



**Western Interstate
Energy Board**

**Business Plan and Budget
Fiscal Year 2022**

May 21, 2021

Approved by the
Members of the
Western Interstate Energy Board

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TABLE OF CONTENTS

Organizational Overview 3
Budget Highlights 5
Current Financial Position FY 2022 6
Proposed Budget FY 2022 7
2022 WIEB Initiatives 9
Budget Analysis 10
Reserve Policy and Reserve Expenditure Plan 15
Budget Recommendation 17
Appendix A – Detailed Tables 18

Organizational Overview

In 1970, upon petition of the western governors, Congress created the Western Interstate Energy Board (WIEB) to provide “the instruments and framework [necessary to support cooperative efforts] in the nuclear and related fields[.]” The legal basis of WIEB is the Western Interstate Nuclear Compact (Compact) (Public Law 91-461), which the governors wrote broadly to cover a wide scope of energy-related matters, including both electricity and non-electricity matters. Today, WIEB is an organization of 11 western states and two western Canadian provinces. WIEB member representatives are appointed to serve on the WIEB Board by their respective governors and premiers. The President of the United States may also appoint a federal government representative to the WIEB Board. WIEB members work together to promote energy policy that is developed cooperatively among member states and provinces, and with the engagement of the federal government, in order to enhance the economy of the West and contribute to the well-being of the region’s people.

Figure 1. WIEB Membership List.

WIEB Current Membership List		
Alberta	Andrew Buffin	Executive Director, Generation, Transmission and Markets Policy, Alberta Energy
Arizona	Brian Goretzki	Chief, Bureau of Radiation Control, Arizona Department of Health Services
British Columbia	Les MacLaren	Assistant Deputy Minister, BC Ministry of Energy, Mines and Petroleum Resources
California	Andrew McAllister	Commissioner, California Energy Commission
Colorado	Keith Hay	Director of Utility Policy, Colorado Energy Office
Idaho	John Chatburn	Administrator, Idaho Governor’s Office of Energy & Mineral Resources
Montana	Michael Freeman	Natural Resources Policy Advisor, Montana Office of the Governor
Nevada	David Bobzien	Director, Nevada Governor’s Office of Energy
New Mexico	Sarah Cottrell Propst	Cabinet Secretary, New Mexico Energy, Minerals and Natural Resources Department
Oregon	Janine Benner	Director, Oregon Department of Energy
Utah	Thom Carter	Executive Director, Utah Governor’s Office of Energy Development
Washington	Vacant	-
Wyoming	Dr. Glen Murrell	Executive Director, Wyoming Energy Authority
U.S.	Vacant	-

Much of WIEB’s work is conducted through WIEB’s committees or in collaboration with WIEB’s partner-organizations. WIEB has three committees, which include the following:

- a. WIEB’s **High-Level Radioactive Waste Committee (HLRWC)**. WIEB’s HLRWC is comprised of nuclear waste transportation experts from western state energy, public safety, and environmental agencies. The HLRWC works collectively to review issues and develop policies on the transportation of spent nuclear fuel. The HLRWC is also working with the U.S. Department of Energy to develop a safe and publicly acceptable system for transporting

**Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget**

spent nuclear fuel and high-level radioactive waste under the Nuclear Waste Policy Act.

- b. WIEB's **Waste Isolation Pilot Plant Technical Advisory Group (WIPP TAG)**. The WIPP TAG is a group of western state nuclear waste transportation officials who are involved in the movement of defense-generated transuranic waste to WIPP, a repository mined in salt in New Mexico. The WIPP TAG works with the U.S. Department of Energy and others to identify and resolve issues as they arise, coordinate, and streamline shared activities, and do whatever else is needed to keep the WIPP transportation program running safely and without incident.
- c. The **Committee on Regional Electric Cooperation (CREPC)**. CREPC is a joint committee of WIEB and the Western Conference of Public Service Commissioners (WCPSC). CREPC holds a Spring and Fall meeting each year, bringing western utility regulatory commissioners, energy office directors, consumer advocates, industry experts, and other stakeholders together in a common forum to present information, foster learning, and provoke important conversations on improving the efficiency and reliability of the western electric power system. Membership in CREPC is not formal and all CREPC meetings are open to the public.

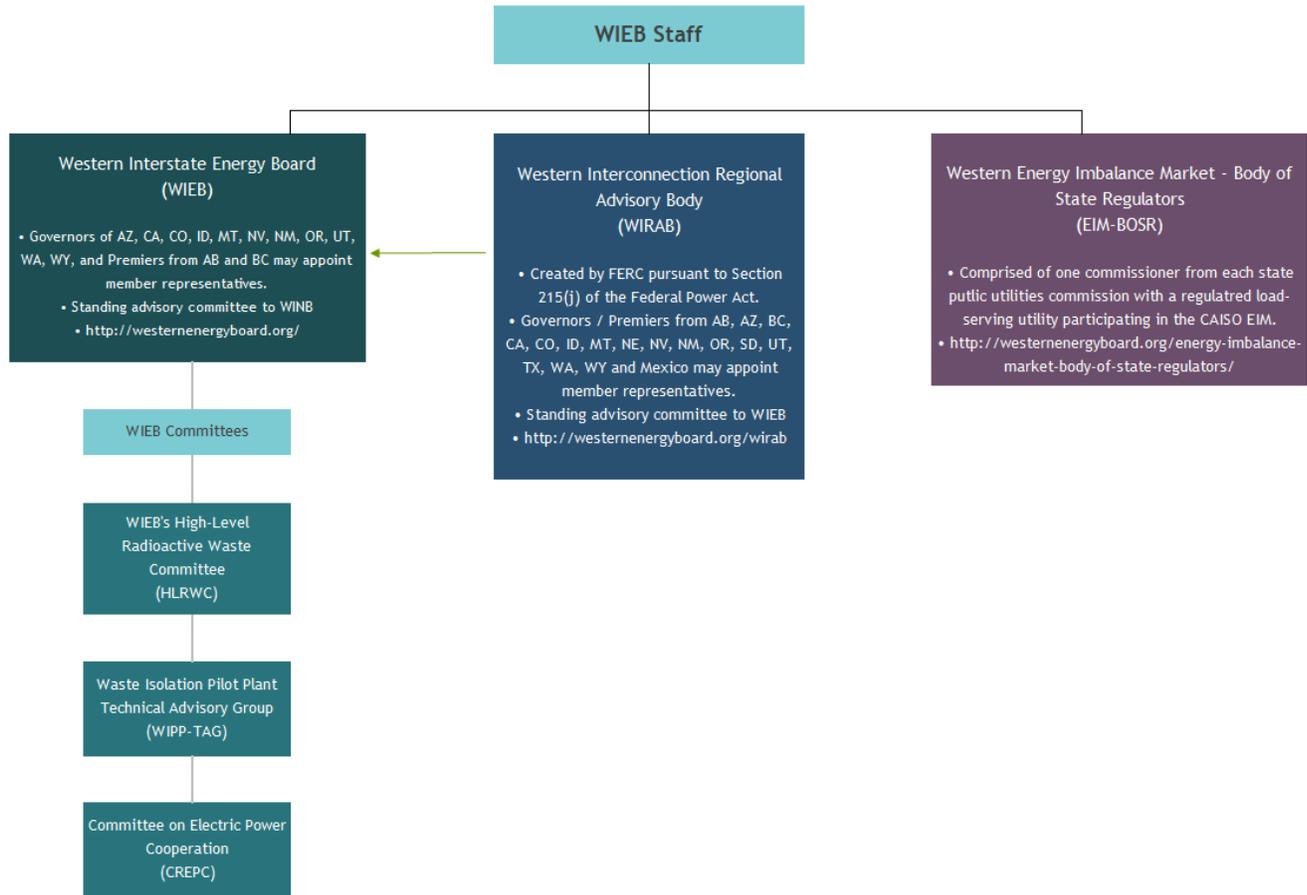
WIEB works closely with its regional partner organizations, which include the following:

- a. The Western Interconnection Regional Advisory Body (WIRAB). WIRAB is a regional advisory body comprised of states and provinces with load served in the Western Interconnection. WIRAB was created by the Federal Energy Regulatory Commission (FERC) in 2006 and is authorized to advise FERC, the North American Electric Reliability Corporation, and the regional entity (i.e., WECC) on matters pertaining to electric grid reliability. WIRAB also serves as a standing advisory committee to WIEB. Together, WIEB, CREPC and WIRAB provide unique opportunities for public utility commissioners, state energy office personnel, regulated entities, industry personnel, and consumer advocates in the Western states and Canadian provinces to gather and exchange information on important energy matters.
- b. The Western Energy Imbalance Market – Body of State Regulators (EIM-BOSR). The EIM-BOSR is an organization comprised of one regulator from each state with a regulated utility participating in the EIM. The EIM-BOSR works to provide a forum for state public utilities commissioners to learn about the California Independent System Operator (CAISO) Energy Imbalance Market (EIM), to submit comments regarding EIM issues, and to assist in seating EIM Governing Body Members.

WIEB shares a staff with WIRAB and the EIM-BOSR.

Western Interstate Energy Board Fiscal Year 2022 Business Plan and Budget

Figure 2. Organizational Relationships.



Budget Highlights

The projected income in the WIEB FY 2022 budget is \$694,700. This is an increase of \$112,700 (19.4%) from the current fiscal year budget. The projected expense in the WIEB FY2022 budget is \$752,000. This is an increase of \$101,000 (15.5%) from the current fiscal year budget. The projected income increase is primarily due to additional funding expected from one new U.S. DOE grant and one new cooperative agreement under WIEB’s Nuclear Waste Transportation and Disposition Program.

The projected expense exceeds projected income by \$57,300. This is due to the continuation of the WIEB Reserve Expenditure Plan in FY 2022, at a funding level of \$109,400. Table 1 shows these projections.

**Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget**

Table 1. Overview of FY 2022 Budget

Budget Category	Approved FY 2021 Budget	Proposed FY 2022 Budget	Variance	Variance %
Income	582,000	694,700	112,700	19.4%
Expense	651,000	752,000	101,000	15.5%
Net Position	(69,000)	(57,300)		

Current Financial Position FY 2021

At the 2020 Annual WIEB Board Meeting, the Board adopted its FY 2021 budget based on an income projection of \$582,000. As of December 31, 2020, WIEB had received income of \$272,459. Annual income as of June 30, 2021 is expected to total \$380,000. The difference in income reflects reduced funding requests to DOE-NE and DOE-OE for meeting and travel expenses due to COVID-19 restrictions.

Table 2. Current Income FY 2021

Income Category	Approved FY 2021 Budget	Projected as of 6/30/2021	Variance	Variance %
Membership Dues	214,000	214,000	0	0.0%
WIEB Other	5,000	0	(5,000)	-100.0%
Interest	8,000	6,000	(2,000)	-25.0%
Western Conference PSC	25,000	25,000	0	0.0%
REP Partners	30,000	0	(30,000)	-100.0%
DOE - NE	200,000	110,000	(90,000)	-45.0%
DOE - OE	100,000	25,000	(75,000)	-75.0%
DOE - SETO	0	0	0	0.0%
Total Income	582,000	380,000	(202,000)	-34.7%

At the 2020 Annual WIEB Board Meeting, the Board adopted its FY 2021 budget based on projected expenditures of \$651,000. As of December 31, 2020, WIEB had recorded expenditures of \$416,457. Annual expenditures as of June 30, 2021 are expected to total \$429,079. The difference in expenses is due to lower-than-expected spending on meeting, subcontract, direct labor, and overhead expenses. Table 3 shows these results.

Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget

Table 3. Current Expense FY 2021

Expense Category	Approved FY 2021 Budget	Projected as of 6/30/2021	Variance	Variance %
Meeting Expense	81,500	1,524	(79,976)	-98.1%
State Travel	93,000	0	(93,000)	-100.0%
Staff Travel	48,600	116	(48,485)	-99.8%
Subcontracts	30,000	0	(30,000)	-100.0%
Direct Labor	186,800	189,341	2,541	1.4%
Overhead Expense	713,200	678,114	(35,086)	-4.9%
Sub-Total	1,153,100	869,095	(284,005)	-24.6%
Deduct WIRAB Indirect	(502,100)	(440,016)	62,084	-12.4%
Total Expense	651,000	429,079	(221,921)	-34.1%

Proposed Budget FY 2022

The WIEB FY 2022 budget is based on an income projection of \$694,700. Table 4 shows the projected income.

Table 4. Projected Income FY 2022

Income Category	Approved FY 2021 Budget	Projected FY 2022 Income	Variance	Variance %
Membership Dues	214,000	214,000	0	0.0%
WIEB Other	5,000	0	(5,000)	-100.0%
Interest	8,000	6,000	(2,000)	-25.0%
Western Conference PSC	25,000	25,000	0	0.0%
REP Partners	30,000	0	(30,000)	-100.0%
DOE - LBNL	0	40,000	40,000	100.0%
DOE - NE	200,000	200,000	0	0.0%
DOE - OE	100,000	100,000	0	0.0%
DOE - EM	0	87,800	87,800	100.0%
DOE - OPT	0	21,900	21,900	100.0%
Total Income	582,000	694,700	112,700	19.4%

Key assumptions underlying the income projection include:

- a. Membership funding of \$214,000 to support the work of WIEB and its committees (no increase in membership dues);
- b. \$25,000 from the Western Conference of Public Service Commissioners to support the preparation and facilitation of FY 2022 Joint CREPC-WIRAB Meetings;

**Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget**

- c. \$40,000 from the U.S. DOE to support a WIEB-Lawrence Berkeley National Laboratory effort to provide technical research and outreach assistance for the project “Redefining Resource Adequacy for a 21st Century Power System.”
- d. \$200,000 from the U.S. DOE Office of Nuclear Energy to support state engagement on the transportation of high-level radioactive waste (HLRW) and spent nuclear fuel (SNF);
- e. \$100,000 from the U.S. DOE Office of Electricity to support state engagement on electricity policy;
- f. \$87,800 from the U.S. DOE Office of Environmental Management to implement the provisions of the Waste Isolation Pilot Plant Land Withdrawal Act, and to help ensure that protocols for the safe and uneventful transport of transuranic waste are maintained.
- g. \$21,900 from the U.S. DOE Office of Environmental Management’s Office of Packaging and Transportation for transportation planning, coordination, and communication on shipments of radioactive materials in the Western region.

The WIEB FY 2022 budget includes projected expenditures of \$752,000. This is an increase of \$101,000 from the current fiscal year budget. The most significant difference in projected expense is due to the increase in WIEB’s Nuclear Waste Activities. This reflects the expected increase of direct spending on these activities. The following table compares the proposed FY 2021 budget to the current year budget by expense category.

Table 5. Projected Expense FY 2022

Expense Category	Approved FY 2021	FY 2022	Variance	Variance %
Meeting Expense	81,500	86,500	5,000	6.1%
State Travel	93,000	105,000	12,000	12.9%
Staff Travel	48,600	48,600	0	0.0%
Subcontracts	30,000	57,000	27,000	90.0%
Direct Labor	186,800	213,700	26,900	14.4%
Overhead Expense	713,200	767,800	54,600	7.7%
Sub-Total	1,153,100	1,278,600	125,500	10.9%
Deduct WIRAB Indirect	(502,100)	(526,600)	(24,500)	4.9%
Total Expense	651,000	752,000	101,000	15.5%

Table 6 shows projected expenses by committee or project.

Table 6. Projected Expense FY 2022

Committee / Project	Approved FY 2021	FY 2022	Variance	Variance %
WIEB Board Activities	64,000	129,700	65,700	102.7%
WIEB Nuclear Waste Activities	201,400	313,800	112,400	55.8%
WIEB REP Activities	113,500	109,400	(4,100)	-3.6%
CREPC Activities	207,300	199,000	(8,300)	-4.0%
EIM-BOSR Activities	64,700		(64,700)	-100.0%
Total Expense	651,000	752,000	101,000	15.5%

2022 WIEB Initiatives

WIEB proposes the following five initiatives in FY 2022 which are an integral part of the overall budget and carry varying levels of financial impact.

Resource Adequacy in the Western Interconnection

In FY 2021, with funding provided under WIEB’s Reserve Expenditure Plan (REP), WIEB worked with the Lawrence Berkeley National Laboratory to produce a report on the “Implications of a Regional Resource Adequacy Program on Utility Integrated Resource Planning: Study for the Western United States.” Based upon an assessment of current practices, this report identifies opportunities to improve resource adequacy assessments and integrated resource planning across the Western Interconnection. In FY 2022, WIEB will continue to share findings of this assessment with western electric utility policy makers and regulators, utility resource planners, and other subject matter experts. WIEB will also work with LBNL to expand upon this effort and conduct research on “Redefining Resource Adequacy for a 21st Century Power System.”

Renewable Energy and Carbon Reduction Policies in the West

With funding provided under WIEB’s REP, WIEB will continue its efforts to research and catalogue current Western state and provincial renewable energy and carbon reduction policies. In FY 2021, WIEB will develop a whitepaper and presentation materials, summarizing these policies and will share these materials with Western electric utility policy makers and regulators.

WIEB-NASEO-Utah Clean Cities Coalition Collaboration on Overcoming EV Infrastructure Challenges

With funding provided under WIEB’s REP, WIEB has worked in collaboration with the National Association of State Energy Offices (NASEO) and the Utah Clean Cities Coalition to examine a sample of electric rates across the Intermountain West and analyze how these rate structures, and particularly demand charges, can lead to excessive electric bills across a range of EV fast charging scenarios. In FY 2022, WIEB, NASEO, and Utah Clean Cities will conduct outreach to share findings

of this effort with Western electric utility policy makers and regulators.

WIEB-GHC-NASEO Collaboration on the Western Green Hydrogen Initiative

In FY 2021, WIEB joined the Green Hydrogen Coalition (GHC) and NASEO in establishing a Western Green Hydrogen Initiative (WGHI). The purpose of the WGHI is to assist western states and their private-sector partners in a state-led effort to address policy, regulatory, and commercial barriers to the scaled production, distribution, and use of green hydrogen, and to develop and disseminate coordinated best practices. In FY 2022, WIEB will continue to work with the GHC and NASEO to convene western state representatives, to conduct meaningful workshops, and to generally support the WGHI effort.

WIEB 2021 Summer Internship on Transmission Line Ratings

In June of 2021, WIEB will welcome a new group of Stanford University students who will complete a 2-month, remote summer internship, working closely with WIEB staff to explore barriers to implementing dynamic line ratings in the Western Interconnection and to share lessons learned with Western electric utility policy makers and regulators.

Budget Analysis

Although the WIEB Board does not approve the budgets of the Western Interconnection Regional Advisory Body (WIRAB) and the Western Energy Imbalance Market-Body of State Regulators (EIM-BOSR), the Board should monitor the development of the WIRAB and EIM-BOSR budgets because WIEB, WIRAB, and the EIM-BOSR share personnel and overhead expenses. The WIRAB and EIM-BOSR budgets are developed separately on a calendar year basis. The WIRAB budget is submitted to the Federal Energy Regulatory Commission (FERC) for approval. The EIM-BOSR budget is developed in collaboration with the state-regulated market participants of the Western EIM and approved by the BOSR. Table 7 shows the WIEB, WIRAB, and EIM-BOSR budgets on a consolidated fiscal year basis for informational purposes only. WIEB expenses represent 37 percent, WIRAB expenses are 44 percent, and EIM-BOSR expenses are 19 percent of the consolidated budget.

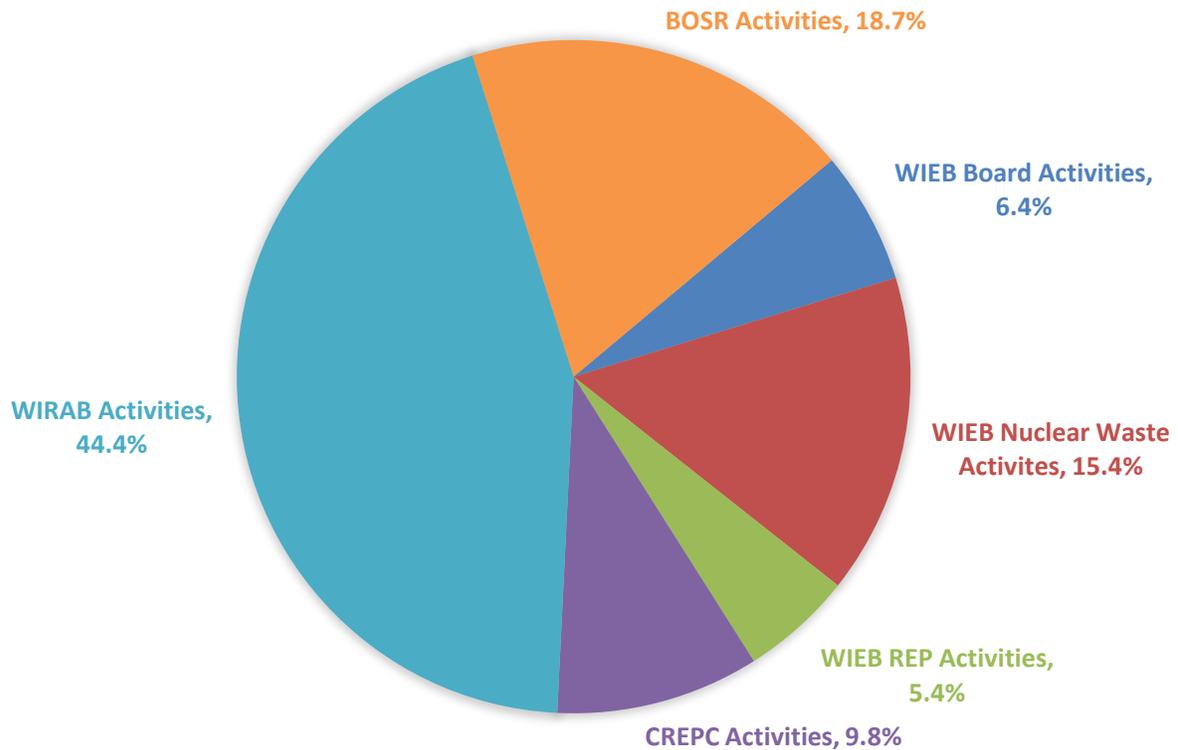
Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget

Table 7. Consolidated WIEB, WIRAB, and EIM-BOSR Expenses FY 2022

WIEB, WIRAB, and EIM-BOSR Consolidated FY 2022 Budget				
Expense Category	WIEB FY 2022	WIRAB FY 2022	EIM-BOSR FY 2022	Consolidated
MEETING EXPENSES				
WIEB Annual Board Meeting	6,000			6,000
Spring Joint CREPC-WIRAB Meeting	27,500	27,500	-	55,000
Fall Joint CREPC-WIRAB Meeting	27,500	27,500	-	55,000
EIM BOSR Meetings	-		10,000	10,000
Leadership Retreat	500	500	-	1,000
HLRWC & WIPP & NTSF Meetings	25,000			25,000
	86,500	55,500	10,000	152,000
STATE TRAVEL				
WIEB Annual Board Meeting	4,000			4,000
Spring Joint CREPC-WIRAB Meeting	36,000	14,000	-	50,000
Fall Joint CREPC-WIRAB Meeting	36,000	14,000	-	50,000
EIM BOSR Meetings			5,000	5,000
Leadership Retreat	4,000	2,000	2,000	8,000
HLRWC & WIPP & NTSF Meetings	25,000			25,000
	105,000	30,000	7,000	142,000
STAFF TRAVEL				
WIEB Annual Board Meeting	5,000			5,000
Spring Joint CREPC-WIRAB Meeting	5,300	5,300	-	10,600
Fall Joint CREPC-WIRAB Meeting	5,300	5,300	-	10,600
EIM BOSR Meetings	-		2,000	2,000
Leadership Retreat	2,000	2,000	-	4,000
HLRWC Meetings	12,000			12,000
WIEB Other	10,000			10,000
BOSR Other			1,000	1,000
WIRAB Other		50,000	-	50,000
HLRW Other & WIPP & NTSF	9,000			9,000
	48,600	62,600	3,000	114,200
PROJECTS & SUBCONTRACTS				
WIEB REP Projects	30,000			30,000
EIM BOSR Training			25,000	25,000
WIPP Other	27,000			27,000
WIRAB GridSME		75,000	-	75,000
WIRAB Other		25,000	-	25,000
	57,000	100,000	25,000	182,000
PERSONNEL EXPENSE				
Direct Labor	213,700	308,300	158,400	680,400
OVERHEAD EXPENSE				
Overhead Labor	300,200			300,200
Payroll Taxes	78,000			78,000
Health & Life Ins.	126,000			126,000
401(k) Expense	73,500			73,500
Liability & W. Comp. Ins.	7,500			7,500
Office Rent	122,000			122,000
Telephone	4,000			4,000
Equipment	7,700			7,700
Payroll Expense - PayCheck	3,800			3,800
Teleconference - ReadyTalk	-			0
Auditing	-			0
Eco Pass	-			0
Computer Network	23,500			23,500
Dues & Subscriptions	1,100			1,100
Supplies	3,000			3,000
Other Overhead	17,500			17,500
	767,800	0	0	767,800
TOTAL				
Total Expense	1,278,600	556,400	203,400	2,038,400
Deduct/Add WIRAB & BOSR Indirect	(526,600)	347,900	178,700	0
Total Expense	752,000	904,300	382,100	2,038,400
Percentage	37%	44%	19%	100%

The following figure shows the breakdown of projected expenses by committee and project.

PROPOSED RESOURCE ALLOCATION OF WIEB, WIRAB, AND BOSR



It is also important to separate estimated expenses for WIEB in the coming fiscal year into core and non-core expenses, in order to provide a more complete picture of the organization's minimum operating requirements. Core expenses are permanent on-going expenses that represent the minimum operating requirements of WIEB. Non-core expenses are temporary expenses that would not be incurred but for specific short-term grants and contractual obligations. In FY 2022, core expenses total \$301,700 (40%) and non-core expenses total \$450,300 (60%) of the WIEB budget.

Estimating WIEB's overall core expense is inexact because it involves predicting the disposition of WIEB's non-core labor and its impact on the calculation of the WIEB indirect rate and the WIRAB and EIM-BOSR indirect expense. For example, if the non-core labor is shifted to WIRAB and/or the EIM-BOSR, the indirect rate would remain the same and WIRAB and/or the EIM-BOSR would bear a greater share of the overhead expense. Alternatively, if the non-core labor is not retained, the indirect rate would increase significantly and WIRAB and/or the EIM-BOSR would bear a greater share of a slightly reduced overhead expense. To account for this impact in the calculation of WIEB's core expense, the deduction for WIRAB and the EIM-BOSR indirect expense is increased by \$89,800.

**Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget**

WIEB’s core expenses are reduced, and its non-core expenses increased, by this amount. Table 8 shows a breakdown of the WIEB core and non-core expenses.

Table 8. WIEB Core and Non-Core Expenses FY 2022

Expense Category	WIEB FY 2022 Expense	Core	Non-Core
Meeting Expense	86,500	40,000	46,500
State Travel	105,000	41,000	64,000
Staff Travel	48,600	15,600	33,000
Subcontracts	57,000	-	57,000
Direct Labor	213,700	113,400	100,300
Overhead Expense	767,800	708,100	59,700
Sub-Total	1,278,600	918,100	360,500
Deduct WIRAB/BOSR Indirect Expense	(526,600)	(616,400)	89,800
Total Expense	752,000	301,700	450,300
Percentage	100%	40%	60%

The following section provides a detailed description of the WIEB budget by expense category:

Personnel Expense: WIEB direct labor expense totals \$213,700, WIRAB direct labor expense totals \$308,300, and EIM-BOSR direct labor expense totals \$158,400. The WIEB budget includes 2.55 FTE. The WIRAB budget includes 3.0 FTE. The EIM-BOSR budget includes 2.0 FTE. The salaries of 2.45 additional FTE are included in Overhead Expense and allocated to both WIEB, WIRAB, and EIM-BOSR. The detailed breakdown is as follows:

- The WIEB core personnel expense of \$113,400 (for 1.67 FTE) includes 15 percent of the Executive Director salary, 95 percent of the Nuclear Waste Transportation and Disposition Program Manager salary, 9 percent of the Project Support Specialist/Nuclear Waste Analyst, 25 percent of the salary of one Program Manager, and 24 percent of the salary of one Director of State, Federal, and International Affairs.
- The WIEB non-core personnel expense of \$100,300 (for .87 FTE) includes 35 percent of three Program Manager’s working on Reserve Expenditure Plan projects, 51 percent of one Project Support Specialist/Nuclear Waste Analyst salary, and 1 percent of the salary of the Director of State, Federal, and International Affairs.
- The WIRAB personnel expense includes 60 percent of the Executive Director salary, 65 percent of the salary of one Director of State, Federal, and International Affairs, 55 percent, 10 percent, and 90 percent of the salaries of three Program Managers, 10 percent of the salary of a BOSR Analyst, and 10 percent of the salary of a Project Support Specialist.
- The BOSR personnel expense includes 90 percent of one Program Manager, 90 percent of one BOSR Analyst, 10 percent of the Executive Director salary, and 10 percent of the salary of another Program Manager.

Western Interstate Energy Board Fiscal Year 2022 Business Plan and Budget

- Overhead labor expense includes 15 percent of the Executive Director salary, 100 percent of the WIEB Director of Finance and Administration salary, 100 percent of the WIEB Project Support Specialist salary, and 30 percent of a Project Support Specialist/Nuclear Waste Analyst salary. These personnel costs are included in Overhead Expense and allocated to both WIEB, WIRAB, and BOSR.

Overhead Expense: Overhead expenses for WIEB total \$767,800. Overhead covers office expenses and employee benefits. The WIEB indirect rate of 112.8 percent is the ratio of overhead expense to direct labor expense. The indirect rate is used to allocate a portion of the total overhead expense to WIRAB and EIM-BOSR in proportion to their total direct labor expense. The budget breakdown is as follows:

- WIEB's non-core overhead expense totals \$59,700. This reflects vacation/sick leave, health insurance, retirement, and payroll tax expenses associated with WIEB non-core personnel expense.
- WIEB's core overhead expense totals \$708,100. This is calculated by subtracting non-core overhead expenses from WIEB's total overhead expense.
- WIRAB and EIM-BOSR indirect expenses total \$526,600. This is calculated by multiplying the WIRAB and EIM-BOSR personnel expense by the 112.8 percent indirect rate. The WIRAB indirect deduction covers 45 percent of WIEB's overhead expense. The EIM-BOSR indirect deduction covers 23 percent of WIEB's overhead expense.

Subcontracts: Subcontract expense in the WIEB budget totals \$57,000. The budget breakdown is as follows:

- \$30,000 of the subcontract expense are non-core expenses for direct spending on REP projects.
- \$27,000 of the subcontract expense is a core expense for the annual audit of the U.S. DOE WIPP TAG Cooperative Agreement.

Personnel expenses, overhead expenses, and subcontract expenses account for 80 percent of the WIEB budget. Meeting expenses, state travel expenses, and staff travel expenses account for the remaining 20 percent. The following is a description of WIEB core expenses in these three categories:

- WIEB core meeting expenses include the Annual WIEB Board Meeting, and a portion of conference room expenses associated with the Spring and Fall Joint CREPC-WIRAB Meetings.
- WIEB core state travel expense includes expenses associated with travel for state/provincial representatives to attend the Annual WIEB Board Meeting.

**Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget**

- WIEB core staff travel expenses include expenses associated with sending WIEB staff members to the Annual WIEB Board Meeting.

Reserve Policy and Reserve Expenditure Plan

In 2017 and 2018, WIEB adopted a funding reserve target equal to two times the annual core expenses of the organization. The level of reserves needed to cover core expenditures for two years is \$603,400. This level of reserve would allow WIEB to maintain minimum operating requirements for two years without outside funding. Given the length of time in federal budget cycles and procurement, two years is a reasonable amount of time in which to secure additional funding.

WIEB financial reserves as of June 30, 2021 are expected to total \$1,418,000 (see Table A8 for a detailed breakdown). This amount does not include prepayment of funding for WIRAB or the EIM-BOSR. Surplus reserves (i.e., the amount of financial reserves above the target level of reserves) is \$814,600. The ratio of surplus financial reserves to targeted financial reserves is 1.4 to 1. Table 9 shows these calculations.

Table 9. WIEB Financial Reserves FY 2022

Description	Amount
WIEB Financial Reserves as of 6/30/2021	1,418,000
Annual Core Expense FY 2022	301,700
Reserve Target (= Core Expense x 2 Years)	603,400
Surplus Reserves	814,600
Ratio of Surplus Reserves to Reserve Target	1.4
6-Year Glide Path (\$ per year)	135,800

On July 27, 2017, WIEB adopted a Reserve Expenditure Plan (REP) to reduce WIEB’s financial reserves to the targeted level over a 10-year time-period. Through the REP, WIEB will fund electricity and non-electricity energy projects sponsored by WIEB Board members and approved by the WIEB Board. Although the six-year glide path to reach the target level of reserves is \$135,800 per year; the proposed budget for FY 2022 includes spending of \$109,400 for REP projects. This amount is comprised of \$37,300 in direct labor expense, \$42,100 in indirect expense, and \$30,000 in subcontract expenses. The proposed \$109,400 spending level is projected to reduce the WIEB reserves by \$57,300. This conservative approach is appropriate because additional funding of REP projects would require additional staff resources which are not available at this time.

WIEB financial reserves totaled \$1,605,477 as of June 30, 2019 and \$1,467,079 as of June 30,

**Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget**

2020, based on results of annual financial audits. WIEB financial reserves as of June 30, 2021 are expected to total \$1,418,000. Over this two-year period, financial reserves are projected to decrease by a total of \$187,477; or \$93,738 per year.

Budget Recommendation

WIEB staff recommends that the Board approve the proposed FY 2022 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.

Appendix A – Detailed Tables

Table A1: Current Income FY 2021

Table A2: Current Expense FY 2021

Table A3: Projected Income FY 2022

Table A4: Projected Expense FY 2022

Table A5: Core v. Non-Core Expense FY 2022

Table A6: Consolidated Budgets FY 2022

Table A7: Bank Balances and Investments 12/31/2020

Table A8: Financial Reserves 6/30/2021

Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget

Table A1. WIEB Current Income FY 2021

Income Category	Approved FY 2021 Budget	Received as of 12/31/2020	Projected as of 6/30/2021	Variance	Variance %
Unrestricted Income					
Membership Dues					
Arizona	18,000	18,000	18,000	0	0.0%
California	18,000	18,000	18,000	0	0.0%
Colorado	18,000	18,000	18,000	0	0.0%
Idaho	18,000	18,000	18,000	0	0.0%
Montana	18,000	18,000	18,000	0	0.0%
New Mexico	18,000	18,000	18,000	0	0.0%
Nevada	18,000	18,000	18,000	0	0.0%
Oregon	18,000	0	18,000	0	0.0%
Utah	18,000	18,000	18,000	0	0.0%
Washington	18,000	18,000	18,000	0	0.0%
Wyoming	18,000	0	18,000	0	0.0%
Associate Member Dues					
Alberta	8,000	8,000	8,000	0	0.0%
British Columbia	8,000	8,000	8,000	0	0.0%
Sub-Total	214,000	178,000	214,000	0	0.0%
Interest Income	8,000	3,459	6,000	(2,000)	-25.0%
WIEB Other	5,000	0	0	(5,000)	-100.0%
Total Unrestricted	227,000	181,459	220,000	(7,000)	-3.1%
Restricted Income					
Western Conference PSC	25,000	25,000	25,000	0	0.0%
REP Partners	30,000	0	0	(30,000)	100.0%
DOE - NE	200,000	53,905	110,000	(90,000)	-45.0%
DOE - OE	100,000	12,095	25,000	(75,000)	100.0%
DOE - SETO	0	0	0	0	0.0%
Total Restricted	355,000	91,000	160,000	(195,000)	-54.9%
Total Income	582,000	272,459	380,000	(202,000)	-34.7%

Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget

Table A2. WIEB Current Expense FY 2021

Expense Category	Approved FY 2021 Budget	Recorded as of 12/31/2020	Projected as of 6/30/2021	Variance	Variance %
MEETING EXPENSES					
WIEB Annual Board Meeting	6,000			(6,000)	-100.0%
Spring Joint CREPC-WIRAB Meeting	27,500			(27,500)	-100.0%
Fall Joint CREPC-WIRAB Meeting	27,500			(27,500)	-100.0%
EIM BOSR Meetings	10,000	149	149		
Leadership Retreat	500			(500)	100.0%
HLRWC Meetings	10,000	499	499	(9,501)	-95.0%
WIEB REP Projects	0			0	
SETO Meetings				0	
WIEB Misc. Expense	0	876	876	876	
	81,500	1,524	1,524	(79,976)	-98.1%
STATE TRAVEL					
WIEB Annual Board Meeting	4,000			(4,000)	-100.0%
Spring Joint CREPC-WIRAB Meeting	36,000			(36,000)	-100.0%
Fall Joint CREPC-WIRAB Meeting	36,000			(36,000)	-100.0%
Leadership Retreat	6,000			(6,000)	100.0%
HLRWC Meetings	11,000			(11,000)	-100.0%
SETO Meetings	0			0	
WIEB REP Projects	0			0	
WIEB Other	0			0	
	93,000	0	0	(93,000)	-100.0%
STAFF TRAVEL					
WIEB Annual Board Meeting	5,000			(5,000)	-100.0%
Spring Joint CREPC-WIRAB Meeting	5,300			(5,300)	-100.0%
Fall Joint CREPC-WIRAB Meeting	5,300			(5,300)	-100.0%
EIM BOSR Meetings	2,000				
Leadership Retreat	2,000				
HLRWC Meetings	4,000			(4,000)	-100.0%
SETO Meetings	0	58	58	58	
WIEB REP Projects	0				
WIEB Other	10,000	58	58	(9,943)	-99.4%
HLRWC Other	15,000			(15,000)	-100.0%
	48,600	116	116	(48,485)	-99.8%
PROJECTS & SUBCONTRACTS					
WIEB REP Projects	30,000			(30,000)	-100.0%
SETO NREL	0			0	
SETO LBNL	0			0	
	30,000	0	0	(30,000)	-100.0%
PERSONNEL EXPENSE					
Direct Labor	186,800	91,029	189,341	2,541	1.4%
OVERHEAD EXPENSE					
Overhead Labor	253,500	117,602	244,613	(8,887)	-3.5%
Payroll Taxes	70,300	29,740	61,860	(8,440)	-12.0%
Health & Life Ins.	126,000	52,256	106,000	(20,000)	-15.9%
401(k) Expense	66,400	30,119	62,647	(3,753)	-5.7%
Liability & W. Comp. Ins.	7,500	3,960	7,921	421	5.6%
Office Rent	120,000	58,312	119,232	(768)	-0.6%
Telephone/ZOOM/Cell Phone	8,000	3,853	7,706	(294)	-3.7%
Equipment	7,000		7,700	700	10.0%
Payroll Expense - PayCheck	3,800	1,314	2,628	(1,172)	-30.9%
Teleconference - ReadyTalk	0		0	0	
Auditing	14,000		11,000	(3,000)	-21.4%
Eco Pass	5,000	1,095	1,095	(3,905)	-78.1%
Computer Network (CTS & Century Link)	19,800	13,999	23,023	3,223	16.3%
Dues & Subscriptions	2,100	753	1,505	(595)	-28.3%
Supplies	6,000	239	500	(5,500)	-91.7%
Other Overhead (Tuition, Copier, Depre	3,800	10,545	20,685	16,885	444.3%
	713,200	323,788	678,114	(35,086)	-4.9%
TOTAL					
Total Expense	1,153,100	416,457	869,095	(284,005)	-24.6%
Deduct WIRAB Indirect Expense	(502,100)		(440,016)	62,084	-12.4%
Total Expense	651,000	416,457	429,079	(221,921)	-34.1%

Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget

Table A3. WIEB Projected Income FY 2022

Income Category	Approved FY 2021 Budget	Projected FY 2022 Income	Variance	Variance %
Unrestricted Income				
Membership Dues				
Arizona	18,000	18,000	0	0.0%
California	18,000	18,000	0	0.0%
Colorado	18,000	18,000	0	0.0%
Idaho	18,000	18,000	0	0.0%
Montana	18,000	18,000	0	0.0%
New Mexico	18,000	18,000	0	0.0%
Nevada	18,000	18,000	0	0.0%
Oregon	18,000	18,000	0	0.0%
Utah	18,000	18,000	0	0.0%
Washington	18,000	18,000	0	0.0%
Wyoming	18,000	18,000	0	0.0%
Associate Member Dues				
Alberta	8,000	8,000	0	0.0%
British Columbia	8,000	8,000	0	0.0%
Sub-Total	214,000	214,000	0	0.0%
Interest Income	8,000	6,000	(2,000)	-25.0%
WIEB Other	5,000	0		
Total Unrestricted	227,000	220,000	(7,000)	-3.1%
Restricted Income				
Western Conference PSC	25,000	25,000	0	0.0%
REP Partners	30,000	0	(30,000)	-100.0%
DOE - LBNL	0	40,000	40,000	100.0%
DOE - NE	200,000	200,000	0	0.0%
DOE - OE	100,000	100,000	0	0.0%
DOE - EM	0	87,800	87,800	100.0%
DOE - OPT	0	21,900	21,900	100.0%
Total Restricted	355,000	474,700	119,700	33.7%
Total Income	582,000	694,700	112,700	19.4%

Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget

Table A4. WIEB Projected Expense FY 2022

Expense Category	Approved FY 2021 Budget	Projected FY 2022 Expense	Variance	Variance %
MEETING EXPENSES				
WIEB Annual Board Meeting	6,000	6,000	0	0.0%
Spring Joint CREPC-WIRAB Meeting	27,500	27,500	0	0.0%
Fall Joint CREPC-WIRAB Meeting	27,500	27,500	0	0.0%
EIM BOSR Meetings	10,000	0	(10,000)	-100.0%
Leadership Retreat	500	500	0	0.0%
HLRWC & WIPP Meetings	10,000	25,000	15,000	150.0%
SETO Meetings			0	
Teleconference - Per Minute			0	
	81,500	86,500	5,000	6.1%
STATE TRAVEL				
WIEB Annual Board Meeting	4,000	4,000	0	0.0%
Spring Joint CREPC-WIRAB Meeting	36,000	36,000	0	0.0%
Fall Joint CREPC-WIRAB Meeting	36,000	36,000	0	0.0%
EIM BOSR Meetings	0	0		
Leadership Retreat	6000	4,000	(2,000)	-33.3%
HLRWC & WIPP Meetings	11,000	25,000	14,000	127.3%
SETO Meetings			0	
	93,000	105,000	12,000	12.9%
STAFF TRAVEL				
WIEB Annual Board Meeting	5,000	5,000	0	0.0%
Spring Joint CREPC-WIRAB Meeting	5,300	5,300	0	0.0%
Fall Joint CREPC-WIRAB Meeting	5,300	5,300	0	0.0%
EIM BOSR Meetings	2,000	0		
Leadership Retreat	2000	2,000	0	0.0%
HLRWC Meetings	4,000	12,000	8,000	200.0%
SETO Meetings			0	
WIEB Other	10,000	10,000	0	0.0%
BOSR Other	0	0		
WIRAB Other	0	0		
HLRWC Other & WIPP	15,000	9,000	(6,000)	-40.0%
	48,600	48,600	0	0.0%
PROJECTS & SUBCONTRACTS				
WIEB REP Projects	30,000	30,000	0	0.0%
EIM BOSR Training	0	0		
WIRAB GridSME	0	0		
WIRAB Other	0	0		
WIPP Other		27,000		
SETO NREL			0	
SETO LBNL	0	0	0	
	30,000	57,000	27,000	90.0%
PERSONNEL EXPENSE				
Direct Labor	186,800	213,700	26,900	14.4%
OVERHEAD EXPENSE				
Overhead Labor	253,500	300,200	46,700	18.4%
Payroll Taxes	70,300	78,000	7,700	11.0%
Health & Life Ins.	126,000	126,000	0	0.0%
401(k) Expense	66,400	73,500	7,100	10.7%
Liability & W. Comp. Ins.	7,500	7,500	0	0.0%
Office Rent	120,000	122,000	2,000	1.7%
Telephone	8,000	4,000	(4,000)	-50.0%
Equipment	7,000	7,700	700	10.0%
Payroll Expense - PayCheck	3,800	3,800	0	0.0%
Teleconference - ReadyTalk			0	
Auditing	14,000	0	(14,000)	-100.0%
Eco Pass	5,000	0	(5,000)	-100.0%
Computer Network	19,800	23,500	3,700	18.7%
Dues & Subscriptions	2,100	1,100	(1,000)	-47.6%
Supplies	6,000	3,000	(3,000)	-50.0%
Other Overhead	3,800	17,500	13,700	360.5%
	713,200	767,800	54,600	7.7%
TOTAL				
Total Expense	1,153,100	1,278,600	125,500	10.9%
Deduct WIRAB Indirect Expense	(502,100)	(526,600)	(24,500)	4.9%
Total Expense	651,000	752,000	101,000	15.5%

Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget

Table A5: WIEB Core v. Non-Core Expense FY 2022

Expense Category	WIEB FY 2022 Expense	Core	Non-Core
MEETING EXPENSES			
WIEB Annual Board Meeting	6,000	6,000	0
Spring Joint CREPC-WIRAB Meeting	27,500	14,500	13,000
Fall Joint CREPC-WIRAB Meeting	27,500	14,500	13,000
Leadership Retreat	500	0	500
HLRWC & WIPP & NTSF Meetings	25,000	5,000	20,000
	86,500	40,000	46,500
STATE TRAVEL			
WIEB Annual Board Meeting	4,000	4,000	0
Spring Joint CREPC-WIRAB Meeting	36,000	13,000	23,000
Fall Joint CREPC-WIRAB Meeting	36,000	13,000	23,000
Leadership Retreat	4,000	0	4,000
HLRWC & WIPP & NTSF Meetings	25,000	11,000	14,000
	105,000	41,000	64,000
STAFF TRAVEL			
WIEB Annual Board Meeting	5,000	2,000	3,000
Spring Joint CREPC-WIRAB Meeting	5,300	5,300	0
Fall Joint CREPC-WIRAB Meeting	5,300	5,300	0
Leadership Retreat	2,000	0	2,000
HLRWC Meetings	12,000	3,000	9,000
WIEB Other	10,000	0	10,000
HLRW Other & WIPP & NTSF	9,000	0	9,000
	48,600	15,600	33,000
PROJECTS & SUBCONTRACTS			
WIEB REP Projects	30,000	0	30,000
WIPP Other	27,000	0	27,000
	57,000	0	57,000
PERSONNEL EXPENSE			
Direct Labor	213,700	113,400	100,300
OVERHEAD EXPENSE			
Overhead Labor	300,200	269,200	31,000
Payroll Taxes	78,000	69,900	8,100
Health & Life Ins.	126,000	113,000	13,000
401(k) Expense	73,500	65,900	7,600
Liability & W. Comp. Ins.	7,500	7,500	
Office Rent	122,000	122,000	
Telephone	4,000	4,000	
Equipment	7,700	7,700	
Payroll Expense - PayCheck	3,800	3,800	
Teleconference - ReadyTalk	0	0	
Auditing	0	0	
Eco Pass	0	0	
Computer Network	23,500	23,500	
Dues & Subscriptions	1,100	1,100	
Supplies	3,000	3,000	
Other Overhead	17,500	17,500	
	767,800	708,100	59,700
TOTAL			
Total Expense	1,278,600	918,100	360,500
Deduct WIRAB/BOSR Indirect Expense	(526,600)	(616,400)	89,800
Total Expense	752,000	301,700	450,300
Percent	100%	40%	60%

**Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget**

Table A6: Consolidated Budgets FY 2022

Expense Category	WIEB FY 2022	WIRAB FY 2022	EIM-BOSR FY 2022	Consolidated
MEETING EXPENSES				
WIEB Annual Board Meeting	6,000			6,000
Spring Joint CREPC-WIRAB Meeting	27,500	27,500	-	55,000
Fall Joint CREPC-WIRAB Meeting	27,500	27,500	-	55,000
EIM BOSR Meetings	-		10,000	10,000
Leadership Retreat	500	500	-	1,000
HLRWC & WIPP & NTSF Meetings	25,000			25,000
	86,500	55,500	10,000	152,000
STATE TRAVEL				
WIEB Annual Board Meeting	4,000			4,000
Spring Joint CREPC-WIRAB Meeting	36,000	14,000	-	50,000
Fall Joint CREPC-WIRAB Meeting	36,000	14,000	-	50,000
EIM BOSR Meetings			5,000	5,000
Leadership Retreat	4,000	2,000	2,000	8,000
HLRWC & WIPP & NTSF Meetings	25,000			25,000
	105,000	30,000	7,000	142,000
STAFF TRAVEL				
WIEB Annual Board Meeting	5,000			5,000
Spring Joint CREPC-WIRAB Meeting	5,300	5,300	-	10,600
Fall Joint CREPC-WIRAB Meeting	5,300	5,300	-	10,600
EIM BOSR Meetings	-		2,000	2,000
Leadership Retreat	2,000	2,000	-	4,000
HLRWC Meetings	12,000			12,000
WIEB Other	10,000			10,000
BOSR Other			1,000	1,000
WIRAB Other		50,000	-	50,000
HLRW Other & WIPP & NTSF	9,000			9,000
	48,600	62,600	3,000	114,200
PROJECTS & SUBCONTRACTS				
WIEB REP Projects	30,000			30,000
EIM BOSR Training			25,000	25,000
WIPP Other	27,000			
WIRAB GridSME		75,000	-	75,000
WIRAB Other		25,000	-	25,000
	57,000	100,000	25,000	182,000
PERSONNEL EXPENSE				
Direct Labor	213,700	308,300	158,400	680,400
OVERHEAD EXPENSE				
Overhead Labor	300,200			300,200
Payroll Taxes	78,000			78,000
Health & Life Ins.	126,000			126,000
401(k) Expense	73,500			73,500
Liability & W. Comp. Ins.	7,500			7,500
Office Rent	122,000			122,000
Telephone	4,000			4,000
Equipment	7,700			7,700
Payroll Expense - PayCheck	3,800			3,800
Teleconference - ReadyTalk	-			0
Auditing	-			0
Eco Pass	-			0
Computer Network	23,500			23,500
Dues & Subscriptions	1,100			1,100
Supplies	3,000			3,000
Other Overhead	17,500			17,500
	767,800	0	0	767,800
TOTAL				
Total Expense	1,278,600	556,400	203,400	2,038,400
Deduct/Add WIRAB & BOSR Indirect	(526,600)	347,900	178,700	0
Total Expense	752,000	904,300	382,100	2,038,400
Percentage	37%	44%	19%	100%

Western Interstate Energy Board
Fiscal Year 2022 Business Plan and Budget

Table A7: Bank Balances and Investments 12/31/2020

Institution/Account	Rate	Duration	Date of Maturity	Balance as of 12/31/2020
<u>WIEB Bank Accounts</u>				
U.S. Bank Checking-2911	0.00%			55,218
U.S. Bank Savings - 0756	0.12%			776,097
BOK Financial Checking - 3117	0.00%			167
Wells Fargo Savings - 5895	0.03%			264,193
Bank of The West MM - 9931	0.03%			250,931
Cash Accounts				1,346,606
<u>WIEB Short-Term Investments</u>				
BBVA CD	1.60%	12 months	2/24/2021	253,317
TIAA CD	0.96%	6 months	4/1/2021	251,206
BOK CD	0.20%	11 months	7/28/2021	251,100
UMB CD	0.20%	6 months	4/1/2021	250,000
Short-Term Investments				1,005,623
<u>WIEB Long-Term Investments</u>				
Cetera Int Bond Fund Class A	Variable	On-going		269,386
Long-Term Investments				269,386
Total Bank Balances and Investments				2,621,616

Table A8: Financial Reserves 6/30/2021

Description	Amount
Total Assets as of 06/30/2020	2,765,086
Minus Capital Assets as of 6/30/2020	(6,469)
Minus Accounts Payable as of 06/30/2020	(8,570)
Minus Compensated Absences as of 06/30/2020	(159,099)
Minus WIRAB Reserves as of 06/30/2020	(1,123,869)
WIEB Financial Reserves as of 06/30/2020	1,467,079
Estimated FY 2020-2021 Income as of 6/30/2021	380,000
Estimated FY 2020-21 Expense as of 6/30/2021	(429,079)
WIEB Financial Reserves as of 6/30/2021	1,418,000