



Western Resource Adequacy Program Expedited Proposal

Requester

Name:

Organization:

- ☐ Participant _____
- ☐ Program Operator
- ☐ Program Administrator

Title:

Phone Number:

Email:

Date of Request to Resource Adequacy Participant Committee (RAPC): ##/##/202#

Exigent Circumstance

Check one:

- ☐ A FERC-mandated amendment to the Tariff or the Business Practice Manuals
- ☐ An amendment to the Tariff or the Business Practice Manuals to address an immediate reliability impact
- ☒ An amendment to this Tariff or the Business Practice Manuals that the RAPC has determined has significant impacts to utility service

Date Exigent Circumstance determined by RAPC: 06/20/2024

Type of Change Requested

Check one:

- ☐ Correction (*i.e., revising erroneous language or language that needs clean-up for grammatical errors or inconsistency across governing documents - no changes to intent or policy*)
- ☐ Clarification (*i.e., revising language to better represent existing intent, no changes to functionality or policy*)
- ☐ Enhancement (*i.e., revising language to expand upon existing intent or functionality*)
- ☐ New Protocol, Business Practice, Criteria, Tariff (*i.e., new language to accommodate new functionality or policy not existing today*)
- ☒ Change (*i.e., a change in the existing policy – will replace an existing language*)
- ☐ Other (*i.e., changes that do not fall into the categories listed above*)

Description of Change

Provide a description of the issue:

- In the [WRAP Participants' Binding Season Letter published April 22, 2024](#), it was noted that the Tariff currently includes a transition plan to phase in deficiency charges. Participants indicated their intention to develop a proposal for a revised transition plan to enable binding operations to begin in 2027. This Expedited Proposal includes the RAPC's revised transition plan and the associated Tariff changes necessary to implement them.
- In the Western Power Pool's (WPP) statement in response to the Western Resource Adequacy Program (WRAP) Participant Letter, also published April 22, 2024, WPP stated that "[...] we all need to look at the transition period in a new way [...] [a]s we move toward 2027 and a binding program, we will work with participants and stakeholders to assess what changes may be necessary considering the adequacy challenge facing the region."

Please provide the following information if known and/or available.

1. Provide a proposed solution to the issue described:

The following list of changes (with specific language included in the attached, red-lined Tariff) aim to revise the Tariff to allow for a transition plan that enables binding operations to begin in 2027.

Revised Transition Plan Element	Existing Policy	Proposed Policy	Tariff or BPM Language (changes in redline, as applicable)
"Transition Period" (Definition)	From June 1, 2025 (Summer 25) through March 15, 2028 (Winter 27-28)	Extended through March 15, 2029 (Winter 28-29)	PART 1 GENERAL PROVISIONS 1. Definitions [...] Transition Period: The Binding Seasons within the time period from June 1, 2025, through March 15, 2028 2029, plus the time period required to implement the requirements and procedures of Part II of this Tariff applicable to such Binding Seasons.
Binding Season Selection (Tariff §15.1)	Participants may elect their first Binding Season no later than Winter 2027-28. Summer 2025 – Summer 2027 may be Non-Binding for Participants, at their election. Participants may change their Binding Season selection no later than two years prior to the beginning of said Binding Season.	All participants will be binding no later than Winter 2027-28. Participants may elect to be binding in Summer 27 with a shorter notice window (January 15, 2026, instead of May 31, 2025). All seasons prior to a Participant's first Binding Season are Non-Binding Seasons, as before.	Replace much of Tariff §15 (previously detailing selection and deferral of Binding Seasons). §15.1 Except as specified in Section 15.1.1, the Binding Season beginning November 1, 2027, will be the first Binding Season for which all Participants will assume the obligations of demonstrating capacity and making surplus capacity available to other Participants and will receive the benefits of reliance upon other Participants' surplus capacity. Any Binding Season during the Transition Period occurring before November 1, 2027, shall be a Non-Binding Season, as specified in Section 15A of this Tariff.

			<p>§15.1.1 No later than January 15, 2026, a Participant may elect the Binding Season beginning June 1, 2027, as the first Binding Season for which it will assume the obligations of demonstrating capacity and making surplus capacity available to other Participants and will receive the benefits of reliance upon other Participants' surplus capacity by providing written notice of its election.</p> <p>Will require changes to <u>BPM 109 FS Transition Period</u>.</p> <p>Summer 27 loss of load expectation study (to set Planning Reserve Margins) will include all participants, regardless of whether they will determine to be Binding or Non-Binding Participants during the Summer 27 season (does not require a Tariff update).</p>
"Critical Mass" (New Definition)		<p>The participating load volume and Participant threshold for a subregion below in which Participants may participate in a non-binding manner (extending past the transition period): 15 GW of load and 3 Participants for the SW Region; 20 GW of load and 3 Participants for NW Region</p>	<p>The threshold level of participation in a Subregion, as established in the Business Practice Manuals, below which the Participants of such subregion may elect to participate as Non-Binding Participants.</p> <p><i>Note that the thresholds themselves will be clarified in a future BPM or BPM update.</i></p>

<p>"Non-Binding Season" (Definition and Tariff section rearrangement)</p>	<p>A Binding Season during the Transition Period that occurs <i>prior to electing to be subject to</i> Parts II and III of the Tariff</p>	<p>Participants may be in a Non-Binding Season for seasons before they become binding, <i>or</i> if Critical Mass is not achieved in their subregion (potentially after the Transition Period is over)</p>	<p>PART 1 GENERAL PROVISIONS 1. Definitions [...] Non-Binding Season: As to a Participant, a Binding Season that occurs during the Transition Period prior to first Binding Season for which the Participant has elected to be subject to Parts II and III of this Tariff. any Binding Season during which the provisions of Section 15A.1 of this Tariff apply.</p> <p>Moved description of Non-Binding Season from within the Transition Period section of the tariff (§15) to its own new section (§15A) to clearly indicate Non-Binding Seasons may occur outside of the Transition Period.</p>
<p>Critical Mass Non-Binding Season Notification (Tariff §15A.2)</p>		<p>Participants notified that their Subregion has fallen below the Critical Mass threshold must provide notice that they wish to remain (or revert to) non-binding.</p>	<p>Tariff §15A.2 Once WPP has given notice to Participants that their Subregion does not have Critical Mass for a given Binding Season, such Participants will have 30 days to provide notice to WPP if they intend to participate as Non-Binding Participants for that Binding Season. Such notice and election will be given similarly for each season without Critical Mass participation.</p>
<p>"Discounted Deficiency Charge" (New Definition)</p>	<p>Referred to as a 'reduced Deficiency Charge' but was not provided as a formal defined term</p>	<p>Use defined term throughout Tariff.</p>	<p>PART 1 GENERAL PROVISIONS 1. Definitions [...] Discounted Deficiency Charge: A reduced FS Deficiency Charge during the Transition Period that enables a deficient Participant that demonstrates commercially reasonable efforts but is unable to</p>

			cure deficiencies to access Operations Program capacity.
Excused Transition Deficit Limits (Tariff §17.3)	Excused Transition Deficits limited to 25% of the Planning Reserve Margin (PRM) (in MW) in Summer 27 and Winter 27-28, no discount in Summer 28 or Winter 28-29	Excused Transition Deficits limited to 200% FSPRM (in MW) for Summer 27 and Winter 27-28, and 100% PRM for Summer 28 and Winter 28-29	Tariff §17.3.1 [...] Excused Transition Deficits are not resource specific, relate to a MW quantity of the Participant's FS Capacity Requirement, and are limited for each Participant to a Binding Season during the Transition Period to a maximum permissible MW quantity equal to a percentage value times the FSPRM applicable to such Participant for all Forward Showing Submittals submitted by such Participant for such Binding Season. For purposes of such calculation, the percentage value is: 75% for each of the 2025 Summer Season and 2025-2026 Winter Season; 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. 200% for each of the 2027 Summer Season and 2027-2028 Winter Season; and 100% for each of the 2028 Summer Season and 2028-2029 Winter Season.
Reduced Deficiency Charges for Excused Transition Deficits (Tariff §17.3)	FS Deficiency Charge reduction of: 25% in Summer 27 and Winter 27-28; and no discount in Summer 28 and Winter 28-29	Discounted Deficiency Charge equivalent to: 75% reduction of FS Deficiency Charge during Summer 27 and Winter 27-28; and 50% reduction during Summer 28 and Winter 28-29	Tariff §17.3.2 A Participant will pay a reduced Discounted Deficiency Charge as to the portion of its Monthly Capacity Deficiency for which it obtained an Excused Transition Deficit. The FS Deficiency Charge otherwise applicable to such Participant under Section 17.2 shall be reduced by a percentage value equal to 75% for each of the 2025

			<p>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. 75% for each of the 2027 Summer Season and 2027-2028 Winter Season, and 50% for each of the 2028 Summer Season and 2028-2029 Winter Season.</p>
<p>Senior Official Attestation to receive Excused Transition Deficit (Tariff §17.3)</p>	<p>To obtain an Excused Transition Deficit a Participant must provide a Senior Official Attestation (SOA) that they have made commercially reasonable efforts to secure Qualifying Resources.</p>	<p>Continue to require SOA to seek Excused Transition Deficit Evolve current SOA language to enable attestation by a 3rd party under certain circumstances (e.g., embedded third-party load)</p>	<p>Tariff §17.3.1 includes: To obtain an Excused Transition Deficit for a Binding Season, the Participant must provide a Senior Official Attestation attesting that the Participant or a relevant third-party servicing load for which the Participant is the LRE (Load Responsible Entity) 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 the attestation relates to a third-party servicing load for which the Participant is the LRE, the Senior Official Attestation may be signed by a Senior Official of the third-party load service provider, as</p>

			<p>further detailed in the Business Practices Manual.</p> <p>Updates to BPM 109 FS Transition Period will also be required: <i>Appendix A – Senior Official Attestation – ETD</i> language would be expanded to enable signature by a third party, and text in section 5.1 would clarify under what circumstances a SAO from a third party is acceptable.</p>
Commercially Reasonable Efforts Examples	Participants must attest to having made commercially reasonable efforts to procure RA quality capacity before receiving an Excused Transition Deficit.	No policy change	<p>No Tariff or BPM changes.</p> <p>RAPC and Board will endorse examples of what does and does not constitute a ‘commercially reasonable effort.’ Document will be posted to WPP website for reference by those seeking to make an attestation in efforts to attain an Excused Transition Deficit.</p>
Transition Period Deficiencies Impacts to CONE Factor	CONE Factor increases to 200% if a Participant had any FS Deficiencies in the prior FS Year. (<i>NOTE: this is one correction being made in 2024-NTFP-1 – updates assume corrections are adopted</i>)	FS Deficiencies in the Transition Period do not impact CONE Factor for individual Participants (though CONE factor is still influenced by total regional deficit in a given season).	Tariff §17.2.9 Notwithstanding Sections 17.2.7 and 17.2.8, if a participant incurred any FS Deficiency Charges in a Forward Showing Year after the Transition Period , then for the immediately following Forward Showing Year, both the Summer Season Annual CONE Factor and the Winter Season Annual CONE Factor shall be 200% for such Participant.
Operations Impacts of utilizing Excused Transition Deficits	Tier 2 Priority Access to Holdback during the Transition Period for binding Participants that have	Equal (Tier 1) access to Holdback during the (new) Transition Period for Binding Participants with	In Tariff §20.1.3: Remove references to tiers for access to mandatory holdback (previously Tier 1: Binding Participants with no deficiencies or those paying regular FS Deficiency

	paid a FS Deficiency Charge reduced by Excused Transition Deficits and/or had their Monthly Capacity Deficiency Reduced by the No-JCAF Option	completed Excused Transition Deficit SOA and Discounted Deficiency Charge Payment	<p>Charges, and Tier 2: Binding Participants paying reduced FS Deficiency Charges).</p> <p>Tariff §20.8.1: Remove Tier 2 (Binding Participants paying reduced FS Deficiency Charges), making access to Voluntary Holdback in only two remaining priority tiers: Tier 1: Binding Participants, Tier 2: Non-Binding Participants.</p> <p>Tariff §15.2.4: Added "only" to further clarify that Non-Binding Participants are only able to access voluntary Holdback (no mandatory Holdback).</p> <p>Will require changes to BPM 210 Operations Transition Period.</p>
Diversity Sharing Between Subregions (on Transmission Between Subregions)	Option in Tariff to assume connectivity between Subregions (program currently assumes 0 MW of connectivity)	<p>Through Winter 28-29 (end of new Transition Period), assume 500 MW of connectivity from the southern Subregion to the northern Subregion in Winter, and 500 MW from the northern Subregion to the southern Subregion in Summer</p> <p>Re-evaluate no later than 2030</p> <p>The extent of any reductions in Subregion FS</p>	<p>No tariff change needed - see Tariff §14.3.2 (emphasis added): "Any Participant may choose to offer in the Advance Assessment process transmission service rights owned or controlled by such Participant for firm delivery of capacity from one Subregion to another Subregion, for use by other Participants under the terms of Part III of this Tariff during any or all identified Months of the applicable Binding Season. ... WPP shall take account of such offered transmission service rights, <i>along with other transmission deliverability reasonably anticipated to be available for use by Participants for WRAP purposes during the applicable Binding Season in its</i></p>

		<p>Planning Reserve Margins should not fall below the WRAP Region PRM.</p> <p>Commit to working with EDAM and Markets+ operators 2027-2029 to replace the "500 MW" figures with more accurate numbers and subsequently update policy.</p>	<p><i>determination of the recommended FSPRM values</i> for each Month of the applicable Binding Season for the WRAP Region and for each affected Subregion.</p> <p>Changes to future LOLE Study scopes would be required.</p>
Operations Program Data	<p>Aggregated Operations information provided, as required by Input File Data Specification</p>	<p>Operations program data to be provided on a disaggregated basis, in line with FS Submittal and Advanced Assessment level of detail</p> <p>Participants will provide additional information for post-event analyses</p>	<p>No tariff change is needed. Changes to BPM 202 anticipated, as well as Input File Data Spec once specifics related to granularity and expectations are established.</p> <p>Participants are already providing post-event data for 2024 NW Cold Weather Event – similar data collection efforts will be completed for events with quicker turnaround in future.</p>

1. Provide the specific document and language you would like changed:

[See Tariff Change Column and Redlined Tariff edits included as attachment]

2. Provide a suggestion for how language could be updated to address issue:

[See Tariff Change Column and Redlined Tariff edits included as attachment]

Impact of Change

Please provide the following information if known and/or available.

1. Any data/information available that would characterize the importance or magnitude of the issue (allows for file attachments):

The [WRAP Participants' Binding Season Letter published April 22, 2024](#), indicated the need to revise the Transition Plan as described in the Tariff to enable binding operations to begin in 2027.

2. Describe the benefits that will be realized from this change:

Binding operations in 2027 would see the full implementation of the WRAP design as described in the Tariff, incentivizing Participants to plan to be resource adequate using the same set of metrics and leveraging load and resource diversity across the WRAP Region.