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Maria M. Pope
President & CEO

October 13, 2025

Western Power Pool Board of Directors
7525 NE Ambassador Place, Suite M
Portland, Oregon 97220

Dear Members of the Western Power Pool Board,

Resource adequacy is a foundational element of reliability and affordability in the West. PGE values the vision that WRAP represents – a universal commitment by all load serving entities to developing the physical resources needed to ensure resources are available when and where they are needed most, consistent with a common planning standard. We recognize the commitment from WPP leadership, staff and participants to develop WRAP into a durable program that delivers reliability benefits and customer value.

PGE has been a foundational member of the WRAP and has worked diligently to enable binding participation since the first opportunity. PGE was the first WRAP participant to receive a "passing" score on our operations program report and has achieved above 95% submittal rate since reporting commenced except for periods when the SPP systems were unavailable[1]. PGE has actively participated in the PRC, the RAPC, and WPP Board Meetings to collaborate on enhancements to the WRAP program design.

At the same time, several critical issues remain unresolved, making planning for binding operations more uncertain than at any point in the program's history. As we approach the October 31, 2025 deadline, PGE must weigh the risks of entering a financially binding program while key technical and operational elements are still in flux. While we acknowledge the WPP Board's response[2] to PacifiCorp's letter dated September 30, 2025, we respectfully urge the Board to fully consider all current uncertainties affecting our industry and support our request for a one-year deferral of the binding season. This additional time would allow the working groups to finalize a durable WRAP framework that maximizes long-term benefits for the region and ensures that a wider array of participants can commit based on sound and informed decisions.

Absent an opportunity to defer the binding season, we request that the Board provide guidance on the expected outcomes of the current workstreams, detailed below. We also request a detailed technology roadmap, including technical implementation milestones, that

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[1] PGE's operational data failed to transfer into the SPP's secure portal for approximately two weeks during the Summer 2025 Operational season due to issues associated with SPP's transfer portal folder architecture.
[2] WPP Board of Directors letter dated October 8, 2025 (WPP_Board_Chair_to_PAC_10-8-2025_W5kuokW.pdf)

provide participants with additional information to make an informed decision ahead of the October 31, 2025 deadline. Having a clear IT roadmap that incorporates the planned program changes is important as the implementation of these changes impacts our own WRAP IT systems.

While we agree with the Board's view that "we have come a long way since the initial conversations that launched WRAP," we are now just weeks away from making an irrevocable commitment to a resource adequacy program that is expected to differ significantly from its original design. Many of the core elements that will reshape WRAP, including program structure, reliability metrics, and deficiency charges, remain unsettled.

Recent work by multiple WRAP task forces underscores the scale of these changes:

- **Market Alignment:** The DAM Task Force is proposing to realign WRAP's operational subregions with the footprints of CAISO's EDAM and SPP's Markets+, a fundamental shift in the WRAP structure. Current advisory PRMs and ELCCs are based on the MidC/SWEDE configuration, and this proposed realignment introduces significant uncertainty regarding how those metrics will be recalibrated. Additionally, the WRAP Operations program will undergo substantial changes to align with the requirements and timelines of the emerging day-ahead market structures (EDAM and Markets+). Given the scope and complexity of these changes, what are the Board's expectations regarding the outcome of this realignment? What actions or off-ramps would the Board consider if one or both newly aligned regions sees substantial increases in PRMs or decreases in ELCCs? Would the Board move forward with this realignment if it benefited one region to the detriment of the other?

- **Planning Reserve Margins:** The PRM Task Force is evaluating new methodologies and timing for setting planning reserve margins, with the goal of reducing volatility while maintaining full transparency. These changes directly impact deficiency charge calculations and the risk profile for participants. Additionally, the changes to the PRM methodology and timeline might directly impact the calculation of resource capacity contributions. How is the Board evaluating tradeoffs between volatility and accuracy? Would the Board accept a more stable PRM if it increases the risk of resource inadequacy?

- **Technical Readiness**
  PGE has concerns about the technical readiness of the WRAP platform to support a binding adequacy program. The system has experienced instability, limited responsiveness during disruptions, and lacks the robustness needed for reliable long-term operations. PGE's experience with the operations program client raises questions regarding the ability of the program operator to incorporate the in-flight changes with sufficient time to enable market participants to update their in-house IT solutions. What steps is the Board taking to ensure that the proposed program changes and new functionality will be finalized with sufficient time for both the program operator and

market participants to make the required changes to planning, operational and IT systems to ensure a smooth transition to binding operations? Is this timeline and IT solution different for WRAP participants that have selected EDAM as their energy market of choice? PGE continues to experience operational issues with the program operator's WRAP technology platform, and requests that the Bord provide a clear path to a workable operations program that incorporates the changes under consideration and provides a robust technology solution.

PGE remains committed to regional collaboration and to advancing solutions that strengthen reliability and affordability for our customers and the West. We believe WRAP can fulfill this role, but only if the program's design and readiness issues are addressed before participants are required to make financially binding commitments with long-term implications. For this reason, we support PacifiCorp's request and urge the Board to defer the financially binding deadline, allowing time for stakeholders and WPP staff to finalize these critical issues and position WRAP for long-term success.

Participants should not be expected to commit to a financially binding program, and thereby potentially expose customers to financial charges under both the Forward Showing and Operations Programs, without having clarity on the structure of the first binding season, the reliability metrics to be implemented, or the WRAP deficiency charge. Additionally, a technology implementation roadmap is essential for participant planning to ensure the IT resources and vendor solutions are ready to incorporate these changes. We believe that transparency on these foundational elements is essential to support informed decision-making and prudent resource planning.

Thank you for your leadership and continued work on behalf of the region. PGE looks forward to working together to ensure WRAP achieves its full potential.

Sincerely,

CC:
Sarah Edmonds, President & CEO, Western Power Pool
Chris Parker, Chair, Committee of State Representative
Letha Tawney, Vice Chair, Committee of State Representative
Members of the Committee of State Representatives
Resource Adequacy Participants Committee