

DAM TASK FORCE MEETING

May 28, 2026

AGENDA

- » **Admin: Task Force Reboot**

- » **Proposal Review and Discussion**

- Ideal End-State (W28/29)
- Interim Seasons (W27/28, S28)

- » **Next Steps**

- Discussion: sequencing of interim season scope
- DAM TF meeting cadence

DAM TASK FORCE MEMBERS

Organization	Members
APS	Tyler Moore (Chair)
NVE	Rodger Manzano
BPA	Matt Hayes (Chair) Jarrett Civelli
IPC	Kathy Anderson (Chair) Ben Brandt Camille Christen
Powerex	Derek Russell
TEA	Ed Mount Dan Williams Laura Trolese
PSE	Phil Haines Jason Miller
PGE	Teyent Gossa Stefan Cristea
PCI Energy Solutions	Justin Shearer

**DAM Task Force
Charter**
[PRC Task Force Charter - 01
- DAM.docx](#)

PROBLEM STATEMENT

- » With day ahead markets going live, WRAP Ops Program demands updates
 - Timing, pricing and other integration details are now known as markets mature
 - WRAP has opportunity to evolve to better fit with emerging markets
- » Components of current Ops design are suboptimal:
 - High uncertainty and preschedule timelines likely strand capacity during times of need
 - No sharing is obligated/available between subregions
 - Delivery relies on contract path
 - Bilateral settlements require participants have credit with all other WRAP Participants

DAM TASK FORCE RECAP

- » WPP committed to bringing a proposal to the TF when put on hold in November
- » Points of consensus from DAM TF:
 - SPP Markets+ becomes the primary facilitator of the WRAP Operations Program but WRAP Participants are not required to join Markets+
 - Sharing Calculation will be conducted on a day-ahead basis, rather than preschedule day
 - Settlements become based on M+ LMPs
 - Expect some non-delivery charge to motivate good behavior

OBJECTIVES AND PRINCIPLES

- » Realize potential value of greater integration with DAM, relative to existing WRAP Ops Program
 - Data collection/quality
 - DAM optimization engine
 - Sharing through day-ahead (or even real time)/reduced uncertainty/reduced sharing inefficiency
- » Remain agnostic to Participants' day-ahead market of choice/no market choice

WPP PROPOSAL FOR PROGRAM ADMINISTRATION REALIGNMENT

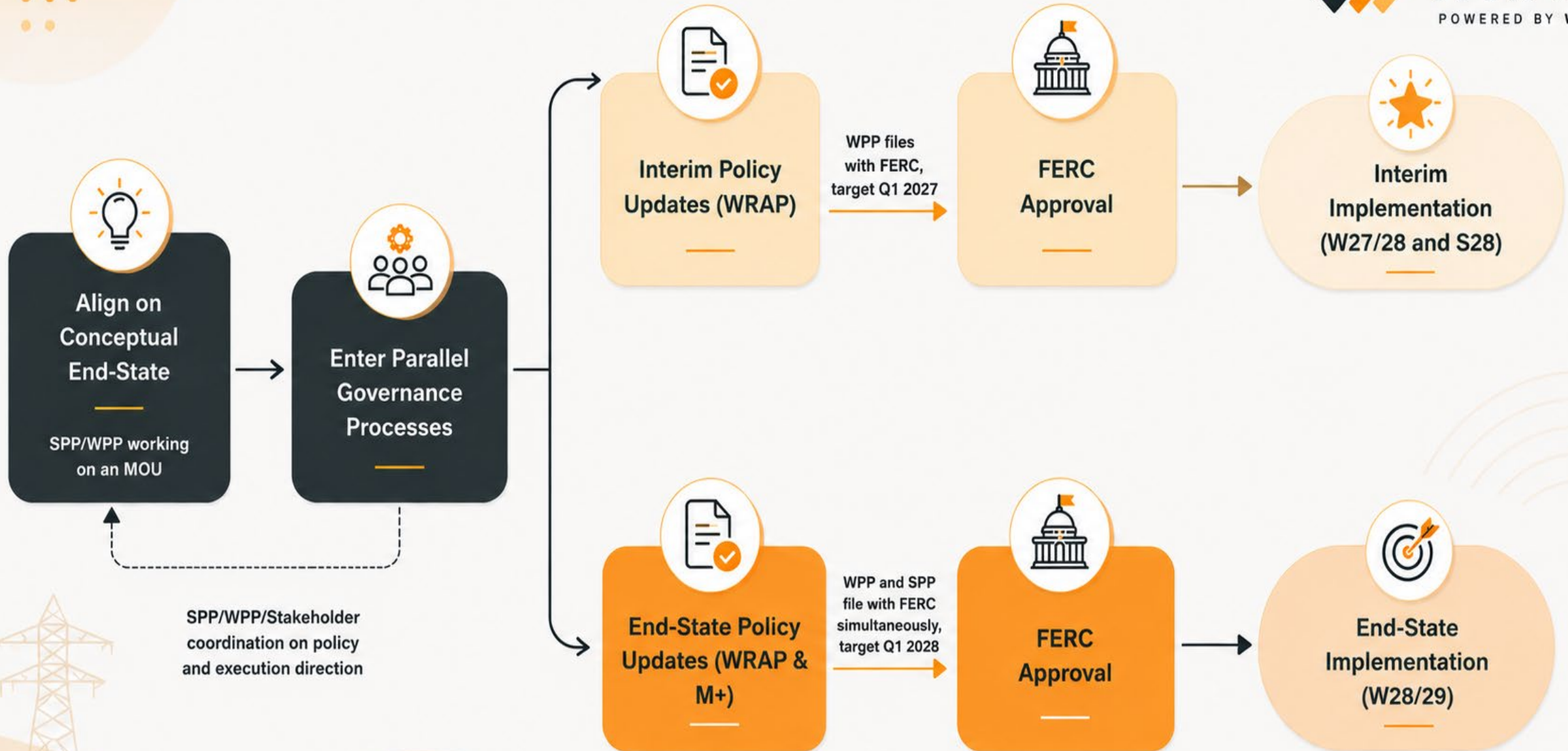
	Forward Showing	WRAP M+ Operations
Today:	WPP + SPP	WPP + SPP
Future:	WPP	SPP
Objective:	Planning, modeling, and compliance aligned under one owner.	Operational sharing and delivery aligned with the market engine.

End State:

WPP → Planning & FS Compliance
SPP → Operational Delivery
Clean accountability, Clear separation of roles.

NOTES ON APPROACH TO CHANGE

- » The governance processes for M+ and WRAP must be followed, and remain separate
 - WRAP task forces cannot make decisions regarding the M+ tariff, and vice versa
 - WPP and SPP can aid the stakeholder processes, but cannot make decisions
- » Not all changes being recommended require tariff changes or governance processes
 - Some changes reside in the WPP/SPP contract for program operator services, or are implementation details



DELIVERABLES

WRAP Tariff / BPM Updates

Will proceed through WRAP governance processes in two phases: interim updates and end-state updates.

M+ Tariff / Protocol Updates

Will proceed through Markets+ governance processes (end-state updates only).

Coordination Agreement

Standalone agreement between WPP and SPP establishing principles and coordination mechanisms required to enable WRAP sharing through Markets+.

PA/PO Contract Updates

These changes will be negotiated between SPP and WPP, with impacts and approach socialized to participants.

CONCEPTUAL OPERATIONAL SHARING POLICY DESIGN

CONCEPTUAL POLICY DESIGN – OPERATIONAL END STATE

1. Governance & Tariff	<ul style="list-style-type: none">• Transition from WRAP to M+ governance and tariff
2. Non-Market+ Participants	<ul style="list-style-type: none">• WRAP Operation Entities (WOEs) establish limited SPP/M+ relationship for access
3. WRAP Offer Obligations (WOO) Assignment & Dispatch	<ul style="list-style-type: none">• M+ assigns WOO to WRAP participants to serve needs• Market optimization drives dispatch (self-scheduling for WOE)
4. Central Counterparty	<ul style="list-style-type: none">• Market operates as the central counterparty
5. Pricing	<ul style="list-style-type: none">• Energy-only pricing using LMPs
6. Coordination Agreement	<ul style="list-style-type: none">• WPP and SPP execute FERC-filed agreement defining program relationships

POTENTIAL BENEFITS

- » Supply risk diversification
- » Delivery risk diversification
- » Access to Intra-Day Diversity
- » Access to Voluntary Supply in Markets+
- » Uncertainty Factor reduced
- » Necessarily supplant current settlement pricing and approach
- » Credit Risk Diversification

GOVERNANCE PRINCIPLES

- » WRAP and Markets+ will operate under separate tariffs and independent governance structures
- » Policy decisions will flow through applicable WRAP or Markets+ governance processes

WRAP Role in the End State	Markets+ Role in the End State
<p>WRAP Governance Focus:</p> <ul style="list-style-type: none">• Resource adequacy standards• Resource accreditation and modeling standards• Forward showing and compliance requirements and process• Reliability planning assumptions	<p>Markets+ Governance Focus <i>(as related to WRAP)</i>:</p> <ul style="list-style-type: none">• Operational sharing implementation• Allocation of sharing obligations• Settlement pricing and credit arrangements• Non-delivery charges and enforcement• Market optimization and operational interfaces

GOVERNANCE IMPLICATIONS

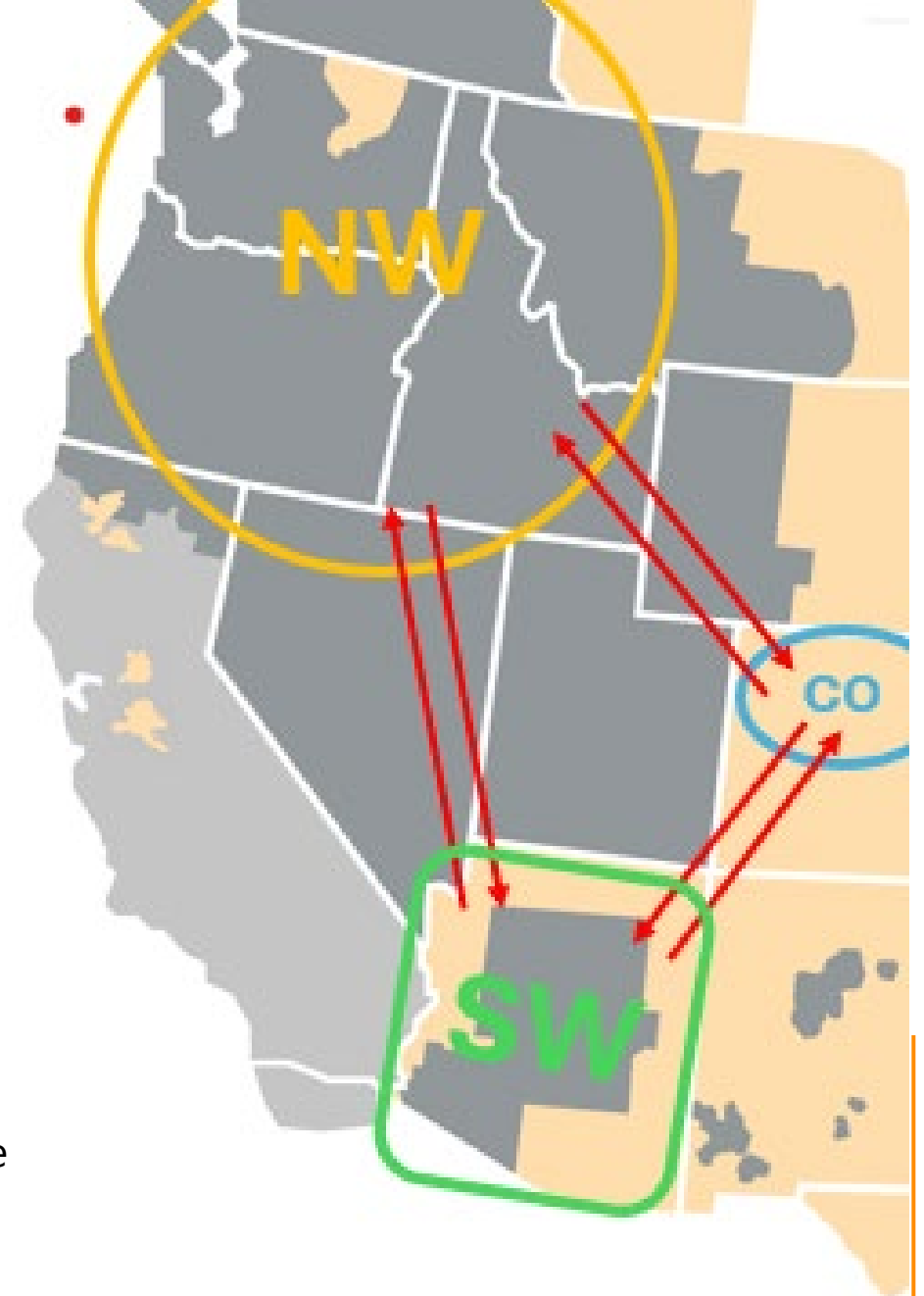
- » As operational sharing policies move into Markets+:
 - Markets+ governance becomes responsible for approving and enforcing operational mechanisms
 - WRAP operational participants will require a defined relationship with Markets+
 - › Limited agreement detailing WRAP-related access and responsibilities
 - › For purposes of discussion, calling this relationship the WRAP Operations Entity Agreement (those who sign: “WRAP Operations Entities” or WOE’s)
 - › WOE’s will need some ability to engage in M+ governance on topics related to WRAP deliveries

SHARING ALLOCATION CONCEPTS

- » Day-ahead sharing calculation before the Markets+ DAM bid/offer submission deadline
- » M+ assigns WRAP Offer Obligations (WOO) to WRAP Participants, based on principles identified by WRAP; *Participants are no longer 'matched'*
- » WRAP Participants in Markets+ offer supply to meet their WOO as part of their DA Must Offer Obligation (MOO)
- » WRAP Participants outside Markets+ (WOEs) self-schedule based on DA sharing calculation
 - Participants with an obligation to supply will self-schedule their full WOO quantity as a DA import into Markets+
 - Participants with a right to receive energy self-schedule their desired quantity (up to their eligibility) as a DA high-priority export from Markets+; any DA holdback eligibility that is not self-scheduled as an export in the DA market is surrendered

SUBREGIONS

- » WRAP does not presently allocate holdback between subregions
- » Integration with M+ could enable WOO allocation between subregions (M+ reserve zones) to support reliability
 - Still prioritize meeting needs with subregion when possible
- » WRAP FS connectivity/diversity assumptions would be based on collaborative info sharing between M+ and participants
 - WRAP FS assumptions need not limit M+ WOO allocation and diversity sharing between reserve zones
 - The two concepts would be related but not necessarily identical
 - Note that WPP recommends that transmission realities be reflected in both WRAP reliability modeling and M+ WOO allocation - a copper sheet approach does not seem appropriate under current circumstances



SETTLEMENT & CREDIT FRAMEWORK

» Settlement

- Pricing for operational sharing becomes energy-only payment
- Markets+ LMP-based pricing replaces bilateral index settlements
- WRAP-related transactions become operationally integrated with market settlement

» Credit & Counterparty

- Markets+ serves as central counterparty
- Eliminates direct bilateral counterparty exposure between WRAP participants
- WOE's establish limited credit relationship with Markets+ for WRAP obligations



DISCUSSION ON END-STATE

INTERIM OPERATION SEASONS

W27-28, S28

INTERIM OPERATING SEASONS

INTERIM = WINTER 27/28 AND SUMMER 28

Proposed: Stay the Same	Proposed: Consider Changing
<ul style="list-style-type: none">• Sharing Methodology• Scheduling & Transmission Responsibility• Program Administration• Settlements (primarily/preliminarily)• Systems & Tools (with some changes)	<ul style="list-style-type: none">• Simplify SWEDE holdback allocation• Market vs WRAP Energy Settlement (ensure no double payment)• Remove Credit Support RFP Requirement in Tariff• Refine some Ops Client/Implementation Details for user experience

The interim seasons prioritize operational stability, continuity of participant experience, and implementation readiness while laying the foundation for the future Markets+ integrated end state.

SWEDE OPTIMIZATION

- » All WRAP participants in SWEDE will also be in M+ Wave 1 (for interim seasons)
- » If M+ will dispatch resources to serve holdback requirements, SWEDE transmission optimization may not be necessary
 - Note that obligations would still be assigned as “Holdback”, with counterparty identified as it is now
- » Consider transitioning SWEDE to pro-rata allocation (like existing Mid-C policy)
 - Consideration: new participant joining September 15, 2027, would be participating in Summer 2028 Interim Season (suggest the pro-rata allocation would still be workable if not an M+ participant)

ENERGY PRICING

- » Existing bilateral settlement framework generally retained during interim seasons
- » Additional consideration/issue spotting required for Markets+ Wave 1 participants
- » Goal is to avoid duplicative compensation between:
 - WRAP bilateral settlements
 - Markets+ market settlement and dispatch

Focus is on maintaining equitable treatment and minimizing settlement disruption during transition.

CREDIT SUPPORT

- » Bilateral nature of Ops Program may require participants to trade with any other participant in their subregion
 - Trade will require credit
 - Tariff anticipated potential for inter-subregional Ops obligations – not presently expected in WRAP interim seasons
- » WPP suggests that credit within the subregion, for the two interim seasons, may be manageable without seeking additional credit support (at cost to participants)
 - Suggest requesting to remove requirement to run an RFP for credit support from WRAP tariff

OPS CLIENT CHANGES

- » WPP and SPP are working on identifying priority upgrades for the Ops Client
 - Balancing interim nature of the two seasons with usability and reliability
- » General framework not changing (data structure, file uploads, etc.)

DISCUSSION

- » Does this scope of potential interim changes sound reasonable for the DAM to tackle?
 - Are there other potential issues/changes that should be addressed or considered for W27/28 and S28?
- » WPP proposes this TF work through the interim season scope before tackling any end-state changes to WRAP – is this agreeable?
 - Suggested timeline: proposal by end of August
- » Concerns, optimism, thoughts?

SCOPE LIST

INTERIM SEASONS / NOW – AUGUST

- » Proposal for WRAP-related sharing could be governed in M+ space
- » Simplify SWEDE holdback allocation (1)
- » Market vs WRAP Energy Settlement (ensure no double payment) (1)
- » ~~Remove Credit Support RFP Requirement in Tariff (CHECK!)~~
- » E-tags (misc token field: "for WRAP") (3)
- » Operating Day Timeline (double check BPM 201 times) – do we want to do all settlement on preschedule? (2)
- » Delivery Failures (2)
 - How to track if Market is dispatching
 - Cleanup and reconsideration of escalation

NEXT STEPS

- » Discussion: sequencing of interim season scope
- » DAM TF meeting cadence