

Task Force Member Attendance:

Organization	Name
APS	Brandon Holmes Xinyue Fan Narup Akhil Mandadi Tatum Bingham
IPC	Nicole Blackwell Andres Valdepena Delgado Ben Brandt
NVE	Lindsey Schlekeway Rodger Mazano
BPA	Anthony Lusardi Steve Belcoff
Powerex	Michael Goodenough Glen Tang Ryan Holyk
Tacoma	Leah Marquez Glynn Thad LeVar Carly Page Connor Lennon
TEA	Ed Mount
PSE	Sachi Begur Phil Haines
PGE	Stefan Cristea Devin Mounts Teyent Gossa

Meeting Agenda

1. Contingency Reserves

a. Summary of the discussion at the last meeting included below

- See notes below
- **Action:** Task Force members circle back internally and come to next meeting ready to represent their view and form consensus.
- After Task Force gets consensus on outcomes, WPP will determine path to achieve that outcome.

2. Methodology

- **Goal:** Begin narrowing methodology options to finalize PRM approach by November 18.
 - Reviewed Options - see slides attached.

Discussion:

- Consensus to focus on Options 1–2.5; remove 3 & 4 from further discussion.
- Multiple entities supported Option 2.5 (Optimized + Mega-Peak) with shorter November and June durations.
- Shortened November aligns with observed risk in final 10 days; similar review requested for June.
- Shortening seasons may make results closely resemble the Seasonal method (especially for Winter).



Western Resource Adequacy Program

PRC Task Force - PRM Meeting

October 28th, 2025; 10am-12pm PPT

Actions:

- WPP/SPP to provide frame up discussion at the next meeting regarding methodology options 1-2.5 and how those would interplay with adjusting the season durations.
- Task Force members to gather internal feedback on preferred methodology and season durations.

3. Coordination with Other Task Forces

- Day-Ahead Market TF changes (subregion realignment) may influence PRM modeling assumptions.
- WPP to explore coordination points between PRM and DAM task forces for next meeting.

4. Schedule

- a. No Meeting 11/4
- b. Moving 11/11 meeting to 11/13 (to avoid Veteran's Day conflict)
 - Finalize contingency reserves position.
 - Narrow to preferred methodology options (1–2.5) and discuss season durations.
- c. Target November 18 for consensus to support drafting proposals and tariff/BPM redlines.

WPP forums will not foster or allow communications or practices that violate antitrust laws. Please avoid discussion of topics that would result in anti-competitive behavior, including but not limited to: availability of or terms of services and sales, design of products, price setting, or any other activity that might unreasonably restrain competition.

Contingency Reserves Summary - DRAFT

1. How model treats CR
 - a. Current State: loss of load in the LOLE model is defined as any time there is insufficient capacity to meet load plus contingency reserves. This is driven by the operational understanding firm load may be shed to maintain contingency reserves to mitigate larger reliability risks
 - b. Alternative: Other programs (including SPP RTOs) allow for depletion of CR before shedding firm load
 - c. WRAP current state is "more conservative" than alternative
 - d. WRAP current state is in line with operator action
 - e. Conclusion: We heard ~~strong~~ feedback from the Task Force to maintain current state and keep alignment with the model and operator action
2. What the CR assumptions/requirements we put into the model
 - a. Current State: include 6% of load as a proxy for the 3% load/3% gen CR requirement in BAL-002-WECC-3 (about 3628 MW in Winter and 4670 MW in Summer)
 - i. Results in a PRM of about 4% (due to CR only)
 - b. BAL-002-WECC-3 may be retired, changing the requirements from the 3% load / 3% gen threshold to the Most Severe Single Contingency (MSSC). In preparation for this change, a small working group in the RSG has developed a proposal to move away from the 3%/3% methodology and instead have the RSG footprint cover 200% of the previous year's largest MSSC.
 - i. Currently calculated by RSG to be about 2450 MW
 - c. The total CR requirement would then be allocated to individual BA's based on their weighted pro rata share of generation + load relative to the total footprint generation plus load
 - d. Conclusion: We heard interest from Task Force to move CR to align with RSG CR requirements in the model
 - i. Logistical note: a proposal for this could include a "trigger" that these changes would not go into effect until they are in effect in the RSG. The proposal has not been socialized to the remainder of RSG, as of yet.

WESTERN RESOURCE ADEQUACY PROGRAM

October 28th, 2025

PRM Task Force

1. SEASONAL LOLE

- » Each Participant would apply a single FSPRM to their Peak P50 for the Season – this would result in a **flat capacity requirement** for the whole season.
- » **Pros:** No variability month-to-month, limited variability year to year compared to monthly PRMs, in line with current industry standards
- » **Cons:** higher shoulder month capacity requirements compared to other methodologies (though not guaranteed)

Illustrative
Total Capacity
Requirement



2. OPTIMIZED LOLE – *CURRENT STATE*

- » Run the natural LOLE, then optimize it to require the lowest total capacity for the whole season. Requires each month have a minimum of 0.01 LOLE.
- » Both FSPRM and Capacity Requirement will be **different for every month** of a season.
- » **Pros:** lowest total capacity requirement.
- » **Cons:** more monthly variability and year-to-year variability than Seasonal or Stabilized FSPRMs, month-to-month variability could lead to higher or lower shoulder month capacity requirements compared to other methodologies

Illustrative
Total Capacity
Requirement

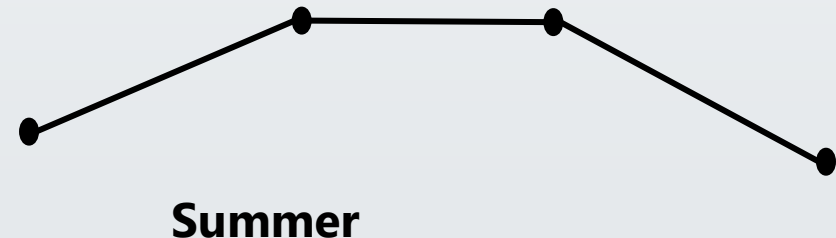
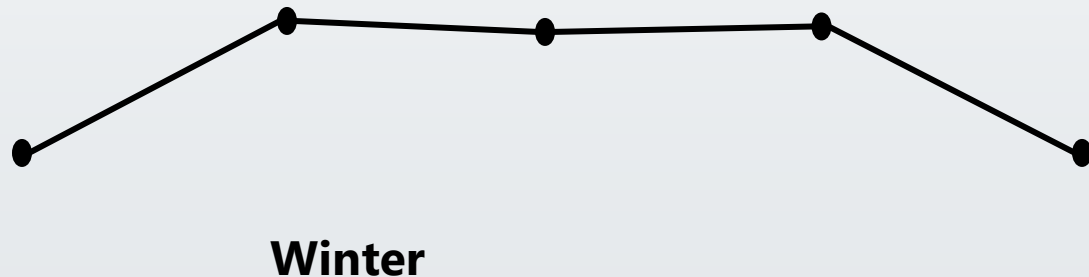
Winter

Summer

2.5 OPTIMIZED LOLE – *UPDATE*

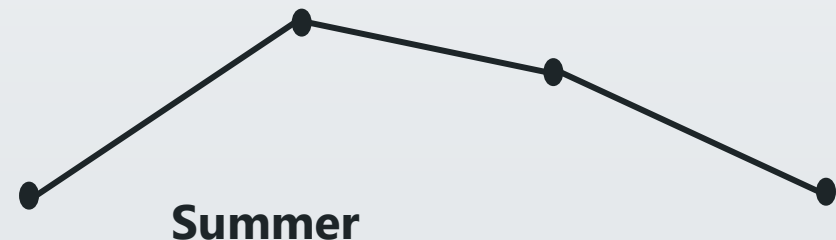
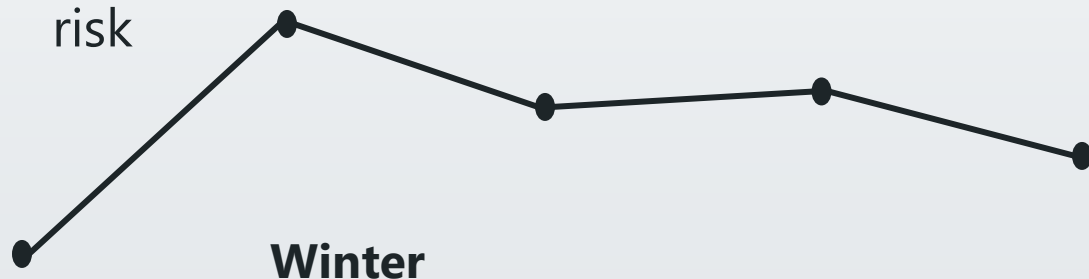
- » Currently, the Winter uses a mega-peak (December, January, February) for the NCP that is used to determine the Final Capacity Requirement
 - meaning the Final Capacity Requirement for those months is not exactly the same, but is flatter than treating each month individually)
- » **This mega-peak methodology could also be applied to Summer (June-August or July-August)**

Illustrative
Total Capacity
Requirement



3. STABILIZED LOLE

- » Run the natural LOLE, then stabilize the LOLE to minimize month-to-month variability.
- » Monthly stabilization may result in risk targeted in one or two months leaving zero risk in other months.
 - Would need to remove the requirement for each month to have a minimum on 0.01 LOLE.
- » Both FSPRM and Capacity Requirement will be different for every month of a season.
- » **Pros:** less monthly variability than Optimized LOLE, increased modeling flexibility.
- » **Cons:** more monthly variability and year-to-year variability than Seasonal LOLE, more subjective allocation of risk that would deviate from a pure assessment of the seasonal risk



4. PEAK MONTHS LOLE + SHOULDERS

- » Run the LOLE simulation for the peak months of each season (Winter: December, January, February – Summer: June(?), July, August) to get a seasonal FSPRM and Capacity Requirement for the peak months.
- » For the shoulder months: apply a FSPRM that is analytically-driven to a shoulder month P50
- » **Pros:** less monthly variability and less year-to-year variability compared to Stabilized or Optimized LOLE, shoulder months receive a generally lower capacity requirement (assuming Participant P50s are lower in shoulder months).
- » **Cons:** Less analytical for shoulder months, more incremental risk across the year (due to condensing the months where the 1-in-10 is assessed).

Illustrative
Total Capacity
Requirement

