



Open-Access Transmission Tariff Update

Resolution No. 40771

City of Tacoma | Tacoma Power

City Council Meeting
April 27, 2021



••• What is an OATT?



The **Open-Access Transmission Tariff** provides the rates, terms, and conditions under which **wholesale customers** (market participants and other utilities) must follow – and pay – to **transmit electricity** over Tacoma Power's transmission system.



Key Facts

- Basic template from **Federal Energy Regulatory Commission (FERC)**
- **Current transmission users understand** need for rate increases and language updates
- If OATT not updated to reflect cost to serve transmission customers, **retail ratepayers must bear additional cost**

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What is Changing?

- Increased rates
- Language changes regarding Energy Imbalance Market (EIM)
 - *Updated terms & conditions*
 - *Authorization to pass on EIM charges to market customers who cause the cost*
- Technical details about how users request service

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Rate Details

Sch.	Service	Current	Updated	Units
	Revenue Requirement	\$22,962,043	\$26,712,192	per Year
1	Scheduling, System Control, & Dispatch	\$0.82	\$1.06	per MWh
2	Reactive Supply and Voltage Control	\$0.08	\$0.14	per MWh
3	Regulation and Frequency Response	\$0.34	\$0.52	per MWh
5	Operating Reserves - Spinning	\$14.45	\$20.48	per MWh
6	Operating Reserves – Supplemental	\$14.45	\$20.48	per MWh
7	Point-To-Point (Hourly)	\$2.99	\$3.93	per MWh

Estimated revenue increase is \$200,000 to \$1.2 million, depending on services purchased. 5



Process to Date

- **March 24:** approved by Public Utility Board
- **April 13:** referred to Government Performance and Finance Committee
- **April 20:** GPFC recommended to forward to full Council for approval
- **REQUEST:** Council approval today for May 1st effective date

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