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**SUBJECT:** Wholesale Trading Overview  
**DATE:** 09/19/2023

**PRESENTATION TYPE:**

Informational Briefing

**SUMMARY:**

This is an informational briefing to provide an overview of Tacoma Power’s resource portfolio and wholesale marketing activities.

**BACKGROUND:**

Tacoma Power owns and operates a resource portfolio comprised of physical and contractual resources. Under normal hydro conditions this resource portfolio produces more power than is required to serve load. As a result, Tacoma Power is predominately a seller in the wholesale market.

Tacoma Power transacts with the wholesale market on a term, day-ahead, hour-ahead, and real-time basis. These transactions are made to preserve system reliability and to hedge against future price variability. Term trades are typically on a monthly block and may be made up to 24 months in advance. Day-ahead trading is for the next business day. Hour-ahead and real-time transactions are made 24x7 either for the upcoming hour or during real time. In 2022, Tacoma Power sold about \$140M and purchased about \$15M of wholesale power with term and day-ahead trades making up most of these transactions.

In March 2022, Tacoma Power joined the Energy Imbalance Market (EIM). The EIM is an organized market that optimizes electrical supply to meet demand at a lower cost and without compromising system reliability. In the EIM, we use our operational flexibility to buy low-cost power during periods of excess wind and solar generation, store water in our reservoirs, and produce power during higher priced periods. As of July 31, transactions in the EIM have produced approximately \$7M of value, with the majority of the value the result of buying low-cost power.

**ISSUE:**

This is an information briefing only

**ALTERNATIVES:**

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**FISCAL IMPACT:**

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**RECOMMENDATION:**

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