

WPP Corporate Headquarters 7525 NE Ambassador Pl. Suite M Portland, OR, 97220 Office: 503.445.1074 www.westernpowerpool.org info@westernpowerpool.org

Monday, August 5, 2024

Dear Committee of State Representatives,

Thank you for reviewing the 2024 Non-Task Force Proposal-1 that addresses corrections to the Western Resource Adequacy Program (WRAP) Tariff as approved by the Federal Regulatory Energy Commission (FERC) on February 10, 2023.

The Committee of State Representatives (COSR) sought clarification on the proposed Tariff changes to enable Business Practice Manual (BPM) 103 Forward Showing Capacity Requirement be considered for approval by the Western Power Pool (WPP) Board of Directors (BoD), noting stakeholder concerns regarding the potential treatment of Demand Response as a P50 Peak Load Modifier.

WPP WRAP staff facilitated a discussion of Demand Response options at the Resource Adequacy Participant Committee (RAPC) on August 1, 2024. Discussions of Demand Response as a P50 Peak Load Modifier led to the conclusion that - due to its complexity and policy implications - the inclusion of such an option in 2024-NTFP-1 went beyond the scope of this Non-Task Force Proposal (focused on tariff corrections) and deserved more discussion (e.g. in a potential future task force). The 2024-NTFP-1 and draft BPM 103 will be edited to remove P50 Peak Load Modifier as a Demand Response option based on the comments received and the discussion with commenters and the participants. A similar summary discussion is anticipated with PRC next week when the updated 2024-NTFP-1 is up for endorsement by the committee.

If the updated 2024-NTFP-1 is approved by the WPP BoD and accepted by FERC, a WRAP Participant will then be able to:

- 1. leave the impacts of Demand Response in its Historical Load Data submitted as part of the Advance Assessment to calculate monthly Forward Showing Planning Reserve Margins (FSPRMs); or
- 2. extract the impacts of Demand Response from its Historical Load Data and elect to use it as a Qualifying Resource to meet its Forward Showing Capacity Requirement.

Please note that WPP will begin considering general requests to change policy in the WRAP Tariff later this year, and Demand Response will likely be taken up for further discussion in a dedicated Task Force that could see further exploration of the P50 Peak Load Modifier option.