

Ukiah Electric Utility Energy Avoided Cost Methodology

Ukiah’s Avoided Cost value will be calculated each year and published by January 1 to be used for the subsequent calendar year. **The Avoided Cost value of \$0.0675/kWh will take effect July 1, 2026.**

The Avoided Cost is calculated using the following components:

Table 1 Avoided Cost Calculation	
Component	Data Source
Energy (historical) ¹	CAISO weighed average Day-Ahead Market prices (NP15)
Transmission ²	CAISO published Transmission Wheeling Rates
Transmission/Distribution Losses ³	CAISO transmission loss factor and Ukiah’s historical system averages
REC	NCPA Bucket 3 REC price from National Gas Intelligence (NGI) – Highest value for previous CY

¹ Historic Energy prices at City of Ukiah delivery point

² Transmission Access Charges published by CAISO in January

³ Transmission loss uses CAISO’s Transmission loss study for North Coast area; distribution loss is based on Ukiah’s FY2025 distribution losses