

Serving our customers



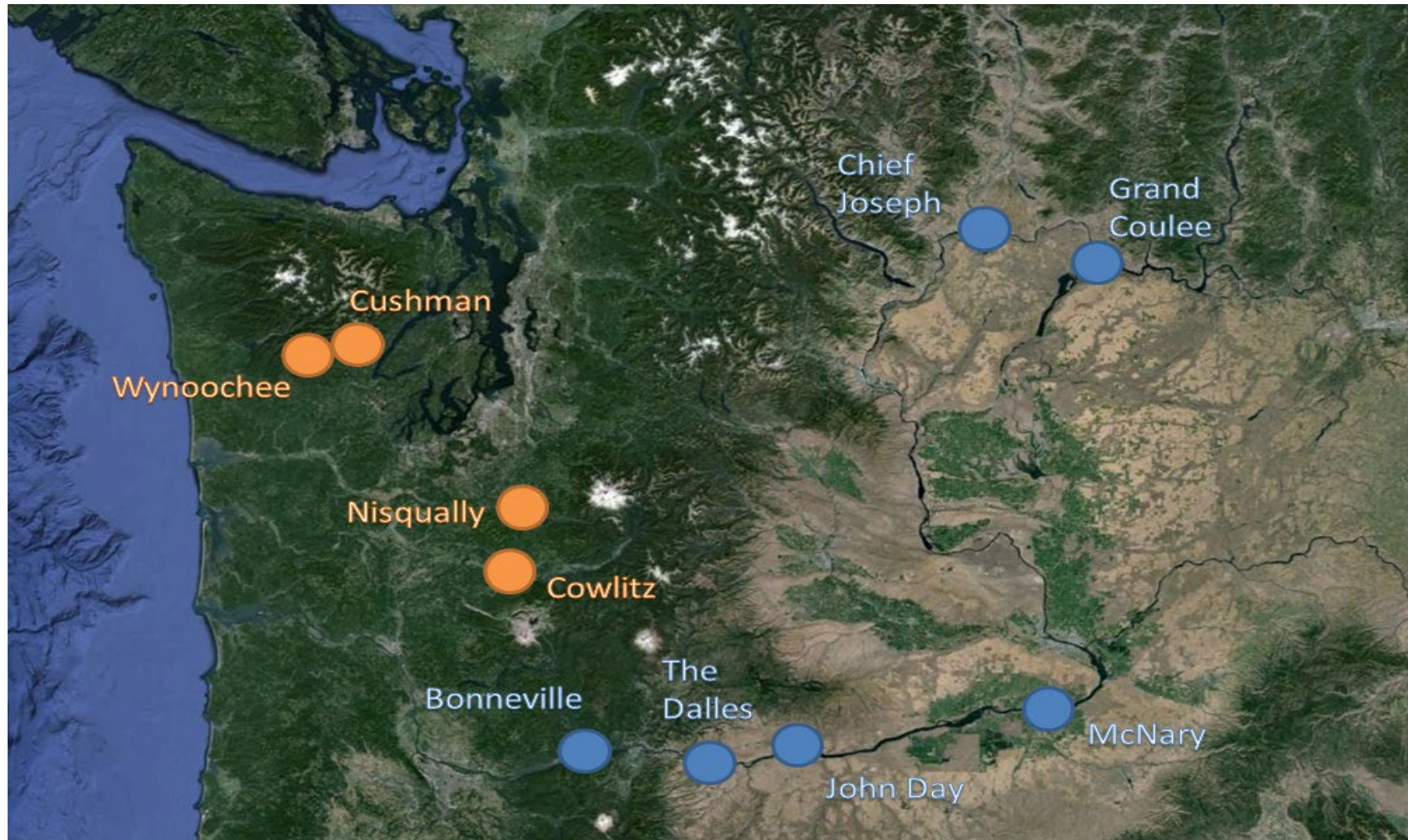
Energy Risk Management / Power Supply Update

April 27, 2022

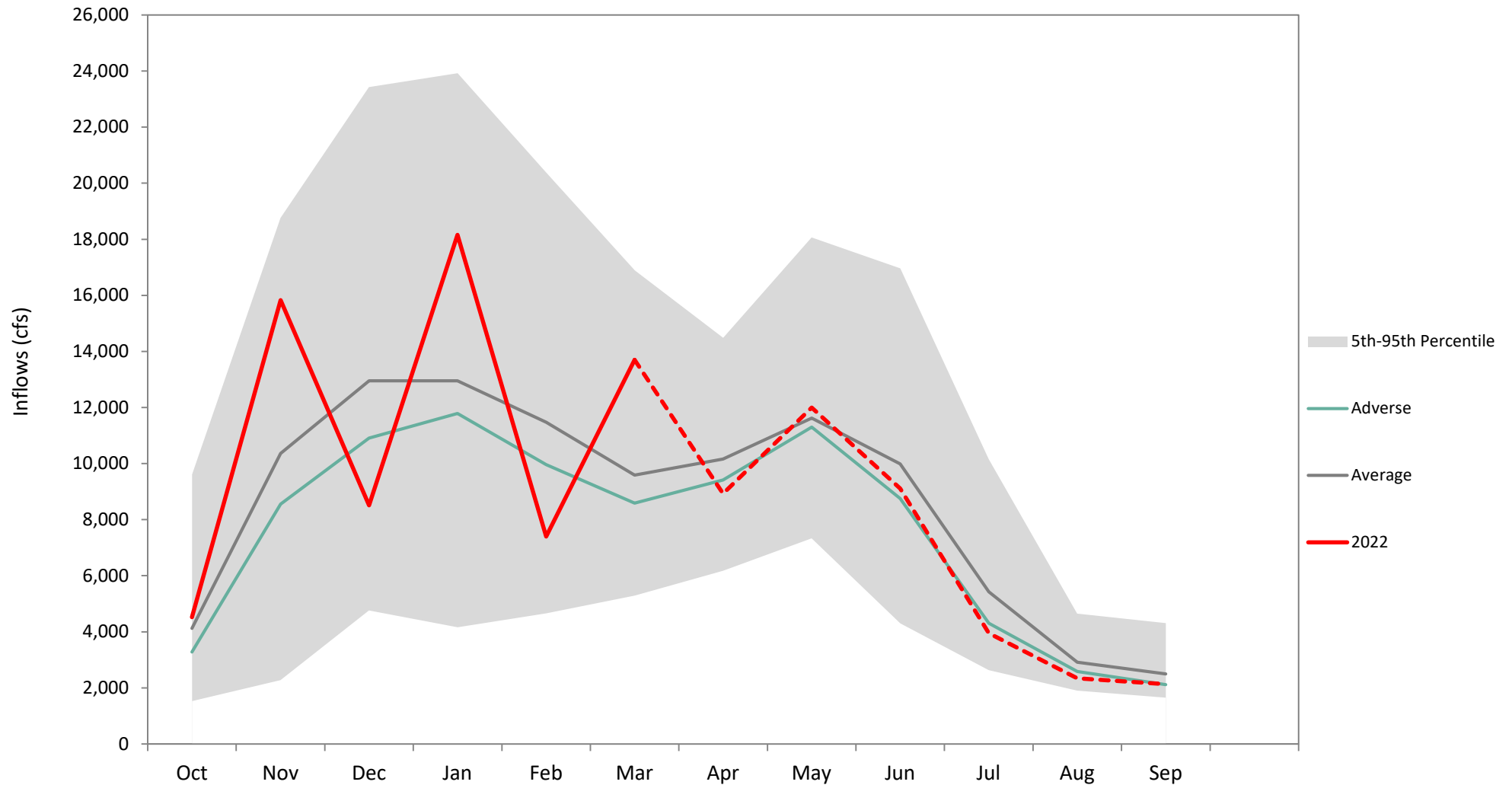
Power Supply

Section 1

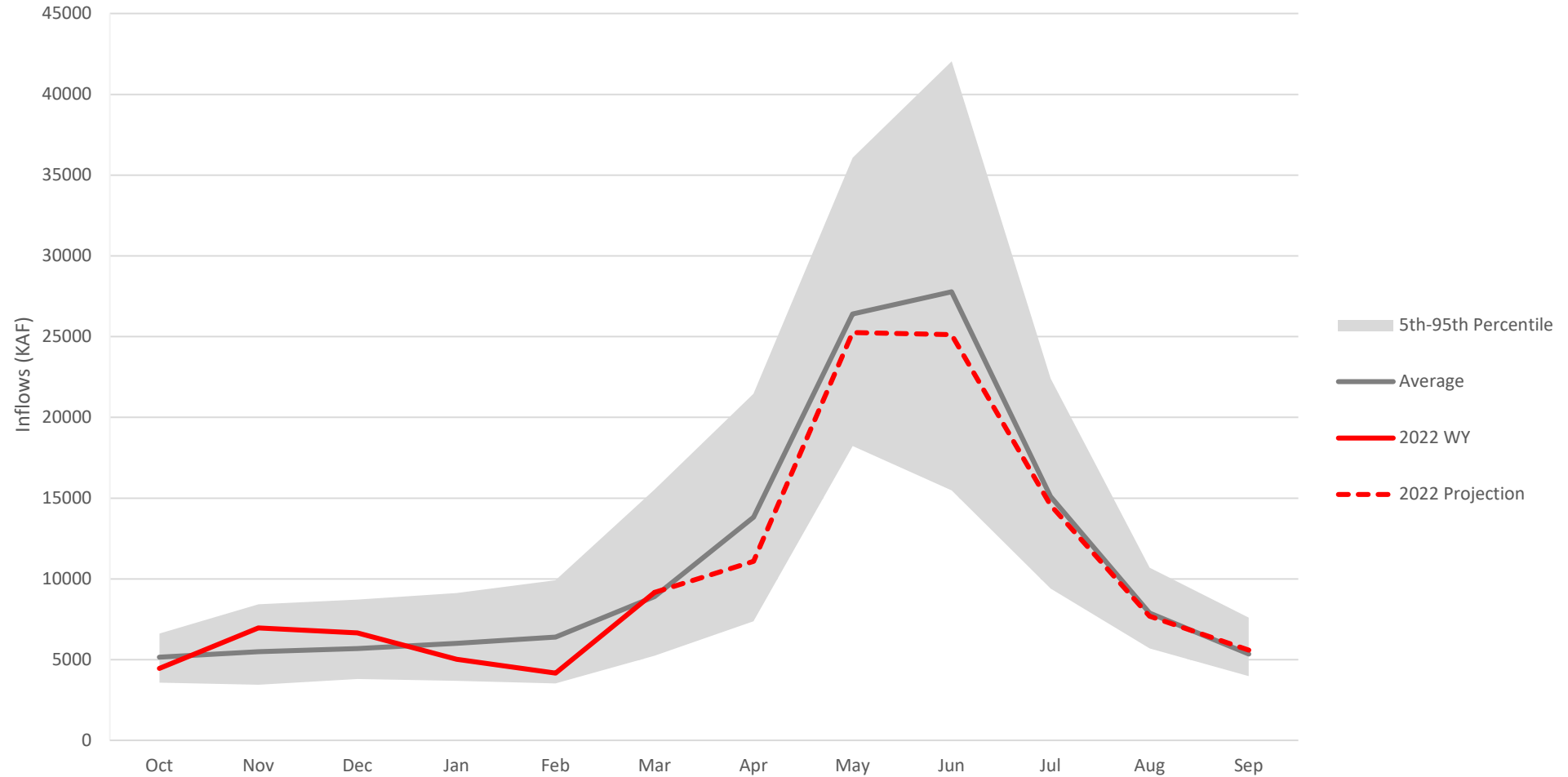
Graph 1: Tacoma Power Hydroelectric Resource Overview
(Map of Tacoma Power’s Hydroelectric Projects and the Federal System)



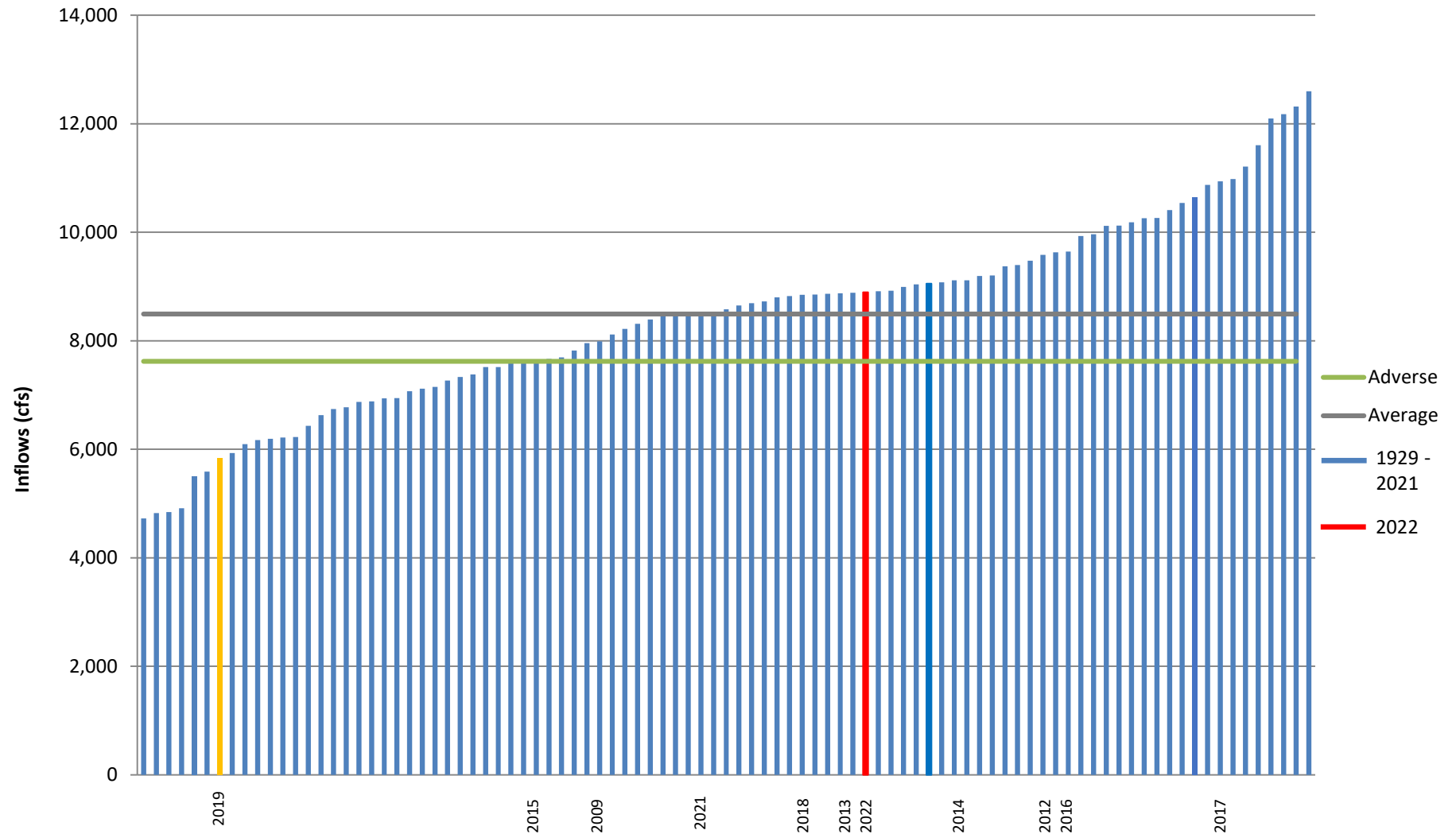
Graph 2: Tacoma System Inflows – Water Year 2022 Atmospheric Rivers
(Tacoma System Hydro Inflows, Water Year 1929 – 2022)



Graph 3: Federal System Inflows – Above Average Fall and Drier Winter
(Federal System Hydro Inflows, Water Year 1961 – 2022)



Graph 4: Water Year 2022 Tacoma System Inflows
(Tacoma System Inflows Annual Avg., Water Year 1929 – 2022)



Wholesale Net Revenues

Section 2

Energy Risk Management Overview

Energy Risk Management Program Objective

The objective of the program is to **manage the variability** from our power supply portfolio

Program Components

Identify &
Quantify Risks

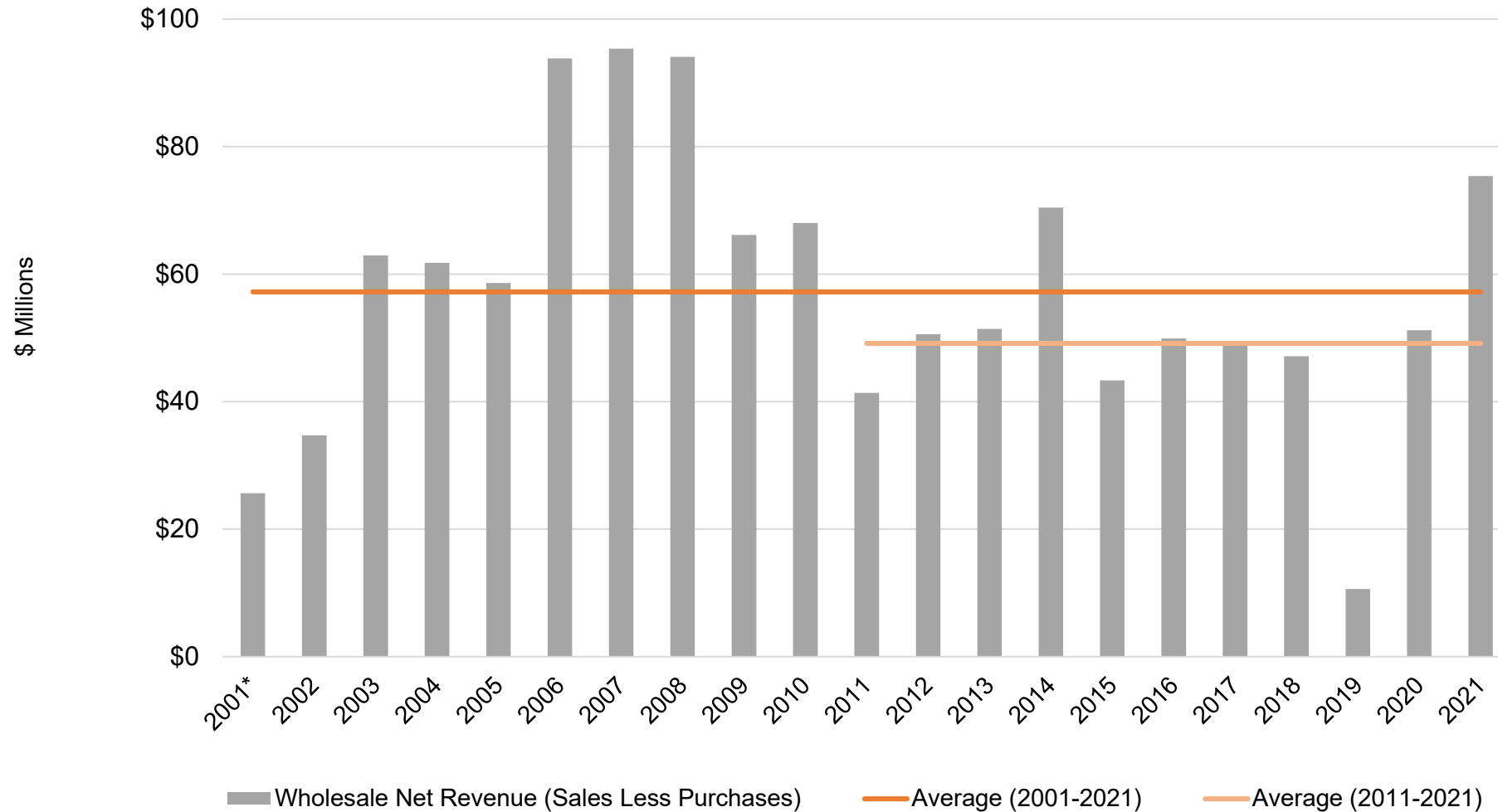
Risk Tolerance &
Policies

Hedging Program
& Metrics

Trade Controls &
Processes

Monitor & Report
Risks

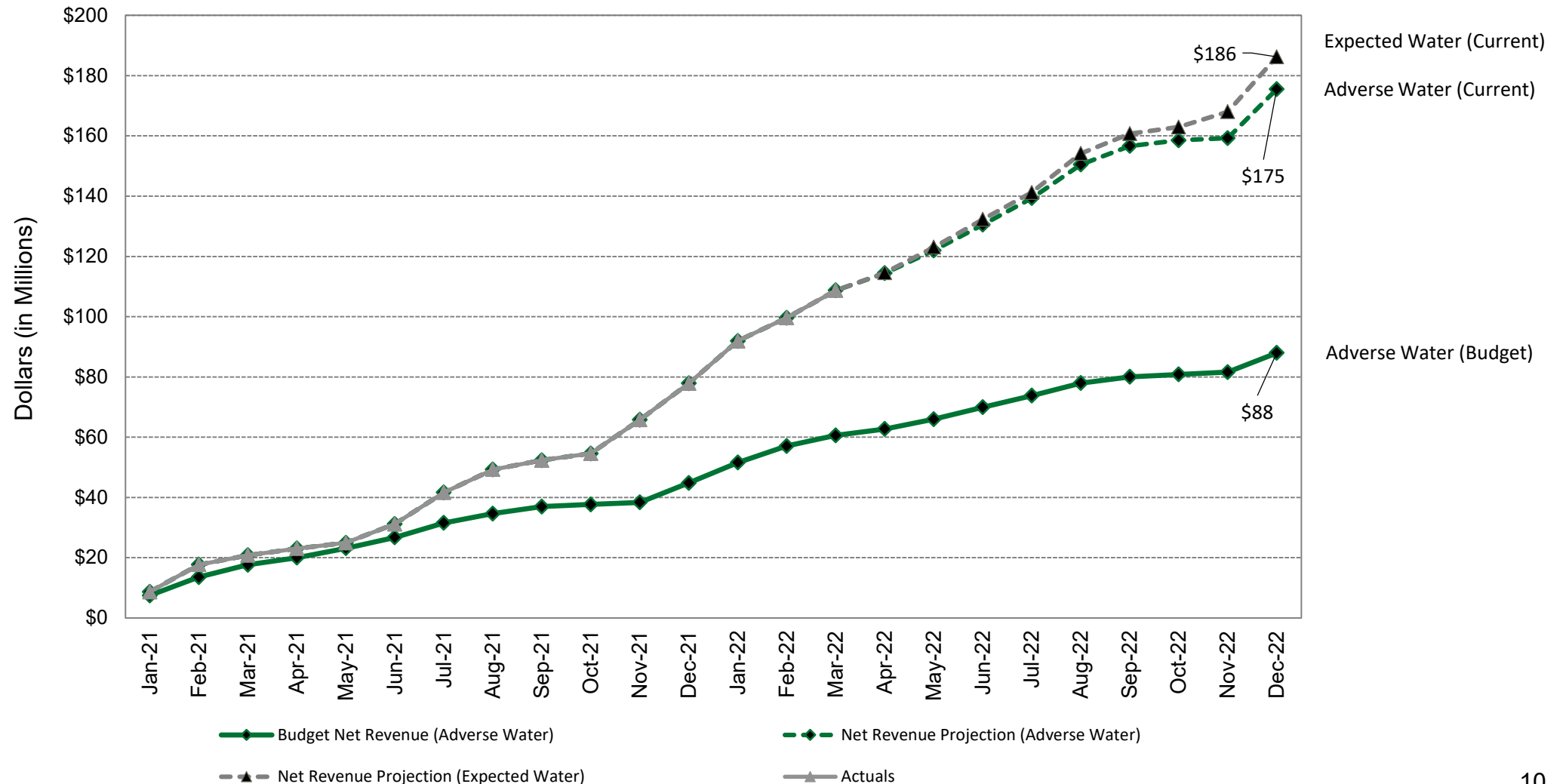
Graph 5: Variability in Wholesale Revenues



Wholesale Net Revenues – 2021/2022

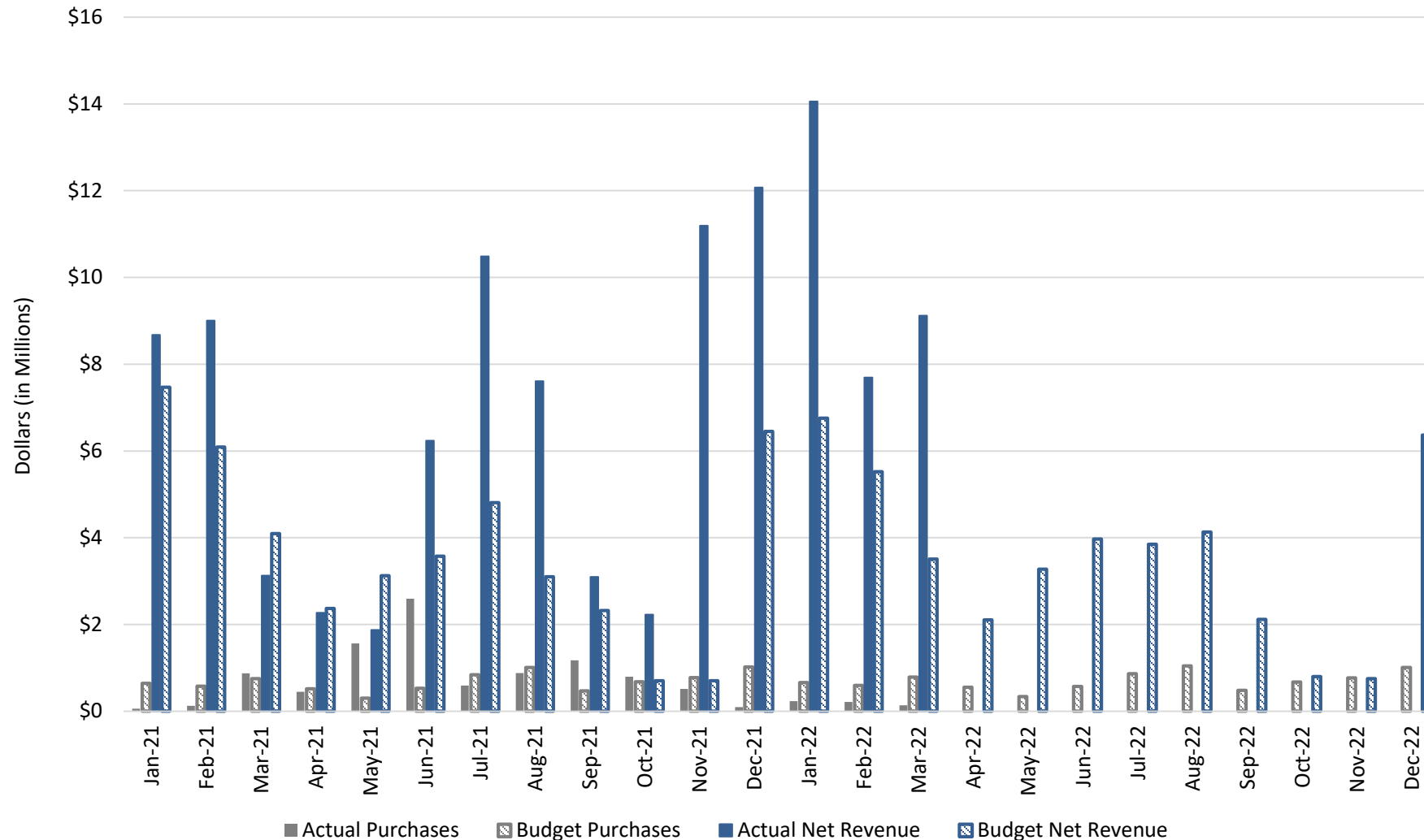
Graph 6: We've Exceeded Budgeted Wholesale Revenues for Biennium

(Cumulative Actual vs. Budget Wholesale Net Revenues, 2021 – 2022)



Wholesale Net Revenues – 2021/2022

Graph 7: Actual Net Revenue Above Budget Due to Strong Prices, Inflows
(Monthly Actual vs. Budget Wholesale Purchases and Net Revenues)



Wholesale Net Revenues – 2021/2022

Graph 8: We Expect to Exceed the Budget by Over \$60M

(Risk Model Simulation of Biennial Net Revenues, 2021 – 2022)

