

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Request for Acceptance of 2024 Business Plans)
And Budgets of NERC and Regional Entities) **Docket No. RR23-3-000**
And for Approval of Proposed Assessments)
to Fund Budgets)

ADVICE OF THE WESTERN INTERCONNECTION REGIONAL ADVISORY BODY

I. Introduction

The Western Interconnection Regional Advisory Body (“WIRAB”)¹ appreciates the opportunity to submit advice to the Federal Energy Regulatory Commission (“Commission”) on the Western Electricity Coordinating Council’s (“WECC”) 2024 Business Plan and Budget submitted to the Commission by the North American Electric Reliability Corporation (“NERC”) on August 24, 2023, as part of the Electric Reliability Organization (“ERO”) 2024 Business Plan and Budget package and proposed assessments.²

II. Background

WIRAB participated throughout WECC’s Business Plan and Budget process and submitted comments on the proposed 2024 Business Plan and Budget during WECC’s open

¹ Under Section 215 (j) of the Federal Power Act, Regional Advisory Bodies, such as the Western Interconnection Regional Advisory Body (WIRAB), are authorized to provide advice to the Commission on “...whether fees proposed to be assessed within the region are just, reasonable, not unduly discriminatory or preferential, and in the public interest...”. WIRAB was created by Western Governors under Section 215 of the Federal Power Act (FPA). Members of WIRAB represent the Governors of 14 western states, the Canadian provinces of Alberta and British Columbia, and Baja Mexico. WIRAB is charged to advise the NERC, the Commission and WECC on whether proposed reliability standards and the governance and budgets of WECC are in the public interest.

² Request for Acceptance of 2024 Business Plans and Budgets of NERC and Regional Entities and for Approval of Proposed Assessments to Fund Budgets, Docket RR23-3-000 (August 24, 2023).

comment period.³ WECC's executive team also participated in a meeting with WIRAB so that appointed WIRAB Members could have a clear understanding of WECC's business plan, priorities and assumptions prior to WIRAB formalizing its comments on the 2024 Business Plan and Budget. WIRAB also provided verbal advice to the WECC Board of Directors at the June Board of Directors Meeting.

III. Comments

WIRAB has reviewed WECC's proposed 2024 Business Plan and Budget and finds the statutory budget and assessment reasonable and in the public interest.

WECC's proposed 2024 BP&B provides appropriate funding for the organization to fulfill its delegated function and its mission, which is to effectively and efficiently mitigate risks to the reliability and security of the Western Interconnection. WECC's proposed statutory budget for 2024 is \$35.405 million, \$3.592 million (11.3 percent) higher than WECC's 2023 statutory budget. The statutory assessment proposed for 2024 is \$25.0 million. The primary reason the revenue from the assessment is significantly less than the budget is due to the release of a portion of a large amount of penalty sanctions collected in 2021 that the Commission approved could be spread out over multiple years to stabilize assessments year over year. WIRAB supported this effort to stabilize assessment in the Western Interconnection because it provides certainty to load-serving entities who must budget to pay ERO assessments year-over-year. WIRAB believes that it is in the public interest to maintain stable assessments instead of one-time significant decreases or increases in assessments because it creates assurance for load-serving entities, ratepayers, and the ERO.

³ WIRAB Comments on the WECC 2024 Business Plan and Budget, May 19, 2023, <https://www.westernenergyboard.org/wirab-advice-on-the-wecc-2024-business-plan-and-budget/>

During the 2024 Business Plan and Budget process, WIRAB reviewed a budget with a proposed assessment of \$24.0 million, but during the June WECC Finance and Audit Committee Meeting, the Committee proposed to increase the assessment by \$1 million to \$25 million based on a recommendation from the WECC Member Advisory Committee (“MAC”).⁴ This change allowed WECC to align the assessments with those imposed in previous years. WIRAB still supports WECC’s assessment stabilization initiative because it provides certainty to load-serving entities who must budget to pay ERO assessments year-over-year. **WIRAB supports WECC’s proposed assessment of \$25 million and believes it is in the public interest because it maintains stable assessments, especially when future budget projections indicate budget increases. Therefore, WIRAB Advises the Commission to approve the proposed assessment.**

IV. Additional Comments

Additionally, WIRAB supports WECC’s 2024 Business Plan and Budget for the following reasons:

1. WECC’s Reliability Assessment and Performance Analysis (“RAPA”) program is adequately funded. WECC’s is adding 3.0 FTEs to the RAPA program area to support the build-out of WECC’s capabilities to support expanding transmission planning in the West. During the March 2023 Board of Directors Meeting, WIRAB advised the WECC Board to “invest in skillsets and technology, as needed, to adequately pursue these opportunities, which have the potential to add value to

⁴ Member Advisory Committee MAC Budget Subcommittee Recommendation. (May 17, 2023). Pg 58-59 WECC Board Packet:
https://www.wecc.org/_layouts/15/WopiFrame.aspx?sourcedoc=/Administrative/2023%20June%20Board%20Book.pdf&action=default&DefaultItemOpen=1

transmission planning in the West.”⁵ WIRAB believes that WECC has the authority to conduct reliability assessments on its own initiative that support the periodic assessments of the reliability and adequacy of the bulk-power system, and WIRAB believes that a Transmission Trends Assessment that leverages WECC’s study program appropriately falls under this authority. WIRAB fully supports WECC’s request for additional FTEs in RAPA, investing in WECC’s skillsets and technology to add value to transmission planning in the West.

2. WECC’s Compliance Monitoring and Enforcement Program (“CMEP”) is adequately funded. WECC is adding additional FTEs to the CMEP to ensure the program area has the leadership and technical expertise to account for the increased workload in CMEP activities. With the increasing complexity of the ever-changing grid, experienced leadership and adequate staffing in the CMEP will ensure the proper oversight of Registered Entities. Therefore, WIRAB supports WECC’s proposed addition of five more FTEs to the CMEP and recognizes the pressure the additional workload will have on this program area with proposed regulatory changes.
3. WECC’s Informational Technology (“IT”) department is adequately funded. WIRAB supports WECC’s proposed increase of 1.0 FTE to its Information Technology department to provide administration and security monitoring of increased enterprise security tools. WIRAB supports WECC’s request to increase staffing in this area to increase security capabilities to control and enhance threat monitoring, detection, and reporting tools within the ever-changing cybersecurity landscape. WIRAB envisions that additional investment in IT infrastructure and personnel may be necessary in the

⁵ WIRAB Advice to WECC Board of Directors WECC Transmission Planning Opportunities. (February 24, 2023). <https://www.westernenergyboard.org/wirab-advice-wecc-transmission-planning-opportunities/>

future as WECC takes on more tasks in collecting entity registration and transmission planning data.

4. WECC is adequately funded to achieve its mission and fulfill its delegated function. WIRAB supports WECC effectively using its existing resources to meet its needs. WIRAB supports the use of Peak Reliability donation funds to fund projects to invest in WECC's modeling tools to improve its reliability assessments. Still, when it's appropriate to fulfill the organization's and industry's changing needs, WIRAB supports WECC looking beyond its existing resources to create a well-staffed and effective Regional Entity for the Western Interconnection.

V. Advice

WIRAB has reviewed WECC's 2024 Business Plan and Budget and finds all of the proposed activities to be eligible and appropriate for funding under Section 215 of the Federal Power Act. WIRAB respectfully requests the Commission to approve the 2024 statutory budget and assessment for WECC as presented.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Denver, CO this 14th day of September, 2023.

/s/ Eric Baran

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