WRAP

Western Resource Adequacy Program

PRC Task Force 01 - DAM Meeting

August 7th, 2025; 11:00-1:00 PPT

Task Force Attendance:

Organization	Name
APS	Tyler Moore Brandon Holmes
NVE	Rodger Manzano Lindsey Schlekeway
BPA	Matt Hayes Jarrett Civelli
IPC	Kathy Anderson / Ben Brandt / Camille Christen
Powerex	Derek Russell Robert Gosselin
TEA	Ed Mount / Dan Williams / Laura Trolese
PSE	Phil Haines Sachi Begur Jason Miller
PGE	Teyent Gossa / Stefan Cristea
PCE Energy Solutions	Justin Shearer

Meeting Objective

 Coalesce around high-level draft proposals for the Operations Program's Energy Deployment and Settlement components

Meeting Agenda

- 1. Agenda Overview
- 2. Proposal Scope (within context of Market-Based Operational Subregions) (See PowerPoint)
 - a. Energy Deployment

E-Tags for Energy Transfers:

- Broad uncertainty remains around the necessity and role of E-Tags for inter- and intramarket transfers.
- Consensus emerged that E-Tags are likely still necessary, especially for EDAM-to-EDAM transfers, but the level of detail and implementation may differ by market.
- There was agreement to flag this as a "known unknown" for now, to be explored further as market rules and seams agreements evolve.

Market Interoperability and Sharing Mechanisms:

- Discussion emphasized the potential value of sharing across EDAM and M+ but acknowledged that logistical and policy details are still evolving and tied to external timelines.
- Participants agreed to build the concept around a high-level vision—that WRAP will
 enable sharing both within and between markets—and refine mechanics over time.
- Recognized that the Task Force may not fully solve inter-market sharing logistics before September but can lay the groundwork and pose key policy questions.

Obligation and Accountability:

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 Clarified that WRAP obligations remain with the Participant, even when fulfilled through market optimization. Markets are not expected to absorb charges for WRAP energy delivery failures.

Next Steps and Conclusion:

- Begin drafting the core structure of the concept paper, identifying what is known, what is unknown, and what questions must be addressed in the next phase.
- Revisit technical and E-tagging questions once there is greater clarity from EDAM and Markets+ rulemaking and seams agreements.
- Acknowledge that while some items must be "parked" for now, the concept paper for RAPC can proceed with clear principles and a phased approach to more detailed development.

Settlement

General Direction:

- Settlement should reinforce the WRAP holdback as a true last-resort option, not an economically attractive alternative to market procurement or penalties (related to RSE or MOO).
- Participants generally agreed that the capacity component of the settlement price should remain within WRAP, while the energy component could defer to market pricing (with caution around complexity).

<u>Challenges Identified:</u>

- Timing mismatch between WRAP's policy needs and the uncertainty in market development (e.g., EDAM and M+ lack complete tariffs and pricing mechanisms).
- Complexities in defining interface prices and accounting for congestion, generation, and transmission costs across market seams.
- Acknowledged that some settlement elements cannot be finalized until further clarity emerges from market operators.

• Conclusion & Next Steps:

- Focus on aligning concept principles: holdback as last resort, pricing that supports reliability and disincentivizes misuse.
- WPP will draft summary bullet points and coordinate with co-chairs to circulate an initial concept structure.
- Next component on energy delivery failure to be discussed in the next meeting
- 3. Consideration of internal/external expertise
- 4. Next meeting: Thursday August 21st 11:00-1:00 PPT

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