



# Western Resource Adequacy Program

## RAPC Meeting

November 18, 2021; 10-11:30am

### Minutes from last Meeting Objectives

1. Provide the RAPC with updates on project progress.
2. Seek RAPC input on progress and any administrative actions

Participant	Name	Participant	Name
APS	Brian Cole	NorthWestern	Joe Stimatz
Avangrid	Kevin Dickey	NV Energy	Ryan Atkins
Avista		PacifiCorp	Mike Wilding
Basin Electric	Garrett Schilling	PGE	Sarah Edmonds
Black Hills	Eric Scherr	Powerex	Mark Holman
BPA	Suzanne Cooper	PSE	Paul Wetherbee – arrived at 10:48
Calpine	Mark Smith	SRP	Barbara Cenalmor
Chelan	Mike Bradshaw, Shawn Smith – joined 10:34	Seattle	Aliza Seelig, Emeka Anyanwu – arrived 10:24
Clatskanie	Paul Dockery	Shell	Ian White
Douglas	Jeff Johnson	SnoPUD	Jeff Kallstrom
EWEB	Matt Schroettnig	Tacoma	Ray Johnson
Grant	Melissa Lyons, Rich Flanigan – arrived 10:23	TEA	Ed Mount
Idaho	Ben Brandt	TID	Dan Severson

### Meeting Agenda

Call to Order	<ol style="list-style-type: none"><li>1. Attendance</li><li>2. Approve Agenda<ul style="list-style-type: none"><li>o <i>Added discussion of Market+ seminar</i></li><li>o <i>Added discussion on load forecast used for modeling</i></li><li>o <i>Will add times to the agenda moving forward</i></li><li>o <i>Agenda unanimously approved as amended</i></li></ul></li><li>3. 10/28 meeting minutes unanimously approved as provided</li></ol>
PA/PO Report	<ol style="list-style-type: none"><li>1. Invoicing update</li><li>2. SharePoint is live<ul style="list-style-type: none"><li>o <i>Quick tour of site content</i></li></ul></li></ol>



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	<ol style="list-style-type: none"><li>3. SPP Request Management System<ul style="list-style-type: none"><li>○ <i>Overview of RMS</i></li><li>○ <b>Action:</b> create RMS account – instructions sent out in email</li></ul></li></ol>
External Affairs	<ol style="list-style-type: none"><li>1. Public Webinar on 11/17<ul style="list-style-type: none"><li>○ <i>Recap of webinar and attendance</i></li><li>○ <i>Discussion on Tx comments and plan reach out to stakeholders who commented</i></li></ul></li></ol>
	<ol style="list-style-type: none"><li>2. SPP Markets+ recap<ul style="list-style-type: none"><li>○ <i>Review of takeaways from yesterday</i></li><li>○ <i>Discussion of governance structure and need for clarity from SPP on expectations</i></li></ul></li></ol>
Ongoing Business	<ol style="list-style-type: none"><li>1. Governance<ul style="list-style-type: none"><li>○ <i>States' request for COSR 205-filing rights</i></li><li>○ <i>Round-the-room roll call for participant feedback</i></li><li>○ <i>Motion made re: proposal to send to WEIB/state reps. Approved 97.4% of load, 91.3% of participants in attendance</i></li></ul></li></ol>
New Business	<ol style="list-style-type: none"><li>1. 2nd Hub Statement<ul style="list-style-type: none"><li>○ <i>Statement approved unanimously</i></li></ul></li></ol>
	<ol style="list-style-type: none"><li>2. Load forecast used for modeling<ul style="list-style-type: none"><li>○ <i>Desire a proposal to ensure uniform forecasting methodology for determination of the compliance metric and load inputs to LOLE/ELCC</i></li><li>○ <i>Load Term TF will discuss at their meeting tomorrow</i></li></ul></li></ol>
Upcoming	<ol style="list-style-type: none"><li>1. Determining RAPC PRC reps</li><li>2. Recommendations from RAOC on Punchlist items</li></ol>

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## Introduction

The following straw proposal developed by the NWPP WRAP addresses the role of states and provinces in the WRAP. For several months, the WRAP has been engaging with the states and the province of British Columbia through the Western Interstate Energy Board (WIEB) to resolve additional rights and roles the states should have. This straw proposal has been developed in response to these discussions, to the comments of several states submitted October 12, 2021 (Arizona, Idaho, California, Colorado, Oregon, Washington, Nevada, Wyoming, Montana, New Mexico, i.e., “State Signatories”), and to the most recent meeting of the state and provincial group, facilitated by WIEB, on October 29, 2021.<sup>1</sup> This straw proposal seeks to find a balance between securing a truly meaningful and influential role for states and recognition that the WRAP is currently limited in scope to a voluntary regional resource adequacy program comprised of both state-jurisdictional and non-jurisdictional entities. After considerable discussion with the state/provincial group, stakeholders, and discussion among WRAP participants, the WRAP governance committee believes that a WRAP governance model which provides for an expanded role for states/provinces in several key places within the governance process with an explicit commitment to reexamine governance provisions is the best way to balance these interests.

As review, under the current NWPP WRAP governance proposal (see “NWPP Resource Adequacy Program – Detailed Design”, dated July 2021, Section 1: <https://www.nwpp.org/resources/2021-nwpp-ra-program-detailed-design> [nwpp.org], the “Detailed Design Document”), states are given several key roles in the governance process. The Detailed Design Document provides that **each state appoints one representative to the Committee of State Representatives (COSR)**, and the **COSR chair or vice chair have**

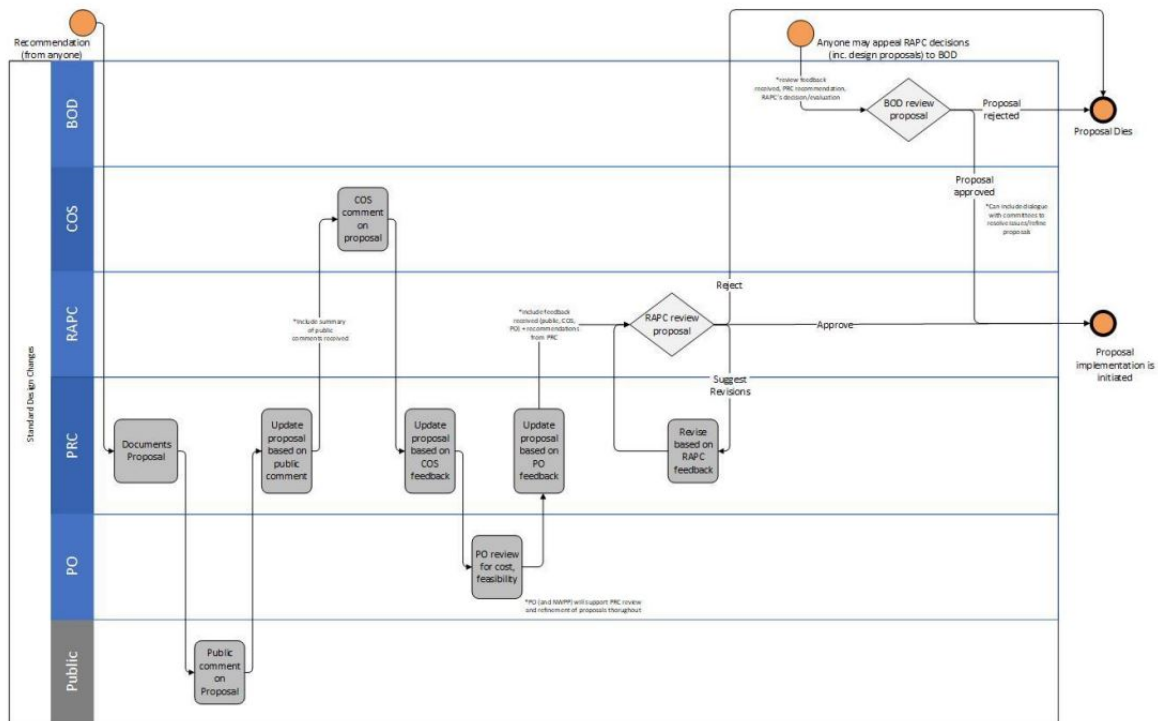
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<sup>1</sup> Reference to “states” in this straw proposal is not intended to exclude the province of British Columbia, which participated in workshops and meeting discussions. This straw proposal is intended to address the role of states *and* provinces with participants in the WRAP, with the terms “state” or “states” being used as shorthand for these purposes.

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a seat on the Nominating Committee, which is responsible for identifying and selecting members of the independent Board. In addition, the COSR and the Program Review Committee (PRC) are required to interact in meaningful ways that provide opportunity for the states to influence the direction of the WRAP.

The PRC is the sector-representative committee responsible for serving as the primary managing body and clearinghouse for recommendations for changes to program design. As depicted below from the Detailed Design Document, the PRC oversees public comment processes to inform consideration of those recommendations by the RAPC and ultimately by the Board. In developing recommendations, the PRC incorporates feedback and suggestions from the public, the COSR, the Program Operator, and the RAPC before decisions go to the Board. As the PRC advances a proposal, they must submit it to the COSR for review and comment. This step requires the PRC to consider that feedback for potential revisions before the proposal is finalized for RAPC consideration. Additionally, the COSR or individual state representatives may participate in any open public meeting, including those hosted by the PRC, RAPC, and the Board, in the same fashion as any other member of the public.



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Finally, as a matter of law, any state or the COSR as a group can protest a filing made by the NWPP under section 205, or they can submit a complaint under section 206 of the Federal Power Act. This is in contrast to a "205 filing right" which allows the holder of such a right to file its own proposal relating the WRAP with FERC.

With this context and background, the following straw proposal addresses the role of states and provinces in the WRAP.

### **Expanded Role in WRAP Governance**

As an initial matter, through prior stakeholder and COSR feedback, the NWPP WRAP has agreed to include the following clarifying statement in the governance documentation:

*The WRAP is not intended to pre-empt or circumvent state regulatory process around resource adequacy planning and procurement. It is the hope of the designers of the WRAP that the overall governance structure for the WRAP facilitates state process and outcomes that can operate jointly with a regional resource adequacy program. Furthermore, the WRAP is intended to support competition in the West and not to impede or unduly restrict competition.*

With respect to the role of states/provinces, this straw proposal recommends that the COSR is provided additional roles and opportunities for influence within the governance structure of the WRAP compared to the proposal described in the Detailed Design Document. This proposal does not provide for direct COSR 205 FERC filing rights at this time, but the governance process would mandate a re-opener on the states' role under defined conditions, described below. These additional roles and meaningful influence opportunities for COSR include:

1. A seat on the PRC for the COSR. Through this seat, the representative for COSR can identify issues and interests before a proposal goes to the full COSR and proceeds through the overall governance process. The representative could also ensure the COSR's feedback receives

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adequate consideration at the development stage. Because the PRC is a working committee, the COSR representative wouldn't necessarily need to be the chair or vice chair. Provision could be made to allow the COSR to select an appropriate representative to serve as COSR's delegate (such as WIEB, for example). This approach could also ensure the state representative would be better suited to provide a wide array of state perspectives. This is a significant change and puts the COSR inside the governance process from the formulation of recommendations for changes to program design, throughout the stakeholder process, and all the way to finalization of such recommendations.

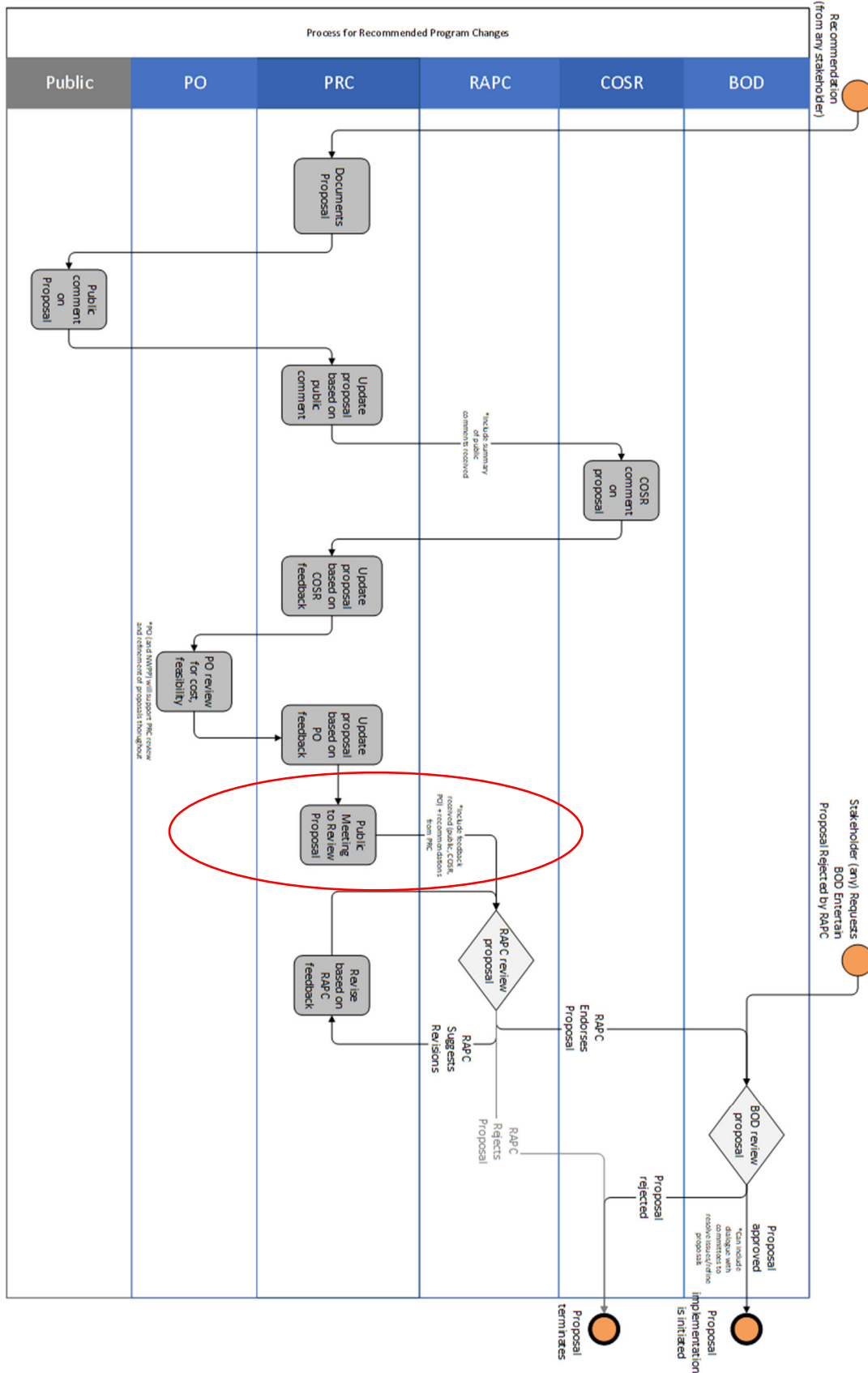
2. The governance process would be amended to provide for an additional public meeting prior to any final proposals going to the RAPC (see figure below with new public meeting component circled in red). At this final public meeting, all relevant committees or work groups may be present to provide an opportunity for public comment. The COSR chair or vice-chair would be requested to weigh in on the final proposal at that public meeting. The COSR could also cross-dialogue with any other committee or stakeholder on the merits of the proposal as well as on any concerns.
3. The chair or vice-chair of COSR will be requested to attend open sessions of the RAPC and to provide input and advice on proposals under review by RAPC. A standing agenda item and formal call for COSR input on agenda items would ensure there is a standing dialogue at the decision-making stage inside RAPC.
4. Since Board meetings are primarily open, the COSR is able to provide advisory input. A standing agenda item and formal call for COSR input on agenda items would ensure there is a standing dialogue at the final decision-making stage of the Board. Note that COSR would be able to bring any issue before the Board to overturn or modify an action of the RAPC. Materials provided to the Board for its decision items will include all feedback and recommendations compiled by the

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PRC (including from the public, COSR, PO, and RAPC). At the Board meetings, the Board will be able to interact with a representative from all committees and the public.

5. The governance structure would provide that, in the event the NWPP expands the scope of its regional service to include market optimization and dispatch services, including real-time imbalance, day-ahead optimization, or full RTO services, the NWPP would initiate a formal process with COSR and stakeholders to conduct a full review of governance structures and procedures, including the role of states and provinces. The NWPP could utilize a committee process for this re-opener work, very similar to what has worked well in the CAISO EIM with its Governance Review Committee (GRC).

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## RAPC Commitment to 2<sup>nd</sup> Hub

Will be included in a letter from Frank to Xcel and any other parties inquiring with similar questions.

- The WRAP will offer a second transmission hub that will allow participants in the southwest region to more readily access program diversity.
- The preferred location for this second hub, based on discussions in prior phases, is the PacifiCorp East (PAC-E) balancing authority area.
  - A task force has been identified to fully investigate the viability of PAC-E as the second transmission hub and to establish a proposal for the function of a PAC-E hub and the timeline for integrating such a hub. The task force will also consider connection of this second hub with the Mid-C transmission hub, optimization of diversity sharing to consider transmission (constraints, proximity, hub location).
  - If PAC-E cannot be endorsed as a viable second transmission hub, an alternative will be identified. Alternatives considered are Four Corners or Palo Verde, though at present, all efforts are focused on actualizing the PAC-E option.
- In any case, entities will continue to be able to elect to deliver and receive diversity sharing at alternative locations if agreeable to both parties.