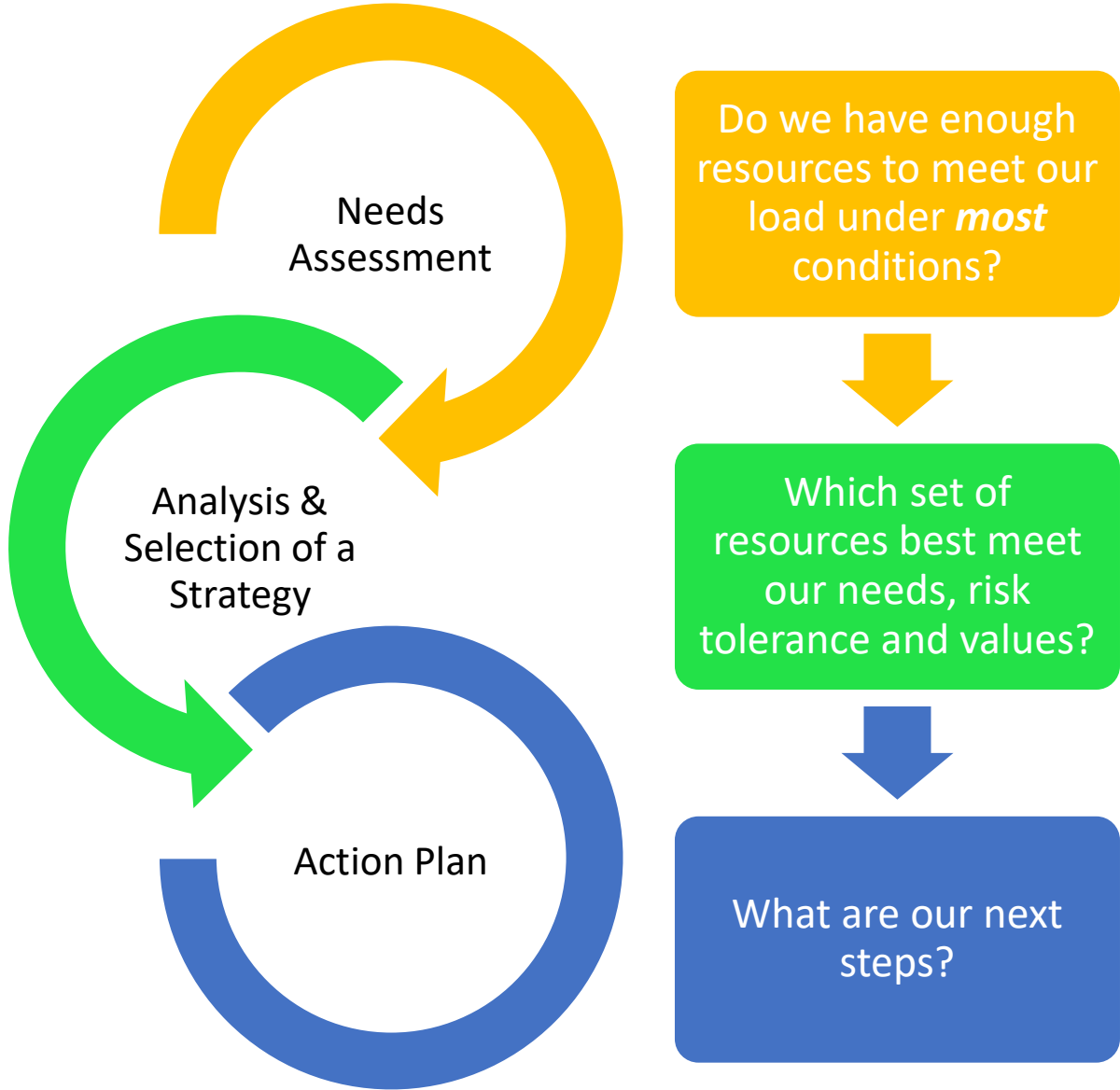


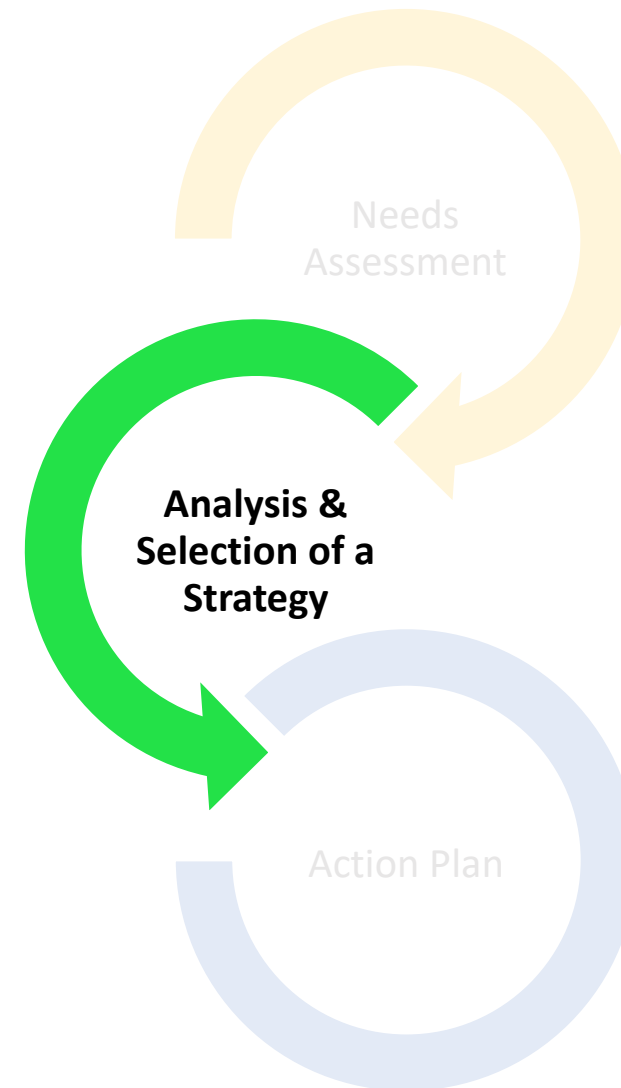
Tacoma Power 2024 IRP: Review of Recommendations and Draft Action Plan

July 24, 2024

Overview of IRP Process



Resource Strategy Recommendations



Review of Recommended Resource Strategy

Continue to purchase Slice/Block product if possible

- Puts us in the best summer energy position
- Puts us in the best peaking capacity position
- Lowest cost

Make incremental investments in existing resource infrastructure where cost-effective

- Explore pumped storage at Cowlitz River Project
- Explore incremental capacity additions at existing dams during generator rebuilds
- Help customers save even more energy (conservation)
- Help customers shift when they use energy (demand response)

Other

- Actively track “risk factors”
- Rely on wholesale market for occasional summer energy needs in medium run and evaluate continuing this strategy in long-run
- Explore opportunities to make operational adjustments to maximize winter capacity
- Explore collaborative opportunities with retail customers to add low-cost resources

Draft Action Plan



Supply-side resources

Next 4 years

- Update BPA analysis and sign new contract
- Re-evaluate need for other new supply-side resources in conjunction with updated BPA analysis
- Continue to seek FERC authorization to restore Riffe Lake elevation
- Conduct Cowlitz pumped storage feasibility and cost assessment
- Add incremental capacity to existing generators during scheduled rebuilds whenever cost-effective

Next 10 years

- Restore Riffe Lake to full pool if authorized by FERC
- Seek license amendment to add pumped storage or additional generator at Cowlitz as part of FERC re-licensing process if feasible and cost-effective
- Add incremental capacity to existing generators during scheduled rebuilds whenever cost-effective

Collaboration with customers

Next 4 years

- Continue piloting demand response opportunities & begin to scale up those found to be successful and cost-effective in pilots
- Acquire 2-year conservation target set in 2024-2043 conservation potential assessment (CPA)
- Explore opportunities to collaborate with retail customers to add resources at a low cost to the utility

Next 10 years

- Scale up demand response opportunities found to be successful and cost-effective in pilots
- Regularly update Conservation Potential Assessment (CPA) and continue to acquire 2-year targets set in CPA
- Explore opportunities to collaborate with retail customers to add resources at a low cost to the utility

Other important actions

Next 4 years

- Track progress of electrification and data center load potential
- Evaluate feasibility of continuing to rely on wholesale market for occasional summer energy needs in long-run
- Explore opportunities to make operational adjustments to maximize winter capacity

Next 10 years

- Track progress of electrification and data center load potential

Next Steps

Next steps

August 14

PUB Meeting:
Request formal approval of IRP

September 2

Submit IRP to Department of Commerce

Post-IRP

Implement action plan

Create Clean Energy Implementation Plan (CEIP) in 2025