



WIRAB Advice on the WECC 2027 Business Plan and Budget

May 15, 2026

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Introduction:

The Western Interconnection Regional Advisory Body (WIRAB) appreciates the opportunity to provide advice on WECC's proposed 2027 Business Plan and Budget (BP&B). Established by the Federal Energy Regulatory Commission (FERC) at the request of Western Governors under Section 215(j) of the Federal Power Act, WIRAB is charged with advising FERC, WECC, and the North American Electric Reliability Corporation (NERC) on whether Reliability Standards, governance, fees, and other reliability matters proposed within the Western region are reasonable and in the public interest.

WECC's proposed 2027 BP&B outlines a \$42.013 million statutory budget—a 4.69 percent increase over 2026. The proposed statutory assessment for Load Serving Entities (LSEs) is \$38.510 million, representing an 8.0 percent increase over 2026.

This equates to approximately 0.0044 cents per kWh¹ and will ultimately be borne by electricity consumers in the Western Interconnection. This increase is consistent with WECC's prior assessment stabilization work and reflects the increasing workload driven by a significant growth in registered entities. Funding for 2027 also includes the use of \$1.145 million in Peak Reliability Donation reserves, \$995,000 in working capital reserves, and \$1.363 million in other income.

Key drivers behind the statutory budget increase, as outlined in WECC's budget, include:

- (1) **Personnel Expenses:** A 4.68% increase primarily due to the addition of 9.0 new statutory Full-Time Equivalents (FTEs) and a budgeted 4% merit pool.
- (2) **Special Projects:** A one-time \$1.0 million expenditure for a gas-electric interdependence study, largely funded by Peak Reliability Donation reserves.
- (3) **Indirect Costs Allocation:** A \$254,000 increase in the overhead allocation to the non-statutory program due to increased corporate services expenses in preparation for WREGIS's separation.

WECC's statutory funding projections for 2027 include:

- (1) Statutory Assessments: \$38,509,860
- (2) Penalty Sanctions to be released: \$0
- (3) Workshop & Miscellaneous fees: \$583,053

¹ Based on Net Energy for Load (NEL) data provided in the 2026 WECC Business Plan and Budget with data covering 2024.

- (4) Interest: \$780,000
- (5) Peak Donation Reserves: \$1,145,000
- (6) Working Capital Reserves: \$995,000

Comments and Recommendations:

WIRAB provides the following comments and recommendations regarding WECC's 2027 BP&B:

1. WIRAB Supports the Expansion of CMEP to Manage the Surge in Registrations.

WECC proposes adding 7.0 FTEs to the Compliance Monitoring and Enforcement Program (CMEP). This includes four auditors added in response to the growing number of new registrations and increasing level of risks in the Western Interconnection tied to inverter-based resources, one risk assessment engineer to assist in oversight planning, and two compliance program coordinators to support increased registration and enforcement activities. WECC expects to have approximately 700 registrations by the end of 2026, including approximately 150 new Category 2 Generator Owners (GOs). WECC has clarified that this is a permanent need, as these new registrants will require ongoing monitoring and oversight planning. This capacity need may also grow in the future if NERC creates and FERC approves standards for computational load entities. The additional monitoring FTEs will specifically allow the team focusing on low inherent risk entities to expand commensurate with the growth of these new registrants.

2. WIRAB Endorses Strategic Investment in Artificial Intelligence and Data Reporting.

WIRAB supports the addition of 2.0 FTEs in Information Technology, specifically an AI analyst and a business reporting analyst. The AI analyst will support the effective deployment of AI tools by helping translate business needs into data workflows, while the business reporting analyst will help transform data into actionable insights across the organization. While WECC assumes a "status quo" for process improvements in this budget, the organization has an initiative in its current 2026 Corporate Scorecard related to AI. WECC has committed to quantifying efficiency gains and reporting them to its Board as the initiative progresses. WIRAB expects these roles may eventually yield quantifiable cost-savings that can be incorporated into future budget planning, as well as process and work product improvements at WECC that help improve reliability in the Western Interconnection.

3. WIRAB Supports Using Peak Donation Funds for the Gas-Electric Interdependence Study.

WECC intends to spend the remaining \$1.37 million in Peak Donation Reserves by the end of 2027, with \$1.0 million allocated to a one-time follow up study on the interdependence between natural gas infrastructure and generators in the West, and the remainder supporting AI and data management projects. Given the increasing frequency of extreme weather events and the impact of generator retirements, WIRAB believes this study is a vital use of the remaining Peak funds to identify risks to bulk power system reliability. WECC staff will work

with stakeholders, including WIRAB, as the scope is developed to ensure the study results are useful to decision-makers.

4. WIRAB Commends WECC’s Transparency for WREGIS Separation.

The 2027 budget is a transition year for the Western Renewable Energy Generation Information System (WREGIS), which is slated to become an independent entity on January 1, 2028. This separation was prompted by software provider CleanCounts declining in October 2024 to renew its agreement at the end of its contract term. WREGIS is moving to a custom-built software solution developed by Atomic Object, with Phase 2 scheduled for completion by mid-2027. WIRAB supports WECC’s commitment to ensuring that no statutory funds are used for corporate separation activities, as all such costs, including software development and the establishment of the new entity, are funded by non-statutory program revenue and reserves. This transparent approach, maintained through an annual overhead allocation, protects LSEs from subsidizing non-statutory operations.

5. WIRAB Supports the Assessment Stabilization Trend for 2027-2029.

WIRAB acknowledges the 8.0 percent assessment increase is consistent with WECC’s long-term stabilization goals and Member Advisory Committee recommendations. In 2028, the termination of WREGIS’s overhead allocation will increase the statutory budget by approximately \$1.7 million. WECC should assess whether corporate overhead reductions are achievable as a result of no longer needing to support a non-statutory program. WECC’s three-year projections estimate assessment increases of 8.0 percent in 2028 and 7.8 percent in 2029. WIRAB encourages WECC to continue its periodic stabilization analysis to maintain predictable funding levels for LSEs. Additionally, WECC should ensure that it continues to communicate the assessment impacts so that LSEs can plan for potential increases in future years.

6. WIRAB Encourages Continued Focus on Workforce Adaptability.

WECC maintains a robust Knowledge Assessment Matrix (KAM) program to ensure its workforce remains highly skilled. This program evaluates required skills quarterly at every level of the organization to identify and address gaps. Each department manager is responsible for internal training to achieve bench strength and ensure the staff can adapt to the rapidly evolving reliability and security landscape. WIRAB encourages WECC to continue prioritizing these non-financial developmental incentives to retain the specialized technical expertise necessary to fulfill its mission.

Advice:

Following its review, WIRAB finds the proposed statutory budget and assessment for 2027 to be in the public interest and advises the WECC Board of Directors to approve the 2027 Business Plan and Budget and Assessment.