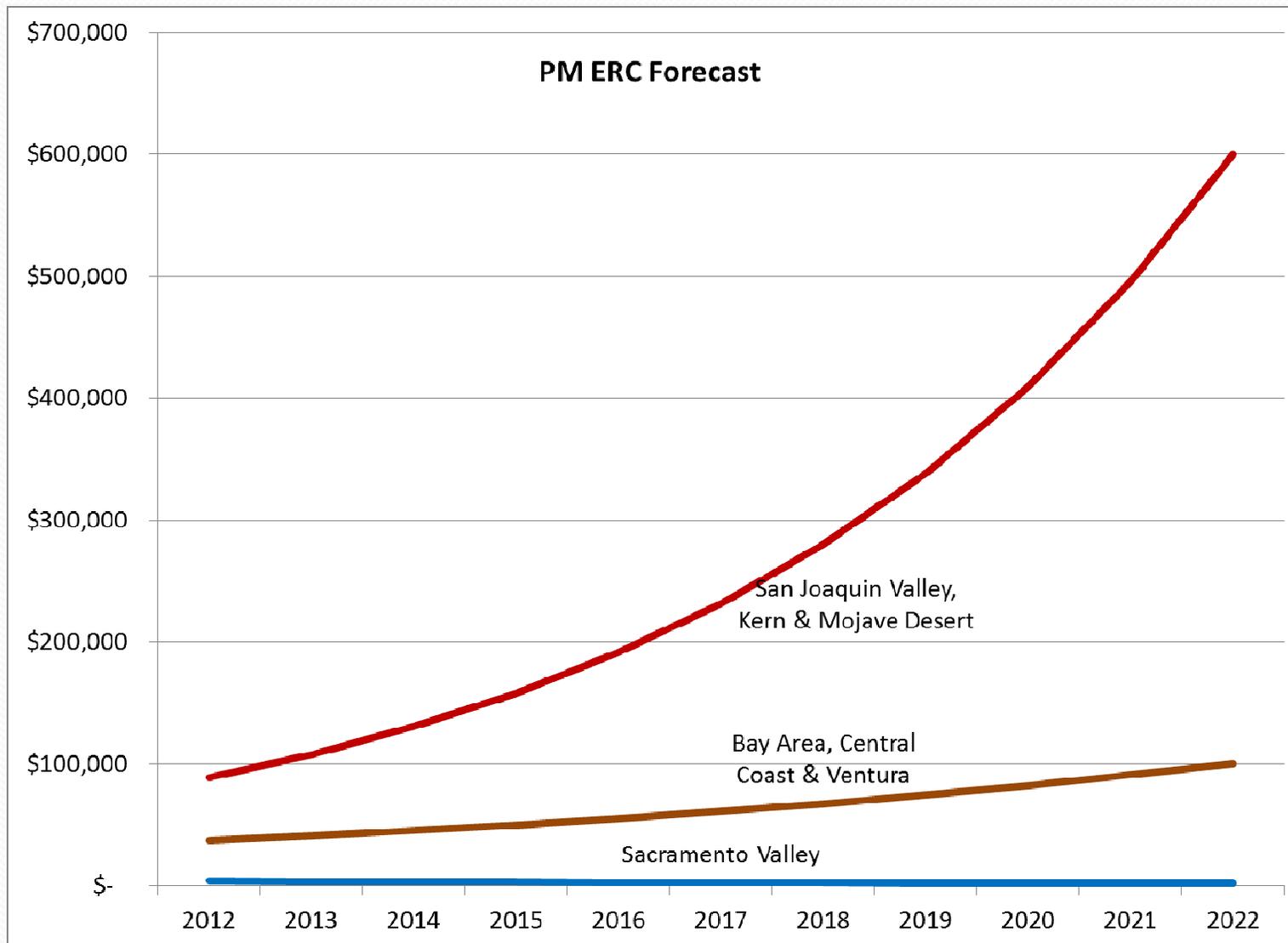
ERC Price Forecasts

- 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)

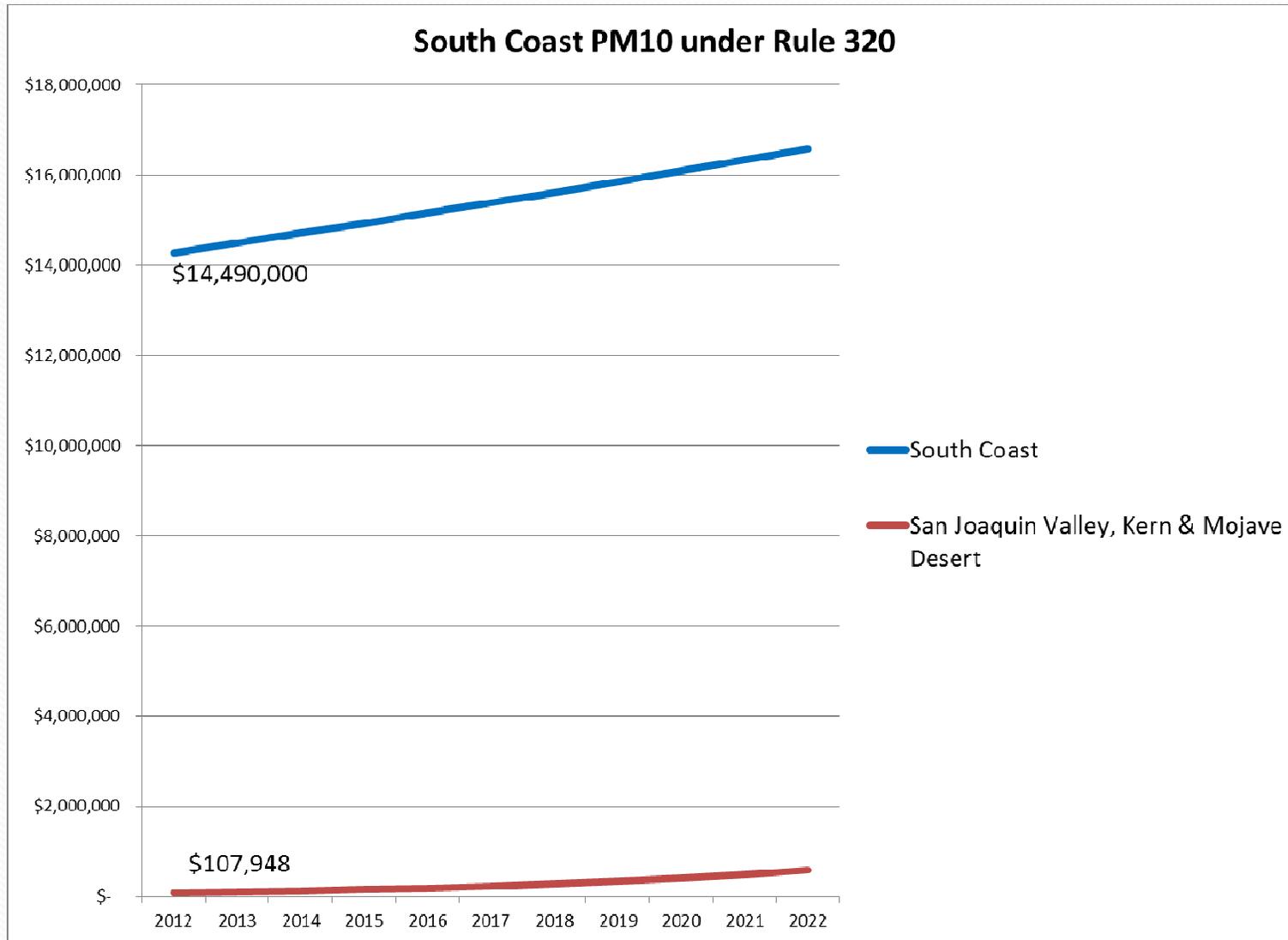
NOx ERCs



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

