

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: September 21, 2023

REGULAR  X  CONSENT   EFFECTIVE DATE  N/A

DATE: September 11, 2023

TO: Public Utility Commission

FROM: Curtis Dlouhy

THROUGH: Caroline Moore and Scott Gibbens **SIGNED**

SUBJECT: OREGON PUBLIC UTILITY COMMISSION:  
(Docket Nos. UM 2143 and AR 660)  
Request to open a formal rulemaking for resource adequacy.

**STAFF RECOMMENDATION:**

Staff recommends that the Oregon Public Utility Commission (Commission) approve Staff's request to open a formal rulemaking on resource adequacy and issue a notice of proposed rulemaking to adopt permanent rules.

**DISCUSSION:**

Issue

Whether the Commission should open a formal rulemaking to adopt rules addressing resource adequacy.

Applicable Rule or Law

Pursuant to ORS 756.060, the Commission "may adopt and amend reasonable and proper rules and regulations relative to all statutes administered by the commission and may adopt and publish reasonable and proper rules to govern proceedings and to regulate the mode and manner of all investigations and hearings of public utilities and telecommunications utilities and other parties before the commission."

When adopting a new permanent rule, the Commission must follow the rulemaking procedures set forth in the Oregon Administrative Procedures Act<sup>1</sup> and Commission rules OAR 860-001-0160 and OAR 860-001-0210 through OAR 860-001-0240.

When opening a proposed permanent rulemaking, the Commission must give notice by publishing the notice in the Secretary of State's Oregon Bulletin at least 21 days before the effective date.<sup>2</sup> The Commission must also provide a copy of the proposed rule to "persons on the Commission's applicable rulemaking notification lists" at least 28 days prior the effective date and applicable legislators as specified in ORS 183.335(15) at least 49 days before the effective date.<sup>3</sup> The notice must include the following:

- (a) A statement summarizing the subject matter, purpose, and need for the proposed rule;
- (b) The last date for comment on the proposed rule;
- (c) The date of or ability to request a hearing; and
- (d) A statement of fiscal impact quantifying the economic effect of the proposed rule.<sup>4</sup>

The notice must also include a caption identifying the subject matter, a citation to the statutory authority to promulgate the rule, a statement of need, a list of principal documents, a fiscal impact statement, a statement on racial equity, if an advisory committee was appointed and, if not, why, and a request for public comment.<sup>5</sup>

## Analysis

### *Procedural Background*

On December 29, 2020, the Commission opened Docket No. UM 2143 to investigate resource adequacy (RA) issues in the state of Oregon as a spinoff docket of UM 2024. In its Staff Report for the public meeting on January 12, 2021, Staff stated:

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<sup>1</sup> O.R.S. § 183.310 to 183.355.

<sup>2</sup> O.R.S. § 183.335(1); OAR 860-001-0210(1).

<sup>3</sup> *Id.*

<sup>4</sup> OAR 860-001-0210(2).

<sup>5</sup> O.R.S. § 183.335(2).

Staff finds it is necessary to begin taking steps to establish a transparent, robust, and holistic regulatory process for RA planning. Staff proposes to launch a phased investigation into RA that ensures reliable power for all Commission regulated Oregon ratepayers. The investigation would develop a transparent, robust, holistic regulatory planning process for ESSs and regulated utilities.<sup>6</sup>

Throughout the first year of the docket, Staff held workshops with parties ranging from Commission-regulated Investor-Owned Utilities (IOUs), electric service suppliers (ESSs), customer advocacy groups, and other interested parties. These workshops culminated in a series of informational filings containing load and generation data from IOUs and ESSs in January 2022 that allowed Staff to analyze the status of RA concerns in Oregon at a high level.

Staff filed their report on the status of RA in the state of Oregon on March 24, 2022.<sup>7</sup> Staff's analysis integrated the informational filings from the Oregon load responsible entities (LREs) into an open-source RA model from National Renewable Energy Laboratory (NREL) known as the Probabilistic Resource Adequacy Suite (PRAS). As of filing the report on March 24, 2022, Staff made the following recommendations and observations:

1. Immediate action regarding RA was not warranted based on the analysis of the informational filings and would not result in a substantive increase in reliability for Oregon customers.
2. Further analysis of the informational filings was not warranted, and Staff should instead focus on long-term solutions for RA concerns, such as integrating RA deeper into IOUs' Integrated Resource Plans (IRPs) and an equivalent set of filings for ESSs.
3. It would be reasonable to require compliance filings to demonstrate RA annually for entities not participating in a regional compliance program and every other year for entities that are participating in a regional compliance program.
4. There is a potential seams issue where neither IOUs nor ESSs are planning for long-term opt-out customers.
5. As the region continues to trend towards a greener generation mix, Staff recommended that entities continue their involvement with the Western Power Pool's (WPP) emerging regional RA compliance program, the Western Resource Adequacy Program (WRAP).

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<sup>6</sup> UM 2143 Staff Report filed on January 7, 2021.

<sup>7</sup> UM 2143 Staff Report filed on March 24, 2022.

There have been a variety of updates in the RA space since Staff's initial analysis of RA in the state of Oregon. Most notably, WPP filed a tariff with the Federal Energy Regulatory Commission (FERC) for the WRAP; this tariff was approved in February of this year.<sup>8</sup> All Oregon-regulated IOUs and many Oregon ESSs are currently participating in the WRAP as of the writing of this memo. Consistent with Staff's recommendation from its initial analysis of Oregon RA, Staff has spent the last year collaboratively developing a set of RA rules for Oregon-regulated utilities that aim to close the seams issues, establish a compliance program, and create standardized planning requirements for RA.

Since then, Staff held a variety of stakeholder workshops, five comment periods, and a technical workshop at a special public meeting to first develop a set of straw rules and then transform the straw rules into the draft rule language. Staff's draft rules aim to promote RA in Oregon by establishing an Oregon-specific RA compliance program that is complementary to the WRAP, creating RA requirements in planning spaces, and giving Staff and stakeholders access to critical RA data where appropriate. Since transitioning UM 2143 into an informal rulemaking, Staff has received comments from the following entities:

- PacifiCorp,
- Portland General Electric (PGE),
- Idaho Power Company,
- Northwest Power and Conservation Council (NWPPCC),
- Brookfield Renewable Trading and Marketing LP (Brookfield),
- Calpine Energy Solutions (Calpine),
- Northwest and Intermountain Power Producers Coalition (NIPPC),
- Citizens' Utility Board (CUB), and
- Renewable Northwest.

#### *Summary of Staff's Proposed Draft Rules and Evolution of the Rules*

Attachment A contains Staff's most recent draft rules proposal, which has only minor updates from Staff's draft rules filed on August 11, 2023.<sup>9</sup> Throughout the last year, Staff has developed and refined its proposed draft rules following stakeholder feedback with the following principles in mind:

1. Operational RA concerns are best addressed at the regional level rather than the state level. Any Staff proposal to address RA in Oregon should be

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<sup>8</sup> *Order Accepting Proposed Tariff*, 182 FERC ¶ 61,063, Docket Nos. ER22-2762-000 and ER22-2762-001 (February 10, 2023).

<sup>9</sup> See Staff's UM 2143 filing on August 11, 2023, [here](#). Last accessed September 7, 2023.

complementary to the WRAP, incentivize WRAP participation, and be something that Staff has the skills and time to implement.

2. RA rules should provide transparency and close the seams issues that arise from mismatching planning timelines and planning methodologies. For example, the WRAP operates with a 7-month forward-looking compliance period, while Oregon planning dockets look far deeper into the future.
3. These rules are a first effort to address a new and changing area of state regulation. Staff expects discussion and refinement to continue through implementation and has focused the proposed rules on practices that are most likely to result in meaningful improvements to resource adequacy for Oregon ratepayers.

Staff's current proposal contains the following key features:

1. A shorter-term RA compliance filing taking place every two years for entities that are not participating in the WRAP. A key feature of this compliance filing is that it contains similar load and transmission forward showings, exceptions processes, and methodologies to the WRAP when it comes to determining Qualified Capacity Contributions (QCC) and Planning Reserve Margins (PRMs), albeit with a two-year horizon rather than a 7-month horizon.
2. A longer-term RA informational filing required of all entities that is contained in IOU's IRPs and ESS's Emissions Compliance Reports. This filing takes the form of a dedicated chapter on RA where the utility presents and discusses its approach to address generation and transmission RA concerns over a four-year horizon. The methodology used to do so is flexible enough to account for differences between LREs and planning models and to incorporate emerging best practices over time, such as those being developed by NWPCC,<sup>10</sup> but still allows a consistent set of information to be compared to regional findings from the WRAP.
3. Enshrining in rules that CUB and Staff have access to the highly confidential submissions to the WRAP data upon request.

#### *Evolution of the Resource Adequacy Compliance Filing*

In its initial straw rules proposal, Staff proposed a binding three-year forward showing that would be filed approximately every other year. This filing would have lower compliance thresholds for WRAP members and diminishing load and transmission requirements in the second and third year than in the initial year. In this initial proposal, ESSs would have the option to procure capacity backstop from a third party at a FERC-determined wholesale rate.

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<sup>10</sup> See a brief discussion of NWPCC's RA methods in their comments filed on July 21, 2023, [here](#). Last accessed September 7, 2023.

During workshops, Stakeholders expressed various concerns about this initial structure. Of greatest concern to Staff, stakeholders pointed out that having to adhere to a state-mandated compliance program with separate, possibly more binding requirements could disincentivize participation in WRAP.<sup>11</sup> Stakeholders also noted that there could be potential complications arising from a binding, three-year forward showing that is filed every other year. To address both these concerns and to continue to close the timeline gap between the WRAP and the IRP filings, Staff's current rules create a two-year binding forward showing that applies only to non-WRAP members that is filed every other year. Based on discussions Staff has had with WPP employees and webinars with presentations by WPP and WECC, there is still value in creating RA planning obligations that extend beyond the WRAP's operational timeline and Staff's proposed 3-year compliance program. Staff chose to address this need by integrating RA planning more deeply into the existing IRP and Emissions Planning Report processes.

The proposed rules outline several means for an LRE to demonstrate resource adequacy. During the informal rulemaking, parties discussed whether to include a backstop charge that requires utilities to offer excess capacity to ESS's under an established rate and set of terms. Staff originally included a placeholder for the capacity backstop charge to facilitate constructive discussion of its merits. At the conclusion of the formal stage, Staff believes that including a standardized capacity backstop charge is not aligned with Staff's goals of promoting RA in Oregon and may not be in Oregon IOU customers' best interests at this time. In lieu of this, Staff clarifies in its proposed rules that a bilateral contract between a participant in the state RA compliance program and a third party can be used to demonstrate compliance.

PacifiCorp and PGE have opposed a standardized rate for capacity backstop, citing concerns about unfair cost shifting between cost-of-service and direct access customers, possible negative ramifications for WRAP, and legality.<sup>12</sup>

Calpine does not believe that the draft rules provide enough practical options for compliance for ESSs and advocate for utilities to offer of excess capacity to electricity service suppliers on a timely, prudent, and nondiscriminatory basis. Toward the end of the process, Calpine provided a detailed proposal for an annual Request for Offers (RFO) hosted by the IOUs where entities provide bids that the IOUs are not compelled to take.<sup>13</sup> While Staff was intrigued by the potential efficiencies and optionality provided

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<sup>11</sup> See PacifiCorp's Comments filed on November 21, 2022, [here](#). Last accessed September 7, 2023.

<sup>12</sup> See PacifiCorp's Comments filed on July 21, 2023 [here](#). See also PGE's Comments filed on July 21, 2023, [here](#). Last accessed September 7, 2023.

<sup>13</sup> See also Calpine's Comments filed on July 21, 2023, [here](#). Last accessed September 7, 2023.

by the proposal, Staff does not support the inclusion of a capacity backstop rate or mechanism. First, given the system tightness presented in current IRP and other planning proceedings, Staff is not convinced that any ESS bid would actually be accepted, and thus this would provide no actual RA benefits in the near term. Second, Staff believes that the rules as written allow for this RFO proposal to be implemented in the future if it appears likely to aid in RA planning.<sup>14</sup>

#### *Evolution of the Resource Adequacy Informational Filing*

Staff first proposed including an informational RA filing in its updated straw rules proposal on February 17, 2023.<sup>15</sup> In this initial proposal for an informational filing, Staff proposed that all LREs incorporate WRAP RA analysis methodology into their IRPs and equivalent planning documents over a four-year horizon in order to integrate RA into planning processes. Staff proposed that these filings occur on approximately an every-other-year cycle for ESSs as part of their emissions planning reports and with the IRPs and IRP updates for IOUs.

The general structure of the informational filing has stayed largely the same, however there are a few small changes. Initially, Staff proposed that WRAP participants include their WRAP forward showing submissions as part of the informational filing. This was moved out of the informational filing for confidentiality reasons that will be discussed more in depth later. Additionally, the language for the transmission portion of the informational filing was made broader to allow LREs to speak to transmission constraints and strategies regarding RA for a four-year horizon rather than requiring monthly modeling. Staff incorporated this change based on feedback from stakeholders that it could be overly burdensome to require monthly modeling of transmission. In making this change, Staff felt that removing modeling requirements while still requiring a transmission discussion aligned with Staff's goal of integrating transmission RA planning into the IRP. Finally, Staff has broadened the language of the informational filing to allow the entity to do their own RA analysis alongside any WRAP program output. This was done to give entity flexibility in planning spaces to incorporate newer RA techniques while still allowing stakeholders to compare results to regional needs.

#### *Evolution of Confidentiality Concerns*

Staff initially proposed that each WRAP participant's WRAP forward showing be submitted as part of an entity's IRP or Emission Compliance Report. Throughout the various workshops and comments in the UM 2143 docket, Staff heard feedback from both IOUs and ESSs that the data contained in the WRAP forward showing is so commercially sensitive that WRAP participants are not able to view each other's

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<sup>14</sup> See Staff's filing on August 11, 2023, [here](#). Last accessed September 7, 2023.

<sup>15</sup> See Staff's UM 2143 filing on February 17, 2023, [here](#). Last accessed September 7, 2023.

submissions and protection of an individual entity's data is a cornerstone of the WRAP.<sup>16</sup>

Staff believes that there is value in being able to compare data submissions in the WRAP to information presented in other proceedings, particularly in planning proceedings, where applicable. However, Staff was convinced that the confidentiality concerns were substantial enough to create language limiting WRAP forward showing filings to only Staff and CUB. The proposed rules state that only employees from Staff or CUB may access an entity's WRAP forward showing filing only upon request.

#### *Most Recent Changes to Proposed Rules*

Following comments filed by stakeholders on August 28, 2023, Staff made a few minor changes to the proposed rules. Following feedback from Calpine,<sup>17</sup> Staff clarifies in the definition for a "Regional Participant" that an entity that is a participant in the WRAP or announced as a future binding participant in WRAP at least 30 days prior to the filing date of the state-specific RA program will not be subject to the state-specific RA program. Staff also amended the definition of a "compliance resource" to include resource-specific contracts but not financial contracts following feedback from PacifiCorp.<sup>18</sup> Staff also clarified that an entity needs to only submit publicly-available information from the WRAP program output with its informational filing, a state RA program participant is not obligated to meet its load with the same resources used in its forward showing, and a waiver to use some exceptions to the transmission forward showing requirements may not be used on the same path in consecutive compliance periods.

#### *Outstanding Stakeholder Issues with Staff's Proposed Rules*

Although Staff and stakeholders have worked collaboratively to develop the proposed rules in Attachment A and agree on many parts of the overall rules, there are still areas in which parties could not come to an agreement.

First, NIPPC, Calpine, and Brookfield Energy all take issue with the forward showing requirements in Staff's current proposed rules. Whereas Staff proposes that an entity not participating in the WRAP be required to meet 95 percent of their P50 load in the first compliance year and 80 percent in the second compliance year, NIPPC and Brookfield energy suggest lower values.<sup>19</sup> Both entities also repeatedly state in workshops and comments that the transmission requirement that aligns with WRAP's

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<sup>16</sup> See PacifiCorp's Comments filed on June 12, 2023 [here](#). Last accessed September 7, 2023.

<sup>17</sup> See Calpine's Comments filed on August 28, 2023 [here](#). Last accessed September 7, 2023.

<sup>18</sup> See PacifiCorp's Comments filed on August 28, 2023 [here](#). Last accessed September 7, 2023.

<sup>19</sup> See Brookfield's Comments filed on July 21, 2023, [here](#). See NIPPC's Comments filed on June 12, 2023, [here](#). Last accessed September 7, 2023.



transmission requirement is overly burdensome and suggest much lower values.<sup>20</sup> Calpine also asserts that Staff's forward showing requirements are so burdensome that the only viable option is for an entity to join WRAP.<sup>21</sup>

Second, NIPPC and Calpine have presented various arguments in support of creating a standardized capacity backstop charge along with proposals.<sup>22</sup> Conversely, PacifiCorp and PGE oppose a standardized capacity backstop charge or the alternative RFO suggested by Calpine. Staff's proposed rules do not include a capacity backstop charge or a required RFO but allows for a bilateral transaction for capacity or transmission products to count towards any compliance obligation.

Third, PacifiCorp states that the transmission rules in the informational filing still may require the Company to divulge commercially sensitive information.<sup>23</sup>

Fourth, Calpine recommended that the PRM and QCC needed for the state program be published by the Commission no later than a year before the compliance period as non-WRAP entities have no clear way to access these values.

#### *Staff's Response to Outstanding Stakeholder Issues*

Staff disagrees with Brookfield, Calpine, and NIPPC that the forward showing requirements are too onerous. Staff's goal is to create a program that complements the WRAP and incentivizes participation in the WRAP, but also creates a framework to ensure RA needs are met if an entity does not join the WRAP. As is consistent with the learnings from various workshops in which WPP and WECC leadership have presented, Staff believes that regional coordination provides substantial insulation against potential RA problems. Conversely, Staff believes that an entity that eschews a regional RA compliance program creates a larger RA risk and should therefore be subject to stricter RA standards. Staff is sensitive to the difficulty in procuring resources with a longer lead time and has written the rules so that compliance thresholds in the second year are lower than the first year. Staff worries that lowering the compliance thresholds any more would limit the value of RA planning and make the less efficient state program more attractive to LREs than the WRAP.

Staff also disagrees that a standardized capacity backstop charge is a necessary part of a viable compliance program in the state. Stakeholders in the workshops stated that PGE has in the past proposed a capacity backstop charge to address RA planning for ESSs and removing a capacity backstop charge removes an ESSs only viable

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<sup>20</sup> *Id.*

<sup>21</sup> See Calpine's Comments filed on March 13, 2023, [here](#). Last accessed September 7, 2023.

<sup>22</sup> *Id.* See also Calpine's Comments filed on July 21, 2023, [here](#). Last accessed September 7, 2023.

<sup>23</sup> See PacifiCorp's Comments filed on August 28, 2023, [here](#). Last accessed September 7, 2023.

compliance option in many cases. However, Staff has communicated its stance in workshops that the idea of a capacity backstop charge was considered prior to the approval of the WRAP tariff and very early in the WRAP planning process. In Staff's opinion, entities have enough options to comply with the state program, including:

- Building out their own resources executing their own contracts,
- Bilateral negotiation for capacity products with a third party, and
- Joining the WRAP and therefore not being subject to the state compliance program. It is worth noting that the WRAP's operational program allows for capacity sharing.

Staff wants to reiterate that it appreciates the engagement by parties on alternatives to a standardized capacity backstop charge. The proposed rule language surrounding bilateral agreements for capacity products is meant to be sufficiently broad to allow an RFO or other capacity backstop solutions to count towards compliance should those solutions be adopted outside this docket.

Staff also believes that the language contained in the rules allows sufficient flexibility for IOUs to discuss their transmission planning without divulging commercially sensitive information. As written, the proposed rules require:

A discussion covering at least four years of the transmission rights necessary to serve P50 load, the transmission rights currently owned or used, the steps that will be taken to procure transmission rights to fill in any open position, and any expected constraints or difficulties in filling any open positions.<sup>24</sup>

Staff is confident that Commission-regulated IOUs and ESSs will be able to meet this requirement using language and supporting figures that can be presented publicly.

Finally, Staff notes that the QCC and PRM values that Calpine discusses are expected to be publicly available according to the WRAP's governance proposal.<sup>25</sup> Should this change, Staff is open to working with the WPP to obtain these values or opening a limited rulemaking to address replacements for the QCC or PRM.

## Conclusion

Staff appreciates all parties thoughtful participation in a collaborative process to identify draft rules that reflect key policy principles for contemporary RA concerns. Staff believes

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<sup>24</sup> Attachment A.

<sup>25</sup> See slide 29 of the WRAP's February 4, 2022, presentation [here](#). Last accessed September 7, 2023.

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that stakeholders have made substantial progress and identified consensus solutions for the overarching framework of RA planning in Oregon. Staff recommends that the Commission accept Staff's proposed RA rules and move UM 2143/AR 660 to the formal stage.

**PROPOSED COMMISSION MOTION:**

Approve Staff's request to open a formal rulemaking on Resource Adequacy and issue a notice of proposed rulemaking in AR 660.

Docket No. UM 2143/AR 660

# Attachment A – Proposed Resource Adequacy Rules

## 1. Scope and Applicability of Rules

- a. The rules in this division prescribe the filing requirements for provision of Resource Adequacy information, and the filing requirements and binding elements for the Public Utility Commission of Oregon (Commission) - administered Resource Adequacy program.
- b. Upon request or its own motion, the Commission may waive any of the rules in this division for good cause shown. A request for waiver must be made in writing, unless otherwise allowed by the Commission.

## 2. Definitions for this Division

- a. “Electric Company” has the same meaning as ORS 757.600(11).
- b. “Electric Service Supplier” has the same meaning as ORS 757.600(16).
- c. “Load Serving Entity” means an Electric Company or Electric Service Supplier.
- d. “Qualified Regional Program” means a Commission-approved regional reliability planning and compliance program that addresses Resource Adequacy through processes and conditions established in a FERC-approved tariff.
- e. “Resource Adequacy” means the expected ability of a Load Serving Entity to supply aggregate electric power and energy to meet the requirements of their consumers with a sufficient degree of reliability and plan to meet future demand with sufficient supply-side and demand side resource.
- f. “Regional Participant” means a Load Serving Entity that is a participant in or is officially committed to becoming a participant in a Qualified Regional Program at least 30 days prior to the Binding Forward Showing filing date of the State Program.
- g. “Regional Forward Showing” means any data, forecasts, or submittals required by a Qualified Regional Program to support program compliance by a Regional Participant.
- h. “State Participant” means a Load Serving Entity that is not a Regional Participant.
- i. “State Program” means the Resource Adequacy compliance program administered by the Commission applicable to State Participants.
- j. “Binding Forward Showing” means a filing used by a State Participant to show compliance with the State Program
- k. “Integrated Resource Plan” means an Electric Company’s written plan to satisfy the requirements of OAR 860-027-0400 and Commission Order Nos. 07-002, 07-047, and any future orders impacting filing requirements.
- l. “Emissions Planning Report” means a filing made by an Electric Service Supplier to show compliance with ORS 757.649(1)(f).

- m. "Informational Filing" means a written explanation of a Load Serving Entity's strategy to address Resource Adequacy and all underlying or related data needed to support such explanation.
  - n. "Advisory Forecast" means any modeling outputs created by a Qualified Regional Program that are presented but not used as part of the Qualified Regional Program's binding elements.
  - o. "P50 Peak Load Forecast" means a peak load forecast prepared on a basis, such that the actual peak load is statistically expected to be as likely to be above the forecast as it is to be below the forecast.
  - p. "Planning Reserve Margin" means an increment of supply needed to meet conditions of high demand in excess of the applicable peak load forecast and other conditions such as higher resource outages, or lower availability of resources, expressed as a percentage of the applicable peak load forecast.
  - q. "Compliance Resource" means the resource(s) or resource-specific contracts used by a State Participant to meet the load requirements of the Binding Forward Showing.
  - r. "Qualified Capacity Contribution" means the portion of the nameplate capacity of a compliance resource that can be expected to provide capacity to meet customer demand calculated using a Commission or Qualified Regional Program approved methodology.
  - s. "Qualified Parties" means Commission Staff and Citizens' Utility Board employees who execute a modified protective order.
3. Electric Company Informational Filing Requirements
- a. Electric Companies must provide an Informational Filing to the Commission as a part of their Integrated Resource Plan. The Electric Company's Informational Filing must be included as a chapter to the Integrated Resource Plan that incorporates the Advisory Forecast from a Qualified Regional Program and contains a discussion about how the overall resource strategy interacts with Resource Adequacy concerns.
  - b. The Informational Filing for an Electric Company must include:
    - A. A monthly P50 Peak Load Forecast and Effective Load Carrying Capability curve over a period of the greater of four years or the longest available timeline from a Qualified Regional Program using methods consistent with outputs of the Qualified Regional Program's Advisory Forecast.
    - B. A discussion covering at least four years of the transmission rights necessary to serve P50 load, the transmission rights

- currently owned or used, the steps that will be taken to procure transmission rights to fill in any open position, and any expected constraints or difficulties in filling any open positions.
- C. A description of any notable deviations between the load forecast, Qualified Capacity Contributions, or Planning Reserve Margin contained in a Qualified Regional Program's Advisory Forecast and what is used in the Electric Company's Integrated Resource Plan analysis and associated action plan.
  - c. All outputs of a Qualified Regional Program's most recent Advisory Forecast must be included with the Informational Filing. These may be included in the Informational Filing or as an Appendix chapter to the Integrated Resource Plan.
  - d. A Regional Participant's most recent Regional Forward Showing submission to its Qualified Regional Program must be made available to Qualified Parties upon request pursuant to a Modified Protected Order.
4. Electric Service Supplier Informational Filing Requirements
- a. Electric Service Suppliers must submit an Informational Filing with the Commission every other year.
    - A. The Informational Filing may be filed as a part of the Emissions Planning Report filing.
    - B. The Informational Filing must contain a discussion about how the overall resource strategy interacts with Resource Adequacy concerns.
  - b. The Informational Filing for an Electric Service Supplier must include:
    - A. A monthly P50 Peak Load Forecast and Effective Load Carrying Capability curve over a period of the greater of four years or the longest available timeline from a Qualified Regional Program using methods consistent with outputs of the Qualified Regional Program's Advisory Forecast.
    - B. A discussion covering at least four years of the transmission rights necessary to serve P50 load, the transmission rights currently owned or used, the steps that will be taken to procure transmission rights to fill in any open position, and any expected constraints or difficulties in filling any open positions.
  - c. All publicly available outputs of a Qualified Regional Program's most recent Advisory Forecast must be included with the Informational Filing. These may be included as an appendix chapter.

- d. A Regional Participant's most recent Regional Forward Showing submission to its Qualified Regional Program must be made available to Qualified parties upon request pursuant to a Modified Protected Order.
  - e. As part of the forecast of monthly P50 Peak Load Forecast and monthly forecast of transmission requirements, an Electric Service Supplier must use current load levels or provide reasonable substitutes of the load forecast. An Electric Service Supplier is responsible for demonstrating that the substitute load forecast is reasonable.
5. State Program Requirements
- a. Any Electric Company or Electric Service Supplier that is not a Regional Participant must comply with the State Program requirements.
  - b. State Participants must file a Binding Forward Showing with the Commission for approval no later than April 1 of every odd-numbered year. A State Participant's initial binding forward showing must be filed no later than April 1, 2025.
  - c. State Participants must use a 1 event-day in 10-year Loss of Load Expectation standard when submitting their Binding Forward Showing.
  - d. State Participants must use a Planning Reserve Margin and Qualified Capacity Contribution consistent with a Qualified Regional Program or other Commission-approved methodology.
  - e. The Commission Staff and Parties should complete its compliance review for each State Participant within 90 days of filing the Binding Forward Showing.
  - f. A State Participant shall provide its monthly P50 Peak Load Forecast for the two-year period beginning July 1 of the filing year as part of their Binding Forward Showing.
  - g. A State Participant must demonstrate that its Compliance Resources meet 95 percent of its monthly forecasted P50 load for twelve months beginning July 1 of the filing year and 80 percent of the monthly forecasted P50 load for the following twelve months plus a Planning Reserve Margin each month. A State Participant is not bound to meet its load with its Compliance Resources in actual operations.
  - h. As part of the forecast of monthly P50 Peak Load Forecast and monthly forecast of transmission requirements, an Electric Service Supplier must use current load levels or provide reasonable substitutes of the load forecast. An Electric Service Supplier is responsible for demonstrating that the substitute load forecast is reasonable.

- i. A State Participant must demonstrate that it has firm or conditional firm transmission rights to deliver 75 percent of the Compliance Resources from generation source to load sink. A State Participant may request a waiver of a portion of the transmission requirement if it can demonstrate that at least one of the following conditions applies:
  - A. The State Participant is experiencing enduring transmission constraints,
  - B. Future firm Available Transfer Capability is expected,
  - C. An applicable portion of the State Participant's existing transmission service rights is expected to be derated or out-of-service, or
  - D. Expected counterflow directly between two balancing authority areas from another entity supports the State Participant's transmission of energy from generation source to load sink. This counterflow cannot already be offsetting transmission of energy for another State Participant or Regional Participant. The State Participant requesting the exception shall include a written acknowledgement from the other entity that it is aware of such an exception request.
  - E. A State Participant cannot use waiver condition (A) or (B) for the same path for consecutive compliance periods.
- j. If the Commission deems that a State Participant's Binding Forward Showing does not meet the criteria for approval, the Commission shall identify deficiencies and give the State Participant 60 days to remedy their Binding Forward Showing to meet the criteria for approval.
- k. A State Participant whose plan is not approved 60 days after the Commission identified deficiencies shall be subject to a fine, revocation of Electric Service Supplier certification, or some other appropriate penalty determined by the Commission.
  - A. The Commission shall assess fines on a per-MW basis for monthly capacity or transmission deficiencies and based on the fining methodology of a Qualified Regional Program.
  - B. Revocation of Electric Service Supplier certification shall only be considered after twice failing to cure a deficiency and following an investigation by the Commission.