WESTERN RESOURCE ADEQUACY PROGRAM

July 31st, 2025

PRC Task Force 01 – DAM
Meeting 3

AGENDA – PROPOSAL SCOPE

- RAPC Issues Survey

- Issues Matrix and RAPC Survey Results

- Scoping Questions on Holdback

- Expertise

- Next Meeting: Thursday August 7th, 11:00-1:00 PPT

RAPC ISSUES SURVEY

Q. Any further information about DAM integration necessary to enable your continued participation in WRAP (including in a binding program in 2027), and what level of detail or completion of policy discussion on this topic would you need to inform your decision to stay?

- A concept paper outlining policy changes with advisory endorsement from RAPC

ISSUES MATRIX

	Holdback	Energy Deployment	Settlement	Energy Delivery Failure	Operations Timeline	Operations Program Inputs
Draft Proposal(s)	• Sharing calculation run twice • Allocate first within market-based operational subregion (MBOS) • Then allocated between MBOS	• E-Tags for inter-subregional sharing	• Intra-subregional deployments settled at market price (no adders) • Inter-subregional transactions settle at WRAP prices (10% adder)			
Issues/ Opportunities	• Subregion interconnectivity	• Self-scheduling between subregions		• Which entity is responsible for market optimized Energy Deployments that do not match requests	• Potential reduction of Uncertainty Factor by going from PSD to RT • Alignment with market schedules	• Data sharing efficiencies between PA/PO and market operators
Parking Lot	• Implications for Subregions in Forward Showing (outside of core scope)					

WRAP

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ISSUES MATRIX (RAPC SURVEY CONTEXT)

	July 31st Holdback	August 7th ⇨ Energy Deployment	⇦August 21st Settlement	August 26th Energy Delivery Failure	September 2nd Operations Timeline	Operations Program Inputs
Draft Proposal(s)	• Sharing calculation run twice • Allocate first within market-based operational subregion (MBOS) • Then allocated between MBOS	• E-Tags for inter-subregional sharing	• Intra-subregional deployments settled at market price (no adders) • Inter-subregional transactions settle at WRAP prices (10% adder)			
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Parking Lot	• Implications for Subregions in Forward Showing (outside of core scope)					

WRAP

OPS PROGRAM SHARING CALCULATION

Sharing Result
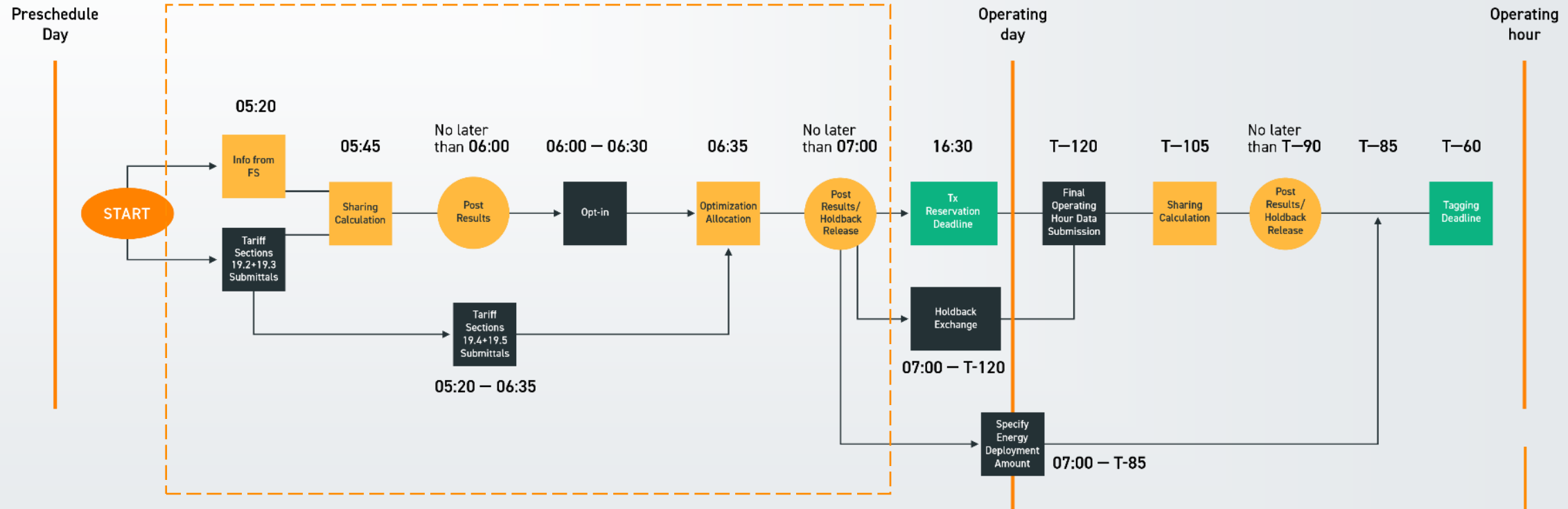
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(P50 + PRM_ Fs_CR)

-

(Load +Ops_CR – DR + Uncertainty)
+
(ΔForced Outages + ΔROR + ΔSolar + ΔWind)

➤ Draft proposal: no significant changes to the Sharing Calculation

OPERATIONS PROGRAM TIMELINE

Sharing Calculation and Holdback Allocation

CURRENT HOLDBACK TIMELINE PSD (PPT)

- **PSD 05:45** Sharing Calculation undertaken

- **PSD 06:00** Sharing Calculation results posted

- **PSD 06:00-06:30**

    - Opportunity to resolve deficits outside of WRAP

    - SWEDE Participants submit transfer capabilities

    - Submit Voluntary Holdback

- **PSD 06:30** Deficient Participants will notify amount of Holdback requested

- **PSD 06:35** Execute allocation methodology

- **PSD 07:00** Allocation results posted and Holdback release

- **PSD 07:00 and OD T-120** Opportunity for surplus entities to exchange Holdback obligations

- **PSD 07:00 to OD T-85** Specify Energy Deployment Amount

CURRENT HOLDBACK TIMELINE OD (PPT)

- **PSD 07:00 and OD T-120:** Opportunity for surplus entities to exchange Holdback obligations

- **OD T-120:** Notify any bilateral Holdback exchange and final submission of forecast data

- **OD T-105:** Final run of Sharing Calculation

  - **Note**: for the deficit/receiving Participant, this informs how much of the amount heldback on its behalf it wants to have deployed

- **PSD 07:00 to OD T-85** Specify Energy Deployment Amount

- **OD T-60:** E-Tag creation request must be completed

HOLDBACK ALLOCATION - MARKET-BASED OPERATIONAL SUBREGION

- **Current bilateral paradigm**: two Subregions (NW and SW)

  - NW (Mid-C): Pro-rata sharing allocation

  - SWEDE: Optimization-based allocation based on transfer capabilities

  - *No sharing obligated between subregions (raise hand only)*

- **Potential new paradigm**: align the two Subregions with market footprints

  - Add any non-market participants to one of these two subregions

  - **Enable between-subregion sharing**

    - Sharing Calc **Run 1** - <u>Intra-subregion</u>: within subregion/market footprint

      - Pro-rata sharing allocation of holdback for both subregions

      - Enable market to optimize matching

    - Sharing Calc **Run 2** – <u>Inter-subregion</u> (**new**): share between the markets/subregions
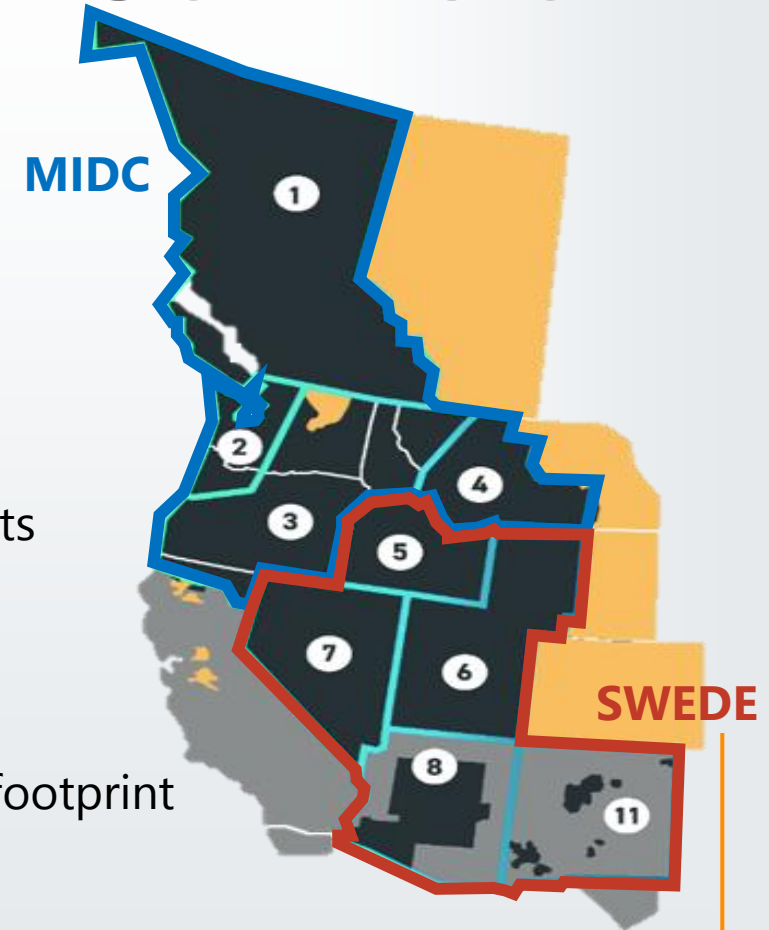
HOLDBACK ALLOCATION (MBOS EXAMPLE)

- **Run 1 – Intra-subregion Sharing Calculation**
  - **M+1:** -100 MW
  - **M+2:** -100 MW
  - **M+3:** +50 MW ⇨ 25 MW to **M+1** & 25 MW to **M+2**

  - **E1:** +200 MW ⇨ 40 MW to **E3**
  - **E2:** +300 MW ⇨ 60 MW to **E3**
  - **E3:** -100 MW

- **Run 2 – Inter-subregion Sharing Calculation ("NEW")**
  - **M+1:** -75 MW
  - **M+2:** -75 MW
  - **M+3:** 0 MW

  - **E1:** +160 MW ⇨ 60 MW to **M+**⎤
  - **E2:** +240 MW ⇨ 90 MW to **M+**⎦ -150 MW   ⇨ 60 MW to **M+2**
  - **E3:** 0 MW   ⇨ 75 MW to **M+1** & 15 MW to **M+2**

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Scoping Questions 7/31/25 (today)

Run Sharing Calculation

- Draft proposal: no significant changes necessary to the sharing calculation.

Set Holdback Requirement

- Allocate first within each MBOS?

- What is WRAP's role in assigning obligations?

- Hypothesis: WRAP assigns individual Participants with MW obligations then markets determine how that energy is dispatched/matched?

- How are allocations assigned: pro-rata?

Additional Sharing between Subregions

- How is this done:

a) re-run Sharing Calculation and assign Additional Holdback to individual participants?

Or

b) Run additional Sharing Calculation aggregating at the market-level?

Parking Lot Items for Today (time dependent)

- Energy Delivery inter- and intra –MBOS

- Settlement Pricing

- Energy Delivery Failure

- Uncertainty Factor reduction (by moving closer to RT)

- Efficiencies for data sharing between WRAP and MOs

WRAP
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CURRENT ENERGY DEPLOYMENT

- **PSD 07:00 and OD T-120:** Opportunity for surplus entities to exchange Holdback obligations

- **OD T-120:** Notify any bilateral Holdback exchange and final submission of forecast data

- **OD T-105:** Final run of Sharing Calculation

  - **Note**: for the deficit/receiving Participant, this informs how much of the amount heldback on its behalf it wants to have deployed

- **OD T-60:** E-Tag creation request must be completed by deficient Participant, and it is the responsibility of the surplus Participant to respond to request.

  - Subregion w/Central Hub: E-Tag will reflect from generation through hub to deficient load

  - Subregion w/o Central Hub: Delivery and receipt will be a points indicated

➤ In a Market-based Operational Subregion Energy Deployment are E-Tags only needed inter-Subregion?

Next Meeting: Thursday August 7th 11:00am-1:00pm