



# WESTERN RESOURCE ADEQUACY PROGRAM

July 31, 2024

**Rebecca Sexton**

Director of Strategic Engagement and Communications  
Western Power Pool

MIDC Conference

# SETTING THE STAGE

01

WRAP Background

02

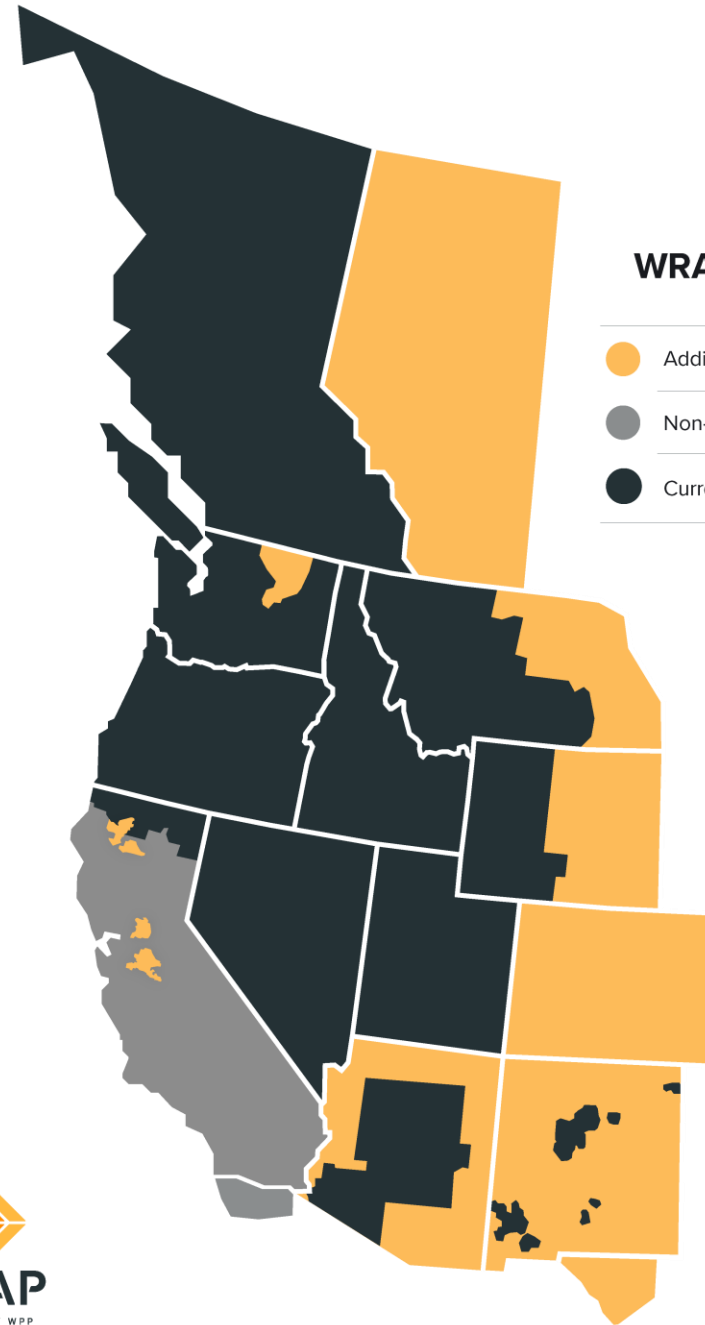
Program Design  
Overview

03

Implementation Ahead

# CURRENT WRAP PARTICIPANTS

Arizona Public Service  
Avista  
Bonneville Power Administration  
Calpine  
Chelan County PUD  
Clatskanie PUD  
Eugene Water & Electric Board  
Grant PUD  
Idaho Power  
Northwestern Energy  
NV Energy  
PacifiCorp  
Portland General Electric  
Powerex  
Public Service Company of New Mexico  
Puget Sound Energy  
Salt River Project  
Seattle City Light  
Shell Energy  
Snohomish PUD  
Tacoma Power  
The Energy Authority



# WRAP VALUE PROPOSITION

- » **Binding forward showing** requires Participants to show they have secured their share of the regional capacity need for the upcoming season using common planning and capacity accreditation metrics
- » **Binding operational program** obligates Participants with surplus to assist Participants with a deficit in the hours of highest need using bilateral trading mechanisms

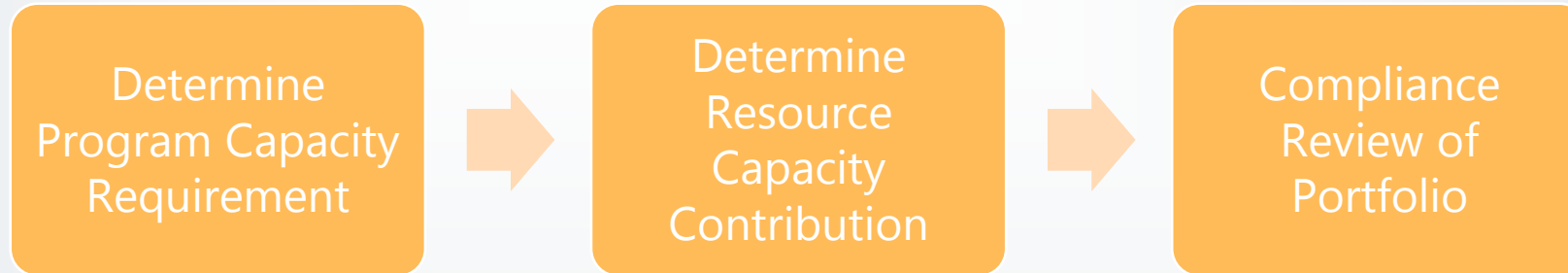
- ⇒ Set of common analytically derived reliability metrics
- ⇒ Leveraging load and resource diversity for reliability

# ROLES OF THE PA AND PO

- » **Western Power Pool (WPP)** serves as the **Program Administrator (PA)** of the WRAP
  - Undertakes all actions necessary to implement and administer program
- » **Southwest Power Pool (SPP)** serves as the **Program Operator (PO)** of the WRAP
  - Provides technical, analytical, and implementation support to the Program Administrator

# PROGRAM DESIGN OVERVIEW

## FORWARD SHOWING



- » Establishes a **regional reliability metric** (seasonal 1 event-day in 10 years LOLE)
  - Transition away from utility-by-utility RA programs and assumptions
- » Registered resources receive a **Qualifying Capacity Contribution** (QCC) in advance of forward showing deadlines (seven months ahead of winter and summer seasons)
  - Resource-agnostic, consistent methodology for assessing capacity contribution
- » Non-compliance with forward showing requirements (capacity or transmission) results in a **Forward Showing Deficiency Charge**

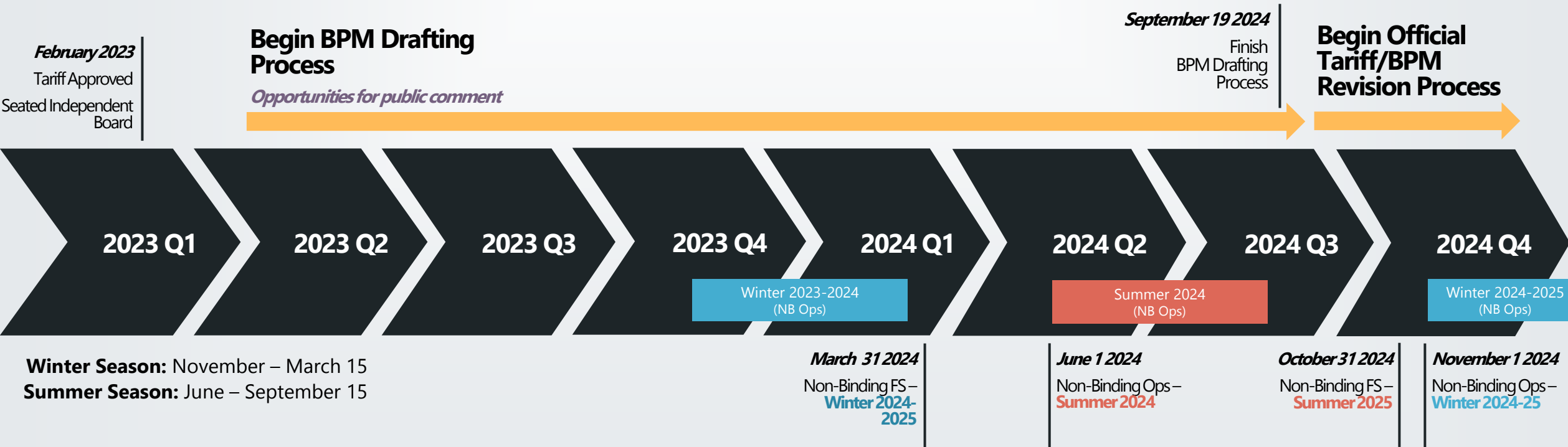
# PROGRAM DESIGN OVERVIEW

## OPERATIONS PROGRAM



- » Evaluates participants operational situation relative to Forward Showing assumptions
- » Obligates participants with calculated surplus to assist participants with a calculated deficit on the hours of highest need
- » Surplus Participant that fails to provide assigned Energy Deployment must pay **Energy Delivery Failure Charge**

# 2023-2024 IMPLEMENTATION



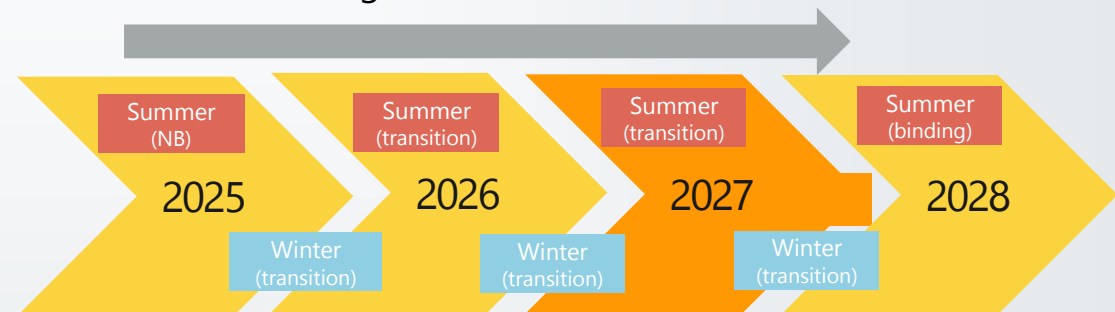


# IMPLEMENTATION AHEAD

- » On **April 22**, the RAPC [published a letter to the region](#) reaffirming commitment to the program and highlighting **significant developments since WRAP development began**:
  - » Participants have been pursuing new resources and increasing efforts on transmission development
  - » Supply chain issues and other challenges have slowed the ability to deliver and interconnect new resources, with peak loads growing faster than ever, exacerbated by extreme weather events
- » Given the potential magnitude of deficiency charges, concern about binding in Summer 2026 – instead, **taking advantage of the flexibility allowed by the Tariff (\$15)**, Participants are going to focus on **pulling together a critical mass for 2027**
- » Participants are developing a proposal for a **revised transition plan** to address concerns

## Transition Seasons (Ops and FS)

Summer 25 through Winter 27-28



**Targeting Binding Program With Revised Transition Provisions**

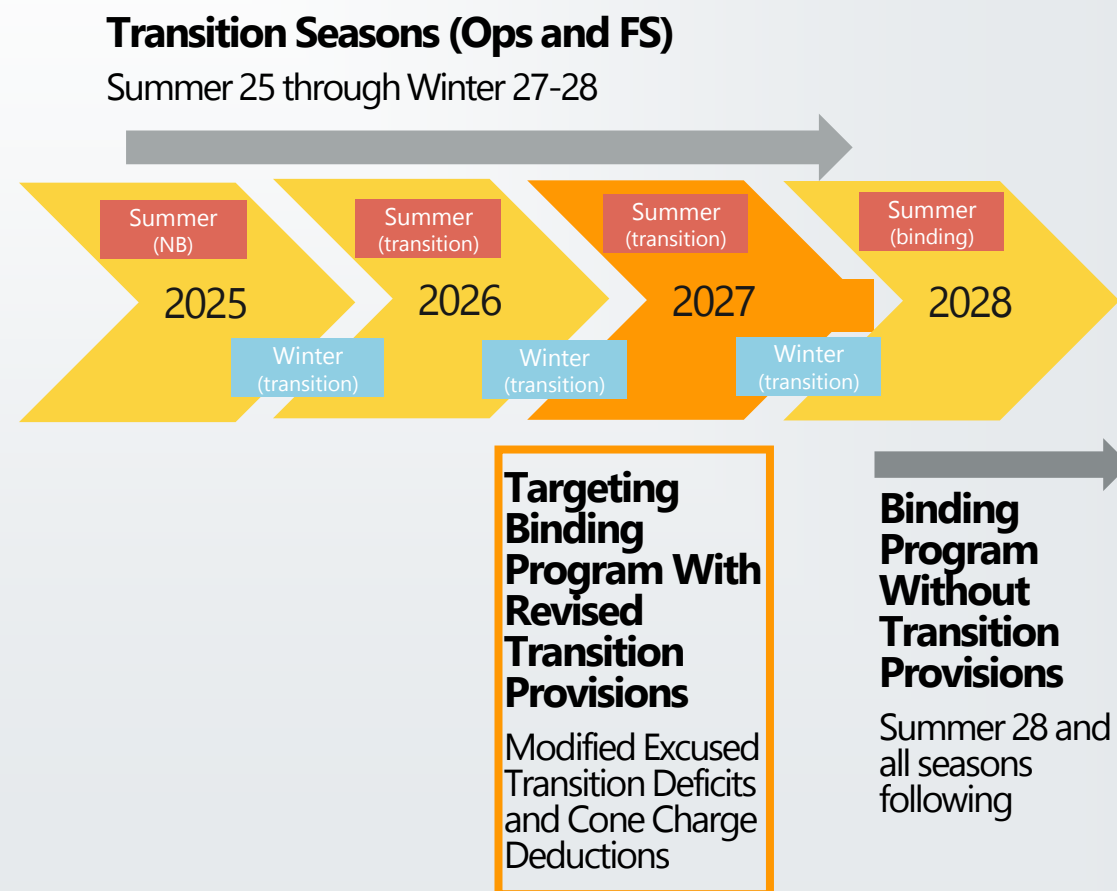
Modified Excused Transition Deficits and Cone Charge Deductions

**Binding Program Without Transition Provisions**

Summer 28 and all seasons following

# IMPLEMENTATION AHEAD

- » Expected timeline for binding WRAP (2027) will better align with go live of both markets
  - » Incremental efficiencies of markets may further aid in resource sharing while WRAP participants strive to meet WRAP adequacy metrics
- » Expecting to have deeper conversations about interoperability of WRAP and day ahead markets
- » Seams between RA frameworks continue to be a focus between all three entities (WPP, SPP, CAISO)



# QUESTIONS?

**Rebecca Sexton** - Director of Strategic Engagement and Communications  
*[Rebecca.Sexton@WesternPowerPool.org](mailto:Rebecca.Sexton@WesternPowerPool.org)*