

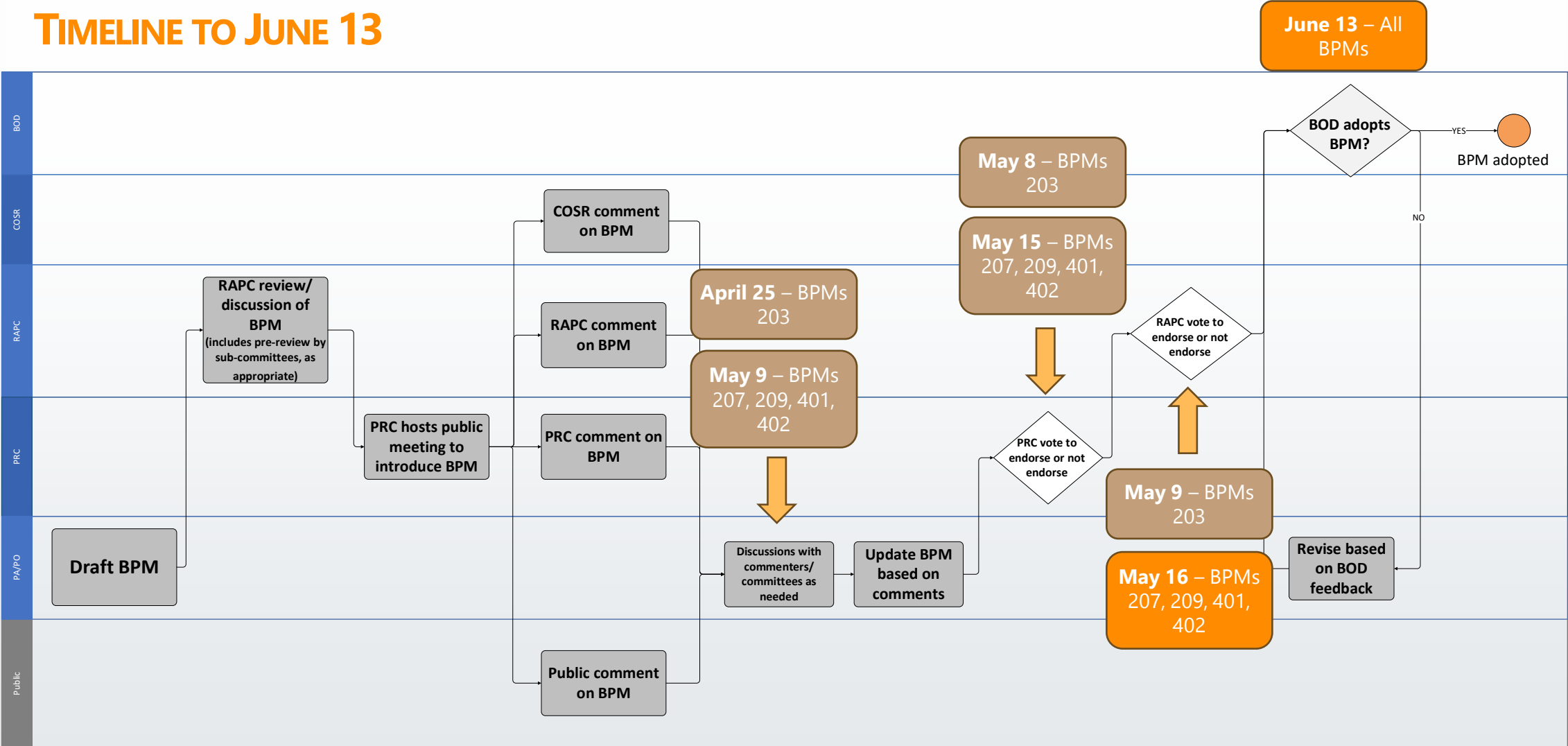
WESTERN RESOURCE ADEQUACY PROGRAM

May 16, 2024

BPM Review Slides

BPM PROCESS FLOWCHART

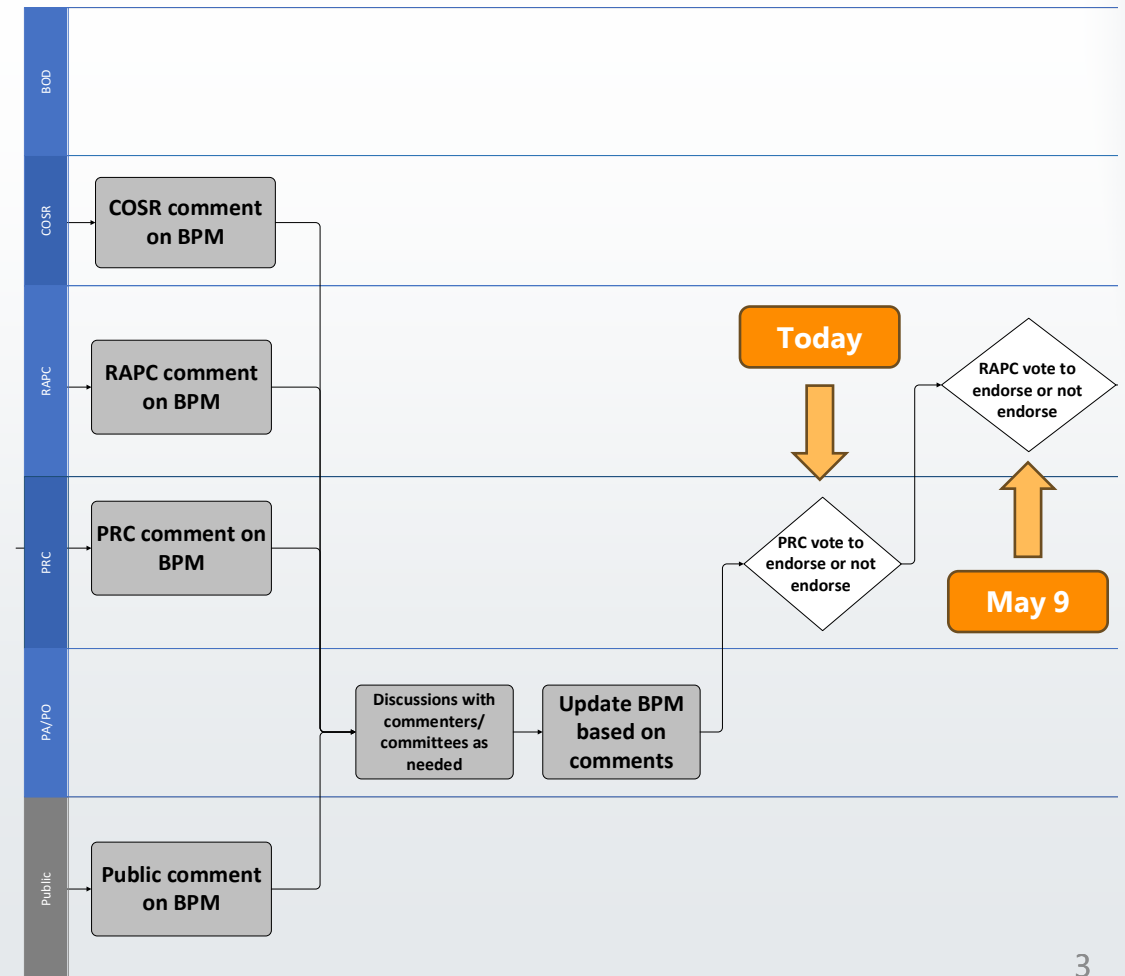
TIMELINE TO JUNE 13



BPM 207 SUMMARY

OPERATIONS PROGRAM – SETTLEMENT PROCESS

- » BPM 207 Settlement Process is the counterpart to BPM 206 Settlement Pricing
- » Settlement information that will be posted
 - Needed for transaction: counterparty, month, dollar amount
 - Additional sufficient detail for a Participant to validate and verify the Final Settlement Revenue and any Make Whole Adjustment
- » How settlement information is accessed – via API
- » Timeline for calculations including process for missing and changing data
- » Dispute resolution process – referenced WRAP Tariff Section 9



BPM 207 EDITS

OPERATIONS PROGRAM – SETTLEMENT PROCESS

- » Enabling agreements for settling WRAP Operations Program transactions
 - added a Section 7 to indicate that Participants can use existing Enabling Agreements, they cannot supersede the tariff-defined terms of the transaction (settlement price, non-deliver / non-performance)
 - Ex. - WSPP Agreement Section 32.1.2 - Pursuant to the provisions of this Section 32, the Parties to a transaction under this Agreement may agree to modify any term of this Agreement (other than provisions regarding the operation of the WSPP as an organization including Sections 7 and 8) which applies to such transaction, such agreement to be stated in a Confirmation or Confirmations.
- » Updated “in line with current bilateral practices” so as not to draw a line in sand with “current”
- » Added a table with more details on what settlement data will be posted publicly and for Participants
- » Changes to inputs after-the-fact – added a 5% trigger for Participant requests for recalculation as requested
- » Added more details to or updated timelines throughout

BPM 207 COMMENTS

OPERATIONS PROGRAM – SETTLEMENT PROCESS

- » Concerns about delays due to index pricing not being available
 - Participants can settle using different pricing on an interim basis and then true up with the WRAP Settlement Pricing when available
- » Requests to add an alternate data source for index prices
 - This would need to be a change to BPM 206 – this can be proposed when we “open the doors” for changes
 - Suspect there may be some MBR considerations

BPM 207 COMMENTS

OPERATIONS PROGRAM – SETTLEMENT PROCESS

Comment/Theme	Response
Request for more Operations Program and Settlement data to be made public	This is possible, but would need to go through the data release process per BPM 402 and not be defined in this BPM
Questions about how WRAP Delivery Failure Charges will interplay with other programs or markets (i.e. CAISO WEIM)	This BPM does not discuss Delivery Failure Charges – that is BPM 209. However, Non-WRAP program or market charges are out of scope.
Requests for definitions of tariff defined terms	Left those to the tariff definition. We will provide a comprehensive glossary for ease of reference once we have a full suite for BPMs
Examples and supplementary documentation	There is a host of these documents that will be provided once we get all the BPMs approved
Will SPP be the final voice in disputes?	No, any disputes will follow the Dispute Resolution Process in Tariff Section 9

MOTION:

Vote to endorse BPM 207 – Settlement Process

BPM 209 SUMMARY

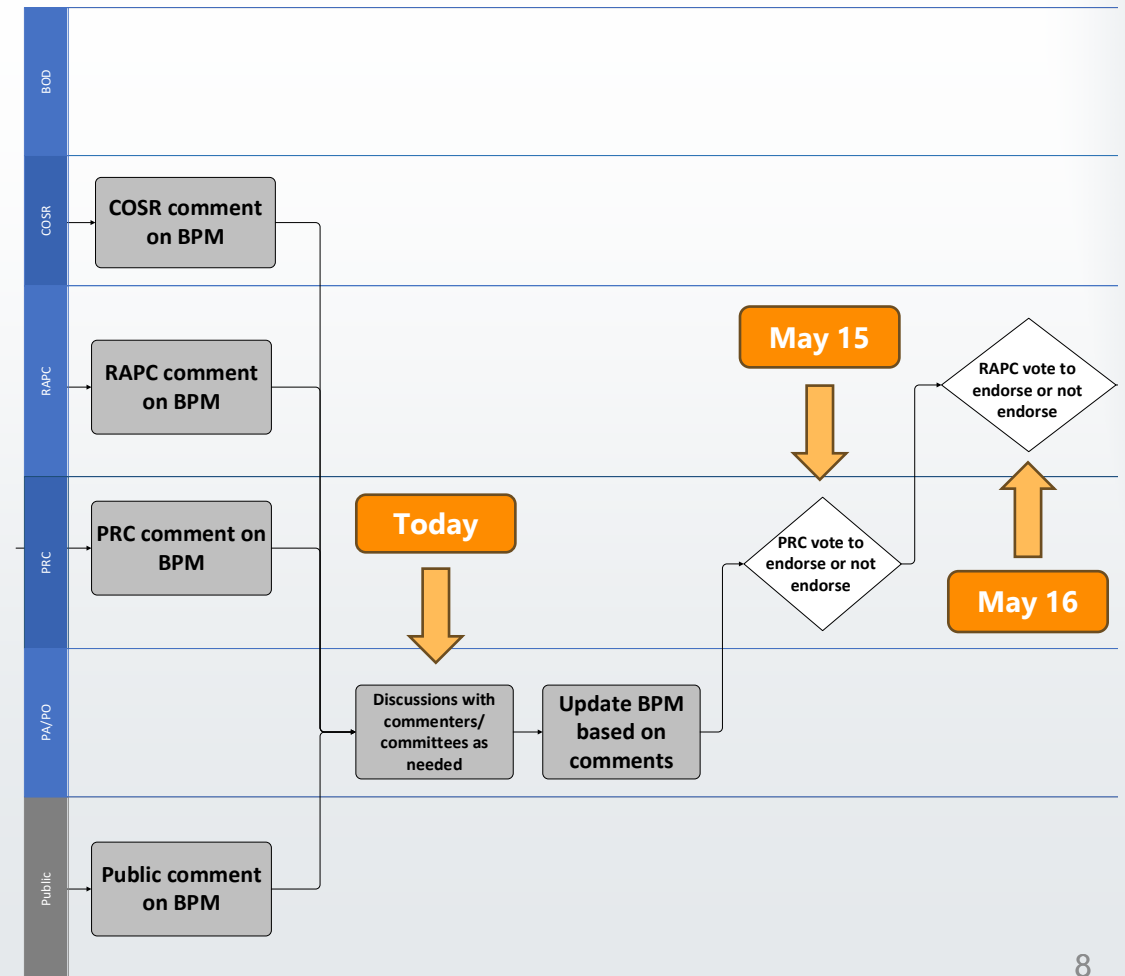
OPERATIONS PROGRAM – ENERGY DELIVERY FAILURE CHARGES

» Describes:

- Evaluation of Delivery Failures
- Calculation of the Delivery Failure Charge
- Limits on maximum amount of the charge
- The allocation of revenues received by WPP from payment of charges
- Consequence of repeated Energy Delivery Failures

» Describes the circumstances for obtaining a waiver of the charge and the process by which WPP evaluates and grants waivers

» *Addition: Section regarding Presumptive Waiver for Uncertainty Exceedances*



BPM 209 EDITS

OPERATIONS PROGRAM – ENERGY DELIVERY FAILURE CHARGES

- » **Context: Redline provided after PRC and RAPC discussions and requests for updates. Redline text (Section 7.4) was developed in partnership with Participants who had requested changes.**
- » Included text in items of *Section 3: Notification of Anticipated Delivery Failure* – “adjusted MW delivery quantity after taking into account the expected non-delivery”
- » Clarified text in *Section 7.4: Presumptive Waiver for Uncertainty Exceedances*, list item 1.iii - attestation only pertains to the capacity identified to meet the FS capacity requirement.

BPM 209 COMMENTS

OPERATIONS PROGRAM – ENERGY DELIVERY FAILURE CHARGES

Comment/Theme	Response
<p>Request that Participant who experiences non-delivery receives some amount of compensation (in the event of a waived non-delivery event)</p>	<p>No policy or process in place to accommodate this case, would require a Tariff change to go through WRAP governance and FERC approval</p>
<p>How does WRAP handle an outcome where a Participant provides notice of non-delivery but recipient does not reduce e-tag schedule?</p>	<p>If the Creating Purchasing-Selling Entity (CPSE) does not adjust the e-tag to reflect the notice of non-delivery it is expected that the generating Balancing Authority would curtail the e-tag if they are unable to meet the generation obligation during the operating hour. If the e-tag is not curtailed, even if notified, it would not be considered an instance of non-delivery.</p>

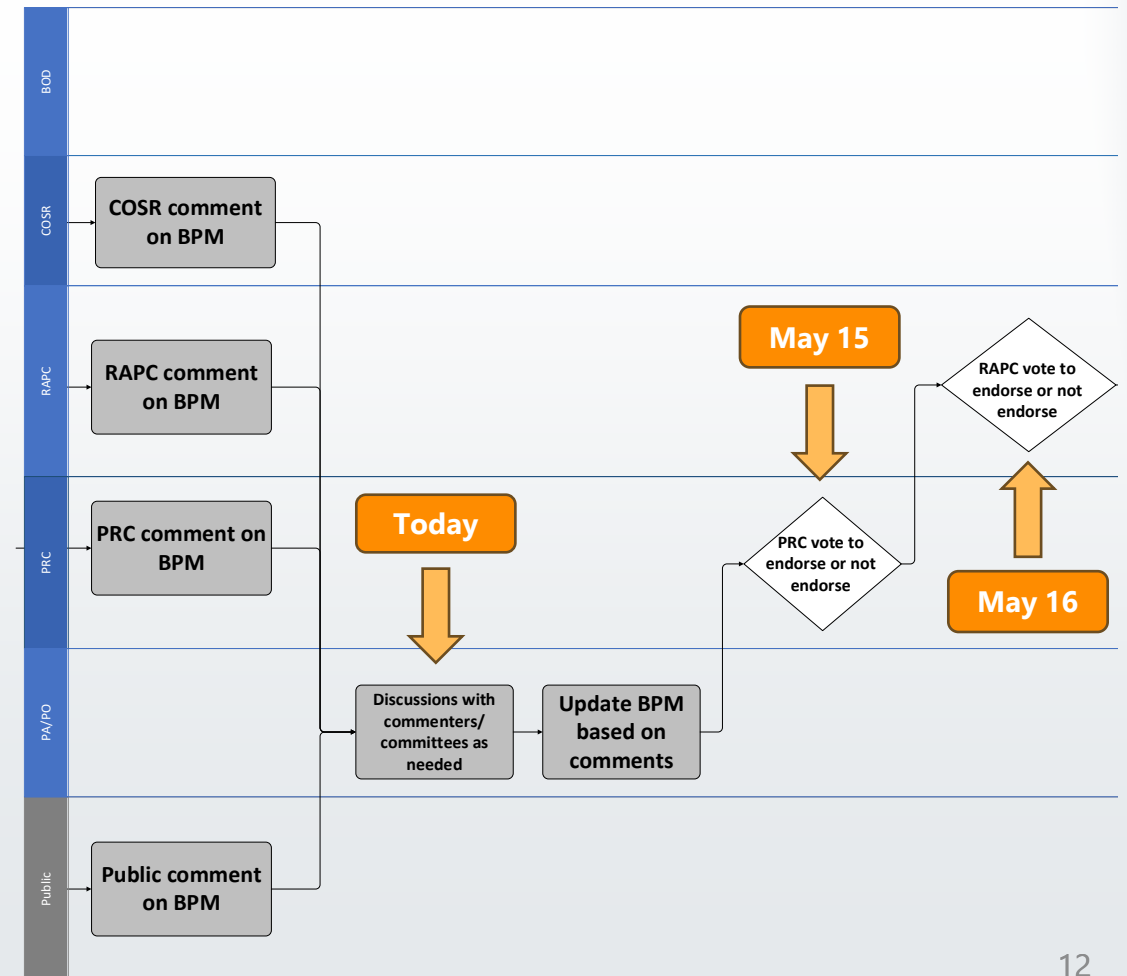
MOTION:

Vote to endorse BPM 209 – Energy Delivery Failure Charge

BPM 401 SUMMARY

AUXILIARY – NEW PARTICIPANTS

- » Provides guidance for new Participants joining the WRAP and those considering future participation
- » Describes the application and registration process
 - Timelines, signing a WRAPA, registering resources, program payment, WPP membership
- » Defines WRAP administrative items to be considered
 - WRAP committee involvement, Participant resources
- » Onboarding into the FS and Ops Program



BPM 401 EDITS

AUXILIARY – NEW PARTICIPANTS

» Provided clarifications in text regarding:

- Registration of resources and loads;
- Onboarding timeline;
- Process of generating a non-conforming WRAPA;
- Committee involvement & onboarding materials;
- Initial modeling assumptions; and
- Requirements of the limited Data Request.

BPM 401 COMMENTS

AUXILIARY – NEW PARTICIPANTS

Comment/Theme	Response
Can we implement a second timeline where Participants start at the AA so no class average QCC's are necessary?	For immediate participation in the WRAP, a limited data request is required – results of an Advance Assessment are not implemented until 2.5 years later, per timeline in BPM 101.
What is the purpose of the limited Data Request?	Limited Data Request allows incoming Participants to make sure they have the info they need to fill out the FS submittal – only used for this purpose.
Table skips over some deadlines	To avoid bloat in the BPM, tables 1 and 2 skip ahead after the first binding operations season to the first Summer FS deadline where New Participants no longer use class averages.
Concern over first forward showing being binding for new Participants	WPP will commit to have public information available such that incoming Participants are able to prepare & estimate before executing a WRAPA. No transition binding seasons left.
Concern over first operations binding season – request to make one month voluntary	There is time between the execution of the WRAPA and start of Summer Operations to use testing environments – one non-binding month not in alignment with Tariff

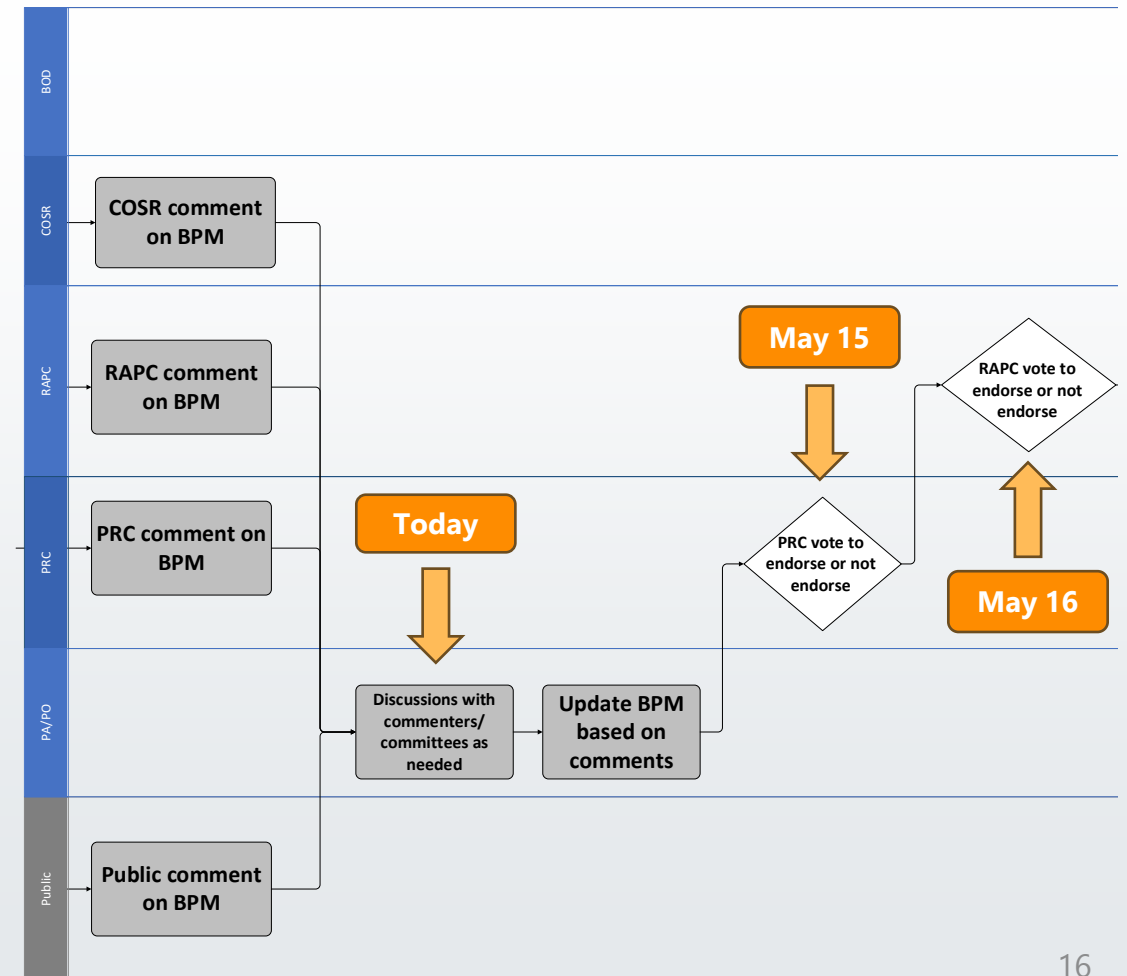
MOTION:

Vote to endorse BPM 401 – New Participant Onboarding

BPM 402 SUMMARY

AUXILIARY – CONFIDENTIAL INFORMATION

- » Protection of Commercially Sensitive and Confidential Information
- » Describes process for handling and releasing Participant aggregated or composite information set forth in Tariff (section 10)
 - Form and format approval (new and revised)
 - Confidentiality requirements/disclosures
 - General exceptions (publicly available, FERC request...)
- » Includes process for appeals (RAPC, BoD)



BPM 402 EDITS

AUXILIARY – CONFIDENTIAL INFORMATION

- » Added clarifications to required disclosures timelines
 - WPP will use best efforts to notify Participants affected by a legal or regulatory disclosure requirement “within five business days.”
 - Notifications regarding requests for disclosures coming from FERC will be distributed to Participants “as soon as practicable”
- » Request for all information provided to WPP to be presumed confidential
 - **Proposed solution: Defined categories of default confidential information**
 - Requires minor Tariff change

BPM 402 COMMENTS

*AUXILIARY –
CONFIDENTIAL
INFORMATION*

Comment/Theme	Response
Request to treat by default all documents and data as confidential instead of an individual labelling exercise	Could require Tariff change. However, additional language has been incorporated to establish a non-exhaustive list of categories of confidential information (AA, FS, Ops)
Request to extend timeframe given to participants to object to a new/revised form and format (14->21 days)	Left it at 14 days to align with appeal windows defined in other BPM (i.e. 209)
Request for WPP to acknowledge receipt of any documents or communications from Participants	Would require additional resources and processes to be implemented other than performing common practices already in place
Request that BPM explicitly requires WPP to notify Participants whenever composite or aggregated info is released	Common practices already in place via emails and/or web notifications
Request that Participants may opt-out from aggregation process	Inconsistent with the Tariff – already remedies contemplated to the extent a Participant disagrees with a decision to release aggregated data

MOTION:

Vote to endorse BPM 402 – Protection of Commercially Sensitive and Confidential Information

BPMs STATUS OVERVIEW

BPM	Next Steps	RAPC Approval	BOD Approval
203 – Program Sharing Calculation Inputs	BOD Approval	5/9	6/13
207 – Settlement Process	BOD Approval	5/16	6/13
209 – Energy Delivery Failure Charge	BOD Approval	5/16	6/13
401 – New Participant Onboarding	BOD Approval	5/16	6/13
402 – Confidential Information	BOD Approval	5/16	6/13
102 – FS Reliability Metrics	RAPC Approval	9/12*	9/19
103 – Participant FS Capacity Requirement	RAPC Glance – in legal review	9/12*	9/19
106 – Qualifying Contracts	RAPC Discussion – in PA/PO review	9/12*	9/19
202 – Participant Sharing Calculation Inputs	RAPC Glance – PA/PO drafting	9/12*	9/19
204 – Holdback Requirement	RAPC Glance – PA/PO drafting	9/12*	9/19
205 – Energy Deployment	RAPC Glance – PA/PO drafting	9/12*	9/19