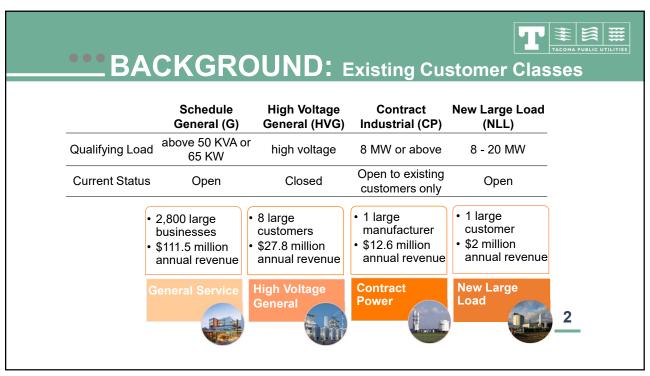


Proposals to Modify Large Load Rate Class Structure

Tacoma Power | Rates, Planning & Analysis

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ISSUE: Challenges in Serving New Large Loads

- Recent high interest from prospective industrial customers for large quantities of low-carbon, low-cost energy
- Tacoma Power has limited power supply to serve new large loads
- · Current costs for new power supply are very high
- New power supply costs far exceed existing portfolio supply costs

If new large loads are served under the current rate structure, it will create substantial rate pressure and cost shifting to existing customers.

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PROPOSED MODIFICATIONS



- No impact on existing customers
- Protect existing customers from rate impact associated with serving new large load customers
- New rate structure is comparable with peer regional utilities
- Ensure alignment of retail rates with costs of serving customers

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