

To: WPP Board
From: WPP Staff
Date: June 5, 2024
Meeting Date: June 13, 2024

Subject: Winter 2025-2026 WRAP Forward Showing Planning Reserve Margins

Recommended Action:

Staff recommends the Board of Directors approve the proposed Forward Showing (FS) Planning Reserve Margin (FSPRM) values for the Western Resource Adequacy Program (WRAP) for the 2025-2026 Winter Season.

Background

The FERC approved WRAP Tariff allows for Forward Showing Planning Reserve Margins (FSPRMs) for a Season to be approved by the Board of Directors following an Advance Assessment of reliability metrics. Per Section 14.3 of the WRAP Tariff “[n]o 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.” Nine months before the Winter 2025-2026 FS Deadline of March 31, 2025, is June 30, 2024.

To comply with the Tariff, Staff recommends the Board of Directors approve the FSPRM values as proposed.

Winter 2025-2026 is in the WRAP Transition Period (Summer Season 2025 through Winter Season 2027-2028), however no WRAP Participants have elected Winter 2025-2026 as their initial Binding Season (i.e. Non-Compliance Charges and/or Non-Delivery Charges will not be assessed). WRAP will run in a non-binding manner for Winter 2025-2026.

Stakeholder Process

Consistent with the approved WRAP stakeholder process, the Study Scope of the Advance Assessment for Winter 2025-2026 was presented and discussed at the August 10, 2023, Resource Adequacy Participant Committee (RAPC) public meeting and at the August 23, 2023, WPP Board of Directors public meetings. There were no public comments made on the Study Scope of the Advance Assessment at either meeting when the opportunity was provided.

Per Section 14.3 of the Tariff, “[no] later than twelve months before the FS Deadline for each Binding Season, WPP will determine and post the recommended FSPRM for each Subregion for

each Month of such Binding Season” for Participants to discuss. Results were provided to participants on March 29, 2024, and discussed at the April 2, 2024, Forward Showing Workgroup meeting. As a result of a change in methodology, those values were updated and re-presented to the Forward Showing Workgroup for discussion on April 20, 2024. The updated FSPRM methodology was also discussed at the May 9, 2024, RAPC meeting.

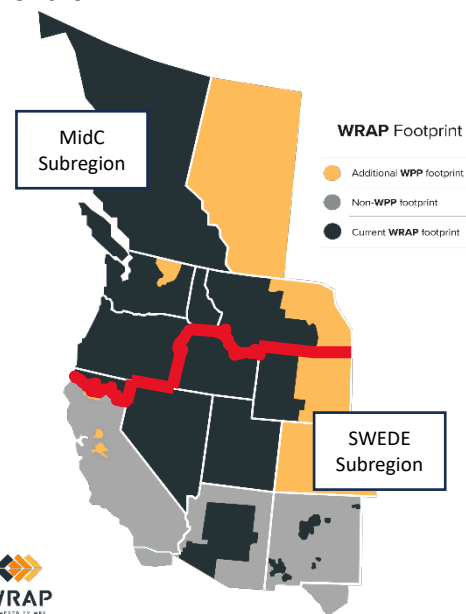
The initial FSPRM results used Monthly P50 Peak Load Forecasts (a different value for each of the five months in the Winter Season). At the April 20, 2024, Forward Showing Workgroup it was explained that this methodology was concentrating capacity in the Winter Months of December and February, due to storms in those Months over the last five years, potentially exposing a risk should a future storm happen in January. The updated FSPRM values proposed for approval by the Board are calculated using a P50 Peak Load across the three months of greatest risk (December, January, and February), and Monthly P50 values for November and March, respectively. With the same P50 Peak Load Forecast for December, January, and February, Participants will have capacity and diversity available across all three Months.

FSPRM Values

Staff has included a table of the FSPRM values for Winter Season 2025-2026.

Subregion	Nov	Dec	Jan	Feb	Mar
Mid Columbia (MidC)	23.1%	12.0%	12.5%	11.7%	27.2%
Southwest and East Diversity Exchange (SWEDE)	21.6%	12.6%	11.3%	13.0%	19.0%

At the time of the FS Deadline (March 31, 2025 for Winter



2025-2026), FSPRM values are applied to Participants’ forecast 1-in-2 peak load for each month of the Binding Season (monthly P50 Peak Load Forecast values) to arrive at a Participant’s FS Capacity Requirement, in accordance with the Tariff and supporting documentation.

Conclusion: Staff recommends the Board of Directors approve the proposed FSPRM values for the WRAP Winter Season 2025-2026 on June 13, 2024, based on:

- a. the Tariff requirement of Board of Director approval nine months before the Winter 2025-2026 FS Deadline of March 31, 2025;

- b. the public presentation of the Winter 2025-2026 Advanced Assessment study scope in August 2023;
- c. the Program Operator's execution of the established Winter 2025-2026 Advance Assessment Study Scope to derive the FSPRM values provided, with the updated methodology for Winter FSPRMs as discussed with the RAPC on May 9, 2024.