

**Report to the Western Conference of Public Service Commissioners
on Activities of the Committee on Regional Electric Power Cooperation
(CREPC) and the Western Interconnection Regional Advisory Body
(WIRAB)**

July 2017 to June 2018

**I. COMMITTEE ON REGIONAL ELECTRIC POWER COOPERATION
(CREPC)**

CREPC is a joint committee of the Western Interstate Energy Board (WIEB) and the Western Conference of Public Service Commissioners. In 1984, CREPC organized to provide a forum for discussion and information sharing among the Governor/Premier offices, energy agencies and the regulatory commissions from the states and provinces in the Western Interconnection.

CREPC meets twice a year to share and exchange information and views on energy policy matters relevant to the Western Interconnection. In recent years, CREPC held joint meetings with the Western Interconnection Regional Advisory Body (WIRAB). These meetings include participation by representatives of the U.S. Department of Energy (DOE), the Federal Energy Regulatory Commission (FERC), the U.S. Environmental Protection Agency (EPA), the Western Electricity Coordinating Council (WECC), and the Western power industry.

Fall 2017 Joint CREPC-WIRAB Meeting

CREPC and WIRAB jointly met in Reno, Nevada on October 16-17, 2017. Major themes for this meeting were the future of independent power producers, market changes in the West, retail customer choice, coal plant closures, energy storage, and grid reliability issues. The joint meeting included the following specific topics:

- Utility third party contracting and the future of independent power producers
 - Overview of contractual arrangements
 - Buyers perspective
 - Sellers perspective
- Mountain West Transmission Group and SPP market expansion
- Retail customer choice and direct access
- Interventions in coal plant closures
- Energy storage in integrated resource planning
- Update on federal activities

- The future of base load generation in the West
- Western Energy Imbalance market and the California ISO market expansion
- Important contributions of the Canadian provinces to the Western Interconnection
- Weak grid issues in the West

Spring 2018 Joint CREPC-WIRAB Meeting

CREPC and WIRAB jointly met in Vancouver, British Columbia on April 18-20, 2018. Primary themes for this meeting were the future of hydroelectric generation, market changes in the West, clean energy and electrification, and reliability coordination. The specific topics for the joint meeting were as follows:

- The future of hydroelectric generation
 - British Columbia's Site C project
 - Hydroelectric licensing and policy
- WECC's gas-electric interface study
- Alberta's transition to a capacity market
- Electric industry CEO leader discussion
- Expansion of electricity markets in the West
 - Regulatory authority and approval for IOUs to join an ISO
 - Perspectives of SPP, CAISO, and Peak/PJM
 - Governance
 - Resource adequacy
 - Transmission costs
- Clean energy programs
- Extreme electrification of the transportation industry
- Reliability coordination in the Western Interconnection
- New solar interconnection standards under IEEE 1547
- State and Provincial roundtable discussion

The agendas, with links to speaker presentations, are available on the WIEB website:

<http://westernenergyboard.org/crepc-spsc/crepc-meetings/>

II. WESTERN INTERCONNECTION REGIONAL ADVISORY BODY (WIRAB)

The Western Interconnection Regional Advisory Body (WIRAB) was created in 2006 pursuant to Section 215 of the Federal Power Act (FPA). The Governors initiated the formation of WIRAB to provide public policy input on matters effecting the reliability of the Western Interconnection. All states and provinces with territory in the Western Interconnection, including the provinces of Alberta and British Columbia and the State of Baja Norte in Mexico, participate in WIRAB.

Under the FPA, WIRAB has statutory authority to advise FERC, the North American Electric Reliability Corporation (NERC), and WECC on the following:

1. Governance of an existing or proposed Regional Entity within the region;
2. Whether a standard proposed to apply within the region is just, reasonable, not unduly discriminatory or preferential, and in the public interest;
3. Whether fees proposed to be assessed in the region are just, reasonable, not unduly discriminatory or preferential, and in the public interest; and
4. "...any other responsibilities requested by the Commission."

In 2013, FERC acknowledged that deference to WIRAB's advice on matters of Peak Reliability's governance, strategic direction, budget, and fees is also appropriate.

WIRAB's 2018 strategic initiatives related to WECC and Peak Reliability include the following:

1. Advise WECC on the implications of high levels of deployment of solar PV on the reliable operation of the bulk electric system.
2. Advise WECC on interdependencies between the natural gas and electric industries in the West and the implications for the reliable operation of the bulk electric system.
3. Encourage WECC to systematically assess the availability of Essential Reliability Services under a wide-range of future resource scenarios.
4. Encourage the Member Advisory Committees at WECC and Peak Reliability to increase their focus on emerging reliability issues and to improve the processes used by the MACs to advise the Boards of Directors of WECC and Peak Reliability.

WIRAB Advice to WECC, Peak Reliability, and FERC

In addition to conducting two in-person meetings with CREPC (described above), WIRAB provided written comments and advice to WECC, Peak Reliability, and FERC. Advice filings submitted by WIRAB during the period July 2016 to June 2017 are listed below:

- Advice to FERC on Grid Reliability and Resilience Pricing
- Advice to NERC on the 2017 ERO Reliability Risk Priorities Report
- Advice to NERC on Improving the Efficiency and Effectiveness of Stakeholder Engagement
- Advice to U.S. DOE on the Staff Report on Electricity Markets and Reliability
- Advice to WECC on Near-Term Organizational Priorities
- Advice to WECC on the Composition of the WECC Nominating Committee
- Advice to WECC on Proposed Bylaw Amendments
- Advice to WECC on the Organization's Information Sharing Policy
- Advice to Peak Reliability on the 2018 Business Plan and Budget

Peak Reliability and WECC Member Advisory Committees

Both Peak Reliability and WECC have established Member Advisory Committees (MAC) to advise their respective Boards on key organizational matters, including the development of business plans, budgets, and other matters pertinent to the purpose and operation of each organization.

WIRAB works closely with state and provincial representatives on both the WECC and Peak Reliability MACs when developing policy positions and recommendations for the WECC and Peak Reliability Boards. WIRAB holds monthly calls with all WIRAB Members and WECC and Peak Reliability MAC Class 5 representatives to provide progress reports on key initiatives and activities, to educate attendees on important reliability topics, and to seek input on the development of WIRAB advice.

Announcements for WIRAB's monthly calls are posted on the WIEB website:

<http://westernenergyboard.org/category/announcements/>

Contribution to the WIEB-DOE Solar Energy Technologies Office Project

Reliability Reports

WIRAB commissioned a report from InPOWERd LLC on the NERC Reliability Issues Steering Committee's (RISC) November 2016 report on ERO Reliability Risk Priorities. The InPOWERd Report provides a summary of the NERC RISC process and highlights key reliability risk profiles for the Western Interconnection.

Reliability Webinars

WIRAB also hosted webinars for state and provincial policy makers on key reliability matters. Webinars conducted by WIRAB over the past year are listed below:

- **Reliability Coordinator (RC) Certification Process for New RCs in the West**
In light of ongoing developments around the changing Reliability Coordinator (RC) structure in the Western Interconnection, this webinar focused on WECC's role in certifying new entities seeking to provide RC services within the Western Interconnection.
- **Webinar Series on Cybersecurity of Electric Utility Industrial Control Systems**
This webinar series focused on cybersecurity challenges faced by electric utilities and their industrial control systems. Industry experts provided an introduction to cybersecurity threats, discussed opportunities to mitigate threats to the power grid and control systems, and discussed the pros and cons of enacting state policies designed to enable better cybersecurity practices.
- **Introduction to Remedial Action Schemes in the West**
This webinar focused on the importance of Remedial Action Schemes (RAS) and their role in the reliable operation of the Western Interconnection. Experts from WECC, Peak Reliability and NV Energy described the purpose of RAS and why they are important in the West.

Video recordings of WIRAB webinars are available on the WIEB website:

<http://westernenergyboard.org/category/webinars/>

Leadership Delegation

In late 2017, a leadership delegation representing WIRAB, CREPC, WIEB, and the Western EIM-BOSR convened in Washington, D.C. to engage in meetings with leaders and staff at the

U.S. Department of Energy and the Federal Energy Regulatory Commission, to discuss the purpose and efforts of these organizations, and to advance the existing foundation for ongoing communications and collaboration between the Western Region and these federal entities.