

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

Subject: Update to Summer 2025 September WRAP Forward Showing Planning Reserve Margin for the MidC Subregion

Recommended Action:

Staff recommends the Board of Directors approve an updated September value for the previously approved Forward Showing (FS) Planning Reserve Margins (FSPRMs) for the Western Resource Adequacy Program (WRAP) 2025 Summer Season in the MidC Subregion.

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. The Board of Directors previously approved the Summer 2025 FSPRM values (for all four Summer 2025 months, and for both Subregions) on January 31, 2024.

Summer 2025 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 elected Summer 2025 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 2025.

The 16.2% value was the result of preliminary Loss of Load Expectation (LOLE) simulation results that were later refined but for which the changes were not properly documented. All other monthly FSPRM values approved by the Board in January 2024 were a result of the LOLE study performed with the updated assumptions. Staff recommends the Board of Directors approve an updated Summer 2025 September FSPRM value of 14.2% in the MidC Subregion.

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.

Present State

The Forward Showing for Summer 2025 was due October 31, 2024, and was the first Forward Showing undertaken using SPP’s Engineering Data Submission Tool (EDST). EDST included 16.2% as the September 2025 FSPRM value for the MidC Subregion. SPP as the Program Operator is currently working on validating the FS Submittals for Summer 2025. The validations must be completed by December 30, 2024, after which the Participants must resolve or “cure” any deficiencies in their Forward Showing. Board adoption of staff’s recommendation would allow SPP to perform the validations relative to the correct 14.2% FSPRM for September in the MidC Subregion.

Participant Communication

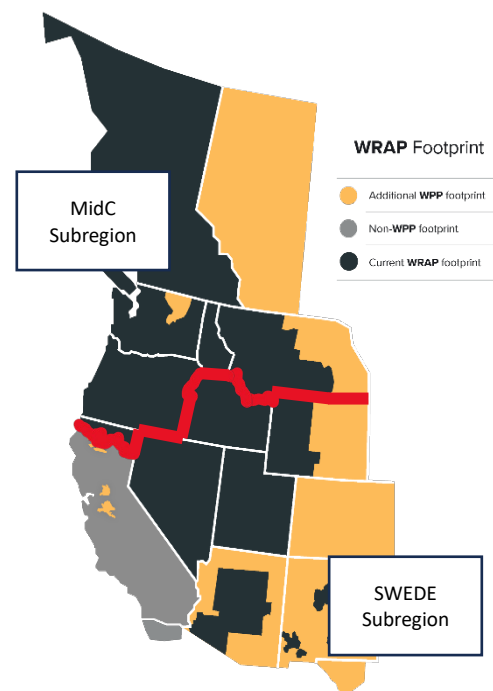
At the November 14, 2024 Resource Adequacy Participant Committee (RAPC) meeting, Staff discussed the need for an updated September 2025 MidC FSPRM and the plan to ask for Board of Directors approval. No Participants expressed issue with the plan to correct the September 2025 FSPRM value for MidC.

FSPRMs

Staff has included a table of the FSPRMs for Summer Season 2025 with the updated value in **red**.

Subregion	June	July	August	September
Mid Columbia (MidC)	26.2%	14.5%	16.1%	14.2%
Southwest and East Diversity Exchange (SWEDE)	18.6%	14.4%	13.7%	26.1%

FSPRMs are applied to Participants’ 1-in-2 peak load for each month of the binding season (monthly P50



Peak Load Forecasts) 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 updated September 2025 MidC FSPRM value for the WRAP Summer Season 2025 on December 12, 2024, based on:

- a. the Program Operator deadline to validate Participants' Summer 2025 Forward Showing Submittals by December 30, 2024; and
- b. execution of the established Summer 2025 Advance Assessment study scope to derive correct FSPRM values, as provided.