

August 29, 2025

Chair Richard Campbell
President and CEO Melanie Frye
WECC
155 North 400 West, Suite 200
Salt Lake City, Utah 84103

Subject: Tesla Comments Regarding Potential Establishment of WREGIS as an Independent, Standalone Organization

Chair Campbell and President Frye:

Tesla appreciates the opportunity to submit these comments regarding the proposal to establish WREGIS as an independent, stand-alone organization as discussed in the “Future WREGIS Structure” summary document issued on June 15, 2025. This report was developed at the direction of the WECC board by WREGIS management and premised on the rationale that as WECC’s only non-statutory program and given WREGIS’s specific mission, establishing WREGIS as a standalone entity that operates independently of WECC will enable WREGIS to more effectively serve those entities that rely on WREGIS. As framed, the question before stakeholders appears less on whether WREGIS should separate from and become independent of WECC, which appears to have been decided, and instead, on how WREGIS, once it is spun off, will function, in terms of its corporate and governance structure. As discussed further below, the process to date has not afforded stakeholders sufficient notice or details on critical aspects of the proposed change to allow a meaningful assessment of whether establishing WREGIS as an independent, standalone organization is reasonable and is in the best interest of the stakeholder community that WREGIS serves.

THE CURRENT PROPOSAL LACKS CRITICAL DETAILS AND HAS NOT PROVIDED SUFFICIENT OPPORTUNITY FOR STAKEHOLDER REVIEW

Regarding whether or not WREGIS should become a stand-alone, independent entity, Tesla is currently evaluating. However, we have a number of concerns regarding the process leading up to the decision to establish WREGIS as a standalone organization and the lack

of detail and vision regarding how that organization will function in a way that enhances the responsiveness of WREGIS to stakeholder concerns and will ensure continuity of service. Per Tesla's understanding, factors leading to the decision to establish a stand-alone entity were known as early as late 2024, however limited to no effort was made to make the larger stakeholder group aware.

Following the WECC Board's June 2025 meeting, an announcement was sent informing all WREGIS members of the decision to explore a stand-alone WREGIS entity, which since then has been a matter framed as all but decided as there has been limited opportunity for stakeholders to voice concerns with this direction and influence the outcome. Indeed, the lack of meaningful stakeholder engagement before de facto deciding that WREGIS should become a separate, standalone organization is part and parcel of a more general concern that Tesla has with WREGIS, where, notwithstanding the various stakeholder forums that members can avail themselves of, including the Stakeholder Advisory Group and the WREGIS Committee, the ability of stakeholders to effectively surface issues and concerns to WREGIS management and, critically, have any confidence that issues raised in these forums will translate into action by WREGIS or the WECC Board to address those concerns is, in practice, quite limited. For example, concerns around the current process for registering distributed generator systems continues to be a topic regularly raised during WREGIS SAC meetings, however it is unclear if these concerns have translated into action and if so, whether they have resulted in measurable improvements to the registration processes.

Tesla understands that WECC management is in part motivated to establish WREGIS as an independent organization as a way to address this very concern and make WREGIS more responsive and accountable to stakeholder concerns, a motivation that Tesla fully and strongly supports. As articulated in the Future WREGIS Structure document, this organizational independence from WECC will "[allow] WREGIS to own its software development, build the necessary infrastructure and move quickly and nimbly to meet user needs and changes in state and provincial program requirements" while ensuring that "staff retains ownership and accountability for WREGIS operations". Tesla agrees that these are potential positive outcomes relative to the status quo, but given the lack of detail regarding the specific manner in which a newly independent WREGIS management and board will solicit input from stakeholders, establish priorities and execute on reforms and other operational matters, it's challenging if not impossible to assess if separating WREGIS from WECC oversight will lead to improved outcomes or, instead result in less accountability than exists at present.

BEFORE RENDERING ANY DECISION TO ESTABLISH WREGIS AS A STANDALONE ENTITY, KEY GOVERNANCE DETAILS AND MODES OF STAKEHOLDER ENGAGEMENT SHOULD BE DEFINED AND MADE AVAILABLE FOR REVIEW AND FEEDBACK

To that end, we would respectfully ask that WECC and WREGIS management take a more deliberative approach in pursuing this potential change. We believe that the current high-level overview, as reflected in the Future of WREGIS Structure document, of what is envisioned for an independent WREGIS is simply insufficient to meaningfully ascertain whether the new structure will yield better outcomes and/or an organization that is better able to serve the interests of those that rely on WREGIS. For example, while the proposed board of an independent WREGIS is recommended to be a hybrid structure, comprised of both independent board members and stakeholder representatives, the specific composition of that board and how board members will be selected, as well as the length of terms and other key elements of how this board will function are not detailed and it is not clear how and when such considerations will be formulated and how stakeholders will weigh-in to shape those determinations. Tesla submits that such details are critical and need to be determined in advance of any decision to spin the organization off into an independent body. While our impression is that the WECC Board largely defers to WREGIS staff currently, it nonetheless plays an important role in making sure WREGIS management and staff are ultimately held accountable to some governing body. The envisioned board for an independent WREGIS could and would be expected to take on this responsibility, but Tesla feels it would be premature for WECC to relinquish its overarching role overseeing the activities of WREGIS until the specifics of board composition, selection process and governance responsibilities have been spelled out, with any move to spin WREGIS off contingent on some set of basic governance structure, principles, and process included in the founding charter.

Relatedly, Tesla would feel more comfortable with the notion of WREGIS as a stand-alone entity if the escalation paths for stakeholders were further spelled out and addressed some of the current challenges that we've observed. For instance, while there are clear paths for raising topics for discussion in WREGIS SAC & WREGIS Committee meetings, there is currently no process for tracking what concerns have been previously raised and what progress is being made. Additionally, if there are improvements the larger stakeholder group feels strongly about implementing in WREGIS, there is currently no process for stakeholders to put forth binding proposals to be voted upon for implementation. Furthermore, we think it would benefit WREGIS, whether it stays under WECC or becomes an independent entity, for there to be a clear way to propose, but more importantly, implement binding resolutions that address stakeholder concerns. Again, such

improvements are best made in advance of spinning WREGIS off into a separate organization and included in the founding charter.

CONCLUSION

Tesla reiterates our appreciation for the opportunity to submit these brief comments regarding the future structure of WREGIS. Recognizing the critically important role that WREGIS plays in the clean energy space, and degree to which a growing number of entities that rely on WREGIS across the western region including private entities and regulatory bodies, it is imperative that changes like those currently being contemplated are fully thought through before moving forward. Tesla understands that some of the specific details, including things like the full set of bylaws and other key governing documents will need to be established by a newly constituted board. That said, we think it is critical that the composition of the board, its selection process, and certain key structural aspects and stakeholder engagement pathways be established through a stakeholder vetted process to provide a basic framework and service continuity before any decision to establish WREGIS as a standalone entity is made, much less executed.

Best regards,

A handwritten signature in black ink, appearing to read 'Ana Stewart', with a stylized, cursive script.

Ana Stewart

Tesla, Inc.