Western Resource Adequacy Program

Committee of State Representatives

2027 Business Plan and Budget

November 6, 2026

Approved by:

Appointed Members of the

Committee of State Representatives

1600 Broadway, Suite 1020

Denver, CO 80202

720-897-4600

www.westernenergyboard.org

Table of Contents

Introduction 3
Organizational Overview 4
Membership and Governance 6
Recent Activities and 2027 Strategic Priorities and Goals 7
2027 Budget and Assumptions 11
Working Capital Reserve and Funding Requirement 13
Budget Projections for 2027 and 2028 14

Introduction

The Western Resource Adequacy Program (WRAP) Committee of State Representatives' (COSR) proposed budget for 2027 is $309,000. The budget is based upon employment of 1.10 full-time equivalent (FTE) employees, consisting of five (5) Western Interstate Energy Board (WIEB) staff in 2027. The following table summarizes the proposed COSR budget for calendar year 2027:

Table 1. COSR Budget for 2027

Total Resources	2027
Total FTEs	1.10
Total Expenses	$ 309,000
Targeted Working Capital Reserve	$ 30,900
Total Funding Requirement	$ 339,900
Projected Working Capital Reserve	$ 109,051
Increase or (Decrease) to Achieve Desired Worki	$ (78,151)
2027 Funding Requirement	$ 230,849
Less: 2027 Other Income	$ -
Total 2027 Funding Assessment	**$ 230,849**

The COSR funding assessment is allocated to State-Regulated WRAP Participants (SRWPs) using the following methodology as specified in the SRWP contract:

1) Determine SRWP's load for each applicable state (i.e., each state where the SRWP serves load that is subject to WRAP) using the most recent publicly available EIA data.
2) For each state, add up the total WRAP load (which may be comprised of one or more SRWPs).
3) A limit is set to distinguish between small and large load states using a 10,000,000-MWh threshold.
4) If a state's total WRAP load is above the threshold, it is assigned an equal proportion of the total WIEB expense based on the total number of WRAP states (e.g., if there are ten WRAP states, the large load state receives one-tenth of the total expense).

5) If a state's total WRAP load is below the threshold, it is assigned half the proportion of the total expense compared to large load states (e.g., if there are ten WRAP states, the small load state receives one-twentieth of the total expense).
6) This allocation method leaves a residual amount of total expense that is then assigned equally to the large load states.
7) Each SRWP's load in each state is then assigned a proportion of the total state allocation according to that SRWP's respective share of that state's WRAP load.
8) Each SRWP's total expense share by state is then added together to get each SRWP's compensation share of the total expense.

The following table summarizes the adjusted funding allocation by state for 2027:

Table 2. COSR Funding Allocation by State for 2027

State	2027 Funding Assessment
Arizona	$24,921.20
California	$10,493.14
Colorado	$24,921.20
Idaho	$24,921.20
Montana	$10,493.14
Nevada	$24,921.20
New Mexico	$24,921.20
Oregon	$24,921.20
Utah	$24,921.20
Washington	$24,921.20
Wyoming	$10,493.14
Total	**$230,849.00**

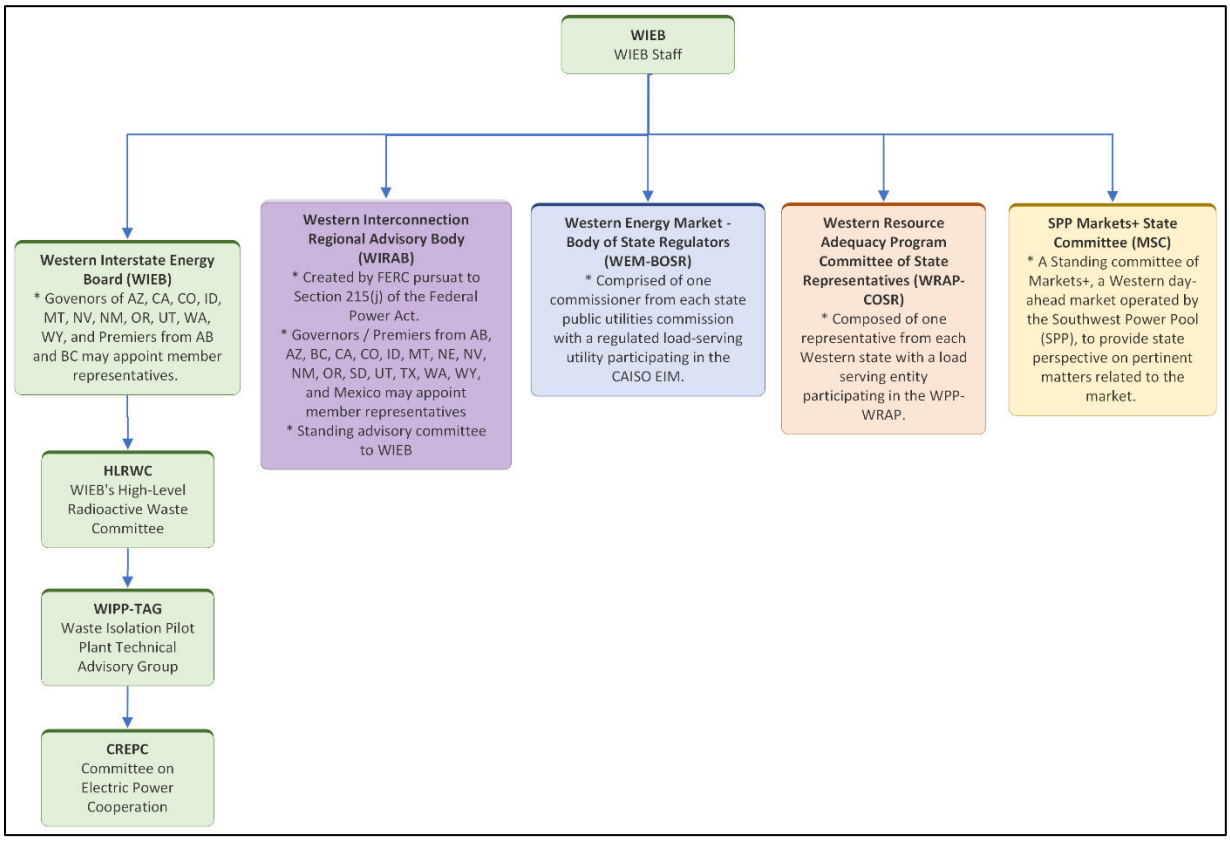
Organizational Overview

The COSR is a standing committee of WRAP, a first-of-its-kind reliability program in the West, administered by the Western Power Pool (WPP). The WRAP tariff was initially approved by the Federal Energy Regulatory Commission (FERC) at the beginning of 2023, and the COSR was established soon after in April 2023 in accordance with the WRAP Bylaws. The COSR aims to support state and provincial engagement in WRAP activities and share perspectives on pertinent program matters with WRAP participants and other stakeholders. The COSR provides advice to the WPP Board of Directors, Program Review Committee (PRC), Resource Adequacy

Participants Committee (RAPC), any associated working groups and task forces, and FERC on matters related to WRAP governance, program design, and operations.

The COSR has chosen to rely on 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 Southwest Power Pool Markets+ State Committee (MSC). 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. The MSC was established in April 2023 to support state engagement in the Markets+ development, a real-time and day-ahead wholesale electricity market offering for the West administered and operated by the Southwest Power Pool (SPP). WIEB, CREPC, WIRAB, BOSR, MSC, and COSR 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

The COSR is composed of one representative from each state or provincial jurisdiction that regulates at least one (1) WRAP 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. With the addition of the Public Service Company of Colorado (PSCo) in September 2026, the COSR now includes members from eleven (11) states, illustrated in the following table:

Table 3. COSR Membership List

State	Representative	Title and Agency
Arizona	Nick Myers	Chair, Arizona Corporation Commission
California	Darcie Houck	Commissioner, California Public Utilities Commission
Colorado	Eric Blank	Chair, Colorado Public Utilities Commission
Idaho	Dayn Hardie	Commissioner, Idaho Public Utilities Commission
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
Utah	Chris Parker*	Director, Utah Division of Public Utilities
Washington	Brian Rybarik**	Chair, Washington Utilities and Transportation Commission
Wyoming	Chris Petrie	Deputy Chairman, Wyoming Public Service Commission

** Chair*
*** Vice Chair*

Recent Activities and 2027 Strategic Priorities and Goals

WRAP participants and other participants involved in the stakeholder process have largely been focused on transitioning from program design into implementation and operational refinement ahead of the first binding season (Winter 2027/2028). Following the adoption of the Revised Transition Plan in January 2025, most efforts have involved introducing program policy refinements related to modifying rules, timelines, and calculations related to the transition period as participants move from a non-binding resource adequacy framework into full compliance with all WRAP requirements.

Since October 2026, sixteen committed participants representing 58 GW of peak load have prioritized the advancement of numerous policy, operational, and compliance-related initiatives that culminated in the development of the Program Review Committee's (PRC) 2026 Workplan. Early in the planning process, COSR Staff engaged committee members to help inform the prioritization of potential concepts under consideration, gathering informal feedback and rankings to identify issues of greatest interest and importance to the Western states. COSR Leadership subsequently submitted comments in support of the draft workplan, which was ultimately approved by the WPP Board in June 2026, including two proposals that ranked among the committee's highest priorities: Data Centers and Large Loads and Regional Transmission.

The committee also introduced a leadership transition in early 2026. The COSR elected Brian Rybarik, Chair of the Washington Utilities and Transportation Commission, to serve as Vice Chair. He succeeded Letha Tawney, Chair of the Oregon Public Utility Commission (OPUC),

who stepped down after being recognized for her significant contributions to the Committee. Chris Parker, Director of the Utah Division of Public Utilities, continued his service as COSR Chair.

Education was a focus of the committee during its February, March, and April meetings. Members participated in a series of educational sessions on recent Western resource adequacy analyses, including guest presentations from Sylvan Energy and E3. COSR staff also invited representatives from WPP and SPP to share specific updates on forthcoming changes to the oversight of the Forward Showing and operations programs. These presentations also allowed COSR members the opportunity to engage directly with subject matter experts, ask specific questions, and deepen their understanding of the evolving direction of the WRAP.

Throughout 2026, COSR worked with staff to develop and submit comment letters on seven WRAP-related initiatives, including the 2026-2027 PRC Workplan, three task force proposals, and three non-task force proposals. Among these efforts, the most consequential involved proposed changes to the WRAP's Forward Showing Planning Reserve Margin (FSPRM), adjustments to capacity requirements, revisions to the duration of the binding winter season, and updates to the Loss of Load Expectation (LOLE) study methodology. These proposals represented significant refinement to the program's resource adequacy framework as WRAP continued its transition toward full implementation. In April, the Committee submitted comments outlining its perspectives and recommendations for consideration by the PRC.

The COSR continues to closely monitor two significant WRAP initiatives: the Day-Ahead Market Task Force (DAMTF) proposal and the Deficiency Charge Deferral Proposal. The DAMTF proposal addresses the structural changes required as the Southwest Power Pool (SPP) prepares to assume administration of the WRAP Operating Program in late 2028. Specifically, it outlines the impacts of transitioning key program functions from the BPM and Tariff to the SPP Tariff, as Markets+ software will be used to identify and optimize resource adequacy solutions, particularly during capacity shortage events. The proposal also contemplates governance changes, including the creation of a working group under the Markets+ Participants Executive Committee (MPEC). The COSR will have an opportunity to comment on the DAMTF proposal in October or November, ahead of the WPP Board’s review and consideration at its December meeting.

Throughout 2026, the COSR has also been tracking the development of a proposal to modify the Forward Showing Deficiency Charge, a key component of the WRAP, designed to economically incentivize participants to develop, procure, or otherwise demonstrate sufficient qualifying capacity and transmission resources to meet their individual requirements ahead of a given binding season. The RAPC introduced an expedited proposal (2024-EP-1) outlining a Revised Transition Plan in 2024. This plan primarily outlined significant reductions to the deficiency charges for qualifying Excused Transition Deficits. Specifically, a 75% reduction for Winter 2027/2028 and a 50% reduction for Summer 2028 and Winter 2028/2029. The Revised Transition Plan was approved by the WPP Board in September 2024 resulting in corresponding changes to the WRAP Tariff that were approved by FERC in January 2025. Throughout 2025, discussions continued on further refinements to the program's deficiency charges, leading to a RAPC-approved Resolution in October 2025, which directed WPP to work with WRAP Participants to formally develop a temporary Forward Showing Deficiency Charge Deferral mechanism, presented as an expedited proposal for a concurrent review period and consideration by WPP Board in September 2026.

The Deficiency Charge Deferral Resolution and the DAMTF proposal will provide greater certainty for WRAP Participants during the interim period and help support a smooth transition as SPP prepares to assume oversight of the operations program in Winter 2028/2029. Looking ahead, the PRC's focus in 2027 will shift to other priorities identified in the 2026-2027 Work Plan, including the Data Center & Large Loads Task Force, which launched in August 2026, as well as initiatives related to Load Growth Factors and Regional Transmission, which are expected to begin in late 2026 and early 2027, respectively.

The Forward Showing deadline for the first binding season is on March 31, 2027. Accordingly, COSR members may benefit from enhanced visibility into related program developments and stakeholder discussions in advance of this important milestone. In 2027, COSR members, in collaboration with staff, will focus on advancing member education, facilitating meaningful participation in WRAP stakeholder processes, and creating opportunities for commissioners to share state- and provincial-specific perspectives on emerging issues related to the program. As resource adequacy continues to be a critical priority across the Western Interconnection, the COSR will also serve as a forum for discussion and coordination among commissioners on

reliability, resource adequacy, and related regional initiatives. COSR staff will support the Committee to advance the following:

- Developing and providing educational resources that enhance understanding of WRAP initiatives, including WRAP's coordination with emerging wholesale electricity markets and other state, regional, and local resource adequacy programs.
- Facilitating COSR feedback on key WRAP Task Forces and policy proposals, educating members on key developments, issues, and related stakeholder processes.
- Providing a forum for discussion and opportunities to develop common state/provincial perspectives on issues relating to reliability and resource adequacy. These forums will be organized by COSR staff, including but not limited to:
    - At least two (2) in-person COSR meetings;
    - Regular COSR meetings (on a monthly basis, unless otherwise advised by COSR Leadership);
    - Facilitating COSR task forces (as advised by the committee); and
    - Organizing related education workshops or webinars, as advised by the committee.
- Supporting the COSR's engagement in relevant WRAP governance processes by:
    - Tracking, reporting, and participating in stakeholder- and program initiatives that are relevant to COSR member interest(s), including those that relate to policy, program design, reliability, or governance;
    - Arranging and/or providing briefings and training on policy-oriented and technical WRAP matters, such as technical program enhancements or other developments in the resource adequacy space that may impact program planning and/or operations;
    - Developing internal expertise, either through COSR staff or consultant support, to better engage the COSR members in engagements with WRAP Participants, WRAP stakeholders, WPP, and the WPP Board of Directors; and
    - Facilitating COSR consideration and uptake of consensus positions relevant to WRAP initiatives or other regional activities that may impact WRAP operations.
- Engaging with key organizations and stakeholders across the West, including BOSR, MSC, WIRAB, regulators, policymakers from other regions, and FERC, on matters

relevant to the WRAP, including seams management, regional resource adequacy outlooks, and enhanced program data and analysis.

2027 Budget and Assumptions

The COSR's proposed budget for 2027 is $309,000, an increase of $73,600 (31.3%) from 2026. The budget is based upon employment of 1.10 FTE in 2027, at a direct labor expense of $117,500 and an indirect expense of $110,000. This is an increase of 12.8% and 9.1%, respectively, to address cost-of-living adjustments and strategic changes in staff allocations required to respond to developing and ongoing WRAP initiatives. The 2027 COSR budget is based on the following key assumptions:

- The COSR will hold regular monthly business meetings to address ongoing WRAP initiatives and program development.
- The COSR will organize and sponsor webinars and workshops on key WRAP issues for state and provincial representatives, industry personnel, and other interested stakeholders.
- A COSR representative will participate in WPP Board of Directors meetings.
- A COSR representative will participate in PRC and RAPC meetings. A COSR staff member will be appointed to monitor RAPC meetings in Executive Session, in accordance with a signed non-disclosure agreement.
- COSR members will participate in other WRAP-stakeholder meetings and workshops on relevant topics.
- The COSR will monitor WRAP PRC Task Forces as they arise, including the current task forces on Day-Ahead Markets, CAISO Transmission, and the Planning Reserve Margin (PRM) and engage with task force membership as necessary to advance the discussion and seek resolution.

Personnel and Indirect Expenses

Personnel expenses in the COSR's budget total to $117,500 for a total of 1.10 FTE. The FTE breakdown is allocated to 0.10 FTE to the Executive Director, 0.10 to the Deputy Director, 0.05 to the Director of State, Federal, and International Affairs, 0.80 to the Program Manager – Resource Adequacy, and 0.05 to the Events and Communications Manager. WIEB 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 COSR staff. The indirect rate is a percentage of the direct labor expense associated with COSR activities. The indirect rate is 93.6% in the 2027 budget, representing a 1.4% decrease from the 2026 budget. This reduction is attributable to the increase in direct labor costs exceeding the increase in overhead expenses, driven by an expansion of WIEB staffing from 14 FTEs to 15 FTEs in FY2027.

Table 4. Personnel and Indirect Expense Analysis, 2026 & 2027

Personnel and Indirect Expense Analysis				
Description	**Budget 2026**	**Budget 2027**	**Variance $**	**Variance %**
Salary Expense	$ 104,143	$ 117,500	$ 13,357	12.83%
FTEs	1.15	1.10	(0.05)	-4.35%
Cost per FTE	$ 90,559	$ 106,818	$ 16,259	17.95%
Indirect Rate	95.0%	93.6%	-1.4%	-1.46%
Indirect Expense	$ 100,800	$ 110,000	$ 9,200	9.13%
FTEs	1.15	1.10	(0.05)	-4.35%
Cost per FTE	$ 87,652	$ 100,000	$ 12,348	14.09%

Meeting Expense

Meeting expenses increase from $10,000 to $10,300 in 2027 to account for an annual inflationary adjustment of 3%. The COSR holds two in-person meetings per year that include participation by state representatives. In 2027, the COSR will hold two in-person meetings, one in the Spring and another in the Fall. Whenever feasible, COSR meetings will be coordinated with other meetings of the Western states and provinces. The COSR also conducts monthly conference calls to update members on current activities and to develop positions on related issues, as well as other relevant Western market and governance related matters.

Travel Expense

Travel expenses increase from $18,000 to $18,600 to account for an annual inflationary adjustment of 3%. It is estimated that COSR members will make up to six (6) trips, as needed, to attend in-person meetings, training, and other appropriate in-person meetings that relate to COSR

activities, which account for $9,300. COSR staff will make up to six (6) trips to attend in-person meetings, which account for $9,300 in travel expenses.

Consultants and Training

In 2027, the budget includes $50,000 in funding for consulting expenses. During the 2026 budget development process, $50,000 in consulting expenses were anticipated and included in the budget projections for 2027 and 2028 for continued COSR development and technical expertise with market mechanisms and concepts. Staff training in 2027 is $2,600, an increase of $100 or 4% to account for annual inflationary adjustments, to further develop internal technical expertise.

Working Capital Reserve and Funding Requirement

The 2027 COSR funding requirement is $230,849, a nominal increase of $4,235, or (1.9%) from 2026. The slight increase in this year's funding assessment reflects the ongoing stabilization of the budget and reserves to avoid significant fluctuations in future funding requirements. The 2027 target working capital reserve is $30,900 or ten percent (10%) of the budget. In 2026, the initial target working capital reserve was $58,850, or twenty-five percent (25%) of the budget. The level of reserves will continue to be based on actual year-to-date spending in future budget periods. Reserves are intended to provide for unexpected expenses or losses. 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 COSR will ensure that budget surpluses in any given budget year will be used to reduce the funding requirement in the subsequent budget year. The following table provides the 2027 working capital reserve analysis:

Table 5. Working Capital Reserve Analysis, 2027

Working Capital Reserve Analysis 2027		
Beginning Working Capital Reserve (Deficit), December 31, 2025	$	109,516
Plus: 2026 Funding (from SRWPs)	$	226,614
Plus: 2026 Other funding sources		0
Minus: 2026 Projected expenses & capital expenditures	$	227,079
Projected Working Capital Reserve (Deficit), December 31, 2026	**$**	**109,051**
Targeted Working Capital Reserve, December 31, 2027	$	30,900
Minus: Projected Working Capital Reserve, December 31, 2026	$	109,051
Increase(decrease) in funding requirement to achieve Working Capital Reserve	**$**	**(78,151)**
2027 Expenses and Capital Expenditures	$	309,000
Less: Other Funding Sources		0
Adjustment: To achieve desired Working Capital Reserve	$	(78,151)
2027 COSR Assessment	**$**	**230,849**

Budget Projections for 2028 and 2029

The COSR projects a budget increase of 3.3% in 2028 and 2029 to account for annual cost of living and inflationary adjustments.

These increases are consistent with those of other regional committees supported by WIEB. The following table provides projections for the 2028 and 2029 budgets and changes in working capital:

Table 6. Projections of the 2027, 2028, and 2029 Budgets and Change in Working Capital

Statement of Activities and Change in Working Capital 2027, 2028, and 2029 Budget Projections							
	2027 Budget	2028 Projection	Variance 2028 Projection v 2027 Budget Over(Under)	% Change	2029 Projection	Variance 2029 Projection v 2028 Budget Over(Under)	% Change
Funding							
COSR Funding							
Assessments	$ 230,849	$ 304,155	$ 73,306	31.8%	$ 330,125	$ 25,970	8.5%
	-	-	-		-	-	
Total Funding (A)	**$ 230,849**	**$ 304,155**	**$ 73,306**	**31.8%**	**$ 330,125**	**$ 25,970**	**8.5%**
Expenses							
Personnel Expenses							
Direct Labor	117,500	122,200	4,700	4.0%	127,100	$ 4,900	4.0%
Total Personnel Expenses	**$ 117,500**	**$ 122,200**	**$ 4,700**	**4.0%**	**$ 127,100**	**$ 4,900**	**4.0%**
Meeting Expenses							
COSR Meetings	10,300	10,600	300		10,900	300	2.8%
State Travel	9,300	9,600	300		9,900	300	3.1%
Staff Travel	9,300	9,600	300		9,900	300	3.1%
Total Meeting Expenses	**$ 28,900**	**$ 29,800**	**$ 900**	**3.1%**	**$ 30,700**	**$ 900**	**3.0%**
Operating Expenses							
Consultants & Contracts	$ 50,000	$ 50,000	-		$ 50,000	-	0%
Staff Training	2,600	2,700	100	4%	2,800	100	4%
Total Operating Expenses	**$ 52,600**	**$ 52,700**	**$ 100**	**0.2%**	**$ 52,800**	**$ 100**	**0.2%**
Total Direct Expenses	**$ 199,000**	**$ 204,700**	**$ 5,700**	**2.9%**	**$ 210,600**	**$ 5,900**	**2.9%**
Indirect Expenses	**$ 110,000**	**$ 114,400**	**$ 4,400**	**4.0%**	**$ 119,000**	**$ 4,600**	**4.0%**
Other Non-Operating Expenses	**$ -**	**$ -**	**$ -**	**-**	**$ -**	**$ -**	**-**
TOTAL BUDGET (B)	**$ 309,000**	**$ 319,100**	**$ 10,100**	**3.3%**	**$ 329,600**	**$ 10,500**	**3.3%**
CHANGE IN WORKING CAPITAL (=A	**$ (78,151)**	**$ (14,945)**	**$ 63,206**	**-**	**$ 525**	**$ 15,470**	**-**
FTEs	1.10	1.10	-	0.0%	1.10	-	0.0%