2027 MSC Business Plan & Budget

Western Interstate Energy Board

Laura Rennick – Executive Director

Lisa Brohaugh - Director of Finance & Administration

Agenda

Open Meeting

- Welcome & Introductions
- 2027 Business Plan and Budget
  - Budget Presentation – Lisa Brohaugh, Laura Rennick
  - Schedule Review

Closed Meeting*

- Review of Markets+ Governance Issue (see remarks here)
- Discussion & Resolution/Recommendation Development
- Next Steps
  - August 2026 Markets+ Participant Executive Committee Meeting

**Attendance is restricted to MSC members, staff, and invited guests*

2027 Budget Overview

Expense Category	Amount
Labor Expense	$143,780
Meeting Expense	$15,450
State Travel Expense	$20,600
Staff Travel Expense	$15,450
Consultants/Training	$122,575
Indirect Expense (Overhead)	$134,578
Total Budget Expense	**$452,433**

Budget Drivers

- **Personnel Expense** increases by 1.10 FTE for a total of 2.15 FTE
- **Meeting Expense** increases by 3% for annual inflationary adjustment
- **State & Staff Travel Expense** increases by 3% for annual inflationary adjustment
- **Consulting Expense** decreases by 40% to offset the increase in personnel
- **Indirect Rate** decreases from 96.8% to 93.6%; indirect expense increases proportionately to the increase in labor

MSC Expense Description

- **Labor Expense** includes cost of 2.15 full-time equivalent dedicated to MSC.
- **Meeting Expense** includes costs for two in-person meetings in 2027.
- **State Travel Expense** includes cost of travel reimbursement for the MSC members to attend MSC and Markets + related meetings.
- **Staff Travel Expense** includes cost of travel reimbursement for the MSC staff to attend MSC and Markets + related meetings.
- **Consultants & Staff Training** includes the cost of consultants for additional expertise and capacity; and staff training and professional development for MSC staff.
- **Indirect Expense** includes the allocation of WIEB overhead expense to the MSC.

FTE Allocations

Position Description	WIEB	WIRAB	BOSR	COSR	MSC	Overhead	Total FTE
Executive Director	0.20	0.40	0.10	0.10	0.10	0.10	1.00
Director of Finance and Administration						1.00	1.00
Director of State, Federal, and Int'l Affairs	0.75	0.10	0.05	0.05	0.05		1.00
Deputy Director	0.25	0.20	0.15	0.15	0.15	0.10	1.00
Senior Program Manager - Nuclear Energy Policy	1.00						1.00
Senior Program Manager - Electric System Reliability	0.10	0.90					1.00
Program Manager - Wholesale Electricity Markets	0.10		0.90				1.00
Program Manager - Resource Adequacy	0.20			0.80			1.00
Program Associate - Markets and Resource Adequacy	0.10				0.90		1.00
Analyst - Reliability	0.10	0.90					1.00
Analyst - Wholesale Energy Markets	0.10		0.90				1.00
Analyst - Nuclear and Energy Programs	0.85	0.15					1.00
Analyst - Markets+ (Vacant until 4/1/27)	0.10				0.90		1.00
Office Manager						1.00	1.00
Events and Communications Manager	0.35	0.35	0.15	0.05	0.05	0.05	1.00
Total	**4.20**	**3.00**	**2.25**	**1.15**	**2.15**	**2.25**	**15.00**

2026 & 2027 Budget Comparison

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%

Working Capital Reserve Analysis & Funding Overview

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.

Accounting Provisions

- WIEB uses accounting codes to separately track expenses and revenues associated with the MSC, and the WIEB Executive Director will provide periodic spending reports to MSC leadership.
- Each year, the WIEB Executive Director will provide the MSC leadership with a final copy of WIEB's Annual Financial Audit, which is conducted by an independent auditing firm.
- If MSC budgetary expenses fall below the amount of funding provided in any given budget year, surplus funding will be used to offset the funding requirement for the subsequent budget year.

Questions or Comments?

2027 BP&B Schedule

- **Friday, July 24:** MSC feedback due
- If feedback is received:
  - **Monday, August 3:** MSC staff to send revised version to members
  - **Monday, August 10:** MSC vote for approval due via e-mail
- If feedback is **not** received:
  - **Friday, July 24:** MSC staff to send final version to members
  - **Friday, July 31:** MSC vote for approval due via e-mail
- **Tuesday, August 25:** Presentation to MPEC (meeting information)
- **TBD:** IMIP Presentation and Approval