

To: WPP Board
From: WPP Staff
Date: November 27, 2024
Meeting Date: December 12, 2024

Subject: Summer 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 Summer 2026 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 Summer 2026 FS Deadline of October 31, 2025, is January 31, 2025.

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

Summer 2026 is in the WRAP Transition Period (Summer Season 2025 through Winter Season 2027-2028 – or through Winter 2028-2029 in the proposed Tariff change filed at FERC), however no WRAP Participants have elected Summer 2026 as their initial Binding Season (i.e. Deficiency Charges and/or Delivery Failure Charges will not be assessed). WRAP will run in a non-Binding manner for Summer 2026.

As designed, the WRAP is intended to focus on two distinct operating seasons: Summer and Winter. As such, a separate PRM is calculated for each Binding Season based on a LOLE metric that is calculated separately for each season. In Sections 16.1.2.1, 16.1.2.3, 16.2.5.2.2, concerning the FSPRM, the Tariff revisions filed on November 27, 2024 revise the references to “annual LOLE” to “Seasonal LOLE” and provide other related changes to clarify how this reliability metric will be calculated. Because there is a Summer Season and Winter Season in each year (and, indeed, the Winter Season spans into the next calendar year) the current tariff reference to “annual LOLE” was unclear as to how this metric would be calculated. Therefore, the change from “annual” to “Seasonal” LOLE clarifies that the Program Operator will calculate this metric on a seasonal basis for the Forward Showing Program. In other words, the Tariff revisions clarify that the FSPRM is intended to ensure the LOLE for the applicable year does not exceed one event for the Summer

Season and Winter Season, but not one LOLE across both seasons. The LOLE used to determine the FSPRMs in this memorandum were calculated using the seasonal LOLE methodology, in accordance with intended design and the proposed revised Tariff.

Stakeholder Process

Consistent with the approved WRAP stakeholder process, the Study Scope of the Advance Assessment for Summer 2026 was presented and discussed at the September 12, 2024 Resource Adequacy Participant Committee (RAPC) public meeting and at the September 19, 2024 WPP Board of Directors public meeting. There were no public comments made on the Study Scope of the Advance Assessment at either meeting when the opportunity was provided.

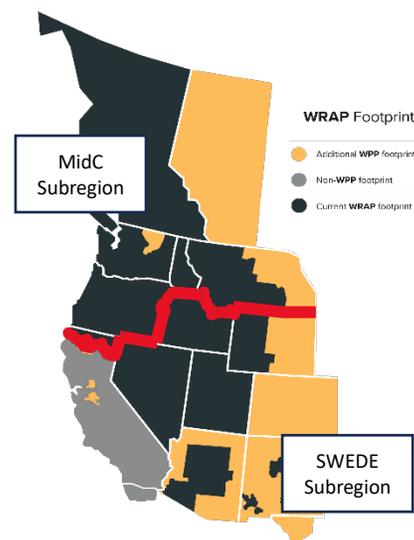
Per Section 14.3 of the Tariff, “[no] later than twelve months before the FS Deadline for each Binding Season, WPP will determine and post the recommended FSPRM for each Subregion for each Month of such Binding Season” for Participants to discuss. Results were provided to participants and discussed at the October 29, 2024 Forward Showing Workgroup meeting.

The FSPRMs up for approval employ the diversity sharing between Subregions (on transmission between Subregions) included in the Revised Transition Plan Expedited Proposal (2024-EP-1) that was approved by RAPC on August 29, 2025 and the Board of Directors on September 19, 2024. The diversity sharing assumes 500 MW from the Northwest Subregion (“MidC”) is available to the Southwest and East Subregion (“SWEDE”) in each Summer Season, where any reduction to a FSPRM will not fall below the corresponding FSPRM calculated for the WRAP Region as a whole.

FSPRMs

Staff has included a table of the FSPRMs for Summer 2026 Season.

Subregion	June	July	August	September
Mid Columbia (MidC)	22.3%	14.2%	18.1%	20.5%
Southwest and East Diversity Exchange (SWEDE)	15.4%	8.6%	11.1%	16.2%



At the time of the FS Deadline (October 31, 2025 for Summer 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 Summer 2026 Season on December 12, 2024, based on:

- a. the Tariff requirement of Board of Director approval nine months before the Summer 2026 FS Deadline of October 31, 2025;
- b. the public presentation of the Summer 2026 Advanced Assessment study scope in September 2024;
- c. the Program Operator's execution of the established Summer 2026 Advance Assessment Study Scope to derive the FSPRM values provided.