Markets+ State Committee

2027 Business Plan and Budget

July 17, 2026

Approved by:

Members of the

Markets+ State Committee

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Introduction

The Markets+ State Committee (MSC) proposed budget for 2027 is $452,433. The budget is based upon employment of 2.15 full-time (FTE) employees consisting of Western Interstate Energy Board (WIEB) staff in 2027. The following table summarizes the proposed MSC budget for calendar year 2027:

Table 1. MSC Budget for 2027

Total Resources	2027
Total FTEs	2.15
Total Expenses	$ 452,433
Target Working Capital Reserve	$ 45,243
Total Funding Requirement	$ 497,676
Projected Working Capital Reserve	$ 69,315
Increase or (Decrease) to Achieve Target Working Capital Reserve	$ (24,072)
2027 Funding Requirement	$ 428,361
Less: 2027 Other Income	$ (750)
Total 2027 Funding Assessment	$ 427,611

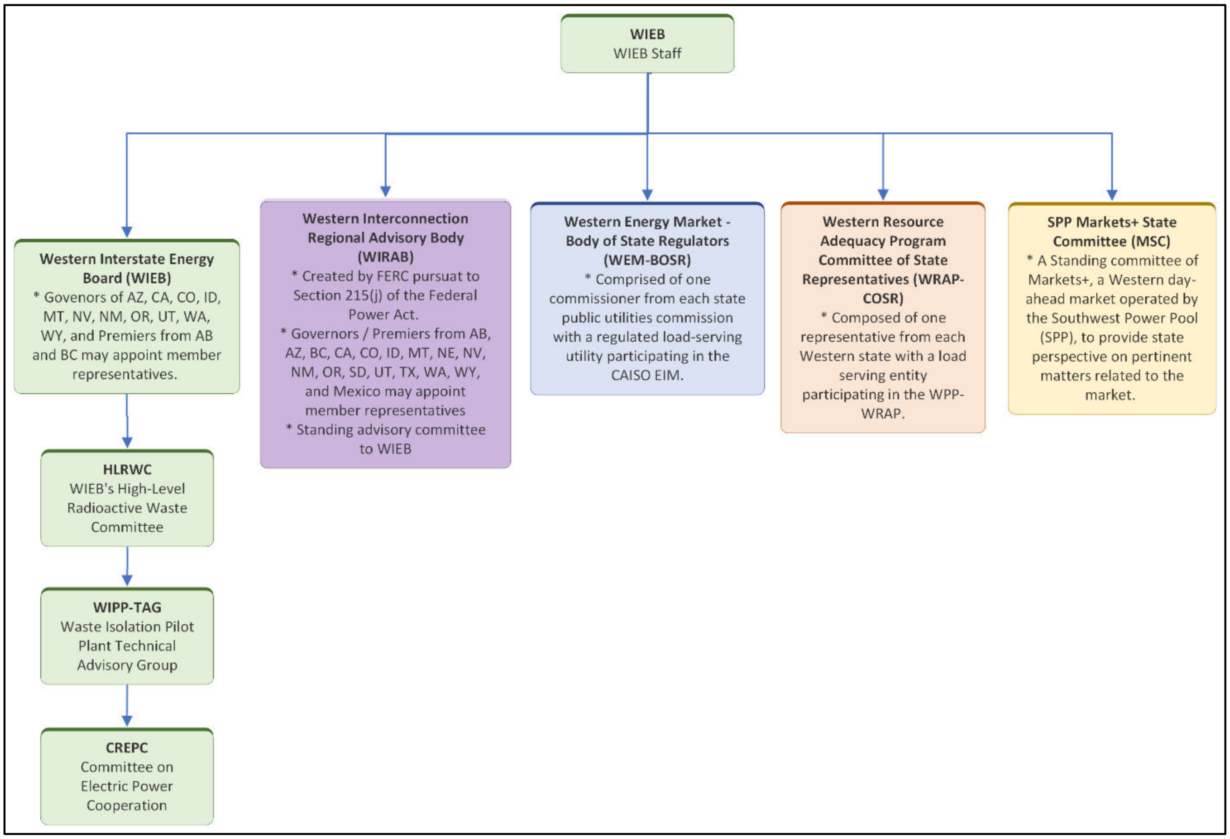
The MSC funding assessment is allocated to all Markets+ Market Participants, as described in the Markets+ Tariff.

Organizational Overview

The MSC is a standing committee of Markets+, a Western real-time and day-ahead market offering by the Southwest Power Pool (SPP). The MSC was established in April 2023 in accordance with the governance structure of Markets+. Markets+ was approved by the Federal Energy Regulatory Commission (FERC) on January 16, 2025. The purpose of the MSC is to effectively engage state members in the development and operation of Markets+ and to provide direction and input to the Markets+ Independent Panel (MIP), the Markets+ Participant Executive Committee (MPEC), and any working group or task force on all matters deemed pertinent by the MSC and its members, including but not limited to initiative prioritization, market operations, and policy issues.

The MSC has chosen the Western Interstate Energy Board (WIEB) as the vehicle to obtain independent staff support. WIEB was founded in 1970 pursuant to the Western Interstate Nuclear Compact, P.L. 91-461. WIEB provides the instruments and framework for developing energy policy cooperatively among member states and provinces and the federal government to enhance the economy of the West. WIEB currently shares staff resources with four (4) other regional committees: The Committee on Regional Electric Power Cooperation (CREPC), the Western Interconnection Regional Advisory Body (WIRAB), the Western Energy Markets Body of State Regulators (BOSR), and the Western Power Pool's Western Resource Adequacy Program (WRAP) Committee of State Representatives (COSR). The CREPC was established in 1982 as a joint committee of WIEB and the Western Conference of Public Service Commissioners (WCPSC) to focus on electric power system policy issues that require regional cooperation in the West. The WIRAB was established by FERC in 2006 upon petition of the Western Governors to advise on matters pertaining to electric grid reliability in the Western Interconnection. The BOSR was established in 2015 as part of a governance proposal adopted by the California Independent System Operator (CAISO) Board of Governors to address the regional nature of its energy market and support state engagement in CAISO developments. COSR was created in 2023 with the approval of the WRAP tariff by FERC to address resource adequacy issues in the West and support the development of a resource adequacy program. WIEB, CREPC, WIRAB, BOSR, COSR, and the MSC are independent sister organizations that share operational resources but maintain independent governance, decision-making, and funding. The following chart illustrates the organizational relationships:

Figure 1. Organizational Relationships



Membership and Governance

During this current phase of Markets+ development, participation in the MSC is broad and consists of one representative from each state that has at least one entity plausibly considering joining Markets+. Upon implementation of the Markets+ Tariff and go-live in October 2027, state participation in the MSC will be restricted to one representative from each state or province that regulates at least one Markets+ Market Participant. State and provincial representatives are nominated by the Chair or President of their respective public utility commission and may include representatives from the state or provincial energy offices or state- or provincial-funded consumer advocates. The MSC operates in a public setting and welcomes other regional stakeholders to attend committee meetings to foster engagement and collaboration. Below is the list of current MSC member representatives:

Table 2. MSC Membership List

State/Province	Representative	Title/Agency	Leadership
Arizona	Nick Myers	Chair, Arizona Corporation Commission	Chair
California	Vacant		
Colorado	Eric Blank	Chairman, Colorado Public Utilities Commission	
Idaho	John Hammond	Commissioner, Idaho Public Utilities Commission	Vice Chair
Montana	Vacant		
Nevada	Tammy Cordova	Commissioner, Public Utilities Commission of Nevada	
New Mexico	Pat O'Connell	Chair, New Mexico Public Regulation Commission	
Oregon	Letha Tawney	Chair, Oregon Public Utility Commission	
South Dakota	Kristie Fiegen	Commissioner, South Dakota Public Utilities Commission	
Utah	Vacant		
Washington	Ann Rendahl	Commissioner, Washington Utilities and Transportation Commission	
Wyoming	Mike Robinson	Chairman, Wyoming Public Service Commission	

2027 Strategic Priorities and Goals

During the last few years, MSC members, staff, and consultants have been heavily engaging in the tariff and protocol development processes by participating in the Markets+ working groups and task forces, submitting questions and comments on behalf of the MSC, and collaborating with SPP and Markets+ Market Participants to resolve issues. Now that the Markets+ Tariff has been approved by FERC and the protocols have been completed and approved by the relevant stakeholder groups, the MSC and broader Markets+ stakeholder community is looking towards go-live in October 2027. To prepare for this, the MSC has been undergoing a series of educational webinars to enhance member knowledge of Markets+ throughout 2026. This work is expected to continue into 2027 and will include a greater review of more technical issues and concepts in the market such as greenhouse gas accounting, seams management, and transmission rights. In 2027, the MSC will also continue to participate in relevant Markets+ working groups and task forces. To support state engagement in Markets+ throughout 2027, the MSC aims to work with its staff to:

- Advance education and understanding among MSC members, staff, and colleagues regarding Markets+ initiatives and coordination with other emerging wholesale electricity markets and west-wide energy programs, such as the California Independent System Operator's Extended Day-Ahead Market (EDAM), RTO Expansion, and the Western Resource Adequacy Program (WRAP).
- Provide a forum for discussion and opportunities to form a common state perspective on pertinent Markets+ matters. These forums include:
  - Organizing two in-person MSC meetings in 2027,
  - Holding virtual monthly MSC meetings,
  - Facilitating meetings, as necessary, with SPP, IMIP, and MPEC, and
  - Organizing other workshops or webinars, as necessary.
- Support the MSC members' effective engagement in the Markets+ development by:
  - Tracking and participating in all Markets+ working groups and task forces
  - Providing briefings on policy and technical matters that develop in the working group and task force meetings as well as in other stakeholder committees
  - Further developing internal technical expertise to better engage the MSC members in conversation with Markets+ Market Participants and SPP
  - Facilitating MSC members' consideration of potential consensus positions relevant to Markets+ development and MSC priorities
- Advance education of Markets+ and its operations through "capacity building" workshops with Markets+ experts and stakeholders, focusing on the following key areas:

- Resource adequacy,
- Seams,
- Governance,
- Price formation,
- Transmission rights, pricing, and availability,
- Greenhouse gas accounting (pricing and non-pricing), and
- Market power mitigation.

- Engage with other key organizations and partners in the West, such as WEM-BOSR, WRAP-COSR, and WIRAB, regulators and policymakers from other regions, and FERC on west-wide issues, such as seams management.

2027 Budget and Assumptions

The MSC proposed budget for 2027 is $452,433. The budget is based upon employment of 2.15 FTE in 2027, at a direct labor expense of $143,780 and indirect expense of $134,578.

The MSC 2027 budget is based on the following key assumptions:

- The MSC will hold regular monthly business meetings to address ongoing Markets+ activity and development.
- The MSC will organize and sponsor webinars and workshops on key Markets+ issues for state and provincial representatives, industry representatives, and other interested stakeholders.
- A MSC representative will participate in all SPP Board of Directors meetings.
- A MSC representative will participate in all MIP meetings, and the entire MSC will meet with the MIP in-person and virtually, as necessary, to address pertinent Markets+ matters.
- A MSC representative will participate in all MPEC meetings and provide an update on MSC activities.

- A MSC representative will participate in all working groups and task forces, as detailed in the respective charters.
- MSC members and staff will participate in relevant Markets+ educational webinars and trainings.

Personnel and Indirect Expenses

Personnel expenses in the MSC's budget total $278,358 for a total of 2.15 FTE. The FTE breakdown is shown in Table 2 and allocated to 0.10 FTE to the Executive Director, 0.15 to the Deputy Director, 0.05 to Director of State, Federal, and International Affairs, 0.90 to the Program Associate - Markets and Resource Adequacy, 0.90 to the Markets+ Analyst (currently vacant until April 1, 2027), and 0.05 to the Events and Communications Manager. The addition of the Markets+ Analyst in 2027 follows the multi-year resource plan first presented in 2024, to build critical staff capacity supporting states ahead of Markets+ go-live.

The Western Interstate Energy Board uses a single rate method for indirect expenses. The indirect expenses include office expenses, medical and retirement expenses, as well as holiday, vacation, and sick leave for MSC staff. Salaries of two full-time administrative employees, the Director of Finance and Administration, and the Office Manager, are also included in indirect expenses. The indirect rate is a percentage of direct labor expense associated with MSC activities. The indirect rate is 93.6% in the 2027 budget.

Table 3. Personnel and Indirect Expense

Personnel and Indirect Expense Analysis				
Category	**Fiscal Year 2026 Budget**	**Fiscal Year 2027 Budget**	**Variance $**	**Variance %**
Direct Labor Expense	$ 94,219	$ 143,780	$ 49,561	52.6%
Indirect Expense	$ 91,204	$ 134,578	$ 43,374	47.6%
Total Personnel Expense	**185,423**	**278,358**	**$ 92,935**	**50.1%**
FTEs	**1.05**	**2.15**		
Indirect Rate	**96.8%**	**93.6%**		

Working Capital Reserve

Commencing in 2025, a working capital reserve equal to 10% of budgeted expenses was established and incorporated into the annual assessment. A typical working capital reserve ranges from 5% to 20% of budgeted expenses. Reserves are intended to provide planned flexibility to cover unexpected expenses. The reserve policy will be reviewed in future years when budget risks can be more clearly identified. The adjustment to the funding requirement to meet the desired level of reserves is the mechanism by which the MSC will ensure that budget surpluses in any given budget year will be used to reduce the funding requirement in the subsequent budget year.

Table 4. Working Capital Reserve Analysis, 2027

Working Capital Reserve Analysis, 2027	
Beginning Working Capital Reserve (Deficit), December 31, 2025	63,765
Plus: 2026 Funding	442,723
Plus: 2026 Interest Income	750
Minus: 2026 Projected expenses & capital expenditures	(437,923)
Projected Working Capital Reserve (Deficit), December 31, 2026	**69,315**
Target Working Capital Reserve, December 31, 2027[1]	45,243
Minus: Projected Working Capital Reserve, December 31, 2026	(69,315)
Increase(decrease) in funding requirement to achieve Working Capital Reserve	(24,072)
2027 Expenses and Capital Expenditures	452,433
Less: 2027 Interest Income	(750)
Adjustment: To achieve targeted Working Capital Reserve	(24,072)
2027 MSC Funding Requirement	**427,611**

[1] Targeted working capital reserve is 10 percent of budgeted expenses.

Budget Projections for 2027

The MSC projects a $14,510 or 3.3% increase to its 2027 annual budget primarily driven by an increase in personnel expense of $49,561 and indirect expense of $43,374 for the addition of 1.10 FTE. This is offset by a decrease in consulting fees of $79,925 as a shift from consultants to personnel is projected in 2027 during the Markets+ implementation phase.

Table 5. Comparison of 2026 Budget to 2027 Budget and Working Capital

Statement of Activities and Change in Working Capital 2026 Budget and 2027 Budget Projection							
		Fiscal Year 2026		Fiscal Year 2027		Variance $	Variance %
Funding							
Budget Requirement	$	442,723	$	427,611	$	(15,112)	-3.4%
TOTAL FUNDING (A)	**$**	**442,723**	**$**	**427,611**	**$**	**(15,112)**	**-3.4%**
Expenses							
Personnel Expenses							
Direct Labor		94,219		143,780	$	49,561	52.6%
Total Personnel Expenses	**$**	**94,219**	**$**	**143,780**	**$**	**49,561**	**52.6%**
Meeting/Travel Expenses							
MSC Meetings	$	15,000	$	15,450	$	450	3.0%
State Travel		20,000	$	20,600	$	600	3.0%
Staff Travel		15,000	$	15,450	$	450	3.0%
Total Meeting Expenses	**$**	**50,000**	**$**	**51,500**	**$**	**1,500**	**3.0%**
Operating Expenses							
Consultants & Contracts	$	200,000	$	120,075	$	(79,925)	-40.0%
Staff Training	$	2,500	$	2,500	$	-	0.0%
Total Operating Expenses	**$**	**202,500**	**$**	**122,575**	**$**	**(79,925)**	**-39.5%**
Total Direct Expenses	**$**	**346,719**	**$**	**317,855**	**$**	**(28,864)**	**-8.3%**
Indirect Expenses	**$**	**91,204**	**$**	**134,578**	**$**	**43,374**	**47.6%**
Other Non-Operating Expenses	**$**	**-**	**$**	**-**	**$**	**-**	
TOTAL BUDGET (B)	**$**	**437,923**	**$**	**452,433**	**$**	**14,510**	**3.3%**
CHANGE IN WORKING CAPITAL RESERVE	**$**	**4,800**	**$**	**(24,822)**	**$**	**(29,622)**	
FTEs		1.05		2.15		1.10	104.8%