

# **WESTERN RESOURCE ADEQUACY PROGRAM**

August 21<sup>st</sup>, 2025

**PRC Task Force 01 – DAM  
Meeting 5**

# AGENDA – PROPOSAL SCOPE

- Concept Paper Introduction
- Issues Matrix
- Scoping Questions
  - Energy Delivery Failure
- Concept Paper Discussion
- Next Meeting: Tuesday August 26th, 2:00-4:00 PPT

# **CONCEPT PAPER (INTRODUCTION)**

# ISSUES MATRIX (RAPC SURVEY CONTEXT)

	July 31 <sup>st</sup>	August 7 <sup>th</sup>	August 21 <sup>st</sup>			
	Holdback	Energy Deployment	Settlement	Energy Delivery Failure	Operations Timeline	Operations Program Inputs
Draft Proposal(s)	<ul style="list-style-type: none"> <li>Sharing calculation run twice</li> <li>Allocate first within market-based operational subregion (MBOS)</li> <li>Then allocated between MBOS</li> </ul>	<ul style="list-style-type: none"> <li>E-Tags for inter-subregional sharing</li> </ul>	<ul style="list-style-type: none"> <li>Intra-subregional deployments settled at market price (no adders)</li> <li>Inter-subregional transactions settle at WRAP prices (10% adder)</li> </ul>			
Issues/ Opportunities	<ul style="list-style-type: none"> <li>Subregion interconnectivity</li> </ul>	<ul style="list-style-type: none"> <li>Self-scheduling between subregions</li> </ul>		<ul style="list-style-type: none"> <li>Which entity is responsible for market optimized Energy Deployments that do not match requests</li> </ul>	<ul style="list-style-type: none"> <li>Potential reduction of Uncertainty Factor by going from PSD to RT</li> <li>Alignment with market schedules</li> </ul>	<ul style="list-style-type: none"> <li>Data sharing efficiencies between PA/PO and market operators</li> </ul>
Parking Lot	<ul style="list-style-type: none"> <li>Implications for Subregions in Forward Showing (outside of core scope)</li> </ul>					

# PROPOSAL DEVELOPMENT CYCLE

- **Short-term goal:** a concept-paper ahead of September 10<sup>th</sup> in-person RAPC with indicative proposals on Operations Program components vis-à-vis MBOS paradigm
  - Holdback Capacity (July 31<sup>st</sup>, 2025)
  - Energy Deployment (August 7<sup>th</sup>, 2025)
  - Settlement (August 7<sup>th</sup>, 2025)
  - Energy Delivery Failure (August 21<sup>st</sup>, 2025)
- Maintain issues list including topics out of scope of short-term development cycle
- **Long-term goal** remains full proposal enabling Operations Program/DAM efficiencies

# ENERGY DELIVERY FAILURE

# BPM 209 ENERGY DELIVERY FAILURE

- Surplus Participants that fail to provide entire/portion of Energy Deployment MWs (and do not secure a **Waiver**) must pay an **Energy Delivery Failure Charge**
  - Provide **notice of anticipated delivery failure** as soon as practicable
- Calculation of **Energy Delivery Failure Charge**
  - For each hour the Charge is the **Charge Rate** (for that hour) multiplied by the MWh amount
  - Escalates based on how many times Participant has failed to deliver in a **Cumulative Delivery Failure Period**, and is a multiplier of **Applicable Index Price** (higher of DA or RT)
    - 5x, 10x, 20x for **Covered Delivery Failures** (**WRAP does not currently have a mechanism to obligate other Participants to cover other Participants' Energy Delivery Failures**)
    - 25x, 50x for **Non-Covered Delivery Failures**
- **Dollar Limit** on Energy Delivery Failure Charges during a Forward Showing Year
- Allocation of Revenues
  - If **Covered** used to reduce **WPP Administration Charge** in Schedule 1 of Tariff
  - If **Non-Covered** provided to Participant with unserved deficit

# BPM 209 WAIVER OF AN ENERGY DEPLOYMENT OBLIGATION

- **Non-exclusive** list of potential **Waiver** justifications
  - Execution of load management procedures to prevent **firm load interruption** and/or **maintain contingency reserves** due to: loss/derate of generation or transmission; WECC unscheduled flow mitigation; PSD forecasts for **load/VERs underestimated/overestimated** to extent **UF** insufficient
  - If sufficiently firm transmission used has loss/derate or was curtailed due to WECC unscheduled flow
  - SWEDE: if transmission became unavailable on OASIS between PTP deadline and holdback allocation
- **Presumptive Waiver** for **Uncertainty Exceedances**
  - Attest had insufficient supply to meet WRAP and other firm obligations and deviation in load/resource performance led to net shortfall that exceeded UF (also not in net sale position)
- Appeal to BOD available upon **denial** of Waiver request
- **BPA Presumptive Waiver** in certain circumstances related to obligations to give preference and priority to federal power
- **Possible expulsion** for three Covered failures and two Non-Covered failures

# SCOPING QUESTIONS 8/21/25 (TODAY)

## Energy Delivery Failure

- WRAP obligated surplus Participants will retain responsibility for Energy Delivery Failure within an MBOS?
- WRAP obligated surplus Participants will retain responsibility for Energy Delivery Failure between an MBOS?
- Applicable Index Prices will change to match those used in Settlement? Other calculation methodology of the Energy Delivery Failure Charge calculation will remain the same?
- Market-specific examples will eventually need to be added to the non-exclusive list of potential waiver justifications? Do any of these potential justifications need to be removed?

## Parking Lot Items for Today

- Sharing Calculation
- Holdback Capacity
- Settlement
- Uncertainty Factor reduction (by moving closer to RT)
- Efficiencies for data sharing between WRAP and MOs

# **(BACK TO) CONCEPT PAPER**

**NEXT MEETING:  
TUESDAY AUGUST 26<sup>TH</sup>  
2:00AM-4:00PM**