

WPP Corporate Headquarters

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Friday, October 17, 2025

To: Maria Pope, President & CEO, Portland General Electric
From: Bill Drummond, Western Power Pool Board Chair

Dear Ms. Pope:

Thank you for your October 13 letter regarding the Western Resource Adequacy Program (WRAP).

After conversations with the Board and Western Power Pool staff, we reiterate the need to begin WRAP binding operations as set forth in the WRAP tariff in Winter 2027/2028 in order to reap the full benefits of a regional resource adequacy program as soon as possible. As we wrote in our response to PacifiCorp on October 8, delaying the binding program is not a change that can be made in the timeframe requested and, more importantly, would have a detrimental effect on reliability for the region, including undermining confidence in WRAP data and modeling, limiting program compliance, and preventing us from unlocking the full benefits of the program.

Your letter also asked for specific information from the Board if a delay was not possible. As PGE is aware, the questions in PGE's letter pertain to ongoing technical work driven by our stakeholder-led governance process. As such, it is not prudent for the Board to predict the outcome of this work, and it would be improper for the Board to predetermine outcomes. Our role in the governance process is to ensure the recommendations proposed to us by our task forces and committees are fair, reasonable, represent sound policy, and thus merit approval.

The work of the task forces has been collaborative and transparent, with members of PGE involved from the start. Concept papers from these efforts were endorsed on October 16 by the Resource Adequacy Participants Committee (RAPC). Similarly, your questions about technical readiness reference ongoing work by our operations team and our Program Operator and which depend on the outcomes of the task force work. Western Power Pool has a long track record of standing up programs with the necessary systems in place. We are committed to the responsible implementation of technology systems in support of the WRAP tariff, and we have no reason to doubt that will be the case.

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While our staff expects the current task forces to conclude in the timeline outlined in our 2025-26 Workplan, it's important to note that more work will follow throughout the life of the program. The WRAP was always intended to be iterative, with a bottom-up governance process, to ensure the program evolves to best serve the needs of participants, customers, and the region.

Participants understand the program is designed to change and improve, and that they can influence those changes through our process. On the same day we received your letter, we received a letter from the Chair and Vice Chair of the WRAP Committee of State Representatives (COSR), stating in part, "Utilities must make resource commitments with imperfect information, and the upcoming decisions are no different... As regulators, we are aligned with utility efforts to ensure reliability in spite of uncertainty."

As you point out, we are weeks away from the commitment deadline, which was established by our latest FERC tariff approval in January 2025. Other than our assurance that participants and staff are following the process and working diligently on optimizing the program, there is no additional information the Board can provide before October 31 that would likely influence your decision. We understand PGE may provide exit notice by the October 31 deadline. Fortunately, as we indicated to PacifiCorp, the two-year exit notice means PGE will have the opportunity to remain engaged in the stakeholder process and will be subject to WRAP obligations during this period.

To the extent PGE and others may be evaluating resource adequacy program alternatives, and that uncertainty makes it difficult for them to commit to WRAP, it is our sincere hope that the changes being developed through the WRAP stakeholder process will provide PGE and others with the confidence necessary to rejoin the program and seize the value proposition of West-wide regional diversity. If PGE determines that it would like to participate in the Winter 2028/2029 binding season, as we understand your letter to indicate, it can recommit to WRAP as late as September 15, 2027, to be part of that season.

We are pleased to have 11 WRAP participants already committed to binding operations in Winter 2027/2028 with the expectation that the issues raised in your letter will be resolved. With those participants and others, we have critical mass to move ahead with binding operations as planned.



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To conclude, we'll share another excerpt from the COSR Chair and Vice Chair which we feel is meaningful in these present circumstances: "Even if this month closes with a smaller binding WRAP footprint than it opened with, transparency and accountability around resource adequacy will remain our priority, and it will become imperative that work continue within WRAP and across the interconnection to capture the diversity value of the largest possible regional footprint."

Thank you for being a valued part of WRAP thus far. Whether it's in the Winter 2027/2028 binding season or some point after, we hope to have you as part of this program and broad regional footprint going forward.

Sincerely,

Bill Drummond
WPP Board Chair

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