



## Introduction

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### WECC's Mission

WECC is a nonprofit corporation organized as a public welfare corporation under Section 501(c)(4) of the internal revenue code. WECC operates under a delegation agreement with NERC. Pursuant to its delegation agreement, WECC's mission is to effectively and efficiently mitigate risks to the reliability and security of the Western Interconnection's Bulk Power System (BPS).

### WECC's History

WECC's predecessor organization, Western Systems Coordinating Council (WSCC) was originally organized in 1967 as a trade association with a voluntary Membership structure. Through the association, WECC's Members promoted the reliability of the BPS in the Western Interconnection, which provides electricity to all or part of 14 States in the West as well as 2 Provinces and a portion of Baja, Mexico. WSCC eventually adopted voluntary reliability standards and developed interconnection-wide reliability models. At that time, WECC had a small staff, and its Members performed a significant amount of WECC's technical work.

After the Great Northeast Blackout of 2003, the United States Congress passed the Energy Policy Act of 2005 (the Act). Under the Act, in 2006 NERC was designated by FERC as the Electric Reliability Organization (ERO) for North America and in 2007, WECC was designated by NERC as the Regional Entity for the footprint of the Western Interconnection. The Act authorizes NERC and the Regional Entities to develop, adopt, monitor, and enforce mandatory reliability standards, to develop power system models, to conduct reliability assessments, to conduct analyses of events that may impact the reliability and security of the BPS, and to conduct education, training, and outreach.

At the time of its designation as a Regional Entity, WECC also housed the reliability coordinator (RC) registered function and an interchange authority registered function. Following the Southwest Blackout in 2011, WECC undertook several actions to focus its mission and purpose exclusively on its delegated functions as a Regional Entity.

Specifically, in 2014 WECC bifurcated so that WECC no longer housed any registered functions under the NERC functional model, and Peak Reliability was formed as a separate entity to house the RC function. WECC's non-profit tax status was changed at this time to reflect its transformation from a

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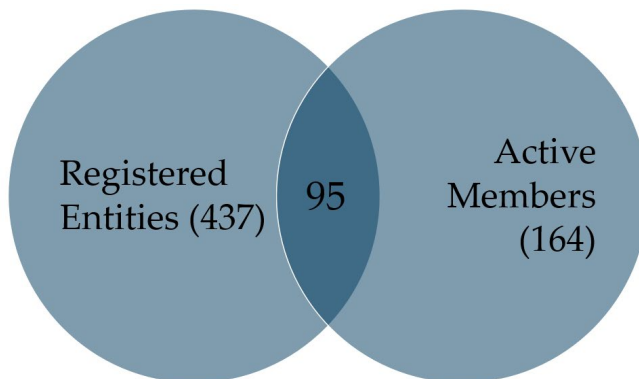
Member driven trade association (section 501(c)(6)) to a social welfare organization (section 501(c)(4)), along with creating an independent Board of Directors to govern the organization.

With its designation as a Regional Entity (and its accompanying delegation agreement with NERC) and with the creation of Peak Reliability, WECC's fundamental transformation from its days as WSCC was complete. Its mission changed fundamentally from a Member driven trade association to an organization tasked with fulfilling the responsibilities delegated to it by NERC.

### WECC's Members are a subset of its Stakeholders

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Engagement with our stakeholders, including our Members, is indispensable to our mission. WECC has retained the Membership structure from its trade association days, but that structure is inclusive of only a subset of stakeholders. WECC must engage a broader and more numerous group of stakeholders as a Regional Entity. For example, WECC has 437 Registered Entities, but only 95 of these are WECC Members.



Similarly, although some state commissions and energy offices in the Western Interconnection are among WECC's Members, there are some who are not, and engagement with all of them is critical to WECC's mission. This is true of several of the categories of stakeholders with whom WECC needs to engage.

The gaps in WECC's Membership versus its universe of stakeholders is significant for several reasons:

- Many of WECC's key technical committees, including the Reliability Assessments Committee (RAC) and Reliability Risk Committee (RRC) limit their composition to WECC Members. *See e.g.* RAC Charter at p. 2 and RRC Charter at p. 1-2. These constraints potentially limit WECC's ability to seek important expertise on technical and other matters that impact reliability and security in the Western Interconnection.
- Under WECC's Bylaws, WECC's Member Advisory Committee (MAC) is one of the most important advisory bodies to WECC's Board. The MAC is comprised of representatives elected by WECC's Membership. For this reason, WECC's Board is likely not getting advice from all relevant stakeholder voices.

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- WECC's Members participate in the nomination of and are responsible for electing WECC's Board members. Because WECC's Membership represents only a small subset of its stakeholders, important perspectives are missing from the nominating and election process.

### The Importance of Stakeholder Engagement to WECC

To fulfill its reliability and security mission, partnership with a wide range of stakeholders is essential. The following is a not a comprehensive list of key stakeholders, but it is illustrative of the breadth of WECC's stakeholders.

<ul style="list-style-type: none"> <li>• Federal and state legislators</li> <li>• Canadian and Mexican federal and provincial officials</li> <li>• State energy offices</li> <li>• State utilities commissions and commissioners</li> <li>• Public utilities (both state and municipal)</li> <li>• Investor-owned utilities</li> <li>• Transmission planners</li> <li>• Transmission operators</li> </ul>	<ul style="list-style-type: none"> <li>• Power marketers</li> <li>• Independent Power producers</li> <li>• Load Serving Entities</li> <li>• End users</li> <li>• National Labs</li> <li>• Universities</li> <li>• Federal agencies</li> <li>• Consumer advocates</li> <li>• Balancing Authorities</li> <li>• Other Registered Entities</li> </ul>
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WECC engages with these and other stakeholders in various ways as it:

- Monitors compliance with and enforces Reliability Standards in the Western Interconnection;
- Proposes Reliability Standards, including regional variances or regional Reliability Standards;
- Creates power system models and conducts reliability assessments;
- Conducts analysis of events that may impact the reliability and security of the Bulk Power System in the Western Interconnection;
- Delivers training, education, and outreach to inform policy makers and decision makers;
- Performs other related activities to mitigate risks to the reliability and security of the BPS in the Western Interconnection.

WECC cannot fulfill its mission without broad stakeholder engagement.

### Is there a more effective stakeholder engagement model for WECC?

WECC's Long-Term Strategy (LTS) depends upon WECC's ability to bring all relevant voices to the table to address reliability and security risks. As noted above, WECC's current Membership structure, including its technical committee structure, has the unintended effect of limiting rather than expanding the voices at the table. We encourage the Section 4.9 Working Group to consider the following questions:



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- Should WECC consider a different model that is more all-encompassing and reflective of WECC's broader group of stakeholders?
- Does WECC's current technical committee structure provide the nimbleness and responsiveness necessary to meet the rapidly changing risk landscape of the Western Interconnection?
- Does WECC's current technical committee structure enable it to sufficiently engage with the broader community in the Western Interconnection to confront increasingly complex and new reliability and security risks?
- Who does WECC need "at the table" to effectively and efficiently fulfill its vital mission?

