



WIRAB 2015 Business Plan and Budget Review

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Presentation to NERC FAC

May 21, 2014



Discussion Outline

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 - WIRAB formation and membership
 - Statutory authority under Section 215(j) of FPA
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WIRAB Formation & Membership

- Formed in 2006, after 7 years of lobbying by Western Governors
 - FERC authorized WIRAB formation on 7/20/06
- ***Only regional advisory body in the U.S.***
- Membership includes all states with territory in the Western Interconnection, the Canadian provinces of Alberta and British Columbia, and Mexico
 - Energy offices
 - PUCs and PSCs
 - Governors' and Premiers' offices



Section 215(j) of the Federal Power Act

- Authorizes WIRAB to advise FERC, NERC, WECC (and Peak Reliability) on the following:
 - Governance of an existing or proposed Regional Entity within the region;
 - Whether reliability standards proposed to apply within the region are just, reasonable, not unduly discriminatory or preferential, and in the public interest;
 - Whether fees proposed to be assessed in the region are just, reasonable, not unduly discriminatory or preferential, and in the public interest; and
 - **Any other responsibilities** requested by the Commission.



WIRAB Advice Highlights

- Since 2007, WIRAB has provided advice on a wide range of reliability topics, including:
 - Reliability standards (NERC standards and WECC variances)
 - Governance issues (e.g., WECC's bifurcation)
 - Follow-up actions stemming from Sep. 8, 2011 outage
 - Annual budget filings of: WECC, Peak Reliability and NERC

The new independent boards of both WECC and Peak Reliability are looking to WIRAB as a major advisor to both organizations



FERC Deference to WIRAB

“The Commission may give deference to the advice of any such regional advisory body if that body is organized on an interconnection-wide basis.”

- 2007 → “Situational awareness is a function that will be delegated to WECC under a delegation agreement with the ERO. Therefore, in this instance, the Commission gives deference to WIRAB’s advice as a regional advisory body.” (Docket No. RR06-3-001)
- 2013 → “In reaching our determination, we give deference to the advice of WIRAB in its role as a regional advisory body. WIRAB supports the formation of an independent and interconnection-wide reliability coordinator for the Western Interconnection that is funded under FPA section 215.” (Docket No. EL13-52-000)



WIRAB 2015 Budget Starting Assumptions

- *Activities/initiatives approved in the 2014 budget should be continued and expanded upon in 2015...*
- WIRAB has been the beneficiary of ARRA-funded SPSC activities, including:
 - Evaluation of gas-electric interdependencies and related reliability challenges
 - Evaluation of VER Integration and related reliability challenges
 - Reliability analysis under changing generation and load futures
- To do its job, WIRAB will need to fund some of these types of reliability-focused activities after April 2015



WIRAB 2015 Budget Starting Assumptions (con't)

- Increasing focus on physical and cyber security of the grid and the need to educate state and provincial reps in Western Interconnection
- Advising FERC, NERC, WECC *and* Peak Reliability post-bifurcation
- State and provincial agency budgets are constrained, making travel to regional meetings difficult



WIRAB 2015 Initiatives

- Rectify shortcomings in grid reliability practices at WECC and Peak Reliability
- Improve WECC's ability to identify, analyze and recommend actions to address major reliability challenges and participate in the analysis of those challenges
- Create a high performance organization at Peak
- Encourage WECC and Peak to adopt more open and transparent data sharing practices
- Secure adequate and reliable funding and staffing for Peak
- Ensure that both Peak and WECC can effectively identify and disseminate best practices to maintain physical and cyber security of the Western Interconnection
- Collaborate with FERC and NERC to identify future grid reliability challenges and advise on potential solutions



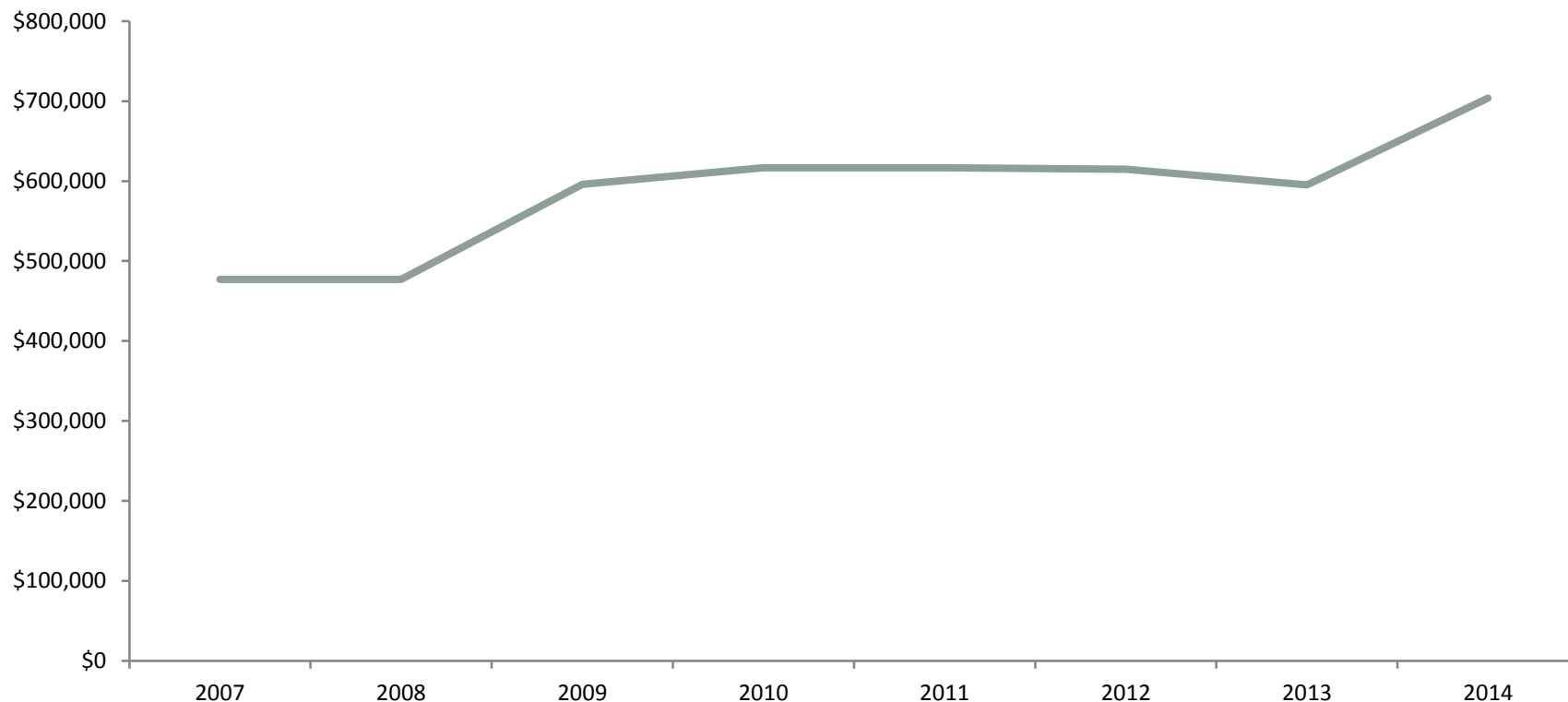
WIRAB 2015 Budget Overview

	WIRAB baseline 2015 budget	Incremental increase	Proposed 2015 WIRAB budget
Salaries	273,000	114,300	387,300
Indirect*	253,890	110,871	364,761
Existing WIRAB contractors**	150,000	0	150,000
Other/webinars	2,500	3000	5,500
Meeting expense	12,000	23,320	35,320
State/provincial travel	22,000	22,500	44,500
Staff travel	18,000	8,200	26,200
TOTAL	731,390	282,191	1,013,581



WIRAB Budget Timeline

The WIRAB budget has been steadily increasing over time, representing the organization's increasing work load and regional significance





WIRAB Budget – 2014 to 2015

WIRAB (in whole dollars)			
	2014 Budget	2015 Budget	Increase (Decrease)
Total FTEs	2.75	4.00	1.25
Direct Expenses	\$ 464,500	\$ 648,820	\$ 184,320
Indirect Expenses	\$ 239,200	\$ 364,761	\$ 125,561
Other Non-Operating Expenses	\$ -	\$ -	\$ -
Inc(Dec) in Fixed Assets	\$ -	\$ -	\$ -
Total Funding Requirement	\$ 703,700	\$ 1,013,581	\$ 309,880



Questions? Comments?

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