



# Office of Consumer Advocate

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To: West-Wide Governance Pathways Initiative,  
Launch Committee  
From: William Achi, Regional Analyst, Wyoming Office of Consumer Advocate  
Date: October 25, 2024

RE: Comments for Step 2 Draft Proposal, October 25, 2024

The Wyoming Office of Consumer Advocate (OCA) appreciates the opportunity to provide comments to the West-Wide Governance Pathways Initiative Launch Committee on the Step 2 Draft Proposal provided on September 26, 2024, and the Revised Sector Proposal that was provided on October 14, 2024. The Wyoming OCA is a separate and independent division of the Wyoming Public Service Commission and the State of Wyoming's statutorily authorized representative of all classes of utility customers. The OCA's duties are set forth in Wyoming Statutes W.S. 37-2-401 through 404.

We appreciate the Launch Committee's recognition of the unique and critical role that consumer advocates play in advancing the public interest in their respective states.

## Questions from the Step 2 Draft Proposal:

1. **Support for Step 2 Draft Proposal:** *Please indicate your level of support for the Step 2 Draft Proposal.*

The OCA generally supports the Step 2 Draft Proposal and appreciates the Launch Committee's efforts to create a durable, independent governance structure for Western energy markets that centers on protecting the public interest.

The proposal appropriately recognizes that public interest protections must be woven throughout the RO's structure rather than existing as standalone elements. We are particularly supportive of embedding public interest principles in the RO's Corporate Documents, making the public interest a main concern of selecting RO Board members, and creating a Consumer Advocacy Organization with tariff-based funding.

2. **Stepwise approach:**

No comment at this time.

**3. Cost:**

No comment at this time.

**4. Tariff Approach:**

No comment at this time.

**5. Department of Market Monitoring (DMM):**

No comment at this time.

**6. Sectors:** *Please share your thoughts on the revised sector proposal and if this component of the overall stakeholder process would allow for meaningful participation and all stakeholder voices to be heard.*

We have concerns with the proposed voting structure and sector representation framework.

Firstly, we believe the current structure does not adequately represent consumer advocates on the Stakeholder Representatives Committee (SRC). While we appreciate the Launch Committee's efforts to create an inclusive stakeholder process, having only one seat for consumer advocates on the SRC is insufficient. This allocation fails to reflect the diverse statutory requirements across the Western states. Our organizations operate under various state mandates regarding RTO participation requirements, environmental goals, and other factors that lead to differing perspectives on market design. These diverse viewpoints deserve appropriate representation in governance discussions.

This lack of representation is especially concerning given the recent increase in seats for market participants. While the OCA acknowledges that the voting structure is based on individual entity participation rather than sector-weighted voting, it is crucial to recognize that SRC representatives play a vital role in voicing stakeholder perspectives to the RO Board and staff. With a higher number of seats allocated to market participants and utilities, their perspectives have the potential to dominate discussions, potentially overshadowing consumer advocates.

Because the decisions made by a regional organization significantly impact consumer cost, it is essential to maintain a balanced stakeholder representative structure between market participants and those representing consumer interests. We believe the current proposal fails to achieve this balance within its SRC structure.

Additionally, we have concerns regarding the proposed Nominating Committee structure. The current proposal establishes a Nominating Committee with one representative from each of the nine sectors outlined in the SRC,<sup>1</sup> plus a representative from the Body of State Regulators (BOSR) and the RO Board (non-voting). Among the voting members, only three could reasonably be considered to represent consumer and/or state interests:

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<sup>1</sup> Step 2 Draft Proposal, pg. 57, subsection a., "The Launch Committee proposes mirroring the sectors identified in the Stakeholder Process as the nominating committee sectors".

the representative from the Consumer Advocates sector, the representative from the Large C&I Customers sector, and the BOSR representative.

The proposal also requires a super-majority of 70% of voting representatives to approve board nominees if consensus cannot be reached. This threshold creates a concerning situation: nominees could be approved even if every sector representing consumer and state interests opposes them. Given that the composition of the RO Board is crucial for protecting these interests, this possibility is alarming.

In light of these issues, the OCA recommends the following:

1. To address the inadequacy of SRC representation, we propose either limiting each sector to one seat or increasing the number of seats available to the Consumer Advocate sector. This would help ensure that the diverse perspectives of individual state consumer advocates are adequately represented and not lost as other sectors gain additional seats as they grow.
  2. To address concerns with the Nominating Committee, we recommend that the Launch Committee reevaluate the SRC structure in selecting nominating committee members. Consolidating similar sectors would ensure that consumer and state perspectives cannot be completely overridden.
- 7. Tariff based funding for new public interest protections:** Do you support tariff-based funding for these enhanced public interest protections?

We support the Launch Committee's recommendation to establish a formally structured Consumer Advocacy Organization (CAO) with tariff-based funding. We believe stable, reliable funding for this organization is essential for its effectiveness, sustainability, and independence.

- 8. Chapter specific feedback:** In addition to the questions above, we are seeking feedback on the entire Step 2 Draft Proposal. Please use this space to provide general feedback by chapter, as well as feedback on the embedded technical questions by chapter.

We would like to provide general feedback regarding the CAO as described in Chapter 4: Public Interest.

We appreciate the Launch Committee's recommendation that "consumer advocates take the lead on developing the CAO and its governance structure." This approach acknowledges that consumer advocates are best positioned to structure an organization that effectively represents consumer interests across diverse state regulatory frameworks.

We also support the proposal to grant the CAO access to data and analysis from the Department of Market Monitoring, subject to appropriate confidentiality requirements. Access to this information is crucial for consumer advocates to effectively analyze market performance and advocate for consumer interests.

The OCA believes the Launch Committee's proposal for the CAO represents a significant step forward in ensuring effective consumer advocacy in an RO and we look

forward to working with our fellow consumer advocates to develop an organization that will effectively represent consumer interests across the West.

We appreciate the Launch Committee's commitment to meaningful consumer advocacy and thank you for your consideration of these comments.