



2024 Draft Budget Overview

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Reliability Assessment and Performance Analysis

Management and Support			FTE: 5
Reliability Risk Management	Reliability Assessments	Reliability Modeling and Data	
<ul style="list-style-type: none"> • Event analysis • Situation awareness • Performance analysis • Infrastructure security • Assurance visits and operational coordination • Risk identification and mitigation management • Regional risk analysis • Entity risk assessment 	<ul style="list-style-type: none"> • ERO reliability assessments • Resource adequacy • Transmission congestion • Contingency analysis • Scenario analysis • Industry resource and transmission planning awareness • Planning services (e.g., Path Rating Process) 	<ul style="list-style-type: none"> • ERO data collection efforts (e.g., GADS) • Data trending and analysis • Data visualization • Data management • Power flow and dynamics data • Production cost models • Loads and resources (RA) • Short-circuit data • Model and tool enhancements 	
FTE: 9	FTE: 11	FTE: 16	

Compliance Monitoring and Enforcement

Management and Support					FTE: 2
Registration	Oversight Planning	Entity Monitoring	Enforcement and Mitigation	Oversight Analysis and Administration	
<ul style="list-style-type: none"> • Process registration requests • Process BES exception inclusion and exception requests under Appendix 5C • Ensure the correct entities are placed on the NERC Compliance Registry specific to the criteria outlined in NERC Statement of Compliance Registry Criteria Appendix 5B • Identify and investigate functional mapping gaps and work internally across WECC to address issues • Review, assess, and complete required activities specific to the criteria outlined in the Organization Certification manual for entities seeking registration or are currently registered as a BA, TOP, or RC • Identify training opportunities for outreach on key initiatives and programs 	<ul style="list-style-type: none"> • Perform Inherent Risk Assessments and develop Compliance Oversight Plans to understand and provide feedback on registered entities' performance and their ability to mitigate risk • Prioritize entity risk for development of recommendations for monitoring activities and schedules with associated scopes • Complete entity internal compliance program assessments • Identify training opportunities for outreach on key initiatives and programs 	<ul style="list-style-type: none"> • Compliance Monitoring; audits, spots checks, self-certification, periodic data submittals, and investigations • Screen events to determine the need for compliance assessment • Subject Matter Expert review on SARs and standards under development • Manage Entity Inquiry requests on technical questions • Identify training opportunities for outreach on key initiatives, compliance guidance, audit approaches, etc. • Follow up on identified recommendations and areas of concern 	<ul style="list-style-type: none"> • Perform a review and validation of reported instances of potential noncompliance • Conduct settlement activities • Issue entity dispositions of Open Enforcement Actions • Self-Logging program management • Coordinate NERC enforcement oversight activities 	<ul style="list-style-type: none"> • Program coordination of all CMEP activities • Oversee Multi-Regional Registered Entity Program for Coordinated Oversight requests • Manage document control • Metrics and trend reporting • Process integration • Align implementation, outreach, and training • Manage milestones and critical dates on the oversight monitoring schedule 	
FTE: 2	FTE: 11	FTE: 33	FTE: 16	FTE: 9	

2024 Statutory Budget Overview

- Budget increase—\$3.7 million (11.6%)
 - Budget total—\$35.5 million
- 8 additional statutory FTE
- Assessments increase—\$4.2 million (12.5%)
 - Assessments total—\$24.0 million
- Penalties collected and released—\$9.6 million

2023 to 2024 Budget Changes by Category

	2023 Budget	2024 Budget	Variance \$ Incr(Decr)	Variance % Incr(Decr)	Primary Drivers
Funding					
Assessments	\$ 19,750,537	\$ 24,000,000	\$ 4,249,463	21.5%	Penalties offset assessments
Penalties	11,218,646	9,587,947	(1,630,699)	-14.5%	Released from penalties collected
Other Income	248,100	1,075,250	827,150	333.4%	Additional R&S Workshop; higher interest rates
Total Funding	\$ 31,217,283	\$ 34,663,197	\$ 3,445,914	11.0%	
Expenses					
Personnel Expenses	\$ 25,820,126	\$ 28,895,986	\$ 3,075,860	11.9%	8 FTE, recruiting and retention initiatives, 3% merit pool, labor float adj, refined tax/benefit rates
Meeting Expenses	947,289	1,353,934	406,645	42.9%	Biennial RRP Workshop; Additional R&S Workshop
Operating Expenses	5,833,037	6,112,725	279,688	4.8%	Software licensing and security tools
Indirect Expenses	(843,037)	(991,953)	(148,916)	17.7%	
Total Expenses	\$ 31,757,415	\$ 35,370,692	\$ 3,613,277	11.4%	
Fixed Assets	\$ 54,868	\$ 127,040	\$ 72,172	131.5%	Server refreshes and security upgrades to corporate WiFi
Total Budget	\$ 31,812,283	\$ 35,497,732	\$ 3,685,449	11.6%	
Change in Working Capital	\$ (595,000)	\$ (834,535)	\$ (239,535)		
FTEs	160.0	168.0	8.0	5.0%	

¹ Depreciation excluded from these values

2023 to 2024 Change Drivers

Reconciliation of 2023 to 2024 DRAFT Statutory Budget—Major Drivers

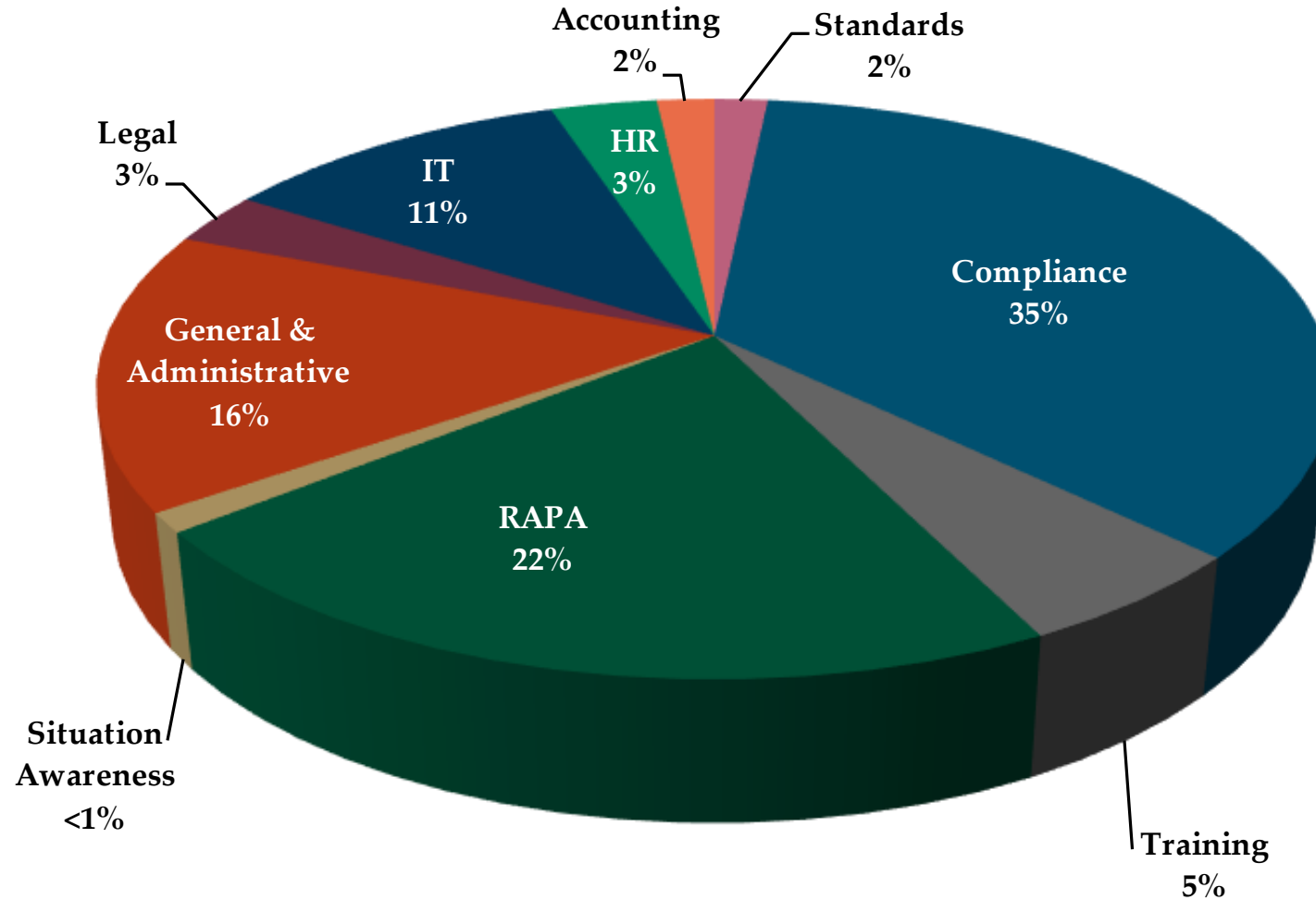
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2023 Approved Budget	31,812	
+ 8 FTE, 3% merit, labor float adj., recruiting and retention initiatives, refinement of taxes/benefits	3,076	
+ Second in-person Reliability & Security Workshop in October	227	
+ Increase equipment due to refresh of storage arrays, WiFi security, server refresh, battery backup replacement	127	
+ Biennial in-person Reliability Risk Priorities Workshop in February	100	
+ Conversion of Plexos license from a trial	80	
+ Net increase in travel due to more in-person meetings and outreach, increase in remote employees, and increase in FTEs	72	
+ Increase in business insurance premiums	64	
+ Outside legal counsel fees	60	
+ OATI licensing fees (international entities)	50	
+ Security monitoring tools	50	
- Increase in indirect allocation to WREGIS	(149)	
- Net decrease in consulting across WECC due to the completion of various projects and work; decreased reliance on consultants	(75)	
- Other net changes	4	
2024 DRAFT Budget	35,498	11.6% increase

FTE Analysis

Total FTEs by Program Area	Budget 2023	Projection 2023	Direct FTEs 2024 Budget	Shared FTEs* 2024 Budget	Total FTEs 2024 Budget	Change from 2023 Budget
STATUTORY						
Operational Programs						
Reliability Standards	3.00	3.00	3.00	-	3.00	-
Compliance Monitoring and Enforcement and Organization Registration and Certification	68.00	68.00	73.00	-	73.00	5.00
Reliability Assessment and Performance Analysis	38.00	38.00	41.00	-	41.00	3.00
Training and Outreach	8.50	8.50	8.50	-	8.50	-
Situation Awareness and Infrastructure Security	2.00	2.00	2.00	-	2.00	-
Total FTEs Operational Programs	119.50	119.50	127.50	-	127.50	8.00
Corporate Services						
Technical Committees and Member Forums	-	-	-	-	-	-
General and Administrative	18.00	16.50	18.00	-	18.00	-
Legal and Regulatory	4.50	5.00	3.50	-	3.50	(1.00)
Information Technology	11.00	11.00	12.00	-	12.00	1.00
Human Resources	4.00	4.00	4.00	-	4.00	-
Finance and Accounting	3.00	3.00	3.00	-	3.00	-
Total FTEs Corporate Services	40.50	39.50	40.50	-	40.50	-
Total FTEs	160.00	159.00	168.00	-	168.00	8.00

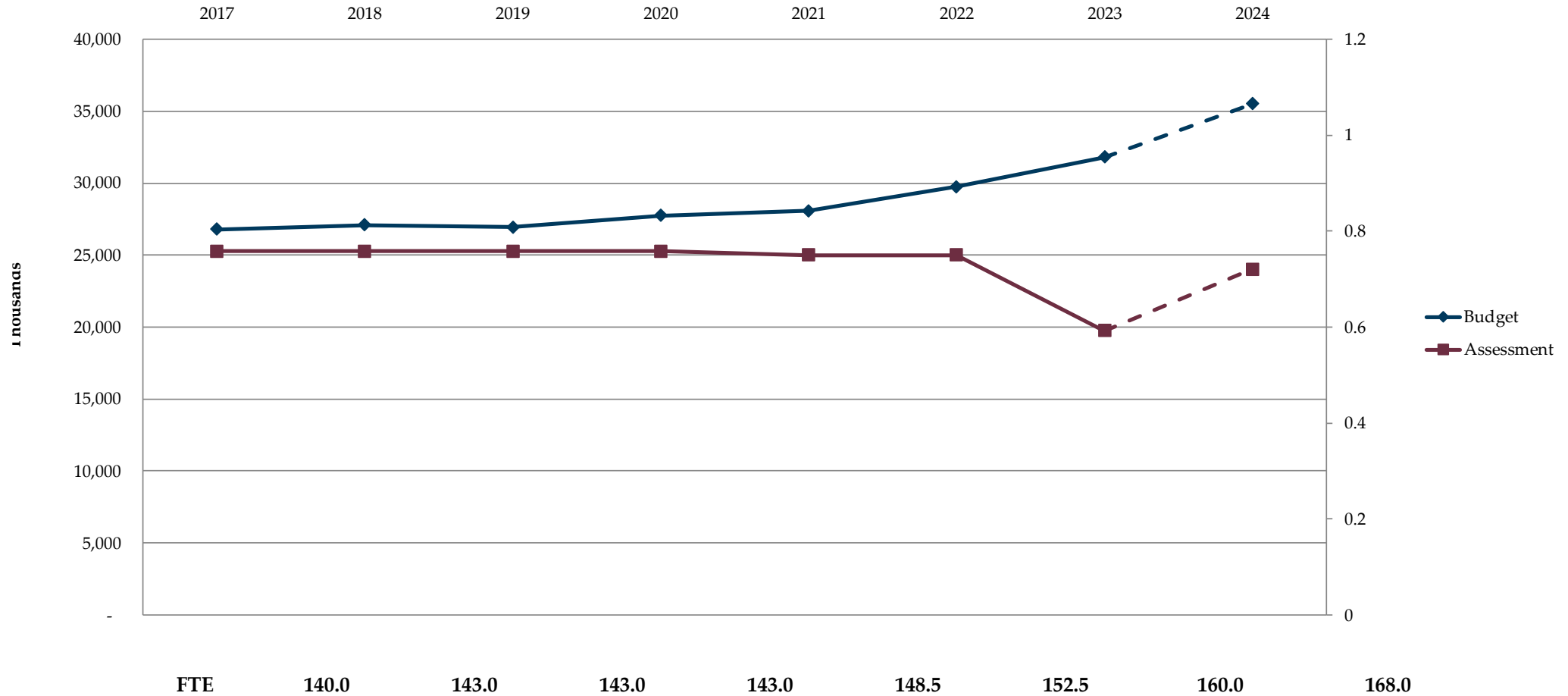
* A shared FTE is defined as an employee who performs both Statutory and Non-Statutory functions.

Statutory Program Areas



Trending

Budget, Assessments, and FTE



Next Steps

- March 7—FAC meeting
- March through April
 - Meet with and provide information to the MBS
 - MBS members provide feedback
- April 28—Post draft 1 of 2024 BP&B for stakeholder comment
- Late April to Early May—stakeholder overview webinars
- May 19—stakeholder comments due
- June 14—Board of Directors meeting

