

Quarterly Energy Resources Review

for the quarter ended December 31, 2024



February 18, 2025

Janet Jaspers

What We Will Cover Today

- Net wholesale revenue (NWR) and other energy-related revenue update
- Western power markets update
- Operations and planning

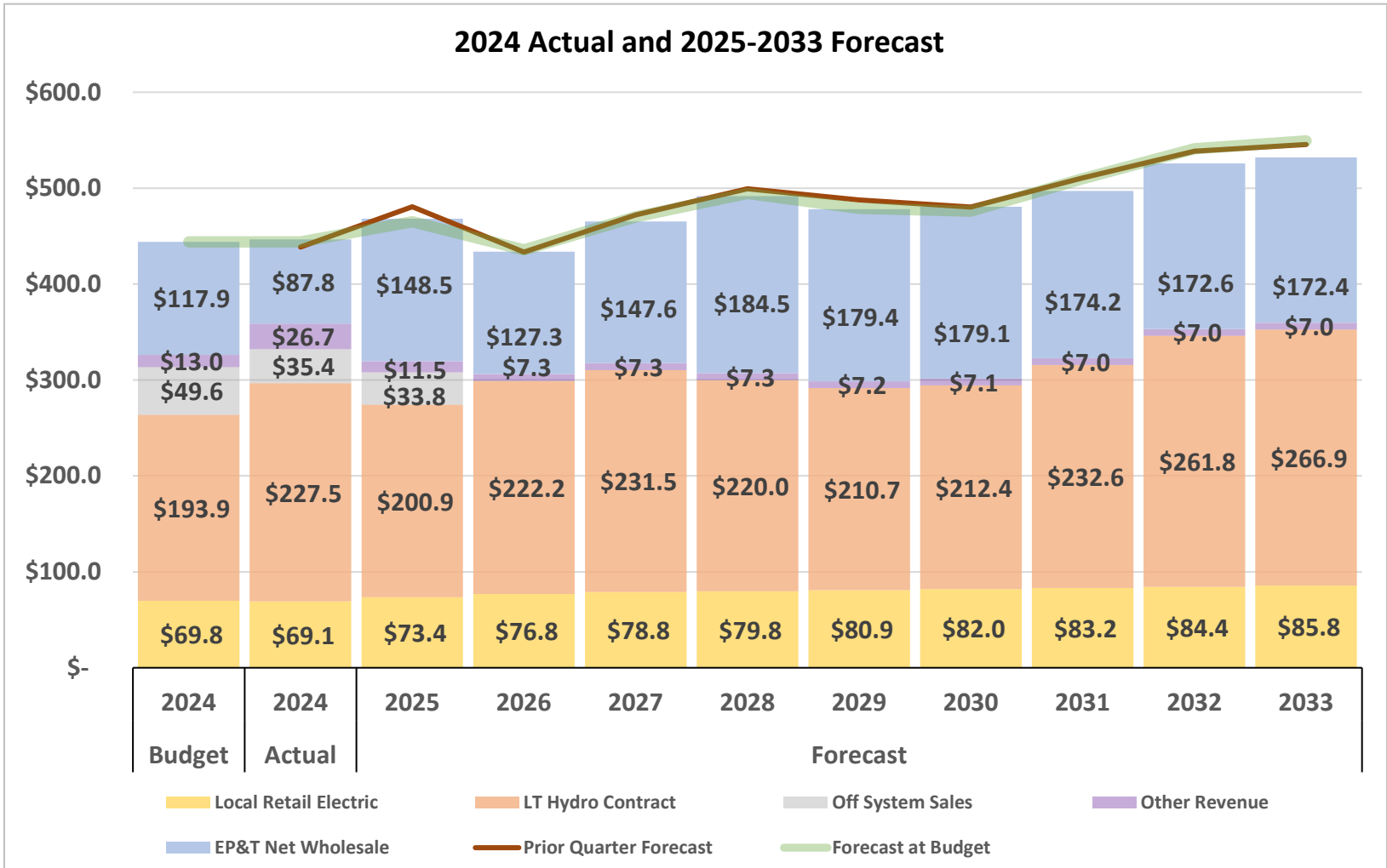
Update only, no action required

Appendix: Additional detailed information not covered today

Q4 2024 Key Highlights

- 2024 revenue ended above budget, water supply was below average
 - NWR and other energy-related revenue \$10.8M above budget
 - 2024 Columbia River water supply 72% of normal for Jan – Dec
- Climate Commitment Act (CCA)
 - Q4 WA allowance auction price \$40.26/MTCO₂e
 - Fewer participants in the Q4 auction due to initiative uncertainty
- Day-Ahead Market Initiatives
 - Southwest Power Pool (SPP) Markets+
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 - Pathways Initiative

Electric Revenues Forecast - \$ Millions



Other Revenue includes Real Time, LT Contract admin fees, frequency response and load shedding, renewables, carbon allowance auction proceeds, and scheduling.

2024 NWR and Other Energy-Related Revenue

(\$ Millions)

	Budget	Actual[1]	Variance
EP&T Net Wholesale Revenue (NWR)			
Energy Sales/Purchases	\$ 91.8	\$ 59.3	\$ (32.5)
Specified Source Premium	\$ 25.4	\$ 27.8	\$ 2.4
Renewables – Bundled	\$ 0.6	\$ 0.6	\$ -
NWR Sub-total [2]	\$ 117.9	\$ 87.8	\$ 30.1)
Off System Sales			
Off System end use sales	\$ 49.5	\$ 35.4	\$ (14.1)
Other Energy-Related Revenue			
LT Power Contract- Retained Surplus	\$ -	\$ 41.2	\$ 41.2
LT Power Contract- Admin Fees	\$ 4.1	\$ 3.0	\$ (1.1)
Frequency Response & Load Shedding	\$ 1.2	\$ 1.2	\$ -
Other [3]	\$ 0.6	\$ 7.6	\$ 7.0
Renewables – Unbundled	\$ 0.1	\$ 1.2	\$ 1.1
Real-Time Revenue	\$ 7.0	\$ 13.7	\$ 6.7
Other Energy-Related Sub-total	\$ 13.0	\$ 68.0	\$ 55.0
NWR and Other Energy-Related Revenue	\$ 180.3	\$ 191.1	\$ 10.8

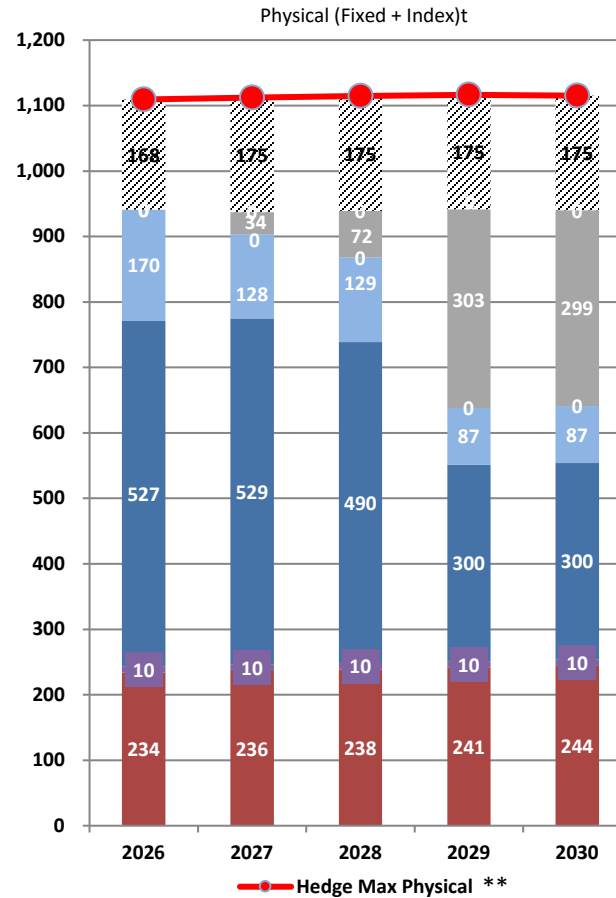
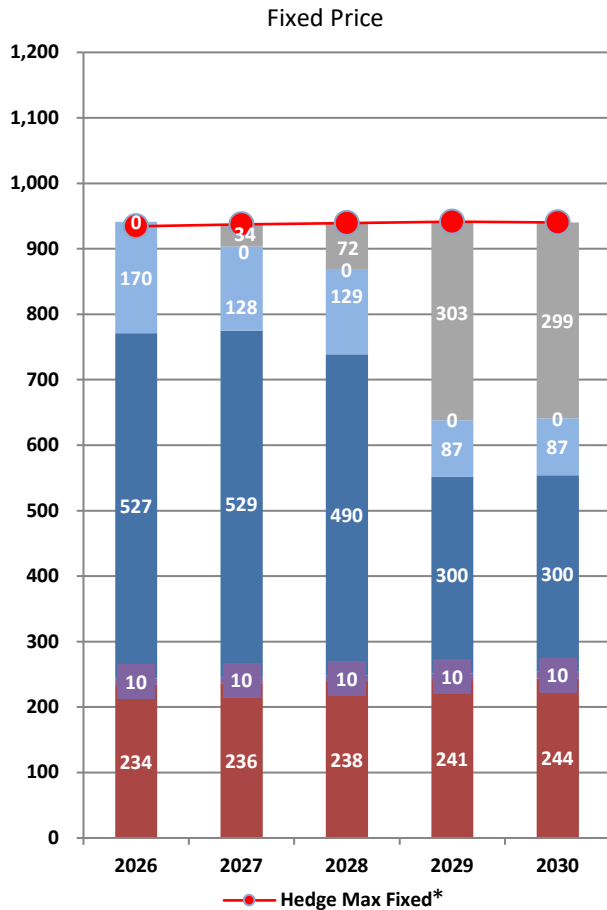
[1] 2024 Actual based Jan - Dec (Unaudited)

[2] NWR includes PWX specified source sale/full requirements purchase and transmission pass through costs

[3] Other includes scheduling, carbon allowance proceeds & admin fees and the sale of reserves



District's Energy Commitments



(Average MW)

Note: The graphs represent the limits contained in resolution 20-14439 approved by the Board on March 23, 2020.

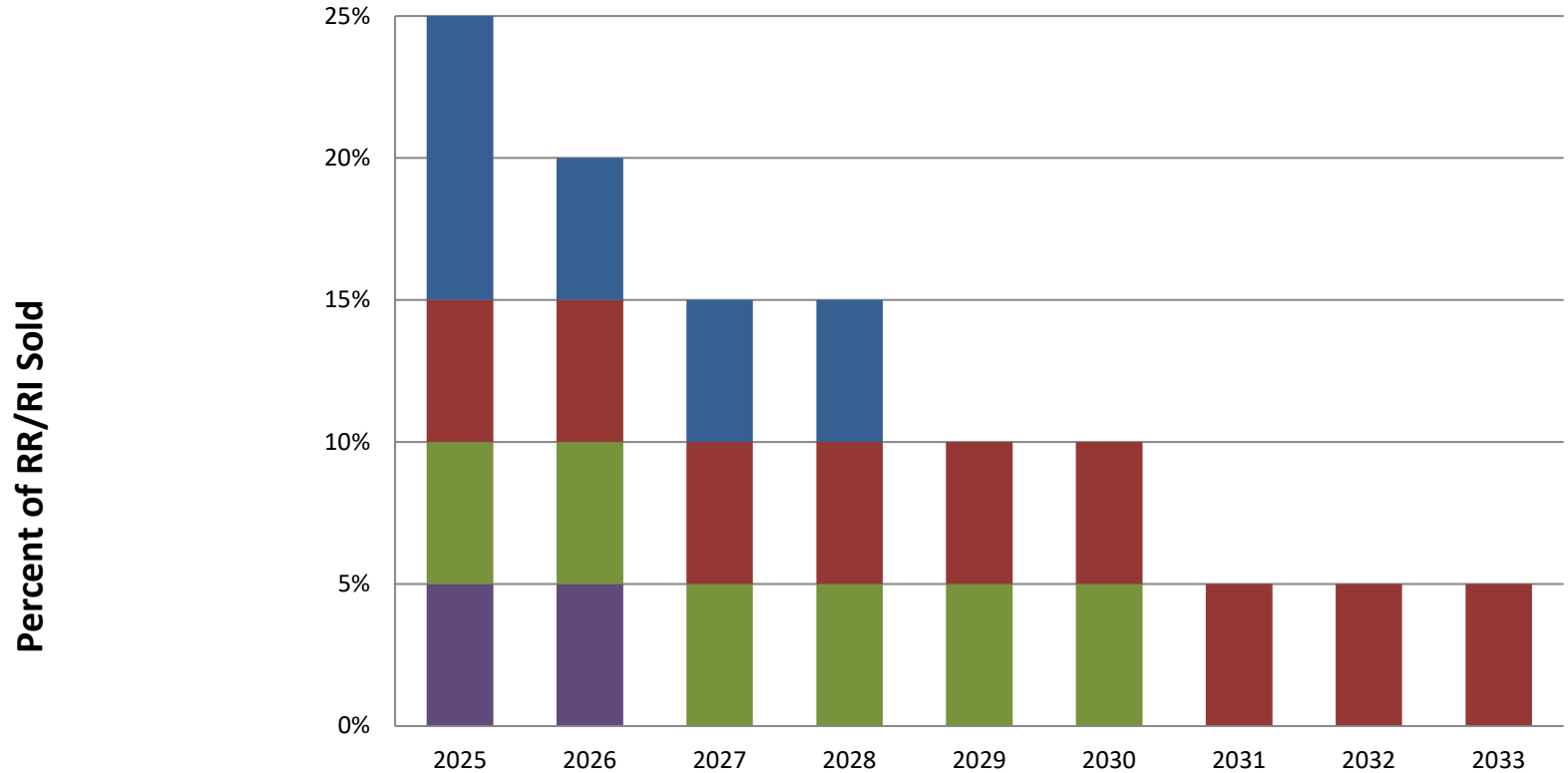
- Available to Sell at Fixed Price
- Fixed Price Block Contracts
- Fixed Price Slice
- Long-term Cost Plus Slice
- Canadian Entitlement
- Local Load

- Available to Sell at Index Price
- Available to Sell at Fixed Price
- Index Price Block Contracts (Includes Off-System End-Use)
- Fixed Price Block Contracts
- Fixed Price Slice
- Long-term Cost Plus Slice
- Canadian Entitlement
- Local Load

*Hedge Max Fixed = stress water generation

**Hedge Max Physical = stress water generation + 175 aMW

Fixed Price Slice Contracts



	2025	2026	2027	2028	2029	2030	2031	2032	2033
■ Slice Product 38 - Puget Sound Energy	10.0%	5.0%	5.0%	5.0%					
■ Long Term Slice 2 - Avista	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
■ Long Term Slice - Avista	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%			
■ Slice Product 35 - Puget Sound Energy	5.0%	5.0%							

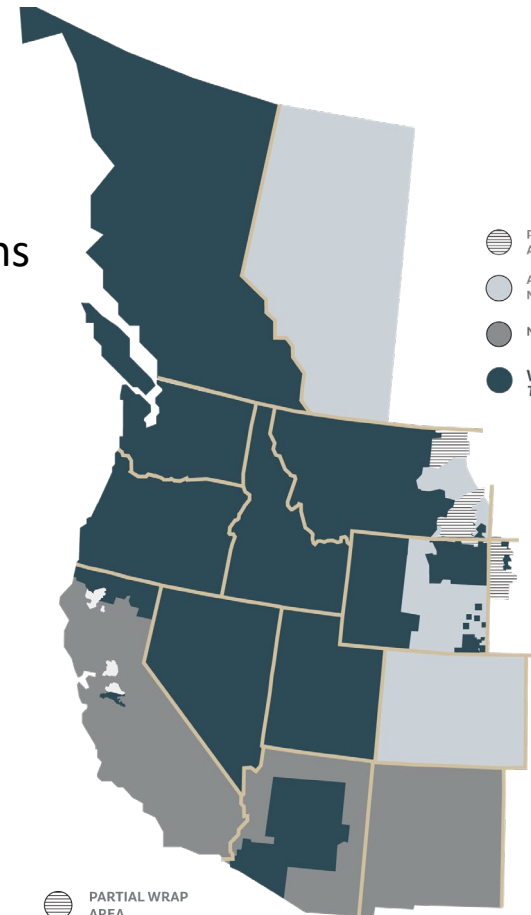
Changes in the Western Power Market

Western Resource Adequacy Program (WRAP)

- WPP continues to work towards full implementation of WRAP
 - Earliest binding season is Summer 2027
 - Automating/streamlining forward showing and operations program
- 2025 work plan being developed to address WRAP member change requests

Climate Commitment Act (CCA)

- Next regularly scheduled quarterly auction on 03/05/2025
- Allowances currently trading ~\$53/metric ton of CO₂e in secondary market

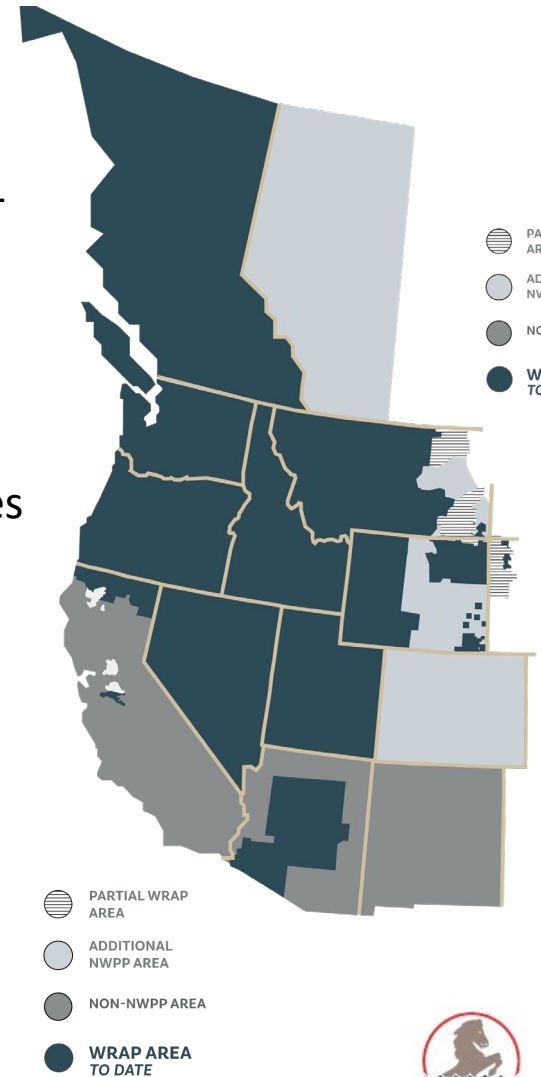


Changes in the Western Power Market

(Continued)

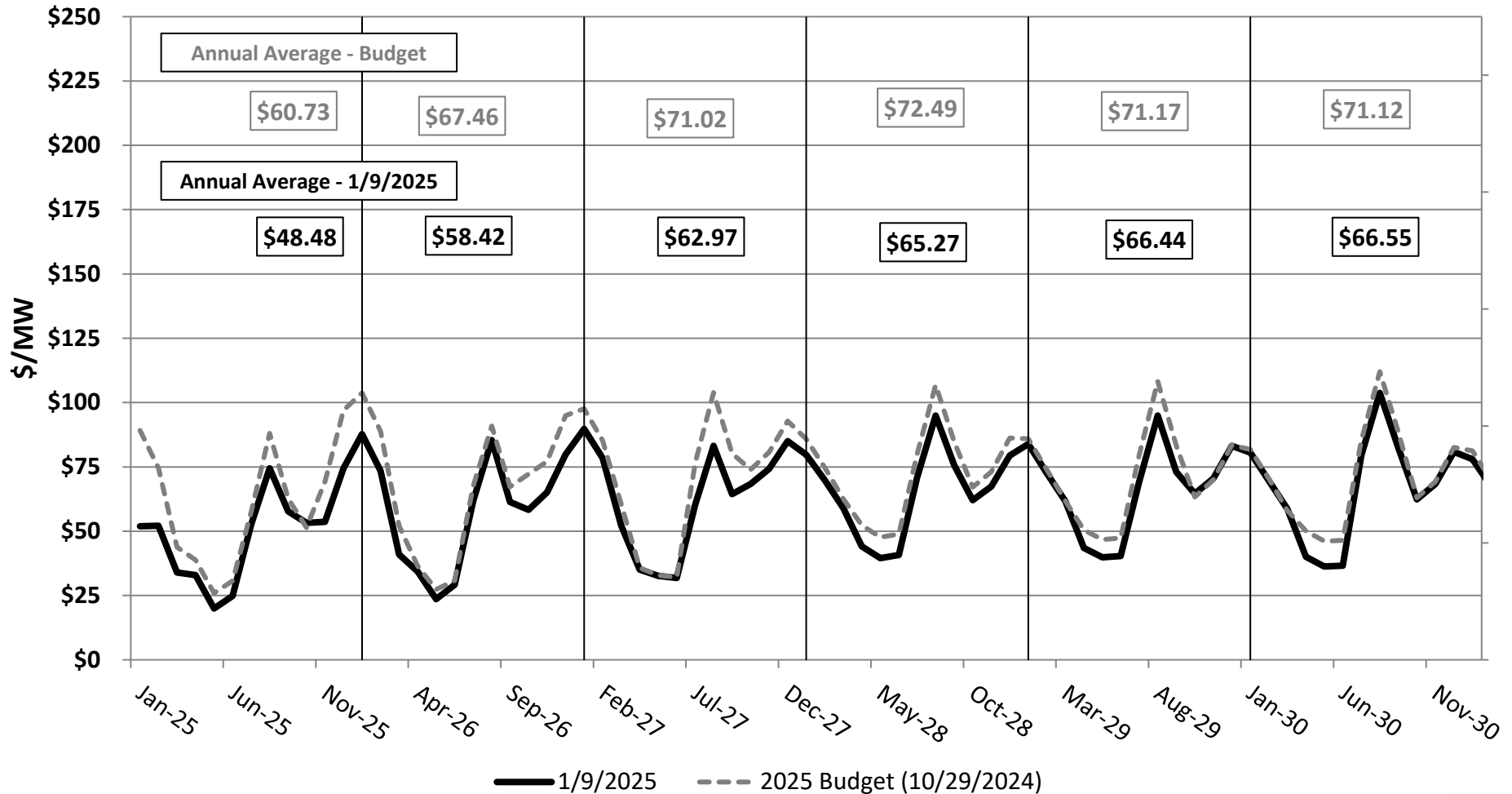
Short term markets (within hour → real-time → day ahead)

- SPP Markets+: Once Phase 2 funding is secured, SPP Markets+ moves into implementation
- CAISO EDAM: PacifiCorp filed its Open Access Transmission Tariff (OATT) with FERC
- West-wide Governance Pathways Initiative: waiting to see if California legislature will move forward with proposed changes



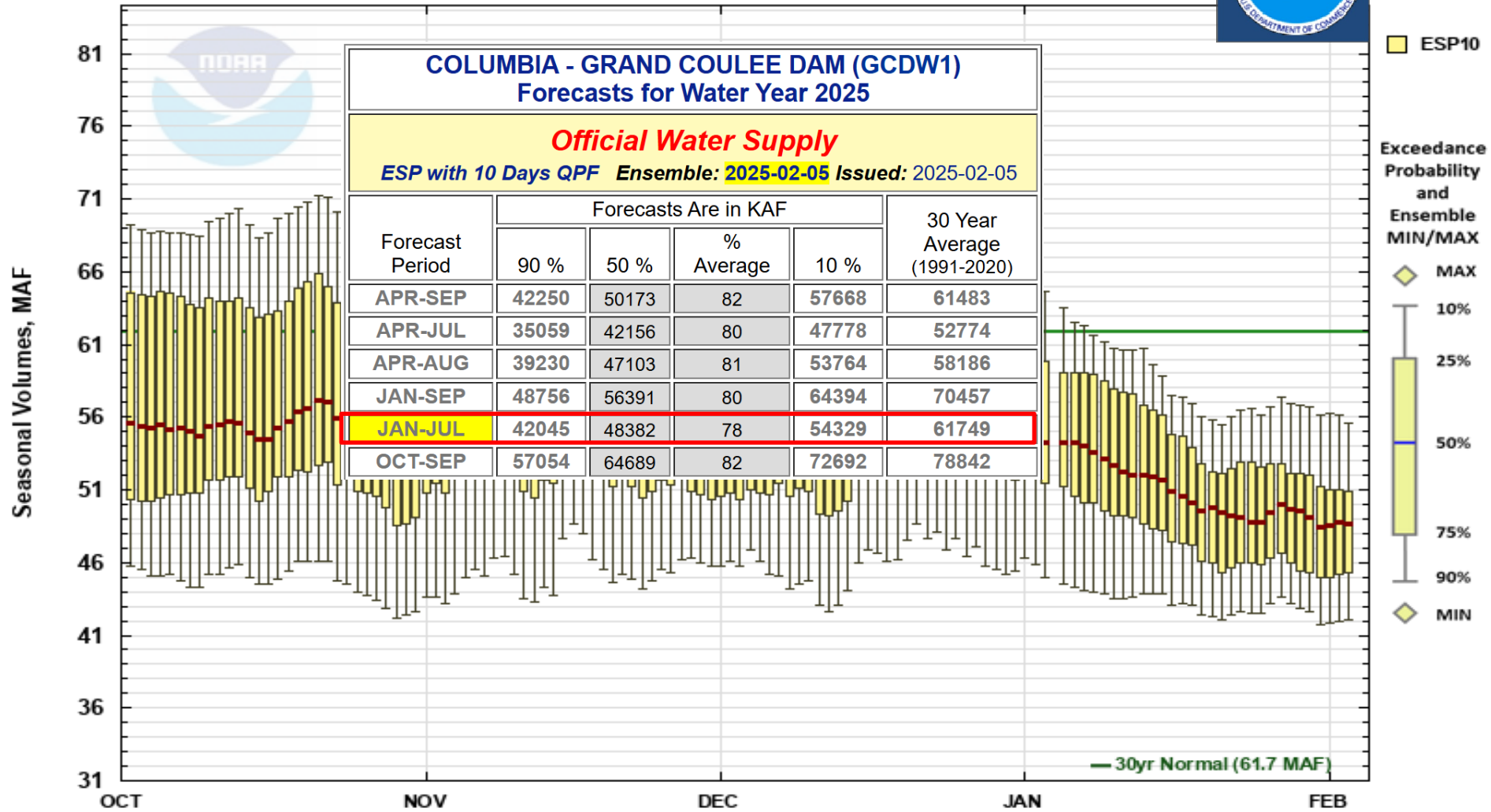
Mid-C forward price curve

MIDC Flat Forward Price Curve
(ICE DA index prices for previous months)



Water Year 2025: Water Supply Forecast

Water Supply Forecasts
COLUMBIA - GRAND COULEE DAM
 Period JAN to JUL – Water Year 2025



Water Supply Rankings



COLUMBIA - GRAND COULEE DAM (GCDW1)
Period Rankings - 1949 to 2025 (77 years)
 JAN-JUL Normal -- 61749 (KAF)

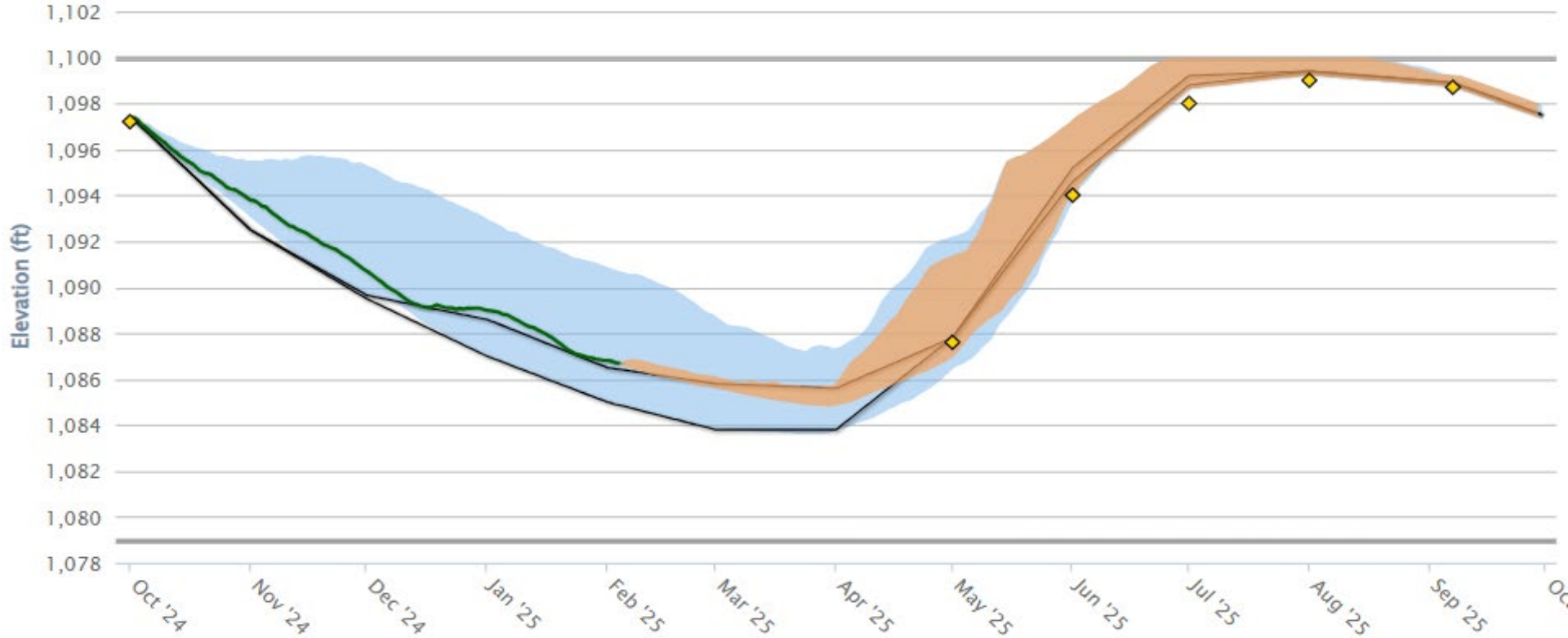
Rank	Year	Period Volume (KAF)	Percent of Normal	Exceedance Probability*
1	1997	88,262	143%	1.28%
...
70	2025	48,382	78%	89.74%
71	2023	47,164	76%	91.03%
72	2024	47,073	76%	92.31%
...
77	1973	36,263	59%	98.72%

2025 is forecast

2023-2025 3-year average could be the lowest 3-year average in dataset

Lake Chelan level webpage

Chelan Lake Levels: Expected Operating Ranges



- Current Year Actual Elevation (ft)
- Previous Year Actual Elevation (ft)
- Current Forecasted Operating Range (ft)
- Current Forecasted Average Elevation (ft) (50% chance of occurring)
- October 1 Forecasted Operating Range (ft)
- October 1 Forecasted Average Elevation (ft)
- Target Curve During Dry and Average Water Years (ft)
- Target Curve During Wet Water Years (ft)
- ◆ Minimum Target Elevation

Questions?

Q4 2024 Key Messages

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