



Northwest Power Pool, dba Western Power Pool

December 6 2023

9:00 AM

7525 NE Ambassador Pl Ste M, Portland, OR 97220

Board of Directors Meeting Agenda

WPP Board: Bill Drummond, Doug Howe, Michelle Bertolino, Susan Ackerman, Andy Ott

**WPP Board
Advisors:** Mary Ann Pease, Scott Waples

December 6th 2023 – Open Board Meeting

- | | | |
|----------|--|----------------|
| 9:00 AM | Call to Order
Determination of a quorum
Approval of the agenda
Approval of minutes from 8/23/2023 | |
| 9:10 AM | Public Comment | |
| 9:20 AM | Updates/ Reports <ul style="list-style-type: none">- President/CEO Report- Finance Committee Report- Strategic Planning Update | <i>Discuss</i> |
| 10:00 AM | WRAP Business Practice Manuals <ul style="list-style-type: none">- BPM 101 – Advance Assessment- BPM 109 – Forward Showing Transition Period- BPM 210 – Operations Program Transition Period- BPM 301 – PRC Workplan Development and Approval- BPM 302 – PRC Proposal Development and Consideration- BPM 303 – Expedited Review Process | <i>Approve</i> |
| 11:15 AM | New Business <ul style="list-style-type: none">- Board Reimbursement Policy- Board Conflict of Interest Policy- Membership Policy | <i>Approve</i> |
| Noon | Adjourn | |

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WESTERN
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Western Resource Adequacy Program

101 Advance Assessment

Revision History

Manual Number	Version	Description	Revised By	Date
101	0.1	RAPC Glance Version	Rebecca Sexton	9/12/2023
101	0.2	Public Comment	Rebecca Sexton	9/15/2023
101	0.3	RAPC & PRC Discussion	Rebecca Sexton	10/23/2023
101	0.4	RAPC Endorsement	Rebecca Sexton	11/9/2023
101	0.5	Board Consideration	Rebecca Sexton	11/10/2023

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101 Advance Assessment

1. Introduction

The Advance Assessment Business Practice Manual (BPM 101) consists of two sections. The Advance Assessment Timeline section outlines the Program Operator’s schedule for Forward Showing Planning Reserve Margin (FSPRM) and Qualifying Capacity Contribution (QCC) studies that will be completed twelve (12) months in advance of the Forward Showing (FS) Deadline for the relevant Binding Season.

The Data Submittal section describes the Program Operator processes to calculate the FSPRMs and QCCs for the Western Resource Adequacy Program (WRAP) Region. FSPRMs and aggregated QCC values will be available to all Participants. QCCs for individual resources will be provided only to the Participant that submitted the data.

1.1. Intended Audience

BPM 101 is intended for WRAP Participants and other interested individuals or entities and is particularly useful for those responsible for their organization’s FS Submittal that need to ensure their organizations submit the necessary data by the correct time for the Advance Assessment.

1.2. What You Will Find in This Manual

BPM 101 includes two main sections: 1) Advance Assessment Timeline and 2) Data Submittal.

1.3. Purpose

To provide an overview of the Advance Assessment Timeline and Data Submittal processes for determining the QCC of Qualifying Resources and the FSPRM.

1.4. Definitions

All capitalized terms that are not otherwise defined in BPM 101 have their meaning set forth in the Tariff. Any capitalized terms not found in the Tariff that are specific to BPM 101 are defined here.

Advance Assessment Data Request: Data request from Program Operator to Participants for input into resource adequacy model to conduct Advance Assessment.

Customer Resource: A resource providing power generation and/or storage at a customer’s property, such as a solar photovoltaic system, a rechargeable battery system, or a battery-electric vehicle and charging system with vehicle to grid capabilities.

Data Request Instruction Manual: As defined in *BPM 105 Qualifying Resources*.



Fuel Type: A resource's primary fuel source, such as coal, natural gas, wind, or hydroelectric.

Historical Load Data: Load data from one or more Years prior to the current Year, such as the previous ten Years. Historical Load Data is expected to consist of 8,760 hours (or 8784 hours for a leap year) of data for a Year.

Peak Demand: The highest electrical power demand that has occurred over a specified time period.

Request Management System (RMS): Software the Program Operator uses to receive and answer questions and requests from Participants.

Study Period: The timeframe being studied in the Advance Assessment, i.e., a Summer Season or a Winter Season occurring two Years and five Years after the Advance Assessment.

Thermal Resource: A resource using conventional thermal fuels such as, but not limited to, coal, natural gas, nuclear, and biofuel.

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2. Advance Assessment Timeline

Table 1 shows the Advance Assessment timeline from the time the Program Operator sends its data request through the provision and utilization of the resulting metrics (both the two-year-ahead binding metrics and the five-year-ahead advisory metrics).

Table 1. Advance Assessment and Data Submittal Timeline¹

Activity/Milestone	Summer	Winter
Program Operator sends out updated Advance Assessment Data Request	January 15 (T-2)	
Participant provides data to Program Operator for Advance Assessment	March 1 (T-2)	
Participant Review of input data	April 1 – April 15 (T-2)	October 1 – October 15 (T-2)
Program Operator provides Participants with draft modeling outputs	September 15 (T-2)	February 15 (T-1)
Any discrepancies reviewed and resolved	September 15 - October 1 (T-2)	February 15 - March 1 (T-1)
Studies complete	October 31 (T-2)	March 31 (T-1)
Deadline for Board of Directors review and approval of Binding FSPRM	January 31 (T-1)	June 30 (T-1)
FS Deadline for Binding Season	October 31 (T-1)	March 31 (T-0)
Binding Season	June 1 – September 15 (T-0)	November 1 – March 15 (T-0 – T+1)
Season for which an Advisory FSPRM is Supplied	June 1 – September 15 (T+3)	November 1 – March 15 (T+3 – T+4)

¹ In this Table 1, T (or T-0) refers to the Year in which a Binding Season begins; T-x refers to the Year that is x Years before T; and T+x refers to the Year that is x Years after T.



Table 2 is an example timeline beginning with the Program Operator sending the Advance Assessment data request for the Binding Seasons in 2030-2031; note that the Program Operator will also supply an Advisory FSPRM for Binding Seasons in 2033 and 2034.

Table 2. Example Advance Assessment and Data Submittal Timeline

Activity/Milestone	Summer	Winter
Program Operator sends out updated Advance Assessment Data Request	January 15, 2028	
Participant provides data to Program Operator for Advance Assessment	March 1, 2028	
Participant Review of input data	April 1 – April 15, 2028	October 1 – October 15, 2028
Program Operator provides Participants with draft modeling outputs	September 15, 2028	February 15, 2029
Any discrepancies reviewed and resolved	September 15 – October 1, 2028	February 15 – March 1, 2029
Studies complete	October 31, 2028	March 31, 2029
Deadline for Board of Directors review and approval of Binding FSPRM	January 31, 2029	June 30, 2029
FS deadline for Binding Season	October 31, 2029	March 31, 2030
Binding Season	June 1 – September 15, 2030	November 1 – March 15, 2030-2031
Advisory Binding Season	June 1 – September 15, 2033	November 1 – March 15, 2033-2034

3. Process

3.1. Advance Assessment Data Submittal Process

To support the Advance Assessment, the Program Operator will develop a resource adequacy model that represents the WRAP Region. Inputs to this model will be submitted from the Participants and will represent each of the Participant’s loads and resources. The Program Operator will send data requests to the Participants for the items described in Table 3 below, which are necessary to complete the upcoming Advance Assessment for the applicable Summer and Winter Season. WPP will post to its website a Data Request Instruction Manual for Participants’ use in completing the Advance Assessment Data Request.

Table 3. Participant Provided Modeling Data

Advance Assessment Data Items
Participant Thermal Resource data for all owned or operated units planned to be in service for all or a portion of the Study Period as specified in the Data Request Instruction Manual.
North American Electric Reliability Corporation (NERC) Generating Availability Data System (i.e., GADS) or equivalent outage data (information on providing equivalent outage data will be posted on the WPP website) that can be used to calculate Equivalent Forced Outage Rates/Factors (i.e., EFOR/EFOF) for the last 6 Years for existing Thermal Resources.
Hourly Load Profiles – Participant must provide Historical Load Data for the previous 10 Years. If a Participant participated in the WRAP in prior Years, such load data may already be available to the Program Operator and may not need to be resupplied.
Wind, solar, Storage Hydro, Energy Storage Resources (ESR) and Run of River (ROR) resources (by resource) that are planned to be in service for all or a portion of the Study Period, as further detailed in the Data Request Instruction Manual.
Hourly generation profiles for the last 10 Years (for existing units) for wind, solar, and ROR resources.
Nameplate (for wind, solar, Storage Hydro, ESR, and ROR resources).
Storage Hydro monthly QCC values (as calculated by the Storage Hydro Workbook – see <i>BPM 105 Qualifying Resources</i>) from two most recently submitted FS Submittals (Winter and Summer Seasons), adjusted for any material changes anticipated for the applicable Binding Season being assessed

3.2. Resource Registration Implications

Resources that are submitted with the complete set of required information by the Participant in the Advance Assessment Data Request will be considered registered by

the Participant for the applicable Binding Season(s). Those registered resources, known as Qualifying Resources, will be included in the applicable Loss of Load Expectation (“LOLE”)/FSPRM assessment (in which they will be assumed to be available to mitigate loss of load for the WRAP Region) and will receive QCC values for that Binding Season. See *BPM 105 Qualifying Resources* for additional information on resource registration.

Resources for which Participants have planned retirement dates within the Study Period may need additional consideration. A resource for which a retirement is planned but for which the retirement date may not be considered firm may, at the Participant’s option, continue to be submitted into the applicable LOLE/FSPRM assessment (in which the resource will be assumed to be available to mitigate loss of load for the WRAP Region) and submitted for QCC assessments, whether for determination of Effective Load Carrying Capability (ELCC) or of Unforced Capacity (UCAP). Alternatively, at the Participant’s option, the resource may be omitted from the LOLE/FSPRM assessment (i.e., the resource will be assumed to not be available to mitigate loss of load for the WRAP region) but may still be requested to have a QCC determined, and the resource registered for potential use by the Participant in the FS Submittal. Finally, the Participant may choose not to submit the resource into the Advance Assessment at all, in which case the resource would not be registered, and would not be a Qualifying Resource (see *BPM 105 Qualifying Resources* for late registration options). Resources planned for retirement that are not submitted for the Advance Assessment but are later identified for use in the FS Submittal will be considered late registered resources.

Excepting resources planned for retirement, Participants must register all owned or operated resources planned to be in service for all or a portion of the Study Period.

3.3. Modeling Data from Forward Showing Submittal

Certain data from previous FS Submittals will be able to be used for the Advance Assessment. The data in Table 4 will be taken from the Participant’s previous FS Submittal, unless the Participant identifies changes to such data applicable to upcoming Binding Seasons and provides updated information. New Participants to the WRAP will be requested to provide this data separately (see *BPM 401 New Participant Process*).

Table 4. Modeling Data taken from Previous FS Submittals

Data Items
Contracts included in past FS Submittals (imports or exports) with counterparties external to the WRAP Region with contract end dates after the start of the season being modeled
Capacity value of import/export transactions
Demand Response program data

3.4. Participant Review and Verification Process of Input Data

Once the PO has input all necessary data into the resource adequacy model, Participants will be allowed a review of the input data (in the format used by the resource adequacy model or a format developed by the PO) for their respective loads and resources. Model simulations will not be scheduled to occur prior to Participant review of input data. Participants will proactively submit an RMS ticket to the Program Operator if there is a discrepancy or error in the data and will work with the Program Operator to remedy the error; any Participant who has not submitted an RMS ticket prior to the deadline will be considered to have reviewed and approved their data.

3.5. Draft Modeling Output Results Review

The Program Operator will provide draft Advance Assessment modeling results to the Participants for their review. The modeling outputs that will be available for Participant review are listed in Table 5.

Table 5. Draft Output from Advance Assessment for Participant Review

Outputs
Resource index (a listing of registered resources, including unit name, nameplate, and type)
ELCC values by Variable Energy Resources Zone
Proposed FSPRM for each month of the Binding Season under study

Participants will have an opportunity, as set forth in Table 2 of this BPM, to review the draft results and work with the PO to analyze any potential discrepancies from expected results.

3.6. Advance Assessment Result Distribution

The final Advance Assessment results will consist of a LOLE study report that gives details of the study analysis, makes recommendations for a proposed FSPRM for each month of the applicable Binding Season, and provides an advisory FSPRM for each month of the Binding Season five years ahead. QCC studies or reports provided by the Program Operator will include the monthly ELCC study results for wind, solar, and short-term storage, as well as monthly QCC results for storage hydro resources, ROR, thermal resources, and Demand Response for the applicable Binding Season. Advisory information will include ELCC curves for wind, solar, and short-term storage that can be used to determine future capacity values for new resources dependent upon the penetration of resources. A summary of studies and the output results is provided in Table 6. QCC values for individual resources will be provided directly to the Participant that submitted the data for the Advance Assessment.

Table 6. Advance Assessment Results

Study	Resource Type	Methodology	Output Results
LOLE			FSPRM for each month of the applicable Summer Seasons and Winter Seasons in the Study Period.
QCC Studies	Wind, Solar, and Energy Storage	ELCC	QCC values by Month for all wind, solar, and Energy Storage Qualifying Resources. Aggregated QCC values for wind, solar and Energy Storage Qualifying Resources will be available to all Participants.
	Thermal	UCAP	QCC values for thermal resources. Calculations for determining the QCC of thermal resources will be available to the resource owner. Aggregated QCC values for thermal resources will be available to all Participants.
	Storage Hydro	Storage Hydro QCC Methodology	QCC values by Month for all Storage Hydro Resources.
	ROR	Historical Performance	QCC values by Month. Aggregated QCC values will be available to all Participants.
	Hybrid Resources	“Sum of Parts”	QCC values by Month. Aggregated QCC values will be available to all Participants.
	Customer Resources	Determined by Resource type	QCC values by Binding Season for customer-side resources. QCC values for all customer-side resources will be available to all Participants. Calculations for determining the QCC of customer-side resources will be available to the resource owner.

3.7. Board Approval of FSPRM

The adopted FSPRM values for each Month of a Binding Season are those approved by the Board of Directors. No later than nine months before the FS Deadline for such

Binding Season, the Board of Directors shall take its final action regarding approval of the FSPRM values for each Month of such Binding Season. The Program Operator and Program Administrator will provide to the Board of Directors the study scope documentation prior to conducting the LOLE and ELCC studies.

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Western Resource Adequacy Program

109 Forward Showing
Transition Period

Revision History

Manual Number	Version	Description	Revised By	Date
109	0.1	RAPC Glance Version	Rebecca Sexton	8/22/2023
109	0.2	Public Comment	Rebecca Sexton	8/28/2023
109	0.3	RAPC & PRC Discussion	Rebecca Sexton	10/6/2023
109	0.4	RAPC Endorsement	Rebecca Sexton	10/20/2023
109	0.5	Board Consideration	Rebecca Sexton	10/21/2023

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109 Transition Period

1. Introduction

The Forward Showing (FS) Program of the Western Resource Adequacy Program (WRAP) provides for a three-year Transition Period, commencing in Summer 2025 and ending in Winter 2027-2028. The Transition Period allows Participants to elect the first season that they will become subject to certain compliance obligations and charges associated with the standard, going-forward participation in the WRAP, and allows for reduced charges in certain limited circumstances during the remainder of the Transition Period once the Participant becomes subject to compliance obligations. This FS Transition Period Business Practice Manual (BPM) provides implementing details and practices relevant to the FS Program during the Transition Period. Implementing details and practices relevant to the Operations Program during the Transition Period are described separately in *BPM 210 Operations Program Transition Period*.

1.1. Intended Audience

BPM 109 is intended for WRAP Participants and other interested individuals or entities and will be particularly useful for those responsible for their Participant organization's election of a Binding Season, submission of FS Submittal, and ensuring that their organization complies with WRAP FS Program requirements.

1.2. What Will You Find in This Manual?

This document includes sections outlining practices and implementation details relevant to the Transition Period, including the election and deferral of Binding Seasons, Binding and Non-Binding participation, Excused Transition Deficits (ETDs), and the reduction in Monthly Capacity Deficiency Charges available under certain conditions for Legacy Agreements.

1.3. Purpose

To provide an overview of the WRAP Transition Period activities for the FS Program that might impact business processes of current or potential Participants.

1.4. Definitions

All capitalized terms that are not otherwise defined in this BPM have the meaning set forth in the Tariff. Any capitalized terms not found in the Tariff that are specific to this BPM are defined here.

Transition Binding Season: The Binding Seasons during the Transition Period for which, by Participant election in accordance with the Tariff and BPM 109, the Participant is subject to the mandatory requirements of Parts II and III of the Tariff.



Joint Contract Accreditation Form, or JCAF: As defined in *BPM 106 Qualifying Contracts*.

No-JCAF Option: Transition provision allowing a Participant to utilize Legacy Agreements without demonstration of a JCAF on a limited basis, as described in Section 6.

2. Background

The WRAP is a regional resource adequacy program in which Participants demonstrate, in advance of a defined season when resources may need to be deployed, that they have sufficient resources to meet their expected peak loads and FS Planning Reserve Margins (FSPRMs). The WRAP imposes standards and requirements related to such matters as the resources that qualify to meet resource adequacy objectives, the calculation of peak loads, and the required minimum FSPRMs. The WRAP provides for imposition of significant charges on Participants that do not show in advance sufficient resources to meet their loads. In addition, under the WRAP, Participants with surplus resources are subject to requirements in certain circumstances during the subject season to assist Participants that are resource deficient, and if a surplus Participant fails to make required energy deliveries to a deficient Participant, the surplus Participant is subject to significant charges for such delivery failure. Recognizing that not all Participants may have made all necessary arrangements and implemented all necessary business processes at the program's outset to secure WRAP-qualifying resources, meet the various WRAP obligations, and avoid imposition of these significant charges, the WRAP includes a three-year Transition Period. The Transition Period and its associated rules allow each Participant to select which specific season during the Transition Period the Participant will first become subject to these obligations. The Transition Period rules also provide the possibility of reduced charges in certain specific circumstances designed to recognize that some Participants may still be in the process of securing all resources needed to ensure compliance with WRAP requirements.

3. Election of Transition Binding Seasons

3.1. Election Process

The Transition Period consists of the Summer seasons for 2025, 2026, and 2027, and the Winter seasons for 2025-2026, 2026-2027, and 2027-2028. Each Participant must select one of these seasons as its first Transition Binding Season.

All Participants that executed a Western Resource Adequacy Program Agreement (WRAPA) prior to the effective date of BPM 109 contemporaneously gave written notice to the Program Administrator of their elected first Transition Binding Season. Each entity that becomes a Participant after the effective date of BPM 109 and prior to March



31, 2027, shall, at the time it executes a WRAPA, or at the time such Participant’s non-conforming WRAPA is filed with the Federal Energy Regulatory Commission, give notice of its elected first Transition Binding Season. Such notice shall be provided in writing by the Participant’s designated Resource Adequacy Participant Committee (RAPC) representative to the Program Administrator at the email address designated in the new Participant application portion of the Program Administrator’s website.

Every Participant that submits or has submitted a new Participant application to the Program Administrator prior to March 31, 2027, must select a Binding Season during the Transition Period as its first Transition Binding Period. Any Participant that submits a new Participant application to the Program Administrator after March 31, 2027, will commence its WRAP participation after the end of the Transition Period. In that case the Participant will become subject to all standard WRAP requirements and obligations from the beginning of its participation, with no transition provisions. For more information about the process, requirements, and logistics of a new Participant joining WRAP, see *BPM 401 New Participant Onboarding*.

3.2. Changes to a Participant’s First Transition Binding Season

If a Participant determines that unanticipated circumstances may prevent it from meeting the obligations associated with a Transition Binding Season, the Participant may defer its previously elected first Transition Binding Season, but only if the Participant provides the Program Administrator written notice of such deferral at least two years prior to the start of its previously elected first Transition Binding Season. In this written notice, the Participant must elect a new Winter Season or Summer Season occurring within the Transition Period to be its first Transition Binding Season. A Participant also may advance its first Transition Binding Season to an earlier Binding Season within the Transition Period, but only if the Participant provides the Program Administrator written notice of such change at least two years prior to the start of its proposed earlier first Transition Binding Season. Table 1 below shows the deadline request a change to a Participant’s first Binding Transition Season. Note that for a *deferral*, the relevant season in Table 1 is the Participant’s *current* first Binding Transition Season, whereas for an *advance*, the relevant season in Table 1 is the Participant’s *proposed* first Binding Transition Season.

Table 1. Deadline for Participant to Request a Change to Its First Binding Transition Season

Season	Deadline for Change Request
Summer 2025	May 31, 2023
Winter 2025-2026	October 31, 2023
Summer 2026	May 31, 2024



Winter 2026-2027	October 31, 2024
Summer 2027	May 31, 2025
Winter 2027-2028	October 31, 2025

A Participant's right to defer shall continue to apply for each of the Participant's revised elections of its first Transition Binding Season, subject to the same requirement for written notice to the Program Administrator at least two years before the start of the revised first Transition Binding Season. An elected first Transition Binding Season (including a revised elected Transition Binding Season resulting from a timely deferral) may not be deferred after the deadline noted in Table 1 for each season noted in Table 1.

3.3. Transition Binding Seasons and Non-Binding Seasons

During the Transition Period, Transition Binding Seasons and Non-Binding Seasons are specific to, and can vary by, each Participant. A Participant elects a Winter Season or Summer Season during the Transition Period as its first Transition Binding Season. Any subsequent Winter Season or Summer Season during the Transition Period will also be a Transition Binding Season for that Participant. Every Winter Season or Summer Season occurring during the Transition Period before the Participant's first Transition Binding Season will be a Non-Binding Season as to that Participant.

4. Transition Binding Season Participation

During its Transition Binding Seasons, a Participant will be subject to the same obligations and requirements, and have the same rights, that the WRAP Tariff establishes for the period beginning after the end of the Transition Period, except for the WRAP Tariff provisions, as also elaborated below and in *BPM 210 Operations Program Transition Period*, concerning ETDs, lack of JCAF assent for Legacy Agreements, and priority tiers for voluntary assistance.

4.1. Non-Binding Season Participation

During its Non-Binding Seasons, a Participant will not be subject to Deficiency Charges under the FS Program, or to mandatory Holdback Requirements, mandatory Energy Deployments, or Delivery Failure Charges under the Operations Program. Participants will be subject to all other FS Program requirements, including the requirement to timely provide data in connection with the Advance Assessment, the requirement to timely provide FS Submittals, and Operations Program requirements as appropriate and detailed in *BPM 210 Operations Program Transition Period*. A Participant in a Non-Binding Season may participate in the Operations Program as outlined in *BPM 210 Operations Program Transition Period*.



4.2. Option to Defer First Binding Season for All Participants

Within two years prior to the start of the first Binding Season of the WRAP, a Participant who has elected to participate in the first Binding Season may request a vote of all Participants who have elected to participate in the first Binding Season to delay implementation of the first Binding Season for up to two seasons. The deferral vote may only occur for the first Binding Season of the WRAP.

Delayed implementation of the first Binding Season will only be approved if 75% of the Participants who elected to participate in the first Binding Season vote in favor of the delay. Approval requires a vote of 75% of both the House and Senate vote tallies (as described in Sections 4.1.6.2.1 and 4.1.6.2.2 of the WRAP Tariff) of all Participants who elected to participate in the first Binding Season.

This deferral option encompasses an option for the relevant Participants to vote to delay implementation only of the Operations Program portion of the first Binding Season and retain the binding FS Program portion of the first Binding Season.

If the Participants who elected to participate in the first Binding Season of the WRAP vote to delay implementation of the first Binding Season, all compliance charges for the FS Program and Operations Program is automatically waived; provided that, if the Participants vote to delay implementation only of the Operations Program portion of the first Binding Season and retain the binding FS Program portion of the first Binding Season, only the effectiveness of Operations Program compliance charges is deferred.

5. Excused Transition Deficits

During a Participant's Transition Binding Seasons, Deficiency Charges otherwise applicable to the Participant under Section 17.1 of the WRAP Tariff, and calculated under Section 17.2, shall be reduced to the extent the Participant has an Excused Transition Deficit (ETD). ETDs are not resource specific and relate to a MW quantity of the Participant's FS Capacity Requirement.

5.1. How to Obtain an ETD

To obtain an ETD during a Binding Season, the Participant must provide a Senior Official Attestation (in the form set forth in Appendix A below) attesting that the Participant has made commercially reasonable efforts to secure Qualifying Resources in the quantity needed to satisfy the Participant's FS Capacity Requirement for the Binding Season, but is unable to obtain Qualifying Resources in the quantity required for the Binding Season because the supply of such resources on a timely basis and on commercially reasonable terms is at that time inadequate. If an ETD is requested the required attestation shall be included as part of the Participant's relevant Forward

Showing Submittal (*see BPM 108 Forward Showing Submittal*). Participants may apply for ETDs in multiple Months of a Binding Season.

5.2. Limits on Megawatts to which ETDs can be Applied

For each Month of a Binding Season during the Transition Period, ETDs are limited to a maximum permissible MW quantity per Participant per Month.

The MW limit is equal to the FSPRM applicable to a Participant for its FS Submittals for each Month in the Binding Season, times a percentage value. This percentage value decreases for each year of the Transition Period.

The percentage value is 75% for each Month of the 2025 Summer Season and 2025-2026 Winter Season, 50% for each Month of the 2026 Summer Season and 2026-2027 Winter Season, and 25% for each Month of the 2027 Summer Season and 2027-2028 Winter Season.

Table 2. Percentage Value to be Multiplied by FSPRM

Season	Percentage Value to be Multiplied by Participant FSPRM
Summer 2025	75%
Winter 2025-2026	75%
Summer 2026	50%
Winter 2026-2027	50%
Summer 2027	25%
Winter 2027-2028	25%

For example, if the applicable FSPRM is 20% and a Participant's P50 Peak Load for June 2026 is 1000MW, the Participant could seek an ETD for 100 MW (i.e., $20\% * 1000\text{MW} * 50\% = 100\text{MW}$).

As can be seen, the MW limitation of a Participant's aggregate ETDs for each Month of a Binding Season is calculated from only the increment of the Participant's FS Capacity Requirement defined by the FSPRM, i.e., by a percentage of the Participant's P50 Peak Load. It is not defined by the sum of the Participant's P50 Peak Load plus the MW needed for the FSPRM. The reduction in the percentage factor every twelve Months, as shown in Table 2 reflects the program's expectation that Participants will use the three-year Transition Period to address any gaps in their portfolio of Qualifying Resources needed to meet their FS Capacity Requirement.

5.3. Reduced Deficiency Charge once ETD is Applied

A Participant can apply ETDs to its Monthly Capacity Deficiency to reduce its Deficiency Charge. For the MW portion of its Monthly Capacity Deficiency for which it obtained ETDs, a Participant will pay a Deficiency Charge reduced by a percentage value. That percentage value will be equal to 75% for each of the 2025 Summer Season and 2025-2026 Winter Season, 50% for each of the 2026 Summer Season and 2026-2027 Winter Season, and 25% for each of the 2027 Summer Season and 2027-2028 Winter Season.

Table 3. Reduction of Deficiency Charge Based on ETDs

Season	Percentage Value Reduction for Portion of Monthly Capacity Deficiency to Which ETDs Have Been Applied
Summer 2025	75%
Winter 2025-2026	75%
Summer 2026	50%
Winter 2026-2027	50%
Summer 2027	25%
Winter 2027-2028	25%

For the MW portion of its Monthly Capacity Deficiency for which it did not obtain ETDs, the Participant will be assessed a Deficiency Charge calculated under WRAP Tariff Section 17.2, without reduction or adjustment.

A detailed example is provided in the Forward Showing Transition Deficiency Charge Examples document which is posted on the WPP website.

As can be seen in Table 3, the percentage reduction in a Participant’s Deficiency Charge becomes smaller every twelve Months, and thus its remaining Deficiency Charge after providing an accommodation for ETDs becomes larger every twelve Months. This again reflects an expectation that Participants will use the three-year Transition Period to address any gaps in their portfolio of Qualifying Resources needed to meet their FS Capacity Requirement.

6. Reduction of Monthly Capacity Deficiency Applicable to Legacy Agreements

In addition to the possible reduction in a Participant’s Capacity Deficiency Charges for an ETD, a Participant may be able during the Transition Period to reduce its Monthly Capacity Deficiency to the extent the deficiency is due to the Participant’s failure to obtain assent from the supplier under a Legacy Agreement to a JCAF. WRAP’s general rule is that supply contracts must be resource specific. Legacy Agreements (including, for example agreements without an identified or inferred source entered under

Schedule C of the Western Systems Power Pool), entered before prospective Participants in WRAP reached a consensus on the resource specific rule (October 1, 2021), are allowed an exception to that rule, but only if the Participant relying on a Legacy Agreement in its FS Submittal obtains the written assent of the supplier under the Legacy Agreement to a form which enables the Program Operator to presume a source or sources for the agreement. The Transition Period rules permit a limited further exception to that requirement (thus allowing Participants some additional time to convert or replace pre-existing Schedule C-type agreements). To obtain that relief, the Participant must provide, as part of their FS Submittal (see *BPM 108 Forward Showing Submittal*), a Senior Official Attestation (in the form set forth in Appendix B below) attesting that the Participant made commercially reasonable efforts to execute the required JCAF with the supplier under the Legacy Agreement, but the supplier was unable or unwilling to counter sign the JCAF. This transition provision is termed the No-JCAF Option.

Even with that showing, this Transition Period exception is strictly limited. A Participant using this exception, whether for one or multiple Legacy Agreements, may not reduce its Monthly Capacity Deficiency in the subject Month by a MW quantity greater than 25% times the FSPRM applicable for that Participant for the relevant Binding Season.

For example, assuming an FSPRM value of 20% for a given Month during the Transition Period, a Participant with a 1000MW P50 Peak Load in such Month may seek this exception for as much as 50 MW ($20\% * 1000\text{MW} * 25\% = 50\text{MW}$).

In addition, a Participant employing the No-JCAF Option must reduce, MW for MW, its maximum permitted use of ETDs for the same Transition Binding Season. For example, if a Participant exercises the No-JCAF Option exception for a MW quantity equal to 20% of the Participant's FSPRM for the Summer 2026 Binding Season (which has a maximum ETD amount of 50% of the FSPRM), then the Participant may apply ETDs in an aggregate MW quantity no greater than 30% of their FSPRM for Summer 2026 ($50\% - 20\% = 30\%$).

7. Adjustment of Revenue Allocations

Any Participant that exercises the No-JCAF Option or successfully applies an ETD shall not receive an allocation of revenues from the payment of Deficiency Charges as to such Binding Season.

Revenues from ETDs will be distributed to Participants, for which the Season is a Binding Transition Season, and that did not use ETDs and did not exercise the No-JCAF Option to meet their FS Capacity Requirement. A Participant that receives revenues

from ETDs will not have an increase in its FS Capacity Requirement solely as a result of receipt of such revenue.

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Appendix A – Senior Official Attestation – ETD

The following Senior Official Attestation will be required for any Participant seeking an ETD:

I, the undersigned, who, as [title], serves as a senior official of [Participant], hereby attest that (i) [Participant] meets the stated WRAP requirements for an Excused Transition Deficit; (ii) [Participant] has made commercially reasonable efforts to secure Qualifying Resources in the quantity needed to satisfy [Participant]’s FS Capacity Requirement for the [identify season] Binding Season, but is unable to obtain Qualifying Resources in the quantity required for the Binding Season because the supply of such resources on a timely basis and on commercially reasonable terms is at the present time inadequate; and (ii) the foregoing statements are true, correct and complete to the best of my knowledge and belief following due inquiry appropriate to the reliability and resource adequacy matters addressed herein.

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Appendix B – Senior Official Attestation – No-JCAF Option

The following Senior Official Attestation will be required for any Participant seeking to utilize the No-JCAF Option with a Legacy Contract:

I, the undersigned, who, as [title], serves as a senior official of [Participant], hereby attest, in support of [Participant]’s request for a reduction in the Monthly Capacity Deficiency otherwise calculated under the Tariff, because ___ MW of such deficiency is due to [Participant]’s inability to obtain assent from the supplier under a Legacy Agreement to the accreditation required for such Legacy Agreement under the Tariff and Business Practice Manuals; (ii) [Participant] made commercially reasonable efforts to execute the required accreditation form with the supplier under the Legacy Agreement, but the supplier was unable or unwilling to counter sign the accreditation form; and (iii) the foregoing statements are true, correct and complete to the best of my knowledge and belief following due inquiry appropriate to the reliability and resource adequacy matters addressed herein.

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Western Resource Adequacy Program

210 Transition Period

200 – Operations

Revision History

Manual Number	Version	Description	Revised By	Date
210	0.1	RAPC Glance	Ryan Roy	9/13/2023
210	0.2	Public Comment	Ryan Roy	9/15/2023
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210	0.5	Board Consideration	Ryan Roy	11/10/2023

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210 Transition Period

1. Introduction

The Operations Program of the Western Resource Adequacy Program (WRAP) provides for a three-year Transition Period, commencing in Summer 2025 and ending in Winter 2027-2028. The Transition Period allows Participants to elect the first season that they will become subject to certain compliance obligations and charges associated with the standard, going-forward participation in the WRAP, and allows for reduced charges in certain limited circumstances during the remainder of the Transition Period once the Participant does become subject to compliance obligations. This Operations Program Transition Period Business Practice Manual (BPM 210) provides implementing details and practices relevant to the Operations Program during the Transition Period. Implementing details and practices relevant to the Forward Showing Program during the Transition Period are detailed separately in *BPM 109 Forward Showing Transition Period*.

1.1. Intended Audience

BPM 210 is intended for WRAP Participants and other interested individuals or entities. BPM 210 is particularly useful for those individuals that are responsible for, and support, participation in the Operations Program on a day-to-day basis or are interested in understanding the Operations Program impacts of the Forward Showing transition provisions provided for in *BPM 109 Forward Showing Transition Period*.

1.2. What Will You Find in This Manual?

This document includes sections outlining practices and implementing details relevant to the Operations Program during the Transition Period, including the operational impacts of utilizing transition provisions in the Forward Showing Program.

1.3. Purpose

To provide an overview of the Transition Period activities for the Operations Program that may impact business processes of current or potential Participants.

1.4. Definitions

All capitalized terms that are not otherwise defined in BPM 210 have their meaning set forth in the Tariff. Any capitalized terms not found in the Tariff that are specific to BPM 210 are defined here.

Central Hub: As defined in *BPM 204 Holdback Requirement*.

Joint Contract Accreditation Form, or JCAF: As defined in *BPM 106 Qualifying Contracts*



No-JCAF Option: As defined in *BPM 109 Forward Showing Transition Period*.

Priority Tier: Comparative rankings used to determine access to limited available aggregated Holdback Requirements and limited available voluntarily offered holdback, in relation to Sharing Events during the Transition Period.

Tier One: The first Priority Tier, as described in BPM 210 Section 4.

Tier Two: The second Priority Tier, as described in BPM 210 Section 4.

Tier Three: The third Priority Tier, as described in BPM 210 Section 5.

Transition Binding Season: As defined in *BPM 109 Forward Showing Transition Period*.

Voluntary Holdback: As defined in *BPM 204 Holdback Requirement*.

Uncertainty Factor: As defined in *BPM 203 Program Sharing Calculation Inputs*.

2. Background

The WRAP is a regional resource adequacy program in which Participants demonstrate, in advance of a defined season, that they have sufficient resources to meet their expected peak loads and a reserve margin. The WRAP imposes standards and requirements related to such matters as the resources that qualify to meet resource adequacy objectives, the calculation of peak loads, and the required minimum reserve margin. The WRAP provides for imposition of significant charges on Participants that do not show in advance sufficient resources to meet their FS Capacity Requirement. In addition, under the WRAP, Participants with resources surplus to their needs in the operating time horizon are subject to requirements in certain circumstances during the Binding Season to assist Participants that are resource-deficient in the operating time horizon, and if a surplus Participant fails to make required energy deliveries to a deficient Participant, the surplus Participant is subject to significant charges for such delivery failure. Recognizing that not all Participants may have made all necessary arrangements and implemented all necessary business processes at the program's outset to secure WRAP-Qualifying Resources, meet the various WRAP obligations, and avoid imposition of these significant charges, the WRAP includes a three-year Transition Period. The Transition Period and its associated rules allow each Participant to select which specific Binding Season during the Transition Period the Participant will first become subject to these obligations. The Transition Period rules also provide the possibility of reduced charges in certain specific circumstances designed to recognize that some Participants may still be in the process of securing all resources needed to ensure compliance with WRAP requirements. A Participant whose charges are reduced during the

Transition Period as to a Binding Season shall receive a lesser priority during such Binding Season to Holdback and to voluntary assistance that is provided in certain circumstances.

3. Reduction in Sharing Calculation

Under the Operations Program, the Program Administrator implements a Sharing Calculation to identify any hour in which any Participant is forecast to have a capacity deficiency relative to the Participant's Forward Showing Capacity Requirement (known as a "Sharing Event"). The Sharing Calculation also identifies each Participant that is forecast to have surplus capacity relative to the Participant's Forward Showing Capacity Requirement during any Sharing Event, and the amount of such surplus capacity. This calculation takes into account changes in a Participant's resource availability, resource performance, forecast load, and Contingency Reserves relative to the Forward Showing Capacity Requirement, plus an Uncertainty Factor.

The amount of capacity shown to be available in the Sharing Calculation of any Participant that was found under the Forward Showing Program to have a Monthly Capacity Deficiency shall be reduced by the MW quantity of such Monthly Capacity Deficiency, but only if the Participant paid a Forward Showing (FS) Deficiency Charge for such Monthly Capacity Deficiency (see *BPM 107 Forward Showing Deficiencies* for additional information). This reduction in Sharing Calculation effectively reduces the quantity of capacity the Participant is expected to have during a Sharing Event, given that the Participant has already paid an FS Deficiency Charge for this increment of capacity for a given month that provided revenues that were distributed to Participants that did not have Monthly Capacity Deficiencies. As a simple example, if a Participant had a FS Capacity Requirement (i.e., the Participant's P50 load MW quantity and FSPRM MW quantity) in June 2030 of 100 MW but only showed 90 MW in their FS Submittal for June and paid the FS Deficiency Charge on the remaining 10 MW, then the Participant's P50+FSPRM term in their Sharing Calculation would be 90MW during June 2030.

A Participant that pays a FS Deficiency Charge or avoids a FS Deficiency Charge by exercising a No-JCAF Option receives the same reduction in its Sharing Calculation equal to the MW quantity of its Monthly Capacity Deficiency even if that Participant's FS Deficiency Charge was reduced during the Transition Period due to either or both of an Excused Transition Deficit (ETD) or exercising of the No-JCAF Option, as more fully described in the Tariff and in *BPM 109 Forward Showing Transition Period*. While a Participant in those circumstances receives the same MW reduction in its Sharing Calculation, the Participant utilizing either or both FS transition provisions and paying a reduced FS Deficiency Charge will be assigned a lower priority in accessing the aggregate available Holdback Requirements when those aggregates are less than the corresponding need for capacity needed for a Sharing Event, as described in the following section.

4. Priority of Access During the Transition Period When Available Capacity is Limited

For any Sharing Event during the Transition Period when there is insufficient capacity available to satisfy deficiencies of all Participants with a negative Sharing Calculation, then the available capacity will be allocated in accordance with Priority Tiers, as described below. A Participant's assignment to a Priority Tier is based on that Participant's circumstances in a Binding Season Forward Showing Submittal. The Priority Tiers described here only apply during the Transition Period.

The rules that result in the differing Priority Tiers for purposes of allocating insufficient aggregate Holdback Requirements during the Transition Period are as follows:

- 1) The first Priority Tier ("Tier One") comprises a) any Participant, as to a Transition Binding Season of such Participant, that had no Monthly Capacity Deficiency during any month of the relevant Binding Season; and b) Participants that had one or more Monthly Capacity Deficiencies during the relevant Binding Season, but paid an FS Deficiency Charge for all such Monthly Capacity Deficiencies, and did not have any of those Monthly Capacity Deficiencies reduced by exercising the No-JCAF Option, nor have any of those FS Deficiency Charges reduced by an ETD.
- 2) The second Priority Tier ("Tier Two") comprises Participants that had one or more Monthly Capacity Deficiencies during the relevant Binding Season and paid an FS Deficiency Charge for all such Monthly Capacity Deficiencies and that, as to all such Monthly Capacity Deficiencies, had FS Deficiency Charges reduced by an ETD, had Monthly Capacity Deficiencies reduced by the No-JCAF Option, or a combination of the two.
- 3) Third priority will be given to Participants for which the relevant Binding Season is a Non-Binding Season for such Participant ("Tier Three"). Note that Non-Binding Participants do not pay FS Deficiency Charges during their Non-Binding Seasons, even if they might otherwise be calculated to have a Monthly Capacity Deficiency.

A Participant's Priority Tier is compared against the Priority Tier of all other Participants that have a negative Sharing Calculation for the same Sharing Event, and have confirmed their need for assistance.

Available capacity from positive Sharing Requirements (from Participants, as to a Transition Binding Season of such Participant) is allocated first to Participants in Tier One, subject to transmission limitations impacting optimization in a Subregion without a Central Hub. Any remaining positive Sharing Requirement capacity is then allocated to Participants in Tier Two. Capacity from Sharing Requirements, and resulting Holdback Requirements subject to Delivery Failure Charges, is available only to Tiers One and Two. Within each Priority Tier,

the rules set forth in the Tariff and *BPM 204 Holdback Requirement* for allocation of holdback to Participants with negative Sharing Calculations (those that have confirmed the need for assistance under Tariff sections 20.2.1 or 20.4.2, as applicable) apply.

Participant may also voluntarily offer additional capacity into the WRAP Operations Program for allocation to Participants with a negative Sharing Calculation. This is called Voluntary Holdback, and is described more fully in *BPM 204 Holdback Requirement*. To the extent that any Voluntary Holdback has been offered, Participants with negative Sharing Calculation results will be provided access to Voluntary Holdback based on the Priority Tiers of the Participants needing assistance in any case where the needed assistance is less than the available voluntary assistance. First priority will be given to Tier One, second priority to Tier Two, and any remaining Voluntary Holdback will be made available to Tier Three.

Non-Binding Participants electing to offer Voluntary Holdback will not be subject to Delivery Failure Charges for failure to deliver energy to the Participant with a negative Sharing Calculation result but are strongly encouraged to fulfill those commitments, and to consider their ability to fulfill those commitments before making the voluntary offer.

The Participants in each Priority Tier, their rights, and their responsibilities, are also summarized in Table 1 below.

5. Priority Tier Summary

The Participants in each Priority Tier, their rights, and their responsibilities, are summarized in Table 1 below. Table 1 shows, for clarity, a fourth Priority Tier, which simply recognizes that entities that are not Participants have no rights to WRAP Holdback Requirements or Voluntary Holdback. Participants may offer capacity or energy to non-Participants outside the WRAP, consistent with satisfying their obligations under the Tariff. More information on Holdback Requirement and Voluntary Holdback can be found in *BPM 204 Holdback Requirement*.

Table 1. Priority of Access to Holdback Requirements and Voluntary Holdback

Tier	Who is in it?	What do they get?	Obligations to WRAP
Tier One	Participants that have met their Transition Binding Season(s) FS Capacity Requirement without use of the No-JCAF Option.	Holdback Requirements from other Participants, as assigned per the Tariff. Access to Voluntary Holdback offered by other Participants, as allocated among Participants with negative Sharing Calculations	Subject to binding WRAP obligations for FS and Operations (including receiving Holdback Requirements). May provide Voluntary Holdback.

	Participants that have paid a FS Deficiency Charge on the Monthly Capacity Deficiency without use of ETDs nor the No-JCAF Option.	who confirmed a need for assistance for the given hour.	
Tier Two	Participants who have paid a FS Deficiency Charge that was reduced by use of ETDs and/or had their Monthly Capacity Deficiency reduced by the No-JCAF Option.	<p>Holdback Requirements from other Participants, as assigned per the Tariff, to the extent not otherwise allocated to Tier One Participants.</p> <p>Access to Voluntary Holdback offered by other Participants, as allocated among Participants with negative Sharing Calculations who confirmed a need for assistance for the given hour, to the extent not otherwise allocated to Tier One Participants.</p>	<p>Subject to binding WRAP obligations for FS and Operations timeframes (including receiving Holdback Requirements).</p> <p>May provide Voluntary Holdback.</p>
Tier Three	Non-Binding Participants	Access to Voluntary Holdback offered by other Participants, as allocated among Participants with negative Sharing Calculations who confirmed a need for assistance for the given hour and not otherwise allocated to Tier One or Tier Two Participants.	<p>Not subject to binding WRAP obligations for Operations, including the Holdback Requirement.</p> <p>May provide Voluntary Holdback.</p>
Tier Four	Non-WRAP-Participants	Any Participant capacity offered outside the program (not otherwise committed to WRAP obligations).	No obligations to the WRAP.

In Tiers One, Two, and Three, all transactions will be settled under the WRAP Settlement Pricing as detailed in *BPM 206 Settlement Pricing*.

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Western Resource Adequacy Program

301 Program Review Committee
Workplan Development and
Approval

Revision History

Manual Number	Version	Description	Revised By	Date
301	0.1	RAPC Glance Version	Rebecca Sexton	9/19/2023
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301	0.5	Board Consideration	Rebecca Sexton	11/30/2023

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301 Workplan Development and Approval

1. Introduction

When a change to the Tariff or Business Practice Manuals (BPMs) is requested by a stakeholder, the established process and criteria for reviewing proposed amendments by the Program Review Committee (PRC) will be utilized. This process has two stages – Workplan Development and Approval (*BPM 301*) and Proposal Development and Consideration (see *BPM 302*). This PRC Workplan Development and Approval BPM describes the change request management process through the Workplan development stage. Section 4 Change Request describes the process of submitting a Change Request Form and review of submitted requests by the Program Administrator and the PRC. Section 5 Workplan Development outlines the process by which a Workplan is developed, reviewed, and approved.

1.1. Intended Audience

This BPM is intended for use by the Western Power Pool (WPP) Board, PRC, Program Administrator, Program Operator, and other interested individuals or entities. This BPM will be particularly useful to stakeholders submitting Change Request Forms and the PRC (which holds responsibility for Workplan development).

1.2. What You Will Find in This Manual

This document includes material relevant to the WRAP change control process, including the method by which Change Request Forms are submitted by the public, reviewed by the Program Administrator and the PRC, and subsequently implemented into a PRC-developed Workplan.

1.3. Purpose

BPM 301 provides an overview of the change request and review process for proposed changes to the Tariff and BPMs. The intent of all stakeholder engagement-related BPMs (BPMs in the 300 series) is to ensure that changes to the Tariff and BPMs are undertaken transparently.

Nothing in this BPM changes in any way the ultimate authority of the independent Board over all aspects of WRAP, or the Board's exclusive authority under Section 2.1 and Section 3.1 of the Tariff, to approve WPP to file, and direct WPP to file, Tariff amendments under Federal Power Act section 205.



1.4. Definitions

All capitalized terms that are not otherwise defined in BPM 301 have the meaning set forth in the Tariff. Any capitalized terms not found in the Tariff that are specific to this BPM are defined here.

Lead Sponsor: The individual identified on the Change Request Form as the Lead Sponsor.

Change Request Form: A form available on the WPP website by which an individual may submit a Concept.

Concept: A suggested change to the Tariff or BPMs.

Non-Task Force Proposal: A Concept that could be implemented without being further developed into a Proposal by a Task Force.

Proposal: A detailed description of a Concept identified in a Board approved Workplan.

Workplan: Plan of action that identifies Concepts for possible development into Proposals.

Task Force: As defined in *BPM 302 PRC Proposal Development and Consideration*.

2. Background

The PRC is a multi-sector stakeholder committee charged with receiving, considering, and proposing design changes to the WRAP. The PRC will act as the clearing house for all recommended design changes not specifically identified as exigent by the Resource Adequacy Participant Committee (see *BPM 303 Expedited Review Process* for additional detail on such changes). Recommended changes may come from any stakeholder.

The PRC will be provided with facilitation support from the Program Administrator and program design/technical support from the Program Operator, as needed. If a stakeholder wishes to request changes to the WRAP, the stakeholder should submit a written explanation of the requested change, including any supporting information or data, to the PRC via the Change Request Form located on the WPP's website.

The PRC will review and prioritize requested changes into a draft Workplan (suggesting which Concepts will be developed into Proposals) and schedule; the Workplan will be reviewed by all WRAP-related committees and the public before being approved by the Board.



3. Change Request and Workplan Development Timeline

Activity/Milestone	Deadline	Process Owner
Final day to submit Change Request Forms	December 31 st	Lead Sponsor
Concept compilation delivered to PRC	January 15 th	Program Administrator
PRC prioritization of Concepts	January 15 th - February 1 st	PRC
Level of effort review	February 1 st - February 15 th	Program Administrator/Program Operator
Completion of draft Workplan	February 15 th - March 15 th	PRC
Stakeholder comment period	March 15 th - April 15 th	Stakeholders
Revision of Workplan	April 15 th - May 15 th	PRC
Distribution to the Board	May 15 th	Program Administrator
Board approval of Workplan	June 1 st	Board
Final revisions* <i>*as needed</i>	June 1 st - June 15 th	PRC

4. Change Request

At any time, Participants, the Committee of State Representatives (COSR), the Board or any of its members, other WRAP-related committees, stakeholders, or the public can suggest a change to the Tariff or BPMs. Such a change request will go through the PRC change control and stakeholder review process. Section 3 shows the change request timeline from the submission of the Change Request Form to Board approval of a Workplan.

4.1. Change Request Form

A suggested change to the Tariff or BPMs is initiated via submission of a Change Request Form. This form will be available on the WPP website. A Lead Sponsor will be identified on each Change Request Form. For a Change Request Form to be considered

complete, the following information will be provided (optional information is indicated by *):

- **Lead Sponsor Information**
 - Name, Title, Organization, Email, Phone Number, Date of Submission
- ***co-Sponsor(s) Information**
 - Name, Title, Organization, Email, Phone Number - *Recorded in the case of more than one person or organization submitting a change collaboratively*
- **Designation of the type of change requested**
 - Correction (i.e., revision of erroneous language or language that needs clean-up for grammatical errors or inconsistency across governing documents - no change to intent or policy)
 - Clarification (i.e., language revision to better represent intent - no changes to functionality or policy)
 - Enhancement (i.e., language revision to expand upon existing intent or functionality)
 - New provision, criteria, protocol, or business practice (i.e., additional language to accommodate new policy or new functionality)
 - Change (i.e., a change in the existing policy – will replace existing language)
 - Other (i.e., changes that do not fall into the categories listed above)
- **Description of Change**
 - Description of the issue
 - *Proposed solution to the issue described
 - *Identification of the document (e.g. Tariff or specific BPM) and/or language within such document to which a change is recommended, and/or recommended language to execute the proposed change
- **Impact of Change**
 - Benefits from making this change
 - *Any data or information available that would characterize the importance or magnitude of the issue (including file attachments as required)
- ***Flag as Non-Task Force Proposal**
 - Indication that the Lead Sponsor proposes the Concept could be implemented without being further developed into a more detailed Proposal by a Task Force.

Change Request Forms can be submitted at any point during the year. The Program Administrator will inspect submitted Change Request Forms within 15 days of their submission and inform the Lead Sponsor if the Change Request Form is incomplete. An incomplete Change Request Form may not receive further consideration until it has



been completed. After the Lead Sponsor is notified of an incomplete Change Request Form they will be given the opportunity to provide revisions and must re-submit a complete form.

In the event that similar Concepts are requested by more than one stakeholder, the Program Administrator may recommend co-sponsorship of the Concept to the Lead Sponsors of similar Concepts; Lead Sponsors can determine whether to withdraw their individual submissions and resubmit a Concept as co-Sponsors at their will.

If a Concept is flagged as a Non-Task Force Proposal and the Program Administrator agrees the Concept can proceed as a Non-Task Force Proposal, the Program Administrator and Lead Sponsor will present the Change Request Form to the PRC for consideration at the next scheduled PRC meeting. If the Program Administrator, or subsequently the PRC, determines that the proposed Concept is not a Non-Task Force Proposal then the Change Request Form will be modified to remove the Non-Task Force Proposal designation and proceed in the same manner as any other Change Request Form unless it is withdrawn by the Lead Sponsor.

On December 31 of each year, the Program Administrator will compile all Change Request Forms completed and submitted in that calendar year and begin an initial review January 1 the following year. Incomplete forms submitted after December 16 will not be considered in the following year's Workplan.

4.2. Compilation of Concepts

The Program Administrator will compile all completed Concepts (those not flagged as Non-Task Force Proposals) and deliver this list (and the Concept submissions) to the PRC by January 15 to facilitate the start of its Workplan development.

In the event that similar Concepts are requested by more than one stakeholder and the Lead Sponsors of the similar Concepts elected to maintain separate Concepts, or time did not allow for the Program Administrator to notify the Lead Sponsors of the similar Concept, the Program Administrator will note such similarity to the PRC and notify the Lead Sponsors not previously notified.

PRC review and processing of Non-Task Force Proposals is discussed in Section 5.3.1.1.

4.3. PRC Review of Concepts

The PRC will prioritize Concepts received in the compiled list according to a PRC-determined method involving established criteria. The PRC will aim to reach agreement on prioritization via consensus, however, given a situation where consensus is not achieved, the PRC will vote on a prioritized slate of Concepts.



This prioritization process will be complete by February 1.

4.4. Level of Effort Review

Once the Program Administrator receives the prioritized Concept list, the Program Administrator will work with the Program Operator to give each Concept in the list a level of effort ranking. This level of effort ranking will include a description of the requirements for addressing each Concept (Program Administrator and Program Operator support, Participant engagement, etc.) as well as the anticipated timeline. The PRC will be supplied with the criteria used to determine the level of effort ranking. The level of effort review will be completed by February 15.

5. Workplan Development

Once the Concepts have been reviewed, prioritized, and given a level of effort score and description, the PRC will begin annual Workplan development.

5.1. PRC Development of Workplan

The Workplan will include the following:

- 1) Executive Summary
- 2) Background
- 3) Proposed Plan
- 4) Summary of Recommended Concepts
- 5) Supporting Analysis
- 6) Schedule

The schedule will include a high-level timeline for each Concept recommended for development into a Proposal. Such schedules will include Proposal development, but will not include potential timelines for implementation (implementation timelines will be determined as part of the Proposal development process - see *BPM 302 PRC Proposal Development and Consideration*). The schedules for Workplan implementation may extend beyond a single year. In years where a Workplan is under development at the same time as a prior Workplan is being executed, the new Workplan will account for the past year(s) Workplan(s) and provide an updated combined schedule.

The Workplan will include appendices providing reviewers of the proposed Workplan insight into the recommendations of the PRC and the decision-making process. At minimum, appendices for the Workplan will include all relevant completed Change Request Forms, any metrics or categorization methods used to evaluate and prioritize Concepts, and information regarding the proposed Task Forces (e.g. Task Force size, subject matter expertise) for Proposal development of each Concept.

5.2. Draft Workplan Review Process

The PRC will publish a draft Workplan for review on March 15.

5.2.1. Stakeholder Review

The draft Workplan will be published on the WPP website on March 15 and open to comment until April 15. During this time the RAPC, COSR, and the public may review and submit comments on the draft Workplan. The Program Administrator, and Program Operator may provide comments concurrently at this time.

5.2.2. Comments Intake

At the end of the comment period on April 15, the Program Administrator will compile all comments received and distribute them to the PRC. The PRC will review the comments provided and revise the draft Workplan as it sees fit. This revision process is allocated 4 weeks and will be completed by May 15.

Prior to Board distribution, the PRC will create a summary of comments received, including a narrative describing why they were or were not addressed. The full set of comments will be attached to the draft Workplan as an appendix. The revised draft Workplan will be distributed to both the Board and RAPC, and also posted publicly by May 15.

5.3. Workplan Approval

The revised draft Workplan will be presented to the Board of Directors. The Board will consider and act on the Workplan in public session no later than its next quarterly board meeting, during which RAPC and other stakeholders will have the opportunity to express any opinions in public comment. Board approval of a Workplan will trigger implementation and Proposal development (see *BPM 302 PRC Proposal Development and Consideration*). The Board will determine the appropriate next steps if it does not approve the Workplan or seeks amendments.

5.3.1.1. Consideration of Non-Task Force Proposals

If the PRC determines that a Change Request Form meets the Non-Task Force Proposal criteria, the Non-Task Force Proposal will proceed to the Proposal review and approval processes, as detailed in *BPM 302 PRC Proposal Development and Consideration*.



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WESTERN
POWERPOOL

Western Resource Adequacy Program

302 Program Review Committee
Proposal Development and
Consideration

Revision History

Manual Number	Version	Description	Revised By	Date
302	0.1	RAPC Glance Version	Rebecca Sexton	10/19/2023
302	0.2	Public Comment	Rebecca Sexton	10/23/2023
302	0.3	RAPC & PRC Discussion	Rebecca Sexton	11/15/2023
302	0.4	RAPC Endorsement	Rebecca Sexton	11/29/2023
302	0.5	Board Consideration	Rebecca Sexton	11/30/2023

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302 Proposal Development and Consideration

1. Introduction

When a change to the Tariff or Business Practice Manuals (BPMs) is requested by a stakeholder and does not qualify as an exigent circumstance within the meaning of Tariff section 4.1.3 (see *BPM 303 Expedited Review Process*) or other change specifically reserved to the RAPC under the Tariff, the established process and criteria for reviewing proposed amendments by the Program Review Committee (PRC) will be utilized. This process has two stages – Workplan Development and Approval (see *BPM 301*) and Proposal Development and Consideration (*BPM 302*). BPM 302 describes how an individual Concept moves through the change control process, including how a Proposal is developed, commented upon, and approved for implementation. The Proposal Development section describes the creation of Task Forces by the PRC to address a proposed change to the Tariff or BPMs, and the Proposal development process that occurs within that group. The Proposal Review section of this BPM describes the process by which a Proposal is commented upon, revised, and approved. Non-Task Force Proposals, as determined by the PRC (see *BPM 301 PRC Workplan Development and Approval*) do not undergo Proposal development and proceed directly to the Proposal review process.

1.1. Intended Audience

BPM 302 is intended for the PRC, Program Administrator, Program Operator, and other interested individuals or entities. This BPM will be particularly useful to members of PRC Task Forces responsible for the development of a Proposal according to an established Workplan, as well as to WRAP stakeholders participating in the Proposal review and consideration process.

1.2. What You Will Find in This Manual

BPM 302 contains material relevant to the WRAP program change process, including the method by which Concepts are developed into Proposals, revised by the PRC and assigned Task Forces, and subsequently considered for implementation into the Tariff or BPMs. This manual also describes review and approval of Non-Task Force Proposals.

1.3. Purpose

BPM 302 provides an overview of the Proposal development and consideration process for changes to the Tariff or BPMs. The intent of all stakeholder engagement related BPMs (BPMs in the 300 series) is to ensure that changes to the Tariff and approved BPMs are undertaken transparently.



Nothing in this BPM changes in any way the ultimate authority of the independent Board over all aspects of WRAP, or the Board's exclusive authority under Section 2.1 and Section 3.1 of the Tariff, to approve WPP to file, and direct WPP to file, Tariff amendments under Federal Power Act section 205.

1.4. Definitions

All capitalized terms that are not otherwise defined in this BPM have their meaning set forth in the Tariff. Any capitalized terms not found in the Tariff that are specific to this BPM are defined here.

Concept: As defined in *BPM 301 PRC Workplan Development and Approval*.

Lead Sponsor: As defined in *BPM 301 PRC Workplan Development and Approval*.

Proposal: As defined in *BPM 301 PRC Development and Approval*.

Non-Task Force Proposal: As defined in *BPM 301 PRC Workplan Development and Approval*.

Task Force: PRC sub-committee responsible for refining Concepts into full Proposals.

Workplan: As defined in *BPM 301 PRC Workplan Development and Approval*.

2. Background

The PRC is a multi-sector stakeholder committee charged with receiving, considering, and proposing design changes to the WRAP. The PRC will act as the clearing house for all recommended design changes not specifically identified as exigent by the RAPC (*see BPM 303 Expedited Review Process* for additional detail on such changes).

Recommended changes may come from Participants, the Committee of State Representatives (COSR), the Board or any of its members, other WRAP-related committees, stakeholders, or the public.

The PRC will be provided with facilitation support from the Program Administrator and program design/technical support from the Program Operator, as needed. If a stakeholder seeks to change the Tariff or a BPM, the stakeholder should submit a written explanation of the requested change, including any supporting information or data, to the PRC via the Change Request Form located on the Western Power Pool's (WPP) website.



After a Workplan for addressing proposed changes is created and approved (see *BPM 301 PRC Workplan Development and Approval*), the PRC will identify Task Forces to refine requested changes into full Proposals, working with the Program Administrator and Program Operator. The draft Proposal, and any Non-Task Force Proposals, will be reviewed by the Program Administrator and Program Operator, the public, the COSR, and the RAPC before being considered by the Board.

3. Proposal Development

In accordance with the schedule and guidance provided in the Workplan, the PRC will identify Task Forces as appropriate to develop Workplan Concepts into Proposals. Once a Proposal is drafted, it will be reviewed and presented for comment and consideration. Non-Task Force Proposals, as determined by the PRC, do not require further development and proceed directly to the Proposal review process (see section 4 of this BPM).

3.1. Task Force Creation

The PRC's draft Workplan will identify the skillsets required on a Task Force for it to develop a Concept (or set of Concepts) into a Proposal. These skillsets may include, but are not limited to subject matter expertise on: transmission systems, power marketing, legal, regulatory, financial, or other resource-specific knowledge. A Task Force may be assigned to a single Concept or group of similar Concepts as identified in the Workplan, and will be populated with the identified skills and knowledge to develop a specific Concept (or set of Concepts) into a Proposal (or Proposals).

The Concept's Lead Sponsor (see *BPM 301 PRC Workplan Development and Approval*) will participate as a member of the Task Force. The remainder of the Task Force may include members of the PRC or any other individuals with specific subject matter expertise. The PRC will take nominations for Task Force participation, review the pool of interested individuals, and determine the roster for each Task Force according to the schedule from the Workplan.

In the process of selecting Task Force members, the PRC will endeavor to balance the need for diversity of perspective with creating groups appropriately sized to prioritize efficiency.

3.1.1. Task Force Decision Making

Each Task Force will decide its own procedures pertaining to decision making processes (e.g., voting/consensus), leadership structure (e.g., chair/co-chair), and meeting frequency. All Task Forces will have non-Program Administrator/Program Operator



leaders who will work with the Program Administrator and Program Operator to facilitate Task Force engagement and processes.

The Program Administrator will be tasked with supporting Task Force administrative functions and collaborating with the Task Force (with help from the Program Operator) to provide options, recommendations, and input on draft Proposals as requested.

3.2. Proposal Drafting Process

For a given Concept (or Concepts), the associated Task Force develops a Proposal to address the requested changes. This Proposal shall include:

- A description of the need and the benefits resulting from the proposed change;
- Specific changes or updates to the Tariff or BPMs (e.g. redlines) that would be required to implement the Proposal;
- Alternative updates that were considered (if applicable)
- A resource and cost assessment and feasibility review by the Program Administrator and Program Operator; and
- A proposed implementation timeline.

The Task Force leadership (e.g., chair, co-chairs) will provide monthly status updates on the draft Proposal to the PRC. The monthly report will include a written summary of activities accomplished and decisions made by the Task Force since the last monthly report. PRC members may use these updates to provide feedback and input to Task Forces in advance of the review of completed Proposals. The PRC may determine it is necessary to work with the Program Administrator, Program Operator, and RAPC to consider implementation schedules of multiple Proposals to facilitate execution (e.g., deciding to implement multiple changes in conjunction, or timing implementation for shoulder seasons); such an approach may be implemented by the PRC in the review of and comments on Proposals.

3.2.1. Program Administrator/Program Operator Comment and Feasibility Review

The Program Administrator and Program Operator will collaborate with the Task Force to provide a feasibility review that addresses the time, schedule, cost, and staffing requirements of the Proposal. This review will be provided when the Proposal is complete, prior to the Proposal review period. The Program Administrator and Program Operator may suggest alternatives and otherwise provide insight to the Task Forces during the Proposal drafting process and to the PRC during the evaluation and decision-making process.



3.2.2. Development of Questions for Public Comment

To facilitate stakeholder engagement, the Task Force will propose a set of questions for consideration during comment windows. At this stage, the Task Force will revisit the timelines proposed in the Workplan for comment collection and adjust as necessary.

3.2.3. Proposal Ready for Comment

Once a Task Force has completed its development of a draft Proposal and questions for public comment, the PRC will verify its completeness and direct the Program Administrator to post it for public comment. This review by the PRC is not an endorsement of the proposed changes. If the PRC determines that the Proposal is not complete, the PRC will provide feedback to the Task Force as to the Proposal's deficiencies.

4. Proposal Review

Once a Proposal is ready for public comment, the Proposal is published on the WPP website. The Task Force can recommend that the Program Administrator host a webinar with the support of the PRC, Task Force, or Program Operator, as needed, to introduce the Proposal to the public. Non-Task Force Proposals (those the PRC has agreed do not necessitate development by a Task Force, see *BPM 301 PRC Workplan Development and Approval* for further detail) are directly published on the WPP website for public comment. For the purposes of Section 4 Proposal Review, the term "Proposal" includes Non-Task Force Proposals, and in that reading the term "Task Force" implies the Lead Sponsor of the Non-Task Force Proposal.

4.1. Public Comment

The Task Force will recommend to the PRC a duration of no less than two weeks for the open public comment window, depending on the length, complexity, and anticipated impact of the Proposal. The PRC will set a deadline for public comment on a given Proposal. Note that Participants, COSR members, Board members, or anyone else may comment on the draft Proposal during this time. Comments will be submitted to the WPP website.

After the public comment period ends, the Task Force will review all comments submitted and update the Proposal at its discretion. Comments will be made available publicly as they are submitted and will remain available after the comment period closes (through consideration by the Board of Directors). The Task Force will inform the PRC of any changes, either in writing or via a meeting if schedules allow.



4.2. COSR Comments

After the public comment period ends, the updated Proposal will be published on the WPP website for COSR review along with a summary of the public comments received and any changes made to address them.

The Task Force will provide a recommendation to the PRC for the length of the COSR comment period on the Proposal. The PRC will determine a deadline for COSR comments. Comments are submitted by the COSR to the WPP website and will be available publicly upon submission.

After the COSR comment period, the Task Force will review all comments submitted and will update the Proposal at its discretion.

4.3. PRC Endorsement Process

Once the public and COSR reviews of a Proposal are complete and comments have been reviewed by the Task Force and incorporated at its discretion, the PRC will consider whether to endorse the Proposal to the RAPC.

4.3.1. Public Meeting and Decision

The PRC will host a public meeting to review comments received, identify any updates made in response to those comments, and decide whether to endorse the Proposal to the RAPC.

4.3.1.1. PRC Sector Voting

The PRC will endeavor to operate by consensus. If PRC consensus on a Proposal endorsement cannot be achieved, voting will be undertaken in the method described in the PRC charter (posted on the WPP website).

4.4. RAPC Review

The Proposal will progress to the RAPC regardless of the outcome of the PRC process, but attaining an affirmative PRC endorsement will lower the required RAPC voting threshold per the Tariff. The RAPC will vote whether to endorse the Proposal to the Board.

For a Proposal to be endorsed by the RAPC, it must pass both House and Senate vote tallies as described in the Tariff. A Proposal endorsed by the PRC requires a 67% affirmative vote in both the House and Senate tally to be endorsed by the RAPC. A Proposal not endorsed by the PRC requires a 75% affirmative vote in both the House and Senate Tally to achieve RAPC endorsement.



A RAPC vote on a Proposal can have three outcomes: RAPC endorses the Proposal to the Board unmodified, RAPC endorses the Proposal as modified, or RAPC votes to reject the Proposal.

4.4.1. RAPC Endorses Unmodified

The RAPC votes to endorse the Proposal without changes.

4.4.1.1. COSR Formal Opposition to Recommended Proposal

If RAPC votes to endorse a Proposal without change, the COSR has one week to register its opposition to the endorsed Proposal with the RAPC. If the COSR registers its opposition, the RAPC is required to engage with the COSR, including at least two discussions to attempt to reach a mutually agreeable solution. These discussions will be open to the public and held within 4 weeks of the COSR's notification of opposition.

4.4.2. RAPC Endorses with Changes

If RAPC makes changes to the Proposal during its vote to endorse, the 75% voting threshold will apply because the Proposal is no longer the same as was endorsed by the PRC.

4.4.2.1. COSR Requests Additional Public Review

If RAPC makes changes to a Proposal when voting on it, COSR leadership will be notified and can elect to initiate an additional public review if COSR determines the RAPC-endorsed Proposal to be substantially different from the Proposal submitted to the RAPC by the PRC. The COSR must notify the chair of the PRC that it would like additional public review within two weeks of the RAPC vote on the changed Proposal.

Once COSR notifies the PRC leadership, the changed Proposal will be posted to the WPP website for a two-week public comment window. The PRC will summarize the comments received, but no further changes are made to the Proposal.

4.4.2.2. COSR Formal Opposition to RAPC Endorsement with Changes

If RAPC endorses a Proposal with changes, the COSR has two weeks to register its opposition to the endorsed Proposal with RAPC. If the COSR registers its opposition, the RAPC is required to engage with the COSR, including at least two discussions to attempt to reach a mutually agreeable solution. These discussions will be open to the public and held within 4 weeks of the COSR's notification of opposition. These discussions will take place in parallel with any additional public review process requested by COSR per section 4.4.2.1).



4.4.3. RAPC Rejects

If RAPC votes to reject the Proposal, the Proposal terminates (i.e., is not reviewed by the Board), unless the RAPC decision is appealed to the Board.

4.4.3.1. Appeal of RAPC Rejection

If the RAPC votes to reject a Proposal or fails to vote to endorse a Proposal within 30 Days of PRC action, any person may appeal to the Board to review and vote on a Proposal. Such an appeal must be submitted to the Program Administrator within 2 weeks after the RAPC rejection vote or within two weeks after the RAPC's failure to take action within 30 Days after PRC action. Whether to entertain the appeal is solely within the Board's discretion.

4.5. Board Interaction

The Board will receive all Proposals (including all comments received during the review process) for discussion and approval that:

- Have been endorsed by RAPC with no opposition by COSR;
- Have been rejected or not acted upon by the RAPC but has been appealed by a stakeholder to the Board;
- Have been endorsed by the RAPC but identified by COSR as substantially different than the PRC version and have undergone additional public review; or
- Are formally opposed by the COSR, with RAPC and COSR also having met at least two times to attempt a mutually agreeable solution.

4.5.1. Study Session as Needed

The Program Administrator will work with the Task Forces and the PRC to host study sessions for the Board, at the discretion of the Board, on Proposals that have come before the Board for approval.

4.5.2. Stakeholder Comment

Per Board procedures, members of the public, RAPC representatives, COSR members, or other stakeholders may comment during a public Board meeting on a Proposal under consideration by the Board (including a Proposal that has been placed on the Board's consent agenda). It is highly encouraged that stakeholders opposing the Board's approval of a Proposal engage in the public and committee review process on such Proposal to voice concerns and provide written documentation throughout.

4.5.3. Vote

Per Board procedures, the Board will act on the Proposal by either:



- Approval – in which case implementation of the Proposal is initiated;
- Rejection – in which case the Proposal terminates; or
- Changes needed – the Board may determine either to make changes and approve an updated Proposal or to send the Proposal back to any stage in the drafting or review process (at the Board’s discretion) with feedback or guidance for necessary updates and repeat all subsequent review processes.

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Western Resource Adequacy Program

303 Expedited Review Process

Revision History

Manual Number	Version	Description	Revised By	Date
303	0.1	RAPC Glance Version	Rebecca Sexton	10/3/2023
303	0.2	Public Comment Version	Rebecca Sexton	10/6/2023
303	0.3	RAPC & PRC Discussion	Rebecca Sexton	11/2/2023
303	0.4	RAPC Endorsement	Rebecca Sexton	11/13/2023
303	0.5	Board Consideration	Rebecca Sexton	11/30/2023

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303 Expedited Review Process

1. Introduction

Expedited Board of Directors' (Board) review of changes to the Tariff or Business Practice Manuals (BPMs) may take place when the Resource Adequacy Participant Committee (RAPC) determines there are Exigent Circumstances (including FERC-mandated amendments, amendments to address immediate reliability impacts, or amendments with significant impacts to utility service). In these circumstances, the RAPC will work with the Western Power Pool (WPP) staff to prepare the design change and may propose such a change directly to the Board. The Program Review Committee (PRC), Committee of State Representatives (COSR), and public will participate and comment directly to the Board during the Expedited Review Process, rather than using the customary stakeholder review process set forth in the Tariff. This Expedited Review Process BPM defines the process for reviewing and adopting changes that are exigent.

1.1. Intended Audience

This BPM is intended for the Western Resource Adequacy Program (WRAP) committees including the RAPC, COSR, and PRC, as well as other interested individuals or entities.

1.2. What You Will Find in This Manual

This document includes material relevant to changes to WRAP rules that can be considered under the Expedited Review Process due to Exigent Circumstances.

1.3. Purpose

This BPM provides an overview of the Expedited Review Process for implementing changes to the Tariff and BPMs due to Exigent Circumstances. The intent of all stakeholder engagement related BPMs (BPMs in the 300 series) is to ensure that changes to the Tariff and BPMs are undertaken transparently.

Nothing in this BPM changes in any way ultimate authority of the independent Board over all aspects of WRAP, or the Board's exclusive authority under Section 2.1 and Section 3.1 of the Tariff, to approve WPP to file, and direct WPP to file, Tariff amendments under Federal Power Act section 205.

1.4. Definitions

All capitalized terms that are not otherwise defined in this BPM have the meaning set forth in the Tariff. Any capitalized terms not found in the Tariff that are specific to this BPM are defined here.

Exigent Circumstances: Circumstances that the RAPC determines require amendments to the Tariff or BPMs due to FERC-mandates, immediate reliability impacts, or significant impacts to utility service.



Expedited Proposal: A RAPC determined amendment to the Tariff or BPMs requiring expedited Board review due to Exigent Circumstances.

Expedited Review Process: The activities undertaken by WRAP committees (RAPC, PRC, COSR), stakeholders, and the WPP Board when an Exigent Circumstance is identified and a change to the Tariff or BPMs is determined necessary by the RAPC.

2. Expedited Proposal Development

A Participant, the Program Administrator, or the Program Operator can submit a request for an Expedited Review Process to the RAPC Chair at any time. If the RAPC deems that the change must be addressed expeditiously due to Exigent Circumstances, the RAPC will develop an Expedited Proposal and schedule it for RAPC review. The Program Administrator and the Program Operator also may provide, but are not required to provide, a feasibility review that addresses the time, cost, and staffing requirements of the Expedited Proposal. The Expedited Proposal shall be considered by the RAPC during a public meeting, according to RAPC meeting procedures, and then if endorsed by the RAPC, shall be presented to the Board concurrent with review by the COSR, PRC and other WRAP stakeholders.

2.1. Expedited Proposal Circulation

The WPP will endeavor to post the Expedited Proposal and feasibility review to the WPP website two weeks prior to Board review, as time allows. Any comments submitted prior to the Board meeting by the COSR, PRC, or other WRAP stakeholders will be distributed to the Board for consideration.

2.1.1. COSR Opposition

If the COSR formally opposes the Expedited Proposal provided by the RAPC to the Board, the COSR can require that the RAPC engage in one open public discussion, provided this does not unreasonably hinder the Board's timely consideration.

2.2. Board of Directors Review

The Board will be given an opportunity to review the Expedited Proposal and any comments provided by stakeholders or committees and may itself comment upon the Expedited Proposal before taking action.

The Board will take action on the Expedited Proposal by either:

- 1) Voting for approval— in which case WPP will make a Federal Power Act section 205 filing with FERC to amend the Tariff, or will update the BPM(s) accordingly;
- 2) Voting for approval with changes – in which case the RAPC shall consider the changes and either vote to endorse the updated Expedited Proposal or vote to

endorse a further updated Expedited Proposal. If the RAPC votes to endorse the Board's changes or takes neither of these two actions on the changed Expedited Proposal within two weeks, WPP will make a Federal Power Act section 205 filing with FERC to amend the Tariff, or will update the BPM(s) accordingly. If the RAPC makes changes to the Board's recommendations, RAPC shall resubmit the Proposal to the Board for review; or

- 3) Voting to return the Proposal to RAPC with suggested changes - in which case the RAPC will consider the Board's recommendations and may submit an updated Proposal to the Board for review.
- 4) Voting for rejection – in which case the Expedited Proposal terminates. Nothing prohibits any part of a rejected Expedited Proposal from being proposed as a Concept for consideration by PRC in future (see *BPM 301 – PRC Workplan Development and Approval*).

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To: WPP Board
From: WPP Staff
Date: November 29, 2023
Meeting Date: December 6, 2023

Subject: Expense Reimbursement Policy

Background

During the September 11, 2023 meeting of the Northwest Power Pool, dba Western Power Pool's Finance and Audit Committee, the Committee recommended that the attached resolution be sent to the full Board of Directors.

Recommended Action

Staff recommends the Board of Directors approve the attached resolution regarding the adoption of an IRS Accountable Plan for board expense reimbursements.

**DRAFT RESOLUTION OF THE BOARD OF DIRECTORS OF
NORTHWEST POWER POOL, DBA WESTERN POWER POOL
REGARDING ACCOUNTABLE PLAN**

WHEREAS, the Board Finance and Audit Committee (“Committee”) met on September 11, 2023;

WHEREAS, the Committee recommended that Northwest Power Pool, d/b/a Western Power Pool (“WPP”) adopt an expense reimbursement policy that meets IRS requirements for an accountable plan;

NOW THEREFORE, BE IT RESOLVED THAT:

The Northwest Power Pool, dba Western Power Pool (WPP) shall implement an expense reimbursement policy that meets IRS requirements for an accountable plan. As of the date of this resolution, such a policy must include the following requirements:

1. Board members and advisors (independent contractors of WPP) shall be reimbursed for any ordinary and necessary business and professional expenses incurred on behalf of WPP. When submitting expenses for reimbursement, the submitting party will affirm that the submitted expenses meet the above criteria.
2. Submitted expenses must be adequately substantiated. Documentation will include the amount, date, place, and business purposes of the expense, including the business relationship of any other person for whom expenses are submitted. A receipt will accompany the documentation for each expense. WPP will not reimburse any party for business or professional expenses incurred on behalf of WPP that are not properly substantiated.¹
3. All expenses must be substantiated within a reasonable period of time. This must be within 60 days after the expense is paid or incurred for the policy to comply under the “fixed date” safe harbor substantiation rule.
4. All charges to company credit cards must be substantiated in the same manner as the above-mentioned reimbursements.
5. Advances that are not substantiated within a reasonable period of time must be returned (paid back) within a reasonable period of time.²

¹ This requirement is necessary to prevent WPP’s expense reimbursement plan from being classified as a “non-accountable” plan.

² WPP does not typically advance funds, but if it does so, a 120-day safe harbor substantiation rule applies.

6. WPP will keep records of the aforementioned reimbursements for a minimum of three years, or as required by IRS regulations.
7. The staff of WPP is hereby authorized to take all such further actions as they, or any of them, may deem necessary or appropriate to carry out the intention of the foregoing resolutions.

Susan Ackerman, Secretary

Date Approved by Board of Directors: _____, 2023

To: WPP Board
From: WPP Staff
Date: November 29, 2023
Meeting Date: December 6, 2023

Subject: Conflicts of Interest

Recommended Action:

Staff recommends the Board of Directors (1) approve the attached Conflict of Interest policy for inclusion in the Board Governance Manual; and (2) direct Staff to take steps to require annual disclosures to the Finance and Audit Committee related to both the WPP's conflict of interest and independence policies.

Background

In connection with FERC's approval of the Western Resource Adequacy Program (WRAP) and the introduction of the new Board in early 2023, the Northwest Power Pool, dba Western Power Pool adopted an independence policy and incorporated the independence requirements into its bylaws. That independence policy centers largely on criteria that have been deemed appropriate for ensuring that Independent System Operators and Regional Transmission Organizations remain independent from FERC-jurisdictional program participants.

In addition to WRAP independence requirements, however, which apply specifically in the context of WRAP, the WPP has long had a more general conflicts and business ethics policy. This policy addresses more general scenarios where the personal interests of a director could affect the ability of the director to act in the best interest of WPP and is rooted in both general corporate policy and Oregon law.

Although this policy is currently in effect, Staff has modified the policy slightly to reflect the fact that the prior Finance Committee is now the Finance and Audit Committee. Staff recommends that the Board of Directors formally adopt the company's conflict of interest policy for inclusion in the WPP Governance Manual, and recommends that the Board direct Staff to take steps necessary to require annual disclosures to the Finance and Audit Committee related to both the conflict of interest and independence policies.

Conflict of Interest and Business Ethics Policy

Conflicts of interest arise when a director's position or responsibilities present an opportunity for personal gain (beyond the director's compensation for serving on the Board), or when personal interests conflict with the interests of the Northwest Power Pool, dba Western Power Pool ("WPP").

Directors must avoid any business, financial, or other relationship where personal interests conflict with, or appear to conflict with, the interests of the WPP. Potential or actual conflicts of interest must be promptly and fully reported to the Finance and Audit Committee. A director who is in doubt about whether a given circumstance may present a conflict of interest should disclose the circumstances in question to the Finance and Audit Committee. The Finance and Audit Committee will discuss the potential conflict of interest with General Counsel and provide guidance to the director.

In general, a conflict of interest exists when the personal interests of a director could affect the ability of the director to act in the best interest of, and with good faith and loyalty to the WPP. A conflict of interest may be considered to exist in any instance where the actions or activities of any individual on behalf of the WPP also involves:

- Obtaining direct or indirect personal gain or advantage; or
- An adverse or potentially adverse effect on the interests of the NWPP; or
- A transaction in which the WPP is a party, and in which a director has (1) a direct or indirect financial interest or (2) a conflicting fiduciary duty to another party involved in the transaction that, in either case, could influence his or her action on the matter while acting on behalf of the WPP.

Conflicts of interest may also arise in other instances. Although it is impossible to list every circumstance giving rise to a conflict of interest, several of the possible types of activities that might present potential or actual conflicts of interest are detailed below:

Outside Interests and Activities

The personal interests of a director may conflict with the interests of the WPP if he or she, or any member of his or her immediate family, by blood, adoption, or marriage (each an Immediate Family Member) is a person:

- a) Who solicits bids, contracts, or supplies goods or services (including consulting or professional services) to the WPP;
- b) From whom or to whom the WPP leases property or equipment;
- c) With whom the WPP is dealing or is planning to deal in connection with the purchase or sale of real property, investment securities, or other property;
- d) Who is an employee, officer, serves as a director, participates in management or is otherwise employed or compensated by an entity that competes with the WPP;
- e) Who is an employee, officer, serves as a director, participates in management, or is otherwise employed or compensated by a person or entity that is engaging in transactions with the WPP;
- f) Who has a material financial interest through ownership of stock or other type of equity interest in an entity that is engaging in transactions or competes with the WPP of the type listed in subsections (d) and (e), above. For purposes of the Policy, a material financial interest shall mean a 10% or more equity interest in such an entity described above and shall be calculated by aggregating the equity interests of the director and immediate family members; or
- g) Who is a creditor of any entity that is engaging in transactions or competes with the WPP of the type listed in subsections (a) through (d), above.

Corporate Opportunity

Generally, a director breaches the duty of loyalty if the director seizes a business opportunity that the corporation was financially capable of undertaking or in which the director had a reasonable interest or expectancy. Moreover, a director's loyalty will be called into question even if the director simply takes personal advantage of a business opportunity that was in line with the company's business. This type of conflict is referred to as a "Corporate Opportunity."

A conflict of interest may occur when a director fails to inform the WPP of a Corporate Opportunity and instead diverts it to himself or herself, or to an Immediate Family Member, or to any entity with respect to which he or she (or an Immediate Family Member) is an employee, officer, director, holder of an equity interest, or creditor.

Non-public Inside Information

It is a conflict of interest to disclose non-public inside information relating to the WPP or gained through the director's relationship with the WPP, or to use such information for the personal profit or advantage of any director, any of his or her Immediate Family, or any entity with respect to which the director (or an Immediate Family Member) is an employee, officer, director, holder of an equity interest, or creditor.

Gifts, Gratuities, and Entertainment

It may be a conflict of interest for a director (or an Immediate Family Member) to accept gifts, excessive entertainment, unsecured loans, or other favors from any outside party that does, or is seeking to do, business with, or is a competitor of the WPP under circumstances from which it might be inferred that such action was intended to influence or possibly would influence the director in the performance of his or her duties. Though there are exceptions to the general rule, generally it is the WPP's policy that neither the organization, nor any of its directors shall accept gifts or discounted goods or services from the WPP's vendors. Token gifts of limited value received on a limited basis are acceptable (gifts with a combined value no greater than \$100 received during a 12-month period).

Other Areas of Conflicting Interest

Other circumstances may arise which could result in a conflict between a director's personal interests and the interests of the WPP. The descriptions above are not inclusive of all potential conflict of interest situations. In general, any circumstance that may give rise to reasonable questions of possible favoritism, self-dealing, or undue influence may be a potential conflict of interest, even if no actual conflict exists. It should be noted that a personal bias against a third party may result in a conflict of interest even if the director is of the belief that he/she is not acting contrary to the fiduciary duties owed to the WPP.

To: WPP Board
From: WPP Staff
Date: November 29, 2023
Meeting Date: December 6, 2023

Subject: Membership Policy and Schedule of Dues

Recommended Action:

Staff recommends the Board approve the proposed schedule of dues for 2024; adopt the proposed Membership Policy; and direct Staff to take all steps necessary to develop and post intake forms and membership agreements consistent with its Membership Policy.

Background

This year, Northwest Power Pool, dba Western Power Pool (WPP) revised its bylaws to expand the company's historical definition of "members." Historically, WPP's members were organizations primarily engaged in the business of generation, transmission, or distribution of electric energy within a specific geographic footprint participating in various WPP-facilitated reliability programs. These members, referred to in the bylaws as "Program Signatories," remain members of WPP after the revision of WPP's bylaws.

More recently, and in recognition of the more public role served by WPP as administrator of the Western Resource Adequacy Program, WPP's bylaws were modified to allow the addition of new types of members, called "Allied Partners." These new, non-voting members may be ineligible to participate in WPP programs, but they may wish to stay abreast of WPP events, may seek the opportunity to serve on WPP's Nominating Committee or other committees that may be established over time, or may wish to participate in members-only events or programs that may arise.

To formalize the membership of Allied Partners and to improve administrative communications with members, Staff recommends the Board approve a proposed schedule of dues and a proposed membership policy.

Schedule of Dues

WPP Staff recommends the Board adopt the following schedule of dues for members:

Allied Partners: Governmental
or non-profit organization: \$250/year

All others: \$500/year

Program Signatories: No additional dues.

The proposed schedule of dues for Allied Partners is intended to recognize the incremental administrative costs that will be incurred by WPP to set up, maintain, and administer membership rolls and contacts; maintain membership agreements; process dues; answer member questions; and tend to other membership issues.

The proposal that no additional dues be applied to Program Signatories is intended to recognize that WPP is currently receiving revenue from program participants sufficient to cover administrative costs associated with Program Signatory membership. While WPP intends to send out intake forms to Program Signatories to formalize membership contacts, WPP does not anticipate incurring additional expenses for this activity.

Membership Policy

Staff has attached a written Membership Policy. This policy is consistent with WPP's bylaws and outlines company policy regarding membership.

Conclusion: Staff recommends the Board approve the proposed schedule of dues for 2024; adopt the proposed Membership Policy; and direct Staff to take all steps necessary to develop and post intake forms and membership agreements consistent with its Membership Policy.

WPP Membership Policy

What It Means to Be a Member

WPP is a 501(c)(6) membership organization with corporate members. The rights of corporate members are described in NWPP's bylaws. Historically, NWPP's members were electric load-serving entities participating in various NWPP-facilitated reliability programs. These members, referred to in the bylaws as "Program Signatories," remain members of NWPP. More recently, and in recognition of the more public role served by NWPP as administrator of the Western Resource Adequacy Program, NWPP's bylaws were modified to allow the addition of new types of members, called "Allied Partners." These new, non-voting members may be ineligible to participate in NWPP programs but may wish to stay abreast of NWPP events, may seek the opportunity to serve on NWPP's Nominating Committee or other committees that may be established over time, or may wish to participate in members-only events or programs that may arise.

Overview of Member Rights and Participation Eligibility

WPP's bylaws provide that membership may be granted to a corporation, utility or agency that:

1. Submits an application or submits an intake form, as applicable;
2. Meets the criteria set forth in a category of corporate membership in NWPP;
3. Shares interest in and supports the purposes of NWPP;
4. Abides by NWPP's bylaws and other such policies, rules, and regulations as NWPP may adopt; and
5. Meets such additional criteria that may be established by the NWPP from time to time (collectively, the "Corporate Member Criteria").¹

The bylaws also note that admission of corporate members shall be made by the President/CEO ("President") upon the President's determination that an applicant meets the Corporate Member Criteria.²

¹ Any such "additional criteria" established by the NWPP will be posted to the NWPP's website.

² The board of directors can change this default process via resolution so stating. In cases of questions regarding eligibility, or if there is no President, the decision shall be referred to the board of directors.

Membership Classes

WPP has two classes of corporate members, whose requirements, rights and obligations with respect to corporate governance are as follows:

- **Program Signatories.** Program Signatory membership may be granted to any load-responsible entity participating in a NWPP-facilitated reliability program. Each Program Signatory has following rights and privileges: (i) the right to vote on an action or amendment to the articles of incorporation or bylaws if the action or amendment would reduce or eliminate the member's right to vote; (ii) the right to vote to dissolve the corporation; (iii) the right to vote on mergers; and (iii) the right to inspect the corporation's accounting records and corporate membership list as provided by Oregon law.

A Program Signatory must meet all Corporate Member Criteria. A Program Signatory must remain a load-responsible entity participating in a NWPP-facilitated reliability program for the duration of membership, must sign all agreements required by NWPP for participation in such program(s), and must submit an intake form to WPP providing information relevant to Program Signatory membership. Intake forms will be sent to each existing program participant and will also be posted on WPP's website.

- **Allied Partners.** Allied partnership status may be granted to companies, utilities, agencies, groups and stakeholders involved or associated with the mission and purpose of NWPP. Allied Partners shall be non-voting, shall not be counted for purposes of determining whether a quorum is present at a meeting of the corporate members and shall not be entitled to vote on any matter.

An Allied Partner must meet all Corporate Member Criteria. An Allied Partner must submit a membership application to WPP and pay the dues established by the board of directors.

All corporate members may participate in the activities and programs of NWPP pursuant to those program criteria and agreements, and may be appointed to serve on committees per any charters that may be established or per the bylaws.

Other Membership Issues

- **Official Representatives.** Each corporate member shall appoint one official representative, who shall have the power to act on behalf of such corporate member without further showing of authority, and all actions taken by such representative shall be binding upon the appointing corporate member. A Member's representative shall be identified in either the Member's intake form or membership application, as applicable, and may be changed from time to time by submitting a new designation of representative to membership@westernpowerpool.org. Each corporate member may invite other corporate member employees, officers or directors to attend NWPP meetings and events, but only the single designated corporate member representative shall have the ability to act on behalf of the corporate member.
- **Dues and Assessments.** Any schedule of dues payable by corporate members will be posted to the NWPP's website.
- **Transfers.** Corporate memberships are nontransferable and not assignable and shall terminate upon the resignation or termination of the corporate membership.
- **Resignation.** A corporate member may resign at any time by delivering oral notice or written notice to the NWPP at membership@westernpowerpool.org. Such resignation shall not relieve the resigning corporate member from the payment of dues or assessments already levied or otherwise committed by that corporate member. Once delivered, a notice of resignation is irrevocable.
- **Termination, Suspension and Expulsion.** A member may be terminated, suspended, or expelled for failure to meet the Corporate Membership Criteria. Any such member shall receive not less than 15 days' prior written notice of any such intended action and the reasons therefor. The members shall receive an opportunity for the member to be heard by the President, orally or in writing, not less than five days before the effective date of the expulsion, suspension, or termination. Any written notice given by mail must be given by first-class or certified mail or statutory overnight delivery sent to the last address of the member shown on the corporation's records.