



# **WESTERN RESOURCE ADEQUACY PROGRAM**

September 6, 2023

**Public Meeting on Business Practice Manuals**

# BPM INTRODUCTIONS

## *PUBLIC MEETING*

- » Forward Showing
  - BPM 101: Advance Assessment
  - BPM 109: Transition Period [comments accepted until September 18]
- » Operations Program
  - BPM 204: Holdback Requirement
  - BPM 210: Transition Period
- » Stakeholder Process
  - BPM 301: Workplan Development and Approval
  - BPM 302: Proposal Development and Approval
  - BPM 303: Expedited Review Process (due to exigent circumstances)

# BPM 101

## *FORWARD SHOWING - ADVANCE ASSESSMENT*

### » The Advance Assessment determines :

- Forward Showing Planning Reserve Margins (**FSPRMs**) for Summer and Winter Binding Seasons two years ahead (T-2) , and Advisory Binding Seasons five years ahead (T+3).
- Qualifying Capacity Contributions (**QCCs**) – values aggregated by resource will be available to all Participants, but QCCs for individual resources will only be available to the Participant that submitted data

### » Advance Assessment Timeline

- PO will issue data request two years ahead of target Forward Showing Year by January 15 (T-2)
- Summer Season Study complete October 31 (T-2), Winter Season Study complete March 31 (T-1)
- FS deadlines: Summer October 31 (T-1) and Winter March 31 (T-0)


### » Advance Assessment Data (Submittal, Verification, Draft Results, Distribution)

- Data request (T-2) points to specifications in the Data Request Instruction Manual
- Includes NERC GADS data to calculate forced outage rates, (additional) hourly load profiles, wind/solar/ROR hourly generation profiles

# BPM 109

## *FORWARD SHOWING – TRANSITION PERIOD*

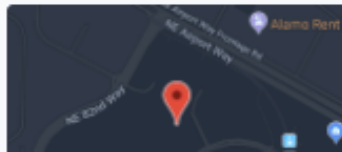
- » Participants can select their first Binding Seasons within a three-year transition period from June 1, 2025 (start of Summer 2025) through March 15, 2028 (end of Winter 2027-2028)
  - Participants with executed WRAPAs prior to this BPMs effective date already gave notice of first Transition Binding Season.
  - After BPM becomes effective, new Participants will need to indicate first Transition Binding Season.
    - > After March 31, 2027, commence participation after Transition Period.
- » Non-binding Season Participation: **not** subject to FS Deficiency Charges, mandatory Holdback Requirement or Delivery Failure Charges.
- » FS Deficiency Charge reductions:
  - Excused Transition Deficits (ETD): From 75% of FSPRM Summer 2025 to 25% of FSPRM Winter 2027-2028, with an equivalent percentage reduction in the FS Deficiency Charge
  - No-JCAF Option: 100% reduction in FS Deficiency Charge for up to 25% of FSPRM (reduces maximum permitted use of ETDs).
  - Both will require Senior Official Attestation

WESTERN RESOURCE ADEQUACY PROGRAM |  PROGRAM REVIEW COMMITTEE

## STAKEHOLDER COMMENTS

 TOPICS

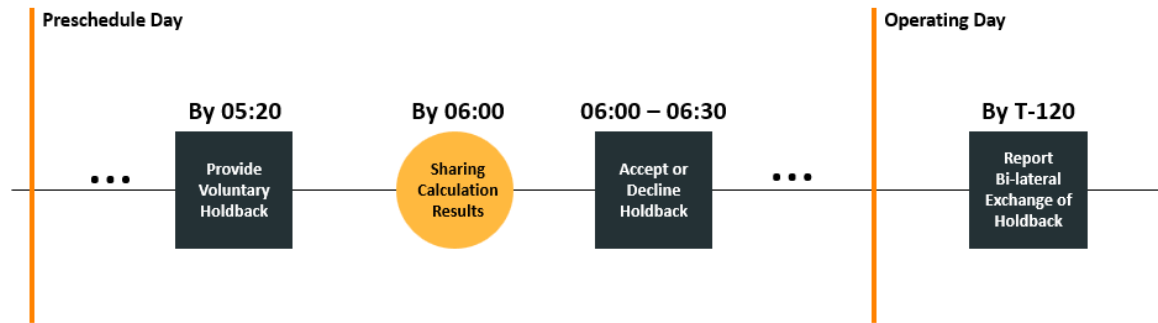
TITLE	START	END	SUMMARY	COMMENTS
<a href="#">BPM 109 - Forward Showing Transition Pe...</a>	Aug. 28, 2023	Sept. 18, 2023		0 COMMENTS
 <a href="#">BPM 206 - Settlement Pricing</a>	July 21, 2023	Aug. 4, 2023		12 COMMENTS
 <a href="#">BPM 105 - Qualifying Resources</a>	June 23, 2023	July 18, 2023	 Qualifying Resources BPM	15 COMMENTS
 <a href="#">BPM 201 - Operations Program Timeline</a>	March 30, 2023	April 14, 2023	 Operations Program Timeline BPM	9 COMMENTS



# BPM 204

## OPERATIONS PROGRAM - HOLDBACK REQUIREMENT

- » The Holdback Requirement is a MW quantity, as determined on a Preschedule Day, that a Participant has in surplus and is required to be capable of converting into an Energy Deployment for a deficient Participant on a given our hour of a succeeding Operating Day.



- » Providing Voluntary Holdback
  - Excess supply not under a WRAP obligation, accompanied by transmission.
- » Confirming, declining, and releasing of Holdback on Preschedule day
- » Allocation of Holdback to Participants
- » Bilateral exchange of Holdback Requirement
- » Release of WRAP capacity obligations

# BPM 210

## *OPERATIONS PROGRAM – TRANSITION PERIOD*

- » Participants can select their first Binding Seasons within a three-year transition period from June 1, 2025 (start of Summer 2025) through March 15, 2028 (end of Winter 2027-2028)
- » Implications of FS Transition Period (BPM 109, public comment September 18) FS Deficiency Charge reductions on Operations Program
  - Excused Transition Deficits (ETD): From 75% of FSPRM Summer 2025 to 25% of FSPRM Winter 2027-2028, with an equivalent percentage reduction in the FS Deficiency Charge
  - No-JCAF Option: 100% reduction in FS Deficiency Charge for up to 25% of FSPRM (reduces maximum permitted use of ETDs).
- » Access priority when insufficient Holdback
  - Tier 1: Binding Participants that passed FS or paid FS Deficiency Charge without ETDs or no-JCAF Option
  - Tier 2: Binding participants that paid a reduced FS Deficiency Charge
  - Tier 3: Non-Binding Participants
- » Access to Voluntarily Offered Capacity (see BPM 204)
  - Tier 3 Participants that offer Voluntary Holdback not subject to Delivery Failure Charges

# BPM 301

## *STAKEHOLDER PROCESS – WORKPLAN DEVELOPMENT & APPROVAL*

- » When a change to the WRAP Tariff or a BPM is requested, the Program Review Committee follows the process for reviewing proposed amendments. Two stages: Workplan and the Proposal.
- » Change Request Form
  - Sponsor, type of change, description of change, impact of change
  - All forms submitted in a calendar year collected for initial review beginning January 1 the following year, grouped into similar concepts by PA
- » PRC prioritizes concepts by February 1 (voting if consensus cannot be achieved)
- » PA/PO assigns each Concept in the priority list a level of effort ranking by February 15
- » PRC begins Workplan Development (summary of recommended concepts, supporting analysis, schedule) – draft to be complete by March 15, stakeholder review until April 15, PA compiles comments, PRC reviews and sends updated Workplan to Board by May 15.
- » Board approval: see BPM 302 (Proposal Development & Approval).
- » Board Rejection: PRC to consider recommended Board changes and re-present Workplan to Board.



# BPM 302

## *STAKEHOLDER PROCESS – PROPOSAL DEVELOPMENT & APPROVAL*

- » Once the Board has approved a Workplan, the PRC will identify task forces to refine requested changes into full Proposals - each task force will determine their own governance and structure
- » Task force drafts Proposal to address requested change
- » PRC votes on whether the draft Proposal is ready for public comment. Task force reviews all comments, updates Proposal at its discretion, and informs PRC of any changes.
- » COSR then comments on updated Proposal, task force considers recommendations and updates Proposal again, informing PRC.
- » After PRC vote to endorse, Proposal moves to RAPC for review and vote.
  - RAPC approval without change: COSR has one week to flag opposition, RAPC required to engage
  - RAPC rejects: Proposal terminated (can be resurrected by request to PA within two weeks of vote)
  - RAPC requests changes, PRC/task force considers and resubmits Workplan for vote (COSR can request additional public review if Workplan endorsed)
- » Board review

# BPM 303

## *STAKEHOLDER PROCESS – EXPEDITED REVIEW PROCESS*

- » Expedited Board review of amendments to the WRAP Tariff or BPMs can take place if the RAPC determines there are exigent circumstances:
  - including changes FERC-mandated amendments, amendments to address immediate reliability impacts, or amendments with significant impacts to utility service
- » RAPC will develop and endorse a Proposal and review schedule, accompanied by a PA/PO feasibility review
- » Public, PRC, COSR provide comment concurrently with Board review
  - COSR opposition can lead to one RAPC public discussion, so long as it does not hinder timely Board review
- » Considering all feedback received, Board can work with anyone to revise Proposal before voting to implement or reject the amendment

# BPM PROCESS FLOWCHART

