

## 2021 Annual WIEB Board Meeting Minutes

May 21, 2021

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**Western Interstate Energy Board (WIEB) Member Representatives Present:** Matt Anderson (representing UT on behalf of, and with proxy of, Thom Carter), Janine Benner (OR), John Chatburn (ID), Michael Freeman (MT), Brian Goretzki (AZ), Amy Sopinka (BC), Louise Martinez (NM), Andrew McAllister (CA), Dr. Glen Murrell (WY), Keith Hay (CO).

**WIEB Staff Present:** Maury Galbraith, Eric Baran, Lisa Brohaugh, Thomas Carr, Elaine Ginocchio, Elaine Hsu, Melanie Snyder, and Holly Taylor.

**Others Present:** Grace Anderson (California Energy Commission), Jeff Blend (Montana Department of Environmental Quality), Michael Dzurak (Arizona Public Service Electric), Kara Fornstrom (Southwest Power Pool), Ian Homer (BC Utilities Commission), Steve Olea (Arizona Corporation Commission), Elizabeth Osborne (Northwest Power and Conservation Council, Washington Office), Kristin Raper (Idaho Public Utilities Commission), Jessica Reichers (Oregon Department of Energy), Bruce Rew (Southwest Power Pool), Adam Schultz (Oregon Department of Energy), Justin Thompson (Arizona Public Service Electric), Mary Throne (Wyoming Public Service Commission), Veronika Vazhnik (Idaho Governor's Office of Energy and Mineral Resources), Kent Walter (Arizona Public Service Electric).

### Board Actions:

I. Approved the WIEB FY 2021-22 Business Plan and Budget with the following authorizations:

- 1) Authorize the acceptance of funds in the areas of radioactive waste, regional electricity cooperation, transmission planning, distributed energy resources, and emerging energy markets;
- 2) Authorize the Executive Committee (Chair, First Vice Chair, Second Vice Chair, and Treasurer) to approve, between meetings of the Board, the acceptance of funds in other areas, upon the written advice of members of the Board;
- 3) Authorize the Executive Committee to approve merit increases and the exact cost-of-living increase for employees based on the increase in the consumer price index for the Denver region;
- 4) Adopt a funding reserve target equal to 2 times the annual core expense of the Western Interstate Energy Board;

- 5) Reauthorize WIEB's Reserve Expenditure Plan with a funding limit of \$109,400 for FY 2022;
- 6) Approve the following selection criteria for Reserve Expenditure Plan projects:
  - a. Does the project address an important energy issue in the West?
  - b. Does the issue have multi-state/province implications?
  - c. Is the issue being examined by other organizations?
  - d. Are other organizations better situated to examine the issue?
  - e. Are there opportunities to productively partner with other organizations to examine the issue?
  - f. Will work on the issue provide practical information regarding energy projects in the west?
  - g. Is there an opportunity to leverage additional funding to support the work on the issue?
  - h. Will work on the issue "enhance the economy of the West and contribute to the individual and community well-being of the region's people?"
- 7) Authorize the Executive Director and Treasurer to act as financial agents of the Western Interstate Energy Board.

II. Elected the following officers of the Western Interstate Energy Board for FY 2021-22:

- David Bobzien (NV) – Chair
- Sarah Cottrell Propst (NM) – First Vice-Chair
- John Chatburn (ID) – Second-Vice Chair
- Brian Goretzki (AZ) – Treasurer

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## Welcome and Introductions

John Chatburn (ID), WIEB Board Chair, called the meeting to order at 10:00 a.m. (MDT), welcomed his fellow WIEB Board Members and other guests, and asked new WIEB Board Members (Andrew McAllister (CA), Dr. Glen Murrell (WY) and Michael Freeman (MT)) to introduce themselves.

John Chatburn conducted roll call and had WIEB members introduce themselves concurrently.

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## WIEB Reserve Expenditure Plan Projects

Tom Carr (WIEB) and Eric Baran provided an overview of WIEB's Reserve Expenditure Plan (REP) Program, and a draft report of a current REP project: PV on a Pole.

**Current REP Project: PV on a Pole**

- I. Concept by NM Energy Conservation and Management Division
- II. Goal: Bring solar to communities that cannot accommodate solar on rooftops
  - Targeting manufactured/mobile home, energy burdened, higher energy use, and disadvantaged communities
- III. Market potential: Overview
  - the PV on a Pole has the potential to be economic and deliver power economically if the unit price can come down.
  - Manufactured homeowners' electric bill reductions are from \$10 to \$29 monthly, depending on the state/province they are in
- IV. Policy Option:
  - Develop a targeted program that provides PV on a Pole to energy burdened manufactured homeowners
    - i. Application criteria: (1) manufactured homeowner; and (2) spending more than 6% of annual income on energy
    - ii. Limit installation to 5% of energy burdened manufactured homeowners per year to keep program costs manageable
    - iii. Target installation by communities to lower installation costs
    - iv. Target regions with high solar irradiance early in the 20-year program to improve cost-effectiveness
- V. Next Steps: External Review (NM), WIEB Board Review and Approval
- VI. Tom then provided a timeline for soliciting new 2021-22 REP project proposals. Email announcement going out next week: Invitation to WIEB Member states and provinces to submit energy project proposals for consideration in Fiscal Year 2021-2022 under WIEB's Reserve Expenditure Plan.

Louise Martinez (NM) thanked the WIEB Board for approving the project and thanked Tom and Eric for all the work they did with the NM office. Grace Anderson (CA) asked for a summary of the REP application process, Tom provided this description with important dates for the 2021-2022 year.

John Chatburn (ID) disclosed that his office is planning on submitting a project for the FY 2021-2022.

**Southwest Power Pool's Activities in the Western Interconnection**

John Chatburn turned to Kara Fornstrom and Bruce Rew to provide an update on Southwest Power Pool's activities in the Western Interconnection:

- I. NWPP Resource Adequacy
  - SPP working with NWPP on 3 Phase program (fully operational by 2024)
- II. WEIS and SPP West

- SPP West Prospective Members: Basin Electric Cooperative, Tri-State G&T, Desert, MEAN, WAPA-Upper Great Plains, WAPA -Rocky Mountains, Region, WAPA-Colorado River Storage Project
  - Key WEIS Features: Products, Pricing, Dispatch and Settlements
    - i. Check day ahead and before each operating hour, energy imbalance (five-minute) Market Product. Each entity is responsible for commitment of generation to meet its real-time obligation
- III. SPP Members notified them of their interest in an RTO expansion
- New Member Integration Process: 5 step process
    - i. 1) Initial Discussion, 2) Due Diligence and Membership Agreement Discussion, 3) SPP and OATT and Governing Document Changes, 4) FERC Approvals, 5) Integration
- IV. Members Forum (primary engagement with stakeholders)
- Open to all SPP Members (requires confidentiality agreement)
  - Steering Committee
    - i. 12 diverse participants
    - ii. Leadership Team: 2 representatives selected by the steering committee to participate alongside SPP staff during negotiations
  - Monthly meetings (public): 1<sup>st</sup> Tuesday of every month, registration required
- V. The SPP Difference
- Commitment to deliver reliable, cost-effective service
  - Promotes diversity of the organization
  - 50K Peak MW demand, engaged in 14 states
- VI. Governance
- Member driven organization: any changes/proposals comes from staff
  - Board of Directors: independent, nomination process through the corporate governance committee
  - Regional State Committee (RSC): made up of a commissioner of each state where a member resides.
    - i. President is one-year term, vice-president rotates to president in following year
- VII. Market Design
- SPP is customer-driven organization, its markets are designed and operated for the benefit of the participants
    - i. Returned \$103 million in net benefits in first year (2007)
    - ii. Integrated marketplace provides average of \$744.3 million in net benefits annually
- VIII. SPP's Value Proposition for the West: Providing economic benefits for ratepayers, Enhancing reliability, and helping entities and states achieve their clean energy goals.
- \$2.14 billion annual savings and benefits: Operations and Reliability (\$603 million), Markets (\$744.3 million), Transmission (\$768.4 million), Tariff, Scheduling and Services (\$37.8 million).
  - In 2019, SPP was the average lowest RTO cost provider in the country.

- In 2020, wind was the predominant fuel source (followed by coal and natural gas), SPP tracks these resources (and prices) closely to ensure they have a reliable grid.
- SPP directed construction of ~\$10 billion in transmission upgrades predicted to return benefits at a rate of 3.5-to-1.
- On May 8, 2021 SPP served 87.5% of its load with renewables and more than 84% with wind alone. In 2008, wind energy made up 3% of SPP's annual energy production.

IX. SPP Region in Coldest Part of U.S. (SPP Winter Weather Event)

- Early preparation: alerts issued (cold weather then resource), then committed long-lead generation before the event
- Public appeals reduced demand which helped minimize interruption
- Day of event (2/14): Imported power at levels never seen/done in an attempt to minimize load shed
- Service interruptions required:
  - i. 2/15 ~1.5% of system demand for 57 mins.
  - ii. 2/16 up to ~6.5% of system demand for 3 hrs. 23 mins.
 Collaboration reduced blackouts
- Parallel Paths review will cover Weather Event, this report will be issued at July SPP meeting (report will have Operational review, Financial review, Regional State Committee review, Market Monitoring Unit review, and Communications review)

Alaine Ginocchio (WIEB) asked via Zoom chat if the speakers could discuss the RSC engagement on the winter event analysis and their area of review. Bruce Rew (SPP) responded that the RSC has their review of the winter event and they are working with the other teams to get information on the SPP's specific activities, the responsibilities of the reserve margin, and the SPP's response to the event. Kara Farnstrom (SPP) expanded on issues the SPP is identifying and investigating in this review, such as their lack of a winter reserve margin and capacity accreditation.

## **WIEB Business Plan and Budget**

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John Chatburn (ID) asked Maury Galbraith (WIEB Executive Director) and Lisa Brohaugh (WIEB) to provide a brief overview of key components of the WIEB FY 2021-22 Business Plan and Budget.

### FY 2021-22 Budget and Work Plan

Maury opened by introducing Lisa who gave an overview of the FY 2021-22 budget.

Lisa summarized WIEB's current and projected income and expenses. She indicated that for FY 2021-22 there was a budget decrease of 15.5% from 2021, and expenses are projected to exceed income by \$57,300. She noted that this is attributable to the proposed direct labor expense to support WIEB Board Activities, the proposed direct labor, meeting and travel expense to support

WIEB Nuclear Waste Activities, and the re-allocation of EIM-BOSR Activities to the EIM-BOSR budget for new five year agreement for independent funding of EIM-BOSR. Lisa also provided information on WIEB's current and projected financial reserves. She stated the FY 2021-22 budget indicates that WIEB is in a strong financial position.

Maury concluded the budget overview by asking the WIEB Board to approve the proposed FY 2021-22 budget based on the seven authorizations, listed below.

- 1) Authorize the acceptance of funds in the areas of radioactive waste, regional electricity cooperation, transmission planning, distributed energy resources, and emerging energy markets;
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Brian Goretzki (AZ) moved to approve the proposed FY 2021-22 budget with the seven budget authorizations listed above. Andrew McAllister (CA) seconded the motion. The Board unanimously approved the motion.

## **Election of Officers**

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John Chatburn (ID), Chair of the WIEB Board, asked Amy Sopinka (BC) to chair the meeting during the election of officers. Amy asked for nominations to the Western Interstate Energy Board, noting that, in the past, members elected to the WIEB Board have also served in the corresponding Western Interstate Nuclear Board (WINB) Chair, Vice Chair, and Treasurer positions. There were no objections to continuing this practice.

Amy indicated the following board members were willing to serve as officers in the upcoming year:

- David Bobzien (NV) – Chair (WIEB and WINB)
- Sarah Cottrell Propst (NM) – First Vice-Chair (WIEB and WINB)
- John Chatburn (ID) – Second Vice-Chair (WIEB)
- Brian Goretzki (AZ) – Treasurer (WIEB and WINB)

Amy invited each candidate to provide a short statement expressing their interest in serving on the WIEB/WINB leadership team.

Andrew McAllister (CA) moved to approve the slate of officers for FY 2021-22. Dr. Glen Murrell (WY) seconded the motion. The Board unanimously approved the motion.

Amy congratulated the newly elected members of the WIEB Executive Committee.

John Chatburn (ID) thanked Amy Sopinka (BC) for conducting the election and the Board Members for their support.

## **Adjourn**

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Board Second Vice-Chair John Chatburn thanked the WIEB Board Members for their participation.

John Chatburn (ID) moved to adjourn the meeting at 11:30 AM (MDT). Matt Anderson (representing UT on behalf of, and with proxy of, Thom Carter) moved to approve. Brian Goretzki (AZ) seconded the motion. The Board unanimously approved the motion to adjourn.