



## **2026 Business Plan and Budget**

Approved by: WECC Board of Directors

June 11, 2025

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## Introduction

TOTAL RESOURCES (in whole dollars)				
	2026 Budget	U.S.	Canada	Mexico
Statutory FTEs*	178.0			
Non-statutory FTEs	16.0			
<b>Total FTEs</b>	194.0			
Statutory Budget	\$ 40,132,874			
Non-Statutory Budget	\$ 4,637,860			
<b>Total Expenses</b>	\$ 44,770,735			
<b>Statutory Assessments</b>	\$ 35,657,280	29,424,702	3,591,298	-
<b>Non-Statutory Fees</b>	\$ 3,567,500	2,856,650	677,000	33,850
NEL**	875,115,674	745,650,333	129,465,341	-
NEL%	100.0%	85.2%	14.8%	0.0%

\*An FTE is defined as a full-time equivalent employee.

\*\*NEL is defined as Net Energy for Load.

## Organizational Overview

WECC is a 501(c)(4) social welfare organization funded through Load-Serving Entity (LSE) assessments authorized by the Federal Energy Regulatory Commission (FERC) under Section 215 of the Federal Power Act. WECC's mission is to effectively and efficiently reduce risks to the reliability and security of the Western Interconnection's Bulk Power System (BPS). WECC operates under a delegation agreement with the North American Electric Reliability Corporation (NERC) and in accordance with its Bylaws. WECC executes its mission while working with a broad community consisting of industry stakeholders and two advisory bodies: the Member Advisory Committee (MAC) and the Western Interconnection Regional Advisory Body (WIRAB).

The Western Interconnection is a geographic area in which the use and generation of electricity is synchronized. This area includes all or part of 14 Western states in the United States, the Canadian provinces of British Columbia and Alberta, and a portion of Baja California Norte, Mexico.

WECC delivers its mission through:

- Effective risk-based monitoring and enforcement of Reliability Standards through standards development, entity registration and certification, compliance risk assessments, audits and investigations, and, when necessary, enforcement;
- Working with industry participants, policymakers, and other stakeholders in the Western Interconnection to conduct system modeling and information sharing, reliability assessments, performance analyses, situation awareness, and event analyses; and



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- Targeted training, outreach, and engagement to better educate and inform stakeholders about the near- and long-term impacts their decisions have on the reliability and security of the Western Interconnection.

To ensure that WECC adds value to the Western Interconnection and delivers on its vital reliability and security mission, WECC's Long-Term Strategy focuses on five Impact Areas:

1. Risk Mitigation: WECC is an organization aligned around risk reduction. WECC's holistic risk-based approach uses all the tools and skills available to deliver comprehensive risk mitigation strategies.
2. Partnership: WECC is sought after as a partner to address the risks that pose the greatest threat to reliability. WECC identifies concerns and facilitates solutions with input and assistance from diverse and often conflicting stakeholder perspectives, focusing our resources on risks that pose the greatest threat to reliability and security.
3. Perspective: WECC's insights, analyses, and outreach promote industry action. WECC is renowned for providing clear and actionable communications supported by data and rigorous analysis.
4. Independence: WECC's resource- and technology-neutral, interconnection-wide perspective is respected and trusted to allow decision-makers to rely on WECC as an independent partner.
5. People: WECC's highly skilled and engaged employees are champions for reliability.

## Membership and Governance

WECC has 338 members<sup>1</sup> divided into the following five Membership Classes:

1. Large Transmission Owners;
2. Small Transmission Owners;
3. Electric Line of Business Entities doing business in the Western Interconnection that do not own, control, or operate transmission or distribution lines in the Western Interconnection;
4. End Users and entities that represent the interests of end users; and
5. Representatives of state and provincial governments.

WECC membership is open to any person or entity that has an interest in the reliable and secure operation of the Western Interconnection BPS. WECC membership is not required for participation in the WECC Standards Development process or any other stakeholder proceeding.<sup>2</sup>

WECC is governed by a nine-member independent Board of Directors (Board) elected by the WECC membership, and WECC's president and chief executive officer. The nine independent directors are compensated by WECC for their time.

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<sup>1</sup> As of Feb. 19, 2025

<sup>2</sup> Non-WECC members may participate in standards drafting teams and may vote on Regional Reliability Standards (RRS). See WECC's Reliability Standards Development Procedures.

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WECC has four governance committees that provide functional oversight of WECC operations:

- Finance and Audit Committee (FAC);
- Governance Committee (GC);
- Human Resources and Compensation Committee (HRCC); and
- Nominating Committee (NC).

Under the direction of the WECC Board, additional committees provide the Board with technical advice and policy recommendations:

- Member Advisory Committee (MAC);
- Reliability Assessment Committee (RAC);
- Reliability Risk Committee (RRC); and
- WECC Standards Committee (WSC).

## 2026 Strategic Goals

The electric industry is undergoing profound changes, especially in the West. WECC's role continues to be the independent voice of Bulk Power System reliability and security in the Western Interconnection. WECC works closely with its broad stakeholder base to build trust, promote transparency, set priorities, and enhance the reliability and security of the Western Interconnection. WECC's focus is to proactively address issues for which the impacts to reliability and security are acute or less understood (e.g., the risk is unique to the Western Interconnection) or for which WECC and its stakeholders (including its technical committees) can make a significant contribution to Western BPS reliability and security. Enhancing our strategic engagement allows WECC to thoughtfully and intentionally interact with stakeholders to ensure WECC's work is targeted and valuable.

WECC's Board-approved [Long-Term Strategy](#) builds on the foundation established by the Electric Reliability Organization (ERO) Enterprise Long-Term Strategy. Described more fully below, the ERO Enterprise Long-Term Strategy represents continent-wide risks and was vetted through a stakeholder process. WECC's Long-Term Strategy then identifies unique Western long-term Impact Areas to address the reliability and security needs of the Western Interconnection while supporting reliability and security across North America. These two strategy documents, coupled with the ERO Enterprise-driven program areas, will guide the work of WECC in 2026 and beyond.

Additionally, at its June 2024 meeting, the Board approved [Reliability Risk Priorities \(RRP\)](#) intended to further focus WECC's work. Risks are now identified through an analytical process that begins with the Reliability Risk Committee (RRC). WECC is developing and implementing a more nimble approach to identify and mitigate reliability risks that engages stakeholders more broadly as risks arise and program area work plans are developed and modified. Much of the work related to the WECC RRP involves staff time; examples of activities supporting these priorities are noted in the proper statutory program area sections of the business plan.

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## Reliability Risk Priorities

### *Aridification and Associated Natural Events*

Aridification is the gradual, permanent change of a region to a drier climate. Aridification is a long-term process with a timespan well beyond our current planning horizons; however, natural events associated with aridification have a more immediate and tangible effect. Drought, heat events, and increased wildfire activity challenge the planning and operation of the system in the West. While changes in climate are experienced across the continent, the changes associated with aridification are particular to and highly concentrated in the West.

### *Impact of Inverter-based Resources*

Inverter-based resources (IBR) include wind turbines, solar photovoltaic, and battery energy storage systems. IBRs are facilities connected to the bulk power system that convert DC electricity from renewable sources into AC electricity, which allows power to flow into the grid. Over the next decade, entities in the West plan to add more than 100 GW of IBRs to the system to meet demand under clean and green energy policies.

### *Lack of Coordinated Resource and Transmission Planning*

Historically, transmission planning and resource planning have occurred separately. While some entities combine the two types of planning, this is not the case on regional or interconnection-wide levels. Recent events and analyses have highlighted the need to coordinate resource and transmission planning on an interconnection-wide basis. As the heat wave in August 2020 and the Bootleg Fire in 2021 showed, under certain circumstances, the ability to move power can be as limiting as the availability of that power. As the footprint of natural events increases, so too must the ability to effectively move power across the Interconnection.

### *Modeling Quality and Input Validation*

Modeling is the process of building computer models of energy systems to analyze and better understand them. Studying how assets on the grid will respond to disturbances or other changes (e.g., demand growth) helps prevent reliability issues on the bulk power system. With rapid changes occurring on the system, up-to-date, accurate models and data are critical to planning and operating the system.

### *Potential effects of energy policies in the West*

The West is a patchwork of different, sometimes contradicting, energy policies that address topics such as energy efficiency, clean energy, transportation, building codes, and protection of legacy generation types. These policies drive changes to the operation and planning of the bulk power system and can create an environment that introduces risk to the reliability and resilience of that system. In aggregate, these policies create a varied and complex tapestry that may introduce more risks to the power system in the West.

## ERO Enterprise

Electricity is a vital component of the fabric of modern society and the Electric Reliability Organization (ERO) Enterprise serves to strengthen that fabric for the benefit of nearly 400 million North Americans. The ERO Enterprise, which consists of the North American Electric Reliability Corporation (NERC) and the six Regional Entities, works with users, owners, and operators of the bulk power system (BPS), government partners, and other stakeholders and industry participants, to pursue its mission of assuring the effective and efficient reduction of risks to the reliability and security of the BPS.

NERC and the Regional Entities play different, but important and complementary, roles in delivering ERO Enterprise programs. NERC provides industry-wide perspective and oversight, and the Regional Entities have unique features and activities that serve the needs of their regional constituents, while ensuring that registered entities follow NERC and Regional Reliability Standards. Regional Entities also have an obligation to meet professional standards of independence and objectivity and provide the best available expertise to address regional risks. This way of working is represented by this visual. The ERO Enterprise is explicitly committed to its collective success in achieving its vision of a highly reliable and secure North American BPS.



NERC and the Regional Entities are continually refining their individual and collective operating and governance practices in support of strategic and operational goals and objectives that are designed to ensure the ERO fulfills its statutory obligations. This collaboration is done while acknowledging the unique differences across the Regional Entities, and the different corporate and governance responsibilities of each entity.

In 2024, the ERO Enterprise revised the [ERO Enterprise Long-Term Strategy](#). The WECC Board acknowledged this strategy in September 2024 as a valuable input to the WECC strategic planning process and recognized it as a beneficial collaboration with NERC and the Regional Entities. The strategy includes the following focus areas for achieving success in the ERO Enterprise vision and mission:

- Energy—Effectively leverage a broad range of data, tools, and approaches to assist stakeholders and policymakers in addressing existing BPS risks and proactively identifying and preparing for emerging and unknown risks to the grid.
- Security—Maintain cyber and physical security programs (E-ISAC, Standards, Compliance Monitoring and Enforcement Program (CMEP), technical committee work, outreach, and engagement) that are risk-based, efficient, coordinated, and effectively advance the security posture of industry.
- Engagement—Ensure that the increasingly diverse spectrum of stakeholders and policymakers find value in engagements with the ERO Enterprise, seek ERO Enterprise expertise to inform



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their decision-making, and have confidence in the integrity and independence of ERO Enterprise programs.

- **Agility and Sustainability**—Perform as an effective and efficient team acting in coordination, ensuring its programs and efforts deliver value for stakeholders and policymakers as they manage changing reliability and security risk within the evolving industry landscape, and capturing cost efficiencies when practical.

As part of the business planning and budgeting process, NERC and the Regional Entities each have their own priorities and strategic focus areas, but continually come together to ensure alignment with the long-term strategy and that business processes and operations harmonize across the ERO Enterprise where appropriate. WECC acknowledges and supports the long-term strategy as well as the work products specific to WECC that are described in each statutory program, discussed in [Statutory Programs](#).

Risks to reliability and security are fluid and can be affected by recent events, therefore NERC and each Regional Entity may also create annual work plan priorities that summarize the most critical goals and objectives for the year. In many cases, these work plan priorities are also used for individual, departmental, and company performance measurement.

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## 2026 Statutory Budget Overview

Those who plan, operate, and care about the reliability of the Western Interconnection continue to confront numerous and rapidly evolving challenges—increasingly recurrent extreme natural events, large-scale generator retirements to meet aggressive clean energy goals, massive amounts of new generators that present new technological and dispatchability challenges, evolving and increasing cybersecurity and physical threats, the risks and opportunities posed by artificial intelligence, rapidly changing demand brought about by electrification, and the proliferation of data centers and other technologies, with their accompanying large loads. The 2026 Business Plan and Budget assumes that all these challenges will continue, as will the challenges in the labor market, where the competition for talent and the increasing costs to attract and retain a highly skilled workforce remain.

### Budget and Funding Summary

WECC's proposed 2026 statutory budget is \$40,133,000, a \$808,000 (2.1%) increase from the 2025 statutory budget. WECC's proposed statutory assessment is \$35,657,000, a \$2,641,000 (8.0%) increase over the 2025 statutory assessment. Major drivers of the increase in budgeted expenditures are outlined below. 2026 funding includes the use of working capital reserves of \$2,476,000, Peak Donation reserves of \$200,000, and \$1,758,000 of other income.

### Major Budget Drivers

#### Personnel Expenses

- Three new full-time equivalents (FTE) to support increasing demands on the organization:
  - Two FTE are added in Compliance Monitoring and Enforcement in response to different and new types of work, to build improved depth and breadth of skillsets, to address enforcement inventory, and in response to the downstream increase of all related work from new registrants;
  - One FTE is added in Reliability Assessment and Performance Analysis to support a weather readiness program for generators in the Western Interconnection;
- 3% merit and 1% market adjustment pools;
- Adjustments to compensation based on data from a salary survey to enable us to remain competitive with the market and hire and retain highly skilled employees;
- Refinement of payroll tax and benefits enrollment rates and premiums; and
- Labor float assumption changes based on actual turnover and vacancy rates.

#### Operating Expenses

- Consulting decreases due to the anticipated wrap-up of the transmission planning project performed in conjunction with WPP and WestTEC, which Peak Reliability donation funds have contributed to.
- Contract labor increases to reduce the open Enforcement inventory backlog.



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## Peak Reliability Donation

Peak Reliability (Peak) ceased all Reliability Coordinator (RC) operations in December 2019 and dissolved as a corporate entity in December 2020. After review and approval by the Board, WECC entered into a donation holdback agreement with Peak before its dissolution. Per the agreement, Peak donated \$4,127,000 of its remaining funds to WECC. Of the total amount, \$3,827,000 will be used to fund projects focused on the reliability and security of the BPS in the Western Interconnection. This portion was recorded as a statutory donation. Additionally, Peak requested WECC hold \$300,000 for a period of five years to pay any Peak bills that may be presented following Peak's formal closure on December 31, 2020. This amount was recorded as a non-statutory liability. The statutory amount is currently included in WECC's reserves, which are further detailed in the [Overview of Changes in Reserves](#). Non-statutory funds remaining after the five-year period will also be used to fund reliability and security projects. The holdback period ends at the end of 2025, and the remaining holdback amount plus compounded interest of approximately \$312,000 will be converted from non-statutory to statutory reserves through the 2026 Business Plan and Budget cycle.

Proposed projects are vetted with the executive team and stakeholders via targeted outreach, technical committees, and the Business Plan and Budget (BP&B) process. Our final contribution to the WestTEC transmission project is included in the 2026 BP&B.

In 2024, following stakeholder feedback and confirmation of the independence of the work and content of the work product, WECC proposed to use a total of \$2.2 million over three budget years to further the transmission planning endeavor being undertaken by the Western Power Pool (WPP) through its WestTEC effort. WestTEC is a response to a widely recognized concern that current transmission planning frameworks in the West do not result in the identification of sufficient transmission solutions to support the reliability of the future energy grid. WestTEC is an interregional transmission planning project that intends to employ analytical technologies to produce an actionable long-term transmission plan that will provide a range of transmission benefits to stakeholders throughout the West. WECC's investment of Peak reserve funds would help continue to finance the analytical work being conducted by an independent third party. The project duration is March 2024 through February 2026.

In 2024, WECC proposed to use approximately \$500,000 of the Peak Donation reserve in 2024; that amount has been deferred to 2025 due to project delays. \$1,500,000 from the Peak Donation reserve was budgeted to fund this project in 2025. In 2026, \$200,000 is budgeted for the final phase of the project.

Future projects will be identified in the relevant annual BP&B using a similar stakeholder outreach approach. For projects not anticipated in the annual BP&B and expected to total more than \$500,000, WECC will seek approval from FERC via separate, one-time filings.

## 2025 Statutory Budget and Projection and 2026 Budget

### Statement of Activities, Fixed Assets Expenditures, and Change in Working Capital 2025 Budget & Projection, and 2026 Budget

#### STATUTORY

	2025 Budget	2025 Projection	Variance 2025 Budget v 2025 Projection Over(Under)	2026 Budget	Variance (\$)	Variance (%)
<b>Revenue</b>						
<b>Statutory Funding</b>						
WECC Assessments	\$ 33,016,000	\$ 33,016,000	\$ -	\$ 35,657,280	\$ 2,641,280	8.00%
Penalties Released <sup>1</sup>	4,400	4,400	\$ -	41,745	\$ 37,345	848.75%
<b>Total Statutory Funding</b>	<b>\$ 33,020,400</b>	<b>\$ 33,020,400</b>	<b>\$ -</b>	<b>\$ 35,699,025</b>	<b>\$ 2,678,625</b>	<b>8.11%</b>
Membership Fees	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal Grants	-	-	-	-	-	
Services & Software	-	-	-	-	-	
Workshops & Miscellaneous	703,541	\$ 695,093	\$ (8,448.00)	757,500	\$ 53,959	7.67%
Interest	1,000,000	\$ 1,228,265	\$ 228,265.00	1,000,006	\$ 6	0.00%
<b>Total Revenue (A)</b>	<b>\$ 34,723,941</b>	<b>\$ 34,943,758</b>	<b>\$ 219,817</b>	<b>\$ 37,456,531</b>	<b>\$ 2,732,590</b>	<b>7.87%</b>
<b>Expenses</b>						
<b>Personnel Expenses</b>						
Salaries	\$ 24,449,956	\$ 24,422,190	\$ (27,766.00)	\$ 26,016,824	\$ 1,566,868	6.41%
Payroll Taxes	1,536,792	1,612,311	\$ 75,519.00	1,577,297	\$ 40,505	2.64%
Benefits	2,934,023	2,903,909	\$ (30,114.00)	2,986,868	\$ 52,845	1.80%
Retirement Costs	2,200,566	2,105,751	\$ (94,815.00)	2,071,272	\$ (129,294)	-5.88%
<b>Total Personnel Expenses</b>	<b>\$ 31,121,337</b>	<b>\$ 31,044,161</b>	<b>\$ (77,176)</b>	<b>\$ 32,652,261</b>	<b>\$ 1,530,924</b>	<b>4.92%</b>
<b>Meeting Expenses</b>						
Meetings & Conference Calls	\$ 635,316	\$ 608,639	\$ (26,677.00)	\$ 611,168	\$ (24,148)	-3.80%
Travel	1,062,145	944,525	\$ (117,620.00)	1,043,960	\$ (18,185)	-1.71%
<b>Total Meeting Expenses</b>	<b>\$ 1,697,461</b>	<b>\$ 1,553,164</b>	<b>\$ (144,297)</b>	<b>\$ 1,655,128</b>	<b>\$ (42,333)</b>	<b>-2.49%</b>
<b>Operating Expenses, Excluding Depreciation</b>						
Consultants & Contracts	\$ 1,897,400	\$ 1,786,453	\$ (110,947.00)	\$ 1,495,400	\$ (402,000)	-21.19%
Office Rent	1,328,263	1,328,747	\$ 484.00	1,326,433	\$ (1,830)	-0.14%
Office Costs	2,949,356	2,715,077	\$ (234,279.00)	2,964,652	\$ 15,296	0.52%
Professional Services	1,327,700	1,297,321	\$ (30,379.00)	1,367,225	\$ 39,525	2.98%
Miscellaneous	-	-	\$ -	-	\$ -	
<b>Total Operating Expenses</b>	<b>\$ 7,502,719</b>	<b>\$ 7,127,598</b>	<b>\$ (375,121)</b>	<b>\$ 7,153,710</b>	<b>\$ (349,009)</b>	<b>-4.65%</b>
<b>Total Direct Expenses</b>	<b>\$ 40,321,517</b>	<b>\$ 39,724,923</b>	<b>\$ (596,594)</b>	<b>\$ 41,461,099</b>	<b>\$ 1,139,582</b>	<b>2.83%</b>
<b>Indirect Expenses</b>	<b>\$ (1,146,873)</b>	<b>\$ (1,072,725)</b>	<b>\$ 74,148</b>	<b>\$ (1,437,341)</b>	<b>\$ (290,468)</b>	<b>25.33%</b>
<b>Other Non-Operating Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2)</b>	
<b>Total Expenses (B)</b>	<b>\$ 39,174,644</b>	<b>\$ 38,652,198</b>	<b>\$ (522,446)</b>	<b>\$ 40,023,758</b>	<b>\$ 849,112</b>	<b>2.17%</b>
<b>Change in Net Assets (=A-B)</b>	<b>\$ (4,450,703)</b>	<b>\$ (3,708,440)</b>	<b>\$ 742,263</b>	<b>\$ (2,567,227)</b>	<b>\$ 1,883,478</b>	<b>-42.32%</b>
<b>Fixed Asset Additions, Excluding Right of Use Assets (C)</b>	<b>\$ 150,713</b>	<b>\$ 176,778</b>	<b>\$ -</b>	<b>\$ 109,116</b>	<b>\$ (41,597)</b>	<b>-27.60%</b>
<b>TOTAL BUDGET (B+C)</b>	<b>\$ 39,325,357</b>	<b>\$ 38,828,976</b>	<b>\$ (522,446)</b>	<b>\$ 40,132,874</b>	<b>\$ 807,517</b>	<b>2.05%</b>
<b>TOTAL CHANGE IN WORKING CAPITAL (A-B-C)</b>	<b>\$ (4,601,416)</b>	<b>\$ (3,885,218)</b>	<b>\$ 742,263</b>	<b>\$ (2,676,343)</b>	<b>\$ 1,925,075</b>	<b>-41.84%</b>
FTEs	175.00	175.00	-	178.00	3.00	1.71%
HC	175.00	175.00	-	178.00	3.00	1.71%

<sup>1</sup> Represents the amount released from working capital reserves to offset U.S. assessments as approved by the NERC Board of Trustees and FERC. Actual penalties invoiced in the current reporting year will be reported as income on the audited financial statements in accordance with Generally Accepted Accounting Principles (GAAP).



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## Monetary Penalties

As documented in the NERC Policy Accounting, Financial Statement and Budgetary Treatment of Penalties Imposed and Received for Violations of Reliability Standards, penalty monies received on or before June 30, 2025, will be used to offset assessments in the 2026 WECC budget.

WECC collected \$4,400 in penalty monies between July 1, 2023, and June 30, 2024 to offset assessments for 2025.

WECC collected \$41,745 in penalty monies between July 1, 2024, and June 30, 2025 to offset assessments for 2026.

**Allocation Method:** Penalty monies collected and released to offset assessments are allocated to the following Statutory Programs:

- Reliability Standards;
  - Compliance Monitoring and Enforcement and Organization Registration and Certification;
- Reliability Assessment and Performance Analysis;
- Training and Outreach; and
- Situation Awareness and Infrastructure Security.

Penalty monies are allocated based on the number of FTEs in the functional areas divided by the aggregate total FTEs in the programs receiving the allocation.

# Major Budget Drivers—Statutory Programs

Program Area	Budget 2025	Budget 2026	Variance \$	Variance %
Reliability Standards	\$ 954,606	\$ 947,690	\$ (6,916)	(0.72%)
Compliance Monitoring and Enforcement and Organization Registration and Certification	21,348,588	23,077,423	1,728,835	8.10%
Reliability Assessment and Performance Analysis	13,294,184	12,313,881	(980,303)	(7.37%)
Training and Outreach	3,132,745	3,181,402	48,657	1.55%
Situation Awareness and Infrastructure Security	595,234	612,478	17,244	2.90%
<b>Total*</b>	<b>\$ 39,325,357</b>	<b>\$ 40,132,874</b>	<b>\$ 807,517</b>	<b>2.05%</b>

\*includes allocated Corporate Services costs

## Reliability Standards

No major budget drivers in this area.

## Compliance Monitoring and Enforcement and Organization Registration and Certification

### Personnel Expenses

- Two new FTEs are added to the Compliance Monitoring and Enforcement (CMEP) and Organization Registration and Certification budget in 2026.
  - One Registration Engineer to enhance registration processing efficiency in line with increased registration activities related to IBRs.
  - One Risk Assessment Engineer to assist in oversight planning and analysis activities.
- A budgeted 3% merit pool, 1% market adjustment pool, some compensation adjustments resulting from a salary survey, refinement of labor float percentages, and the refinement of payroll tax and benefits premiums and enrollment rates contribute to increases in personnel expenses in this area and across the organization.

### Consultants and Contracts

- Consulting increases due to the use of law firm services to reduce the enforcement inventory backlog.

## Reliability Assessment and Performance Analysis

### Personnel Expenses

- One Generator Readiness Specialist is added to the Reliability Assessment and Performance Analysis (RAPA) program area to support a weather readiness program for generators in the Western Interconnection.



- A budgeted 3% merit pool, 1% market adjustment pool, some compensation adjustments resulting from a salary survey, refinement of labor float percentages, and the refinement of payroll tax and benefits premiums and enrollment rates contributes to increases in personnel expenses in this area and across the organization.

### Consultants and contracts

- Consulting decreases due to the anticipated completion of the transmission planning project performed in conjunction with WPP through its WestTEC effort.

### Training and Outreach

- No major budget drivers in this area.

### Situation Awareness and Infrastructure Security

- No major budget drivers in this area.

### Corporate Services

Corporate Services (in whole dollars) Direct Expenses and Fixed Assets						
	2025 Budget	2026 Budget	Increase (Decrease)	FTEs 2025 Budget	FTEs 2026 Budget	Increase (Decrease)
Committee and Member Forums	\$ -	\$ -	\$ -	-	-	-
General and Administrative	\$ 6,110,050	\$ 6,325,595	\$ 215,545	19.00	17.50	(1.50)
Legal and Regulatory	\$ 1,142,835	\$ 1,273,986	\$ 131,151	3.50	4.00	0.50
Information Technology	\$ 3,810,520	\$ 4,177,585	\$ 367,065	13.00	14.00	1.00
Human Resources	\$ 1,219,717	\$ 1,200,673	\$ (19,044)	4.00	4.00	-
Accounting and Finance	\$ 718,535	\$ 753,974	\$ 35,439	3.00	3.00	-
<b>Total Corporate Services*</b>	<b>\$ 13,001,657</b>	<b>\$ 13,731,813</b>	<b>\$ 730,156</b>	<b>42.50</b>	<b>42.50</b>	<b>-</b>

\*WECC's 2026 Corporate Services budget (expenses plus fixed assets) is \$13,731,813 of which \$1,450,225 is allocated to non-statutory activities. As a result of the allocation to the non-statutory function, the Corporate Services expenses included in the 2026 statutory budget are \$12,281,588, which is a \$441,591 increase from the 2025 budget.

### Personnel Expenses

- One FTE is transferred from General and Administrative to Information Technology for a Database Engineer to increase our capabilities related to data and reporting.
- One half FTE is transferred from General and Administrative to Legal and Regulatory to realign the budget with the evolving responsibilities of the Corporate Secretary related to enhancing governance, compliance, and operational efficiency.
- A budgeted 3% merit pool, 1% market adjustment pool, some compensation adjustments resulting from a salary survey, refinement of labor float percentages, and the refinement of payroll tax and benefits premiums and enrollment rates contributes to increases in personnel expenses in this area and across the organization.



## Personnel—Overview of FTEs and Expenses

Over the last several years, many events have highlighted increasing risks to reliability and security: extreme heat, severe cold weather, unexpected behavior of IBRs, cybersecurity breaches, and physical security attacks on substations, to name a few. What used to be considered low probability events have become more frequent and continue to come at an unprecedented pace and complexity. Work associated with these increasing demands is evident in the work of CMEP, RAPA and Strategic Engagement. WECC will require additional specific expertise and resources to effectively engage with stakeholders, manage the increasing workload, and minimize risks to the reliability and security of the Western Interconnection. Enhancing our stakeholder interaction, facilitation, and outreach will ensure that reliability remains paramount in the discussions with our wide range of stakeholders as the Interconnection transforms to meet policy objectives. As a result, in the 2026 budget, WECC is adding three statutory FTEs (with an additional three FTEs in its non-statutory program for a total of six FTEs) and realigning some positions within program areas due to evolving organizational needs and priorities.

Total FTEs by Program Area	Budget 2025	Direct FTEs 2026 Budget	Shared FTEs* 2026 Budget	Total FTEs 2026 Budget	Change from 2025 Budget
<b>STATUTORY</b>					
<b>Operational Programs</b>					
Reliability Standards	3.00	3.00	-	3.00	-
Compliance Monitoring and Enforcement and Organization Registration and Certification	77.00	79.00	-	79.00	<b>2.00</b>
Reliability Assessment and Performance Analysis	41.00	42.00	-	42.00	<b>1.00</b>
Training and Outreach	9.50	9.50	-	9.50	-
Situation Awareness and Infrastructure Security	2.00	2.00	-	2.00	-
<b>Total FTEs Operational Programs</b>	<b>132.50</b>	<b>135.50</b>	<b>-</b>	<b>135.50</b>	<b>3.00</b>
<b>Corporate Services</b>					
Technical Committees and Member Forums	-	-	-	-	-
General and Administrative	19.00	17.50	-	17.50	<b>(1.50)</b>
Legal and Regulatory	3.50	4.00	-	4.00	<b>0.50</b>
Information Technology	13.00	14.00	-	14.00	<b>1.00</b>
Human Resources	4.00	4.00	-	4.00	-
Finance and Accounting	3.00	3.00	-	3.00	-
<b>Total FTEs Corporate Services</b>	<b>42.50</b>	<b>42.50</b>	<b>-</b>	<b>42.50</b>	<b>-</b>
<b>Total FTEs</b>	<b>175.00</b>	<b>178.00</b>	<b>-</b>	<b>178.00</b>	<b>3.00</b>

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





Personnel Expenses	Budget 2025	Budget 2026	Variance \$	Variance %
<b>Salaries</b>				
Salaries	\$ 24,449,956	\$ 26,016,824	\$ 1,566,868	6.4%
Employment Agency Fees	-	-	-	
Temporary Office Services	-	-	-	
<b>Total Salaries</b>	<b>\$ 24,449,956</b>	<b>\$ 26,016,824</b>	<b>\$ 1,566,868</b>	<b>6.4%</b>
<b>Total Payroll Taxes</b>	<b>\$ 1,536,792</b>	<b>\$ 1,577,297</b>	<b>\$ 40,505</b>	<b>2.6%</b>
<b>Benefits</b>				
Workers Compensation	\$ 19,800	\$ -	\$ (19,800)	(100.0%)
Medical Insurance	2,591,317	2,651,047	59,730	2.3%
Life-LTD-STD Insurance	122,759	125,545	2,786	2.3%
Education	172,151	207,277	35,126	20.4%
Relocation	-	-	-	
Other	28,000	3,000	(25,000)	(89.3%)
<b>Total Benefits</b>	<b>\$ 2,934,027</b>	<b>\$ 2,986,869</b>	<b>\$ 52,842</b>	<b>1.8%</b>
<b>Retirement</b>				
Discretionary 401(k) Contribution	\$ 2,170,566	\$ 2,071,272	\$ (99,294)	(4.6%)
Retirement Administration Fees	30,000	-	(30,000)	
<b>Total Retirement</b>	<b>\$ 2,200,566</b>	<b>\$ 2,071,272</b>	<b>\$ (129,294)</b>	<b>(5.9%)</b>
<b>Total Personnel Costs</b>	<b>\$ 31,121,341</b>	<b>\$ 32,652,262</b>	<b>\$ 1,530,921</b>	<b>4.9%</b>
<b>FTEs</b>	<b>175.0</b>	<b>178.0</b>	<b>3.0</b>	<b>1.7%</b>
<b>Cost per FTE</b>				
Salaries	\$ 139,714	\$ 146,162	\$ 6,448	4.6%
Payroll Taxes	8,782	8,861	80	0.9%
Benefits	16,766	16,780	14	0.1%
Retirement	12,575	11,636	(938)	(7.5%)
<b>Total Cost per FTE</b>	<b>\$ 177,836</b>	<b>\$ 183,440</b>	<b>\$ 5,603</b>	<b>3.2%</b>

## Explanation of Significant Variances

- FTEs increase by three. More detailed information is presented in [Major Budget Drivers—Statutory Programs](#).
- Merit pool of 3%.
- Market adjustment pool of 1%.
- Adjustments to compensation based on salary survey data.
- Labor float assumptions based on turnover and vacancy rates.
- Benefits enrollment rate refinement.



## Meeting Expenses

Meeting & Conference Call Expenses	Budget 2025	Budget 2026	Variance \$	Variance %
Reliability Standards	\$ -	\$ -	\$ -	
Compliance Monitoring and Enforcement and Organization Registration and Certification	-	-	-	
Reliability Assessment and Performance Analysis	38,676	16,746	(21,930)	(56.7%)
Training and Outreach	525,720	501,120	(24,600)	(4.7%)
Situation Awareness and Infrastructure Security	-	-	-	
Corporate Services	70,920	93,302	22,382	31.6%
<b>Total Meeting Expenses</b>	<b>\$ 635,316</b>	<b>\$ 611,168</b>	<b>\$ (24,148)</b>	<b>(3.8%)</b>

Travel Expenses	Budget 2025	Budget 2026	Variance \$	Variance %
Reliability Standards	\$ 21,236	\$ 17,378	\$ (3,858)	(18.2%)
Compliance Monitoring and Enforcement and Organization Registration and Certification	606,370	589,330	(17,040)	(2.8%)
Reliability Assessment and Performance Analysis	197,585	206,301	8,716	4.4%
Training and Outreach	46,080	31,846	(14,234)	(30.9%)
Situation Awareness and Infrastructure Security	19,250	10,849	(8,401)	(43.6%)
Corporate Services	171,624	188,256	16,632	9.7%
<b>Total Travel Expenses</b>	<b>\$ 1,062,145</b>	<b>\$ 1,043,960</b>	<b>\$ (18,185)</b>	<b>(1.7%)</b>

## Explanation of Significant Variances

- No major budget drivers in this area.

## Consultants and Contracts

Consultants	Budget 2025	Budget 2026	Variance \$	Variance %
<b>Consultants</b>				
Reliability Standards	\$ -	\$ -	\$ -	
Compliance Monitoring and Enforcement and Organization Registration and Certification	12,000	12,000	-	0.0%
Reliability Assessment and Performance Analysis	1,608,400	318,400	(1,290,000)	(80.2%)
Training and Outreach	-	-	-	
Situation Awareness and Infrastructure Security	-	-	-	
Corporate Services	277,000	463,000	186,000	67.1%
<b>Consultants Total</b>	<b>\$ 1,897,400</b>	<b>\$ 793,400</b>	<b>\$ (1,104,000)</b>	<b>(58.2%)</b>

Contracts	Budget 2025	Budget 2026	Variance \$	Variance %
<b>Contracts</b>				
Reliability Standards	\$ -	\$ -	\$ -	
Compliance Monitoring and Enforcement and Organization Registration and Certification	-	702,000	702,000	
Reliability Assessment and Performance Analysis	-	-	-	
Training and Outreach	-	-	-	
Situation Awareness and Infrastructure Security	-	-	-	
Corporate Services	-	-	-	
<b>Contracts Total</b>	<b>\$ -</b>	<b>\$ 702,000</b>	<b>\$ 702,000</b>	
<b>Total Consulting and Contracts</b>	<b>\$ 1,897,400</b>	<b>\$ 1,495,400</b>	<b>\$ (402,000)</b>	<b>(21.2%)</b>

## Explanation of Significant Variances

### Corporate Services

- Consulting increases due to search fees for new Board Directors resulting from term limits and an independent Board compensation study.

### Reliability Assessment and Performance Analysis

- Consulting decreases due to the 2026 anticipated completion of the transmission planning study being undertaken by the Western Power Pool (WPP) through its WestTEC effort. WestTEC is an interregional transmission planning project employing analytical technologies to produce an actionable long-term transmission plan intended to provide a range of transmission benefits to stakeholders throughout the West. The expected project duration is March 2024 through February 2026. WECC proposes to use \$200,000 from the Peak Reliability Donation reserve to fund the final phase of this project in 2026.

### Compliance Monitoring and Enforcement and Organization Registration and Certification

- Contract labor increases to reduce the open enforcement inventory backlog.



## Overview of Changes in Reserves

Working Capital Reserve Analysis				
STATUTORY				
	Total	Working Capital Reserve	Unreleased Penalties	Peak Reliability Donation
<b>Beginning Reserve, January 1, 2025</b>	\$ 16,098,526	\$ 13,036,834	\$ 4,400	\$ 3,057,292
Plus: 2025 Funding (from Load-Serving Entities (LSE) or designees)	33,016,000	33,016,000	-	-
Plus: Penalties released	-	4,400	(4,400)	-
Plus: Penalties received	41,745	-	41,745	-
Plus: 2025 Other funding sources	1,923,358	1,923,358	-	-
Less: 2025 Projected expenses & capital expenditures	(38,828,976)	(36,681,424)	-	(2,147,552)
<b>Projected Reserve (Deficit), December 31, 2025</b>	<b>\$ 12,250,653</b>	<b>\$ 11,299,168</b>	<b>\$ 41,745</b>	<b>\$ 909,740</b>
Plus: 2026 Funding (from Load-Serving Entities (LSE) or designees)	35,657,280	35,657,280	-	-
Plus: Penalties released	-	41,745	(41,745)	-
Plus: 2026 Other funding sources	1,757,506	1,757,506	-	-
Plus: 2026 Transfer of Peak Holdback Reserves to Statutory	-	312,000	-	(312,000)
Less: 2026 Projected expenses & capital expenditures	(40,132,874)	(39,932,874)	-	(200,000)
<b>2026 Increase(Decrease) in Reserve</b>	<b>\$ (2,718,088)</b>	<b>(2,164,343)</b>	<b>\$ (41,745)</b>	<b>\$ (512,000)</b>
<b>Projected Reserve, December 31, 2026</b>	<b>\$ 9,532,565</b>	<b>\$ 9,134,825</b>	<b>\$ -</b>	<b>\$ 397,740</b>
2026 Expenses and Capital Expenditures	40,132,874			
Less: Penalties Released	(41,745)			
Less: Other Funding Sources	(1,757,506)			
Change to Working Capital & Peak Reliability Donation Reserves	(2,676,343)			
<b>2026 WECC Assessment</b>	<b>\$ 35,657,280</b>			

WECC's Board has approved a Working Capital Reserve balance equal to one to three months of Personnel, Meeting, and Operating Expenses per its Reserve Policy.

In 2026, reserves are being used to fund a portion of the budget. Working capital reserves of \$2,476,000 are funding budgeted expenditures, and \$200,000 of the Peak Reliability Donation reserves are funding the WPP/WestTEC transmission planning project.

When Peak Reliability ceased operations, Peak requested WECC hold \$300,000 of the total donation amount for a period of five years to pay any Peak bills that may be presented following Peak's formal closure on December 31, 2020. This amount was recorded as a non-statutory liability. Any funds remaining after the five-year period will also be used to fund reliability and security projects. The holdback period ends at the end of 2025, and the remaining holdback amount plus compounded interest of approximately \$312,000 will be converted from non-statutory to statutory reserves through the 2026 Business Plan and Budget cycle and used to fund reliability and security projects in the future.

WECC received \$41,745 in penalty sanctions between July 1, 2024, and June 30, 2025. Each budget year, with NERC and Commission approval pursuant to Section 1107.4 of the NERC Rules of Procedure, WECC proposes to release penalty sanctions collected during the applicable period to offset assessments in the Business Plan and Budget.



## Three-Year Budget Projections

Statement of Activities and Capital Expenditures							
2026 Budget & Projected 2027 and 2028 Budgets							
	Statutory						
	2026 Budget	2027 Projection	\$ Change 26 v 27	% Change 26 v 27	2028 Projection	\$ Change 27 v 28	% Change 27 v 28
<b>Revenue</b>							
<b>Statutory Funding</b>							
WECC Assessments	\$ 35,657,280	\$ 38,509,862	\$ 2,852,582	8.0%	\$ 41,590,651	\$ 3,080,789	8.0%
Penalties Released	41,745	-	(41,745)	(100.0%)	-	-	-
<b>Total Statutory Funding</b>	<b>\$ 35,699,025</b>	<b>\$ 38,509,862</b>	<b>\$ 2,810,837</b>	<b>7.9%</b>	<b>\$ 41,590,651</b>	<b>\$ 3,080,789</b>	<b>8.0%</b>
Membership Fees	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
Workshops & Miscellaneous	757,500	886,350	128,850	17.0%	942,285	55,935	6.3%
Interest	1,000,006	900,000	(100,006)	(10.0%)	900,000	-	0.0%
<b>Total Revenue (A)</b>	<b>\$ 37,456,531</b>	<b>\$ 40,296,212</b>	<b>\$ 2,839,681</b>	<b>7.6%</b>	<b>\$ 43,432,936</b>	<b>\$ 3,136,724</b>	<b>7.8%</b>
<b>Expenses</b>							
<b>Personnel Expenses</b>							
Salaries	\$ 26,016,824	\$ 27,558,226	\$ 1,541,402	5.9%	\$ 28,955,609	\$ 1,397,383	5.1%
Payroll Taxes	1,577,297	1,685,198	107,901	6.8%	1,767,079	81,881	4.9%
Benefits	2,986,868	3,267,655	280,787	9.4%	3,512,836	245,181	7.5%
Retirement Costs	2,071,272	2,196,593	125,321	6.1%	2,301,766	105,173	4.8%
<b>Total Personnel Expenses</b>	<b>\$ 32,652,261</b>	<b>\$ 34,707,672</b>	<b>\$ 2,055,411</b>	<b>6.3%</b>	<b>\$ 36,537,290</b>	<b>\$ 1,829,618</b>	<b>5.3%</b>
<b>Meeting Expenses</b>							
Meetings & Conference Calls	\$ 611,168	\$ 617,548	\$ 6,380	1.0%	\$ 630,665	\$ 13,117	2.1%
Travel	1,043,960	1,158,107	114,147	10.9%	1,226,948	68,841	5.9%
<b>Total Meeting Expenses</b>	<b>\$ 1,655,128</b>	<b>\$ 1,775,655</b>	<b>\$ 120,527</b>	<b>7.3%</b>	<b>\$ 1,857,613</b>	<b>\$ 81,958</b>	<b>4.6%</b>
<b>Operating Expenses, excluding Depreciation</b>							
Consultants & Contracts	\$ 1,495,400	\$ 1,277,400	\$ (218,000)	(14.6%)	\$ 525,400	\$ (752,000)	(58.9%)
Office Rent	1,326,433	1,316,037	(10,396)	(0.8%)	1,300,000	(16,037)	(1.2%)
Office Costs	2,964,652	3,176,860	212,208	7.2%	3,284,844	107,984	3.4%
Professional Services	1,367,225	1,424,041	56,816	4.2%	1,480,197	56,156	3.9%
Miscellaneous	-	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 7,153,710</b>	<b>\$ 7,194,338</b>	<b>\$ 40,628</b>	<b>0.6%</b>	<b>\$ 6,590,441</b>	<b>\$ (603,897)</b>	<b>(8.4%)</b>
<b>Total Direct Expenses</b>	<b>\$ 41,461,099</b>	<b>\$ 43,677,665</b>	<b>\$ 2,216,566</b>	<b>5.3%</b>	<b>\$ 44,985,344</b>	<b>\$ 1,307,679</b>	<b>3.0%</b>
<b>Indirect Expenses</b>	<b>\$ (1,437,341)</b>	<b>\$ (1,487,648)</b>	<b>\$ (50,307)</b>	<b>3.5%</b>	<b>\$ (1,547,154)</b>	<b>\$ (59,506)</b>	<b>4.0%</b>
<b>Other Non-Operating Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Total Expenses (B)</b>	<b>\$ 40,023,758</b>	<b>\$ 42,190,017</b>	<b>\$ 2,166,258</b>	<b>5.4%</b>	<b>\$ 43,438,190</b>	<b>\$ 1,248,173</b>	<b>3.0%</b>
<b>Change in Assets</b>	<b>\$ (2,567,227)</b>	<b>\$ (1,893,805)</b>	<b>\$ 673,423</b>	<b>(26.2%)</b>	<b>\$ (5,254)</b>	<b>\$ 1,888,551</b>	<b>(99.7%)</b>
<b>Fixed Assets</b>							
<b>Incr(Dec) in Fixed Assets (C)</b>	<b>\$ 109,116</b>	<b>\$ 90,000</b>	<b>\$ (19,116)</b>	<b>(17.5%)</b>	<b>\$ 90,000</b>	<b>\$ -</b>	<b>0.0%</b>
<b>TOTAL BUDGET (B+C)</b>	<b>\$ 40,132,874</b>	<b>\$ 42,280,017</b>	<b>\$ 2,147,142</b>	<b>5.4%</b>	<b>\$ 43,528,190</b>	<b>\$ 1,248,173</b>	<b>3.0%</b>
<b>TOTAL CHANGE IN WORKING CAPITAL (A-B-C)</b>	<b>(2,676,343)</b>	<b>(1,983,805)</b>	<b>692,539</b>	<b>(25.9%)</b>	<b>\$ (95,254)</b>	<b>\$ 1,888,551</b>	<b>(95.2%)</b>
FTEs	178.00	186.00	8.00	4.5%	187.00	1.00	0.5%
HC	178.00	186.00	8.00	4.5%	187.00	1.00	0.5%



# Statutory Programs

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**Goals, Budget Assumptions, and Statements of Activities**

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## Statutory Programs—Goals, Budget Assumptions, and Statements of Activities

### Reliability Standards

#### Program Scope, Purpose, and Impact

The WECC Reliability Standards Program supports the NERC Reliability Standards Program, and its employees work with the WECC Standards Committee (WSC) to aid the development of Regional Reliability Standards (RRS), Regional Variances to NERC Reliability Standards, and Regional Criteria to ensure the Bulk Electric System (BES) operates reliably.

The Reliability Standards Program deliverables include a five-year review of each current RRS, Regional Variance to NERC Reliability Standards, and Regional Criterion. These reviews can result in revisions to the document, retirement of the document if no longer needed for reliability, or a finding that no changes are necessary.

WECC supports the development of Regional Variances to NERC Reliability Standards when it is necessary to address complex Western reliability issues. The variances are required by a physical difference in the BPS or instances in which Western stakeholders want more stringent performance requirements. WECC will only develop an RRS, rather than a variance, when no NERC Reliability Standard exists to address a reliability issue.

In most instances a continent-wide standard addresses reliability risks because the physics of the electric grid are the same everywhere, but in a few instances a Regional Variance or Regional Reliability Standard is necessary to address risks that are based on the specific geographic conditions in the region.

Regional Criteria may be necessary to implement, augment, or comply with NERC Reliability Standards, but they are not Reliability Standards themselves and are not enforceable. Regional Criteria may include acceptable operating or planning parameters, guides, or other documents used to enhance BPS reliability.

NERC recently rated all their Reliability Standards projects as high, medium, or low priority. Several high priority projects were completed in 2024, and the remaining high priority projects are expected to be completed in 2025. Several of these projects are related to IBRs and their potential impact on the BES. Medium and low priority projects are expected to be completed in 2025 or 2026.

#### 2026 Key Budget Assumptions

- The number of RRS projects will remain low, with most focusing on the potential retirement of existing RRSs—due to the subject matter being included in NERC Reliability Standards—and necessary revisions identified during the five-year review. It is possible, but not likely, that regulatory directives could result in RRS projects.
- Much of the work needed to develop RRSs, Regional Variances to NERC Reliability Standards, and Regional Criteria will continue to be performed by stakeholders.
- Stakeholder volunteers will continue to staff most NERC Standards drafting teams.
- WECC employees may, at times, participate as drafting team members or observers.



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- Integration of renewable resources and related energy storage devices has resulted in several new or modified NERC Reliability Standards and could potentially result in new or revised RRSs, or Regional Variances to NERC Reliability Standards.
  - WECC supports, and will participate in, the enhanced periodic reviews of NERC Reliability Standards and the NERC Standards Grading effort, when appropriate. WECC standards staff, as well as other subject matter experts, will participate in the grading process if it is continued.

## 2026 Goals and Deliverables

- Ensure Western viewpoints are represented and incorporated in the development of NERC Reliability Standards, regional standards, and Regional Variances to NERC Reliability Standards by encouraging Western participation on standards drafting teams and commenting on standards under development.
- Continuously improve program processes and tools to adapt to changes in the industry.
- Ensure the development of RRSs and Regional Criteria is performed according to the most recent WECC Reliability Standards Development Procedures.
- Review existing RRSs to determine candidates for a Regional Variance to a NERC Reliability Standard and, if found, coordinate with NERC to address the change during NERC's periodic review.
- Review existing RRSs and Regional Criteria to improve their content and quality.
- Evaluate audit, enforcement, and event analysis information to determine whether new RRSs or revisions are necessary.



# Reliability Standards Statement of Activities

**Statement of Activities, Fixed Assets Expenditures, and Change in Working Capital**  
**2025 Budget and 2026 Budget**  
**RELIABILITY STANDARDS**

	2025 Budget	2026 Budget	Variance (\$)	Variance (%)
<b>Revenue</b>				
<b>Statutory Funding</b>				
WECC Assessments	\$ 816,294	\$ 855,914	\$ 39,620	4.85%
Penalties Released	100	924	\$ 824	824.00%
<b>Total Statutory Funding</b>	<b>\$ 816,394</b>	<b>\$ 856,838</b>	<b>\$ 40,444</b>	<b>4.95%</b>
Membership Fees	\$ -	\$ -	\$ -	
Federal Grants	-	-	\$ -	
Services & Software	-	-	\$ -	
Workshops & Miscellaneous	3,873	5,513	\$ 1,640	
Interest	22,642	22,140	\$ (502)	-2.22%
<b>Total Revenue (A)</b>	<b>\$ 842,909</b>	<b>\$ 884,491</b>	<b>\$ 41,582</b>	<b>4.93%</b>
<b>Expenses</b>				
<b>Personnel Expenses</b>				
Salaries	\$ 537,566	\$ 538,597	\$ 1,031	0.19%
Payroll Taxes	33,324	31,969	\$ (1,355)	-4.07%
Benefits	43,605	42,986	\$ (619)	-1.42%
Retirement Costs	47,843	43,088	\$ (4,755)	-9.94%
<b>Total Personnel Expenses</b>	<b>\$ 662,338</b>	<b>\$ 656,640</b>	<b>\$ (5,698)</b>	<b>-0.86%</b>
<b>Meeting Expenses</b>				
Meetings & Conference Calls	\$ -	\$ -	\$ -	
Travel	21,236	17,378	\$ (3,858)	-18.17%
<b>Total Meeting Expenses</b>	<b>\$ 21,236</b>	<b>\$ 17,378</b>	<b>\$ (3,858)</b>	<b>-18.17%</b>
<b>Operating Expenses, excluding Depreciation</b>				
Consultants & Contracts	\$ -	\$ -	\$ -	
Office Rent	-	-	\$ -	
Office Costs	2,957	1,755	\$ (1,202)	-40.65%
Professional Services	-	-	\$ -	
Miscellaneous	-	-	\$ -	
<b>Total Operating Expenses</b>	<b>\$ 2,957</b>	<b>\$ 1,755</b>	<b>\$ (1,202)</b>	<b>-40.65%</b>
<b>Total Direct Expenses</b>	<b>\$ 686,531</b>	<b>\$ 675,773</b>	<b>\$ (10,758)</b>	<b>-1.57%</b>
<b>Indirect Expenses</b>	<b>\$ 264,663</b>	<b>\$ 269,501</b>	<b>\$ 4,838</b>	<b>1.83%</b>
<b>Other Non-Operating Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Total Expenses (B)</b>	<b>\$ 951,194</b>	<b>\$ 945,274</b>	<b>\$ (5,920)</b>	<b>-0.62%</b>
<b>Change in Net Assets (=A-B)</b>	<b>\$ (108,285)</b>	<b>\$ (60,783)</b>	<b>\$ 47,502</b>	<b>-43.87%</b>
<b>Fixed Assets, excluding Right of Use Assets (C)</b>	<b>\$ 3,412</b>	<b>\$ 2,416</b>	<b>\$ (996)</b>	<b>\$ (0)</b>
<b>TOTAL BUDGET (B+C)</b>	<b>\$ 954,606</b>	<b>\$ 947,690</b>	<b>\$ (6,916)</b>	<b>-0.72%</b>
<b>TOTAL CHANGE IN WORKING CAPITAL (A-B-C)</b>	<b>\$ (111,697)</b>	<b>\$ (63,199)</b>	<b>\$ 48,498</b>	<b>-43.42%</b>
FTEs	3.00	3.00	-	0.00%
HC	3.00	3.00	-	0.00%



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## Compliance Monitoring and Enforcement and Organization Registration and Certification Program

### Program Scope, Purpose, and Impact

The reliability and security of the BPS is the central focus of WECC's mission. The Reliability and Security Oversight department is integral to maintaining that focus and works with a growing number of Registered Entities in the Western Interconnection to promote a strong culture of reliability and security by focusing on known and emerging risks. Program area staff, who are independent of all users, owners, and operators of the BPS, ensure that Registered Entities mitigate risks to the BPS by implementing the NERC Organization Registration and Certification Program (ORCP) and the CMEP. Staff monitors and enforces the NERC Reliability Standards across 471<sup>3</sup> registered owners, operators, and users of the BPS through a variety of risk-based activities, delivering consistent, impartial, and meaningful, real-time feedback to the entities.

To accomplish its objectives, the program is divided into five main areas:

1. Organization Registration and Certification;
2. Oversight Planning;
3. Entity Monitoring;
4. Enforcement and Mitigation; and
5. Program Analysis and Administration.

Staff will perform delegated activities, consistent with ERO Enterprise guidance, including:

- Regional Risk Assessments;
- Oversight planning activities, including Inherent Risk Assessments (IRA);
- Organization Registration and Certification;
- Mitigation plan review, acceptance, and verification;
- Potential noncompliance reviews to assess extent of condition, root cause, and risk to BPS;
- Processing and disposition of entity self-logging and other minimal-risk issues;
- Enforcement of moderate- and serious-risk noncompliance through established risk-based approaches;
- Periodic Data Submittal review and validation;
- Internal Compliance Program assessments;
- Internal Controls Program reviews;
- Entity monitoring, including audits, spot-checks, self-certifications, investigations, and assessments of complaints;
- BES Exception Requests; and
- Targeted outreach activities.

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<sup>3</sup> As of February 21, 2025.

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## Compliance in Alberta, British Columbia, and Mexico

Alberta and British Columbia, Canada, and a portion of Baja California Norte, Mexico, are all part of the Western Interconnection and have adopted or are adopting mandatory Reliability Standards based on FERC-approved Standards. WECC has entered into agreements with the Alberta Market Surveillance Administrator (MSA) and the British Columbia Utilities Commission (BCUC) under which WECC performs various compliance monitoring and enforcement activities to help ensure reliability across international borders within the Western Interconnection. Mexico is not currently participating in WECC and Western Interconnection-related CMEP activities<sup>4</sup>.

### 2026 Key Budget Assumptions

- The volume and complexity of registration activities will increase in accordance with FERC's Order on IBRs and integration of renewable resources and related energy storage devices in the Western Interconnection, which included modifications to the registration criteria that will result in more IBRs that must register.
- An increase in certification reviews is anticipated with FERC Order 881's deadline requiring all transmission providers to use ambient adjusted ratings (AAR) as the basis for evaluating near-term transmission service to increase the accuracy of near-term line ratings, as entities that make frequent or significant functionality changes to their Energy Management Systems to meet AAR implementation requirements may require a certification review.
- All Inherent Risk Assessment and oversight planning activities are aligned around identifying, prioritizing, and addressing risks to the Western Interconnection. With trends in registration requests, the changing reliability and security landscape, and risk mitigation strategies, workloads of all program areas of the Reliability and Security Oversight department will increase under the risk-based framework.
- Monitoring activities for non-U.S. jurisdictions will continue according to the approved agreements and applicable compliance monitoring programs with Canadian authorities. In accordance with the NERC Rules of Procedure, Appendix 5A, WECC staff continues to participate in NERC-led Registration Review Panels.
- WECC fully supports ERO Enterprise efforts and activities to evaluate business practices, tools, consistency, implementation, and guidance within the risk-based CMEP. Staff will provide feedback to the ERO Enterprise on emerging and existing risks, with an emphasis on standards development, standards modification, monitoring approaches, enforcement considerations, and potential gaps.
- Legal fees related to any hearing that may arise are not budgeted and will be funded through working capital reserves. Costs related to hearing officers and procedures will be funded by NERC.

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<sup>4</sup> WECC has historically entered into an annual agreement with CRE; at the time of this filing, the regulatory environment in Mexico remains uncertain. WECC is monitoring this situation, while using other means to monitor the reliability of the Mexican portion of the BPS and is engaging with the appropriate Mexican authorities regarding the drafting of a new agreement.

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- WECC will continue to support development, design, testing, training, and implementation of ERO Enterprise-wide maintenance and enhancement of the risk-based CMEP practices and tools. Specifically, WECC staff resources will be allocated to these activities for the ERO Enterprise Align tool, and the Secure Evidence Locker (SEL).
  - Increased outreach, training, travel, and monitoring and enforcement are anticipated to help enhance registered entity programs as new or modified Reliability Standards that tackle changing risks in the Western Interconnection are developed.
  - Maintenance and license fees for software tools (e.g., Box) increased due to contract pricing escalations.
  - Targeted outreach is performed on key reliability and security risks through monthly webinars, biannual workshops, and supporting ERO Enterprise wide data collection efforts, analysis efforts.
  - Two FTEs are added in Compliance Monitoring and Enforcement and Organization Registration and Certification in response to different and new types of work, to build improved depth and breadth of skillsets, to address enforcement inventory, and in response to the downstream increase of all related work from new registrants.

## 2026 Goals and Deliverables

- Enhance CMEP oversight strategies focused on a holistic approach to enhance the efficiency and effectiveness of the ERO Enterprise Risk-Based Framework and enhance oversight planning processes and provide a targeted approach for monitoring and outreach.
- Continue to enhance and improve processing times to reduce backlog and inventory statistics.
- Work with the ERO Enterprise and industry on development and deployment of effective internal controls and internal controls programs to monitor, detect, correct, and report to prevent deficiencies in compliance, reliability, and security.
- Continuously improve program processes and tools to adapt to changes in the industry.
- Deliver quantitative and qualitative results for Corporate Scorecard items and develop methods and metrics for ongoing evaluation of effectiveness and efficiency.
- Consult with the international compliance enforcement authorities to determine which elements of the risk based CMEP could provide value and should be incorporated in the respective programs for international entities. Currently, WECC does not conduct IRAs for international entities.
- Process BES Exception Requests and participate in NERC-led Review Panels.
- Provide continued outreach and training on the Align tool for staff and Registered Entities.
- Participate in ERO Enterprise collaboration groups to continue to build effective relationships and ensure ORCP and CMEP consistency, where applicable and appropriate, across Regional Entities.
- Increase scheduled monitoring activities (e.g., spot-checks, self-certifications with supporting evidence, investigations, compliance assessments, and complaint evaluations) based on emerging BPS risk.



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- Work strategically to enhance and improve tools and techniques to identify, understand, and quantify risk to the BPS sooner in the processing timeline, and use that information to craft more robust and comprehensive mitigation strategies.



# Compliance Monitoring and Enforcement Statement of Activities

## Statement of Activities, Fixed Assets Expenditures, and Change in Working Capital 2025 Budget and 2026 Budget

### COMPLIANCE MONITORING AND ENFORCEMENT AND ORGANIZATION REGISTRATION AND CERTIFICATION

	2025 Budget	2026 Budget	Variance (\$)	Variance (%)
<b>Revenue</b>				
<b>Statutory Funding</b>				
WECC Assessments	\$ 18,167,528	\$ 20,785,916	\$ 2,618,388	14.41%
Penalties Released	2,557	24,339	\$ 21,782	851.86%
<b>Total Statutory Funding</b>	<b>\$ 18,170,085</b>	<b>\$ 20,810,255</b>	<b>\$ 2,640,170</b>	<b>14.53%</b>
Membership Fees	\$ -	\$ -	\$ -	
Federal Grants	-	-	\$ -	
Services & Software	-	-	\$ -	
Workshops & Miscellaneous	99,397	145,173	\$ 45,776	
Interest	581,132	583,029	\$ 1,897	0.33%
<b>Total Revenue (A)</b>	<b>\$ 18,850,614</b>	<b>\$ 21,538,457</b>	<b>\$ 2,687,843</b>	<b>14.26%</b>
<b>Expenses</b>				
<b>Personnel Expenses</b>				
Salaries	\$ 10,754,742	\$ 11,513,585	\$ 758,843	7.06%
Payroll Taxes	688,366	710,244	\$ 21,878	3.18%
Benefits	1,136,519	1,130,885	\$ (5,634)	-0.50%
Retirement Costs	954,003	915,811	\$ (38,192)	-4.00%
<b>Total Personnel Expenses</b>	<b>\$ 13,533,630</b>	<b>\$ 14,270,525</b>	<b>\$ 736,895</b>	<b>5.44%</b>
<b>Meeting Expenses</b>				
Meetings & Conference Calls	\$ -	\$ -	\$ -	
Travel	606,370	589,330	\$ (17,040)	-2.81%
<b>Total Meeting Expenses</b>	<b>\$ 606,370</b>	<b>\$ 589,330</b>	<b>\$ (17,040)</b>	<b>-2.81%</b>
<b>Operating Expenses, excluding Depreciation</b>				
Consultants & Contracts	\$ 12,000	\$ 714,000	\$ 702,000	5850.00%
Office Rent	-	-	\$ -	
Office Costs	315,986	343,085	\$ 27,099	8.58%
Professional Services	-	-	\$ -	
Miscellaneous	-	-	\$ -	
<b>Total Operating Expenses</b>	<b>\$ 327,986</b>	<b>\$ 1,057,085</b>	<b>\$ 729,099</b>	<b>222.30%</b>
<b>Total Direct Expenses</b>	<b>\$ 14,467,986</b>	<b>\$ 15,916,940</b>	<b>\$ 1,448,954</b>	<b>10.01%</b>
<b>Indirect Expenses</b>	<b>\$ 6,793,018</b>	<b>\$ 7,096,866</b>	<b>\$ 303,848</b>	<b>4.47%</b>
<b>Other Non-Operating Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Total Expenses (B)</b>	<b>\$ 21,261,004</b>	<b>\$ 23,013,806</b>	<b>\$ 1,752,802</b>	<b>8.24%</b>
<b>Change in Net Assets (=A-B)</b>	<b>\$ (2,410,390)</b>	<b>\$ (1,475,349)</b>	<b>\$ 935,041</b>	<b>-38.79%</b>
<b>Fixed Assets, excluding Right of Use Assets (C)</b>	<b>\$ 87,584</b>	<b>\$ 63,617</b>	<b>\$ (23,967)</b>	<b>\$ (0)</b>
<b>TOTAL BUDGET (B+C)</b>	<b>\$ 21,348,588</b>	<b>\$ 23,077,423</b>	<b>\$ 1,728,835</b>	<b>8.10%</b>
<b>TOTAL CHANGE IN WORKING CAPITAL (A-B-C)</b>	<b>\$ (2,497,974)</b>	<b>\$ (1,538,966)</b>	<b>\$ 959,008</b>	<b>-38.39%</b>
FTEs	77.00	79.00	2.00	2.60%
HC	77.00	79.00	2.00	2.60%



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## Reliability Assessment and Performance Analysis

### Program Scope, Purpose, and Impact

As the West continues to face ever-growing and complex threats to the reliability and security of the BPS, it is essential that WECC staff and stakeholders collaborate to develop strategies to identify and mitigate these risks. RAPA staff, in conjunction with the technical committees, conducts a variety of assessments, analyses, and studies essential to the reliable planning and operation of the BPS in the Western Interconnection. Additionally, staff compiles and distributes data and information used by WECC and its stakeholders to help with regional and local planning efforts. These integrated assessment and planning activities enhance the West's overall ability to assess and mitigate potential reliability and security risks in the Western Interconnection.

To accomplish its objectives, the program is organized into four departments:

1. The **Operations Analysis Department** is responsible for three primary functional areas—Event Analysis, Performance Analysis, and Situation Awareness and Infrastructure Security (SAIS), whose budget is outlined in the SAIS Program. The department analyzes system conditions and events that affect or may affect the reliable operation of the BPS and analyzes the historical operation and performance of the Western Interconnection. The department's activities ensure that stakeholders, NERC, and FERC are well-informed of system events, emerging trends, lessons learned, and expected actions affecting BPS reliability. The analyses are used to assess interconnection-wide risks and vulnerabilities. The information produced helps identify best practices and mitigate potential risks.
2. The **Risk Analysis and Data Services Department** performs two main functions. The first, Risk Analysis, assesses interconnection-wide risks and vulnerabilities at the regional and entity levels. Using information gathered throughout the organization, and in coordination with the technical committees, the department identifies and tracks mitigation activities related to interconnection-wide risks. The second, Data Services, develops meaningful approaches to analyze and visualize information and data for consumption by the entire RAPA program area. The department collects various types of data such as NERC TADS, GADS, MIDAS and supports WECC's performance analysis obligations. Data Services specializes in data visualization used in reports, dashboards, and maps to help convey reliability risks to a wide stakeholder base.
3. The **Reliability Assessments Department** performs reliability assessments across multiple platforms, time frames, and tools. These assessments are performed in close coordination with NERC, WECC's technical committees, and other stakeholders. Assessments include historical operation of the Western Interconnection, forward-looking resource adequacy using deterministic and probabilistic methods, power flow and system stability analysis, and transmission utilization. Analysis is performed on a variety of future (up to 20 years out) scenarios of the Western Interconnection. The assessments are designed to address pertinent reliability risks informed by WECC's prioritized risks and other risks that may affect the reliability of the BPS.
4. The **Reliability Modeling Department** produces and distributes power system models of the Western Interconnection for use both within WECC and by stakeholders to perform reliability

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assessments. WECC is the NERC-designated, interconnection-wide model builder under the MOD-032 Reliability Standard. The department collects and distributes model data in a variety of formats and across multiple software tools.

The RAPA Program supports NERC's RAPA activities through targeted data gathering and participation in the Summer, Winter, Long-Term Reliability, and special assessments. The program also provides a technical advisory role in studies led by organizations such as national labs, universities, and the Department of Energy.

## 2026 Key Budget Assumptions

- Executive outreach to stakeholders increases.
- WECC and technical stakeholder group work will focus on understanding and treating priority reliability and security risks to the BES.
- WECC will respond to unanticipated emerging reliability risks and work with stakeholders to develop timely and meaningful reliability outreach and assessments.
- WECC will continue to participate in external meetings concerning the reliability, security, and resiliency of the BES.
- WECC will focus on expanding resource adequacy studies through increased stakeholder outreach.
- WECC will expand its generator weather readiness program.
- WECC will focus on continuous improvement and development of staff capabilities. Current capabilities will be reviewed and improved to enhance reliability assessments.
- Regional Risk Assessment results provide input on focus areas in the ERO CMEP Implementation Plan.
- WECC will continue to explore opportunities and implement new activities to provide value in transmission planning.
- WECC and the ERO Enterprise will identify ways to incorporate transfer capability analysis into ongoing reliability assessments.
- Transmission planning activities in the West will expand to incorporate longer-term (greater than 10-year) horizons.
- Reliability challenges associated with IBRs and extreme natural events will create a need for new data and tools (e.g., EMT programs) to study the impacts of these technologies and events.
- WECC will support various NERC reliability assessments and perform additional reliability assessments.

## 2026 Goals and Deliverables

- Work with stakeholders to develop a clear understanding of emerging risks to the BPS and associated mitigation strategies, particularly for the WECC prioritized risks.
- Ensure high precision of information and models used to assess the reliability of the BPS.
- Use advanced tools, techniques, and industry subject matter experts to identify system performance trends and vulnerabilities.





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- Hold reliability and security risk forums.
  - Continuously improve program processes and tools to adapt to changes in the industry.
  - Deliver quantitative and qualitative results for Corporate Scorecard items.
  - Deliver high-quality and influential work products focused on WECC's prioritized risks.
  - Use the Reliability Risk Management Process to align staff and stakeholder engagement on risk treatments within the Western Interconnection.
  - Ensure that WECC's RRA of the Western Interconnection is aligned with WECC prioritized risks and is refreshed annually.
  - Ensure the Western Interconnection is represented in reliability matters by participating in regional and national stakeholder forums.
  - Add value for a wide variety of stakeholders by developing reliability guidelines, technical white papers and reports, recommendations, and reference documents to address emerging issues, operational risks, and industry concerns related to system operations and transmission/resource planning.
  - Facilitate production cost, dynamic model, electromagnetic transient (EMT), and power flow tool development, focusing on new technology resources and concepts like energy storage and dynamic line ratings.
  - Implement technology solutions for enhanced data collection, validation, and storage.
  - Support Reliability Standards drafting activities by providing subject matter expertise to appropriate Standards Drafting Teams.
  - Promote reliability of the future transmission system in the Western Interconnection by supporting the WestTEC effort.
  - Successfully carry out all other RAPA delegated responsibilities.
  - Expand the use of performance and geospatial data to enhance the analysis of WECC's prioritized risks and identify emerging trends.

# Reliability Assessment and Performance Analysis Statement of Activities

## Statement of Activities, Fixed Assets Expenditures, and Change in Working Capital 2025 Budget and 2026 Budget

### RELIABILITY ASSESSMENT AND PERFORMANCE ANALYSIS

	2025 Budget	2026 Budget	Variance (\$)	Variance (%)
<b>Revenue</b>				
<b>Statutory Funding</b>				
WECC Assessments	\$ 11,374,924	\$ 11,092,619	\$ (282,305)	-2.48%
Penalties Released	1,362	12,939	\$ 11,577	850.00%
<b>Total Statutory Funding</b>	<u>\$ 11,376,286</u>	<u>\$ 11,105,558</u>	<u>\$ (270,728)</u>	<u>-2.38%</u>
Membership Fees	\$ -	\$ -	\$ -	
Federal Grants	-	-	\$ -	
Services & Software	-	-	\$ -	
Workshops & Miscellaneous	52,926	77,181	\$ 24,255	
Interest	309,434	309,966	\$ 532	0.17%
<b>Total Revenue (A)</b>	<u>\$ 11,738,646</u>	<u>\$ 11,492,705</u>	<u>\$ (245,941)</u>	<u>-2.10%</u>
<b>Expenses</b>				
<b>Personnel Expenses</b>				
Salaries	\$ 5,816,351	\$ 6,104,030	\$ 287,679	4.95%
Payroll Taxes	368,322	371,857	\$ 3,535	0.96%
Benefits	589,810	600,508	\$ 10,698	1.81%
Retirement Costs	516,630	484,879	\$ (31,751)	-6.15%
<b>Total Personnel Expenses</b>	<u>\$ 7,291,113</u>	<u>\$ 7,561,274</u>	<u>\$ 270,161</u>	<u>3.71%</u>
<b>Meeting Expenses</b>				
Meetings & Conference Calls	\$ 38,676	\$ 16,746	\$ (21,930)	-56.70%
Travel	197,585	206,301	\$ 8,716	4.41%
<b>Total Meeting Expenses</b>	<u>\$ 236,261</u>	<u>\$ 223,047</u>	<u>\$ (13,214)</u>	<u>-5.59%</u>
<b>Operating Expenses, excluding Depreciation</b>				
Consultants & Contracts	\$ 1,608,400	\$ 318,400	\$ (1,290,000)	-80.20%
Office Rent	-	-	\$ -	
Office Costs	494,713	404,321	\$ (90,392)	-18.27%
Professional Services	-	-	\$ -	
Miscellaneous	-	-	\$ -	
<b>Total Operating Expenses</b>	<u>\$ 2,103,113</u>	<u>\$ 722,721</u>	<u>\$ (1,380,392)</u>	<u>-65.64%</u>
<b>Total Direct Expenses</b>	<u>\$ 9,630,487</u>	<u>\$ 8,507,042</u>	<u>\$ (1,123,445)</u>	<u>-11.67%</u>
<b>Indirect Expenses</b>	<u>\$ 3,617,061</u>	<u>\$ 3,773,017</u>	<u>\$ 155,956</u>	<u>4.31%</u>
<b>Other Non-Operating Expenses</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
<b>Total Expenses (B)</b>	<u>\$ 13,247,548</u>	<u>\$ 12,280,059</u>	<u>\$ (967,489)</u>	<u>-7.30%</u>
<b>Change in Net Assets (=A-B)</b>	<u>\$ (1,508,902)</u>	<u>\$ (787,354)</u>	<u>\$ 721,548</u>	<u>-47.82%</u>
<b>Fixed Assets, excluding Right of Use Assets (C)</b>	<u>\$ 46,636</u>	<u>\$ 33,822</u>	<u>\$ (12,814)</u>	<u>\$ (0)</u>
<b>TOTAL BUDGET (B+C)</b>	<u>\$ 13,294,184</u>	<u>\$ 12,313,881</u>	<u>\$ (980,303)</u>	<u>-7.37%</u>
<b>TOTAL CHANGE IN WORKING CAPITAL (A-B-C)</b>	<u>\$ (1,555,538)</u>	<u>\$ (821,176)</u>	<u>\$ 734,362</u>	<u>-47.21%</u>
FTEs	41.00	42.00	1.00	2.44%
HC	41.00	42.00	1.00	2.44%



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## Training and Outreach

The Training and Outreach Program informs, educates, and interacts directly with stakeholders on a range of topics including Reliability Standards, risk assessments, reliability planning and performance analysis, seasonal preparedness, the impact of policy on reliability, grid operations, and both cybersecurity and physical security.

This program is comprised of two of the three departments that make up the Strategic Engagement group—Training and Outreach and External Affairs. Both departments work with external stakeholders to facilitate and enhance the work of CMEP and RAPA by ensuring effective communications, education opportunities, and timely dialogue on critical reliability and security matters. Strategic Engagement also focuses on the timely production and distribution of high-quality analyses addressing reliability and security topics of interest and importance to stakeholders throughout the Western Interconnection. Providing education and information to policymakers is of particular importance. An understanding of the dynamics within the Western Interconnection through engagement with WECC's stakeholders is essential to effectively address reliability and security risks.

### 2026 Key Budget Assumptions

- WECC will host an increasing number of training and outreach events to inform stakeholder awareness of critical reliability issues, with specific focus on the greatest reliability risks.
- Two Reliability and Security Workshops will be held in-person at off-site locations.
- One Grid Fundamentals course will be held in-person at the WECC office.
- Virtual Training and Outreach formats will be used where appropriate.
- WECC will increase partnerships and collaboration with the ERO Enterprise where appropriate to expand stakeholder participation and to share subject matter expertise.
- Eventbrite fees for meeting registrations are anticipated to increase.

### 2026 Goals and Deliverables

- Maintain and continue to cultivate effective relationships with industry groups, WECC technical committees, ERO Enterprise, federal, state, and provincial regulators, policy- and decision-makers, and the broader reliability and security community.
- Engage in ongoing collaborations with national labs and educational institutions to match theory with practicality and actual grid response.
- Participate regionally and nationally (where appropriate) in seminars and conferences to promote the importance of BPS reliability and security.
- Increase inclusion of stakeholder perspectives and opportunities for collaboration into the product development process with the use of advisory groups.
- Assist other program areas in ensuring key studies and initiatives are aligned with the WECC Long-Term Strategy and Reliability Risk Priorities.
- Continue to refine stakeholder engagement strategies and outreach.
- Use multimedia and design strategies to develop new, more engaging, forms of interactions with stakeholders.

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- Improve program processes and tools continuously to respond to stakeholder feedback and adapt to changes in the industry.
  - Increase utilization of digitally dynamic products to improve stakeholder outreach and education.
  - Deliver quantitative and qualitative results for Corporate Scorecard items and develop methods and metrics for ongoing evaluation of effectiveness and efficiency.
  - Deliver Reliability & Security Oversight Monthly Update to educate and collaborate with stakeholders on various oversight activities.
  - Conduct webinars and workshops to expand awareness of reliability planning tools, modeling capabilities, and study results.
  - Continue to promote and facilitate three Grid Fundamentals courses to teach people who are new to the industry how the electric power system works, how it is managed, and how to better understand reliability issues.
  - Deliver two Reliability & Security Workshops to provide targeted outreach to address and mitigate key risks to reliability and security in the Western Interconnection.
  - Provide increased opportunities for stakeholder education through webinars and workshops to promote the reliability and security of the Western Interconnection. Topics include:
    - Current and future transmission planning studies throughout the Western Interconnection;
    - The top challenges to reliability of the BPS: IBRs, large loads, data centers, AI, transportation electrification;
    - Regulatory issues and trends; and
    - Event analysis.

# Training and Outreach Statement of Activities

**Statement of Activities, Fixed Assets Expenditures, and Change in Working Capital**  
**2025 Budget and 2026 Budget**  
**TRAINING AND OUTREACH**

	2025 Budget	2026 Budget	Variance (\$)	Variance (%)
<b>Revenue</b>				
<b>Statutory Funding</b>				
WECC Assessments	\$ 2,149,410	\$ 2,370,248	\$ 220,838	10.27%
Penalties Released	315	2,927	\$ 2,612	829.21%
<b>Total Statutory Funding</b>	<b>\$ 2,149,725</b>	<b>\$ 2,373,175</b>	<b>\$ 223,450</b>	<b>10.39%</b>
Membership Fees	\$ -	\$ -	\$ -	
Federal Grants	-	-	\$ -	#DIV/0!
Services & Software	-	-	\$ -	#DIV/0!
Workshops & Miscellaneous	544,763	525,958	\$ (18,805)	-3.45%
Interest	71,698	70,111	\$ (1,587)	-2.21%
<b>Total Revenue (A)</b>	<b>\$ 2,766,186</b>	<b>\$ 2,969,244</b>	<b>\$ 203,058</b>	<b>7.34%</b>
<b>Expenses</b>				
<b>Personnel Expenses</b>				
Salaries	\$ 1,310,264	\$ 1,373,830	\$ 63,566	4.85%
Payroll Taxes	80,854	81,182	\$ 328	0.41%
Benefits	136,291	133,268	\$ (3,023)	-2.22%
Retirement Costs	116,505	109,231	\$ (7,274)	-6.24%
<b>Total Personnel Expenses</b>	<b>\$ 1,643,914</b>	<b>\$ 1,697,511</b>	<b>\$ 53,597</b>	<b>3.26%</b>
<b>Meeting Expenses</b>				
Meetings & Conference Calls	\$ 525,720	\$ 501,120	\$ (24,600)	-4.68%
Travel	46,080	31,846	\$ (14,234)	-30.89%
<b>Total Meeting Expenses</b>	<b>\$ 571,800</b>	<b>\$ 532,966</b>	<b>\$ (38,834)</b>	<b>-6.79%</b>
<b>Operating Expenses, excluding Depreciation</b>				
Consultants & Contracts	\$ -	\$ -	\$ -	
Office Rent	-	-	\$ -	
Office Costs	68,125	89,854	\$ 21,729	31.90%
Professional Services	-	-	\$ -	
Miscellaneous	-	-	\$ -	
<b>Total Operating Expenses</b>	<b>\$ 68,125</b>	<b>\$ 89,854</b>	<b>\$ 21,729</b>	<b>31.90%</b>
<b>Total Direct Expenses</b>	<b>\$ 2,283,839</b>	<b>\$ 2,320,331</b>	<b>\$ 36,492</b>	<b>1.60%</b>
<b>Indirect Expenses</b>	<b>\$ 838,100</b>	<b>\$ 853,421</b>	<b>\$ 15,321</b>	<b>1.83%</b>
<b>Other Non-Operating Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Total Expenses (B)</b>	<b>\$ 3,121,939</b>	<b>\$ 3,173,752</b>	<b>\$ 51,813</b>	<b>1.66%</b>
<b>Change in Net Assets (=A-B)</b>	<b>\$ (355,753)</b>	<b>\$ (204,508)</b>	<b>\$ 151,245</b>	<b>-42.51%</b>
<b>Fixed Assets, excluding Right of Use Assets (C)</b>	<b>\$ 10,806</b>	<b>\$ 7,650</b>	<b>\$ (3,156)</b>	<b>\$ (0)</b>
<b>TOTAL BUDGET (B+C)</b>	<b>\$ 3,132,745</b>	<b>\$ 3,181,402</b>	<b>\$ 48,657</b>	<b>1.55%</b>
<b>TOTAL CHANGE IN WORKING CAPITAL (A-B-C)</b>	<b>\$ (366,559)</b>	<b>\$ (212,158)</b>	<b>\$ 154,401</b>	<b>-42.12%</b>
FTEs	9.50	9.50	-	0.00%
HC	9.00	9.00	-	0.00%

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## Situation Awareness and Infrastructure Security

### Program Scope, Purpose, and Impact

The Situation Awareness and Infrastructure Security (SAIS) Program maintains near-real-time awareness of conditions and potential risks to the reliability and security of the BPS in the Western Interconnection. WECC has access to limited near-real-time data through the Situation Awareness for FERC, NERC, and the Regions (SAFNR) tool, the Plant Information (PI) system, and the University of Tennessee Frequency Monitoring NETwork (FNET), as well as messaging systems used by the RCs notifying the SA team when there has been an outage to a line or generation source.

The SAIS Program works to understand system and security issues when they emerge and coordinate with relevant parties (typically NERC and FERC) about the conditions of the BPS. Through this coordination, WECC identifies patterns and trends that will help build a stronger and more resilient system. Staff responds to events by providing coordination, assistance, and communication with the RCs, stakeholders, and NERC SAIS personnel. SAIS work also supports event analysis capabilities.

### 2026 Key Budget Assumptions

- Cybersecurity and physical security threats will continue to increase as the grid digitizes and evolves. WECC will work with stakeholders and support the E-ISAC, WECC Cyber and Physical Security Forums, and other stakeholder groups to focus on security outreach and education.
- WECC will support NERC and FERC's efforts for situation awareness of current system conditions.
- WECC will maximize sharing of reliability and security data, within agreed parameters, and insights from Events Analysis, including near misses, to enhance understanding of reliability and security issues, promote operational excellence, promptly share best practices and lessons learned, and engage third-party experts to expand capabilities and resources applied to critical reliability and security issues.
- Technical stakeholder groups will support the development of lessons learned and recommendations from events and reliability and security risks.

### 2026 Goals and Deliverables

- Continuously improve program processes and tools to adapt to changes in the industry.
- Deliver quantitative and qualitative results for Corporate Scorecard items.
- Monitor system events, collect information, and coordinate prompt distribution of updates on system events to industry stakeholders and NERC SAIS personnel.
- Work with NERC to monitor system data, weather, and technological developments to understand trends that affect reliability for the near- and long-term horizons.
- Coordinate the communication of critical information in daily NERC SAIS meetings and the NERC Crisis Action Plan meetings.
- Support efforts and work to develop and enhance ways to improve the use of SAFNR, the PI system, and other tools to further support SAIS.



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- Improve reliability readiness by participating in periodic wide-area security exercises (e.g., GridEx, Monitoring and Situation Awareness Workshop, NERC Alerts).
  - Promote rapid and appropriate sharing of situation awareness information to support critical infrastructure security.
  - Enhance engagement with Western stakeholders to improve the coordination and sharing of appropriate security information by hosting the annual Security Conference.



# Situation Awareness and Infrastructure Security Statement of Activities

## Statement of Activities, Fixed Assets Expenditures, and Change in Working Capital 2025 Budget and 2026 Budget

### SITUATION AWARENESS AND INFRASTRUCTURE SECURITY

	2025 Budget	2026 Budget	Variance (\$)	Variance (%)
<b>Revenue</b>				
<b>Statutory Funding</b>				
WECC Assessments	\$ 507,844	\$ 552,583	\$ 44,739	8.81%
Penalties Released	66	616	\$ 550	833.33%
<b>Total Statutory Funding</b>	<b>\$ 507,910</b>	<b>\$ 553,199</b>	<b>\$ 45,289</b>	<b>8.92%</b>
Membership Fees	\$ -	\$ -	\$ -	
Federal Grants	-	-	\$ -	
Services & Software	-	-	\$ -	
Workshops & Miscellaneous	2,582	3,675	\$ 1,093	
Interest	15,094	14,760	\$ (334)	-2.21%
<b>Total Revenue (A)</b>	<b>\$ 525,586</b>	<b>\$ 571,634</b>	<b>\$ 46,048</b>	<b>8.76%</b>
<b>Expenses</b>				
<b>Personnel Expenses</b>				
Salaries	\$ 314,564	\$ 338,501	\$ 23,937	7.61%
Payroll Taxes	20,700	21,658	\$ 958	4.63%
Benefits	30,426	30,592	\$ 166	0.55%
Retirement Costs	27,995	27,080	\$ (915)	-3.27%
<b>Total Personnel Expenses</b>	<b>\$ 393,685</b>	<b>\$ 417,831</b>	<b>\$ 24,146</b>	<b>6.13%</b>
<b>Meeting Expenses</b>				
Meetings & Conference Calls	\$ -	\$ -	\$ -	
Travel	19,250	10,849	\$ (8,401)	-43.64%
<b>Total Meeting Expenses</b>	<b>\$ 19,250</b>	<b>\$ 10,849</b>	<b>\$ (8,401)</b>	<b>-43.64%</b>
<b>Operating Expenses, excluding Depreciation</b>				
Consultants & Contracts	\$ -	\$ -	\$ -	
Office Rent	-	-	\$ -	
Office Costs	3,600	2,520	\$ (1,080)	-30.00%
Professional Services	-	-	\$ -	
Miscellaneous	-	-	\$ -	
<b>Total Operating Expenses</b>	<b>\$ 3,600</b>	<b>\$ 2,520</b>	<b>\$ (1,080)</b>	<b>-30.00%</b>
<b>Total Direct Expenses</b>	<b>\$ 416,517</b>	<b>\$ 431,200</b>	<b>\$ 14,665</b>	<b>3.52%</b>
<b>Indirect Expenses</b>	<b>\$ 176,442</b>	<b>\$ 179,667</b>	<b>\$ 3,225</b>	<b>1.83%</b>
<b>Other Non-Operating Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Total Expenses (B)</b>	<b>\$ 592,959</b>	<b>\$ 610,867</b>	<b>\$ 17,908</b>	<b>3.02%</b>
<b>Change in Net Assets (=A-B)</b>	<b>\$ (67,373)</b>	<b>\$ (39,233)</b>	<b>\$ 28,140</b>	<b>-41.77%</b>
<b>Fixed Assets, excluding Right of Use Assets (C)</b>	<b>\$ 2,275</b>	<b>\$ 1,611</b>	<b>\$ (664)</b>	<b>\$ (0)</b>
<b>TOTAL BUDGET (B+C)</b>	<b>\$ 595,234</b>	<b>\$ 612,478</b>	<b>\$ 17,244</b>	<b>2.90%</b>
<b>TOTAL CHANGE IN WORKING CAPITAL (A-B-C)</b>	<b>\$ (69,648)</b>	<b>\$ (40,844)</b>	<b>\$ 28,804</b>	<b>-41.36%</b>
FTEs	2.00	2.00	-	0.00%
HC	2.00	2.00	-	0.00%





## Corporate Services

Corporate Services (in whole dollars) Direct Expenses and Fixed Assets						
	2025 Budget	2026 Budget	Increase (Decrease)	FTEs 2025 Budget	FTEs 2026 Budget	Increase (Decrease)
Committee and Member Forums	\$ -	\$ -	\$ -	-	-	-
General and Administrative	\$ 6,110,050	\$ 6,325,595	\$ 215,545	19.00	17.50	(1.50)
Legal and Regulatory	\$ 1,142,835	\$ 1,273,986	\$ 131,151	3.50	4.00	0.50
Information Technology	\$ 3,810,520	\$ 4,177,585	\$ 367,065	13.00	14.00	1.00
Human Resources	\$ 1,219,717	\$ 1,200,673	\$ (19,044)	4.00	4.00	-
Accounting and Finance	\$ 718,535	\$ 753,974	\$ 35,439	3.00	3.00	-
<b>Total Corporate Services*</b>	<b>\$ 13,001,657</b>	<b>\$ 13,731,813</b>	<b>\$ 730,156</b>	<b>42.50</b>	<b>42.50</b>	<b>-</b>

\*WECC's 2026 preliminary Corporate Services budget (direct expenses plus fixed assets) is \$13,731,813 of which \$1,450,225 is allocated to non-statutory activities. As a result of the allocation of direct expenses and fixed assets to the non-statutory function, the final 2026 Corporate Services budget is \$12,281,588, which is a \$441,591 increase from the 2025 budget after direct expense and fixed asset allocations.

### Program Scope, Purpose, and Impact

Corporate Services encompasses the following areas and includes all business and administrative functions of the organization:

- General and Administrative;
- Legal and Regulatory;
- Information Technology;
- Human Resources; and
- Finance and Accounting.

These support functions are foundational for the existence and successful operation of the organization. Corporate Services also provides executive leadership, corporate communications, and administrative and technical support for staff, committees, members, and stakeholders.

### Method for Allocation of Corporate Services Expenses to Programs

Corporate Services expenses are allocated to statutory and non-statutory program areas based on FTEs.

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## General and Administrative

### Program Scope, Purpose, and Impact

The General and Administrative Program provides executive leadership; enterprise security; communications; project management, and administrative support for staff, committees, and members to ensure successful business operations, consistency of service delivery, and high-quality customer service for internal and external stakeholders; as well as logistics support for the office and meeting facilities. In addition, this program accounts for indirect costs like Office Rent that benefit all areas of the organization.

### 2026 Key Budget Assumptions

- Executive outreach to stakeholders increases.
- WECC staff will provide the same level of meetings and meeting support as 2025 for the Board of Directors and Board Committees.
- Salt Lake City, Utah is the Board-approved location for the 2026 Annual Meeting.
- Board Directors will be compensated according to the 2025 Board compensation structure, and compensation is expected to increase.
- WECC's unused office space is subleased.

### 2026 Goals and Deliverables

- Continuously improve program processes and tools to adapt to changes in the industry.
- Deliver quantitative and qualitative results for Corporate Scorecard items and develop methods and metrics for ongoing evaluation of effectiveness and efficiency.
- Provide strong executive leadership and strategic guidance for WECC's activities and ensure WECC supports the ERO Enterprise Long-Term Strategy and meets the expectations of the Regional Delegation Agreement.
- Provide excellent support and logistics coordination for the Board and Board committees.
- Identify opportunities for efficiencies and increased effectiveness of meetings and stakeholder services teams.
- Enhance internal and external communications to increase employee and stakeholder engagement.
- Continue to improve and enhance WECC's security posture and programs.

## Legal and Regulatory

### Program Scope, Purpose, and Impact

The Legal and Regulatory Program provides coordinated legal services and subject matter expertise to the Board, committees, and staff, in addition to consistent legal interpretations of relevant statutes, regulations, court opinions, and regulatory decisions. Legal is also responsible for enterprise risk management: identifying particular events or circumstances relevant to the organization, assessing their likelihood and their magnitude of impact, determining a response strategy, and monitoring risk status over time. This program is also responsible for WECC's Long-Term Strategy refreshes and Corporate Scorecard development and monitoring. On occasion, major efforts may be outsourced to



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select law firms, but the responsibility for all legal matters remains with Legal and Regulatory. WECC's broad scope of activities requires significant legal support and review. Arranging for legal support is complicated by the technical nature of this developing area of law, and there are many potential areas of conflict prohibiting the use of law firms with energy practices.

## 2026 Key Budget Assumptions

- The scope of current Legal operations will be maintained.
- Reliance on outside legal counsel is minimal.
- Business insurance premiums increase by a modest amount.
- FTEs increase by 0.5 due to the removal of an allocation to the General and Administrative area resulting from changes in scope of work.

## 2026 Goals and Deliverables

- Continuously improve program processes and tools.
- Deliver quantitative and qualitative results for Corporate Scorecard items and develop methods and metrics for ongoing evaluation of effectiveness and efficiency.
- Provide efficient, cost-effective legal support to the Board, committees, and staff through a combination of in-house and outside resources.
- Advise staff on legal matters by participating in the development of products and ensuring protected information and data is not compromised.
- Coordinate with the ERO Enterprise legal group to identify and share best practices.

## Information Technology

### Program Scope, Purpose, and Impact

The Information Technology (IT) Program provides enterprise and desktop systems, applications, security monitoring and support, and technical expertise. This includes physical security and cybersecurity risk mitigation—including end-user training, and operational support for hardware, software, database, system administration, network, data center and cloud operations, email, and telephony. IT implements new technology solutions using staff and external service providers to improve the security, effectiveness, and efficiency of business processes and operations. IT provides resources and tools to enable the organization to meet evolving requirements in support of its mission and delegated responsibilities. System and operational enhancements enable higher levels of security and enhanced business capabilities for our hybrid workforce, including evolving cloud-based services and tools.

## 2026 Key Budget Assumptions

- WECC will increase security capabilities with more access controls and enhanced threat monitoring, detection, and reporting tools due to the ever-changing cybersecurity landscape.
- Internal and external penetration tests on the network and systems will be performed annually.
- IT will select, implement, and train users on a more robust organization-wide data reporting tool for increased data visualization, analytical, and reporting capabilities.



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- Consultants will be used for project-based work to augment staff skill sets.
  - IT will continue to drive long-term levelized costs by obtaining subscription services for software and infrastructure when practical.
  - To retain vendor support and to reduce unplanned outages, desktop computer equipment will be replaced every four years, servers every five years, and network equipment every seven to 10 years.
  - IT will continue to work collaboratively to share and make the most of the knowledge across the ERO Enterprise, minimize duplication of effort and investments, and improve operational efficiency, in support of the ERO Enterprise IT Strategy.
  - One Database Engineer is added for support of expanded data workloads.

## 2026 Goals and Deliverables

- Continuously improve program processes and tools.
- Deliver quantitative and qualitative results for Corporate Scorecard items and develop methods and metrics for ongoing evaluation of effectiveness and efficiency.
- Provide enhanced enterprise data management and reporting tools and communication capabilities.
- Create centralized database service, automated workflow processes, network and traffic monitoring, and other tools to organize a growing volume of electronic data.
- Enhance the capabilities, performance, and security controls for mobile device use and remote workers.
- Continuously improve WECC's security program and posture due to the critical nature of some of WECC's data and evolving cybersecurity risks.
- Provide increased business intelligence and reporting tools to the Enterprise.

## Human Resources

### Program Scope, Purpose, and Impact

The Human Resources (HR) Program is responsible for the delivery of all HR functions to ensure WECC is viewed as an employer of choice with highly skilled, collaborative, and engaged employees who are committed to WECC's mission. Responsibilities include recruitment, compensation, benefits, safety, health and wellness, employee relations, personal and professional development, succession planning, knowledge transfer, and leadership and employee engagement. HR also maintains employee-data systems and ensures compliance with employment-related federal and state laws.

### 2026 Key Budget Assumptions

- Total WECC headcount increases by six in 2026.
- WECC's current benefit levels are maintained.
- Employee engagement efforts are continually refined and adjusted to retain talent and build on WECC's strong cultural foundation. Specific focus will be on supporting and enhancing interactions and relationships with a distributed workforce.



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- Management development and training will continue to be prioritized with a focus on written and interpersonal communication, accountability, coaching, and process improvement.
  - NERC's Learning Management System and LinkedIn Learning are used as training resources for employees.

## 2026 Goals and Deliverables

- Continuously improve program processes and tools.
- Deliver quantitative and qualitative results for Corporate Scorecard items and develop methods and metrics for ongoing evaluation of effectiveness and efficiency.
- Target national markets for most positions, allowing WECC to hire from a larger candidate pool of highly skilled talent.
- Enhance all facets of the employee experience to achieve lower levels of turnover.
- Minimize employee skills gaps through the identification of critical technical skills, knowledge assessment criteria, and competency-based career pathing with a focus on targeted internal and external professional development/education, knowledge transfer efforts, and succession planning.
- Increase the effectiveness of performance management processes through manager training and development.
- Conduct training on interpersonal skills; harassment prevention; and other topics for all employees and managers.
- Deliver a comprehensive yet affordable benefits package to retain current employees and attract prospective employees while managing costs.
- Expand recruiting efforts through college campus outreach, social media platforms, and employee referral programs.

## Finance and Accounting

### Program Scope, Purpose, and Impact

The Finance and Accounting Program provides accounting and financial analysis and helps coordinate the financial reporting and budgeting cycles with stakeholders. The program is responsible for payroll, accounts payable, accounts receivable, budgeting, forecasting, fixed assets management, banking, cash management, tax filings, and financial reporting. The program reports financial results in a timely and effective manner to help departments recognize and seize opportunities for improvement in current and future activities. Accounting works with stakeholders and provides outreach to help increase understanding of annual budget requests.

### 2026 Key Budget Assumptions

- Interest rates remain steady, and investment income is conservatively budgeted.
- Bank and investment fees increase.
- Current accounting systems and controls are effective.
- Software licensing fees increase.



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## 2026 Goals and Deliverables

- Continuously improve accounting processes and tools.
- Deliver quantitative and qualitative results for Corporate Scorecard items and develop methods and metrics for ongoing evaluation of effectiveness and efficiency.
- Provide regular financial education to the management team and budget managers.
- Identify and implement efficiencies in financial processes and increase the effectiveness of budgeting and financial reporting.
- Help departments effectively manage resources and operate within approved budgets.
- Ensure effective financial controls are in place, including routine monitoring of spending compared to budget.
- Provide quality reporting and financial analysis to managers, executives, the FAC, and the Board.
- Maintain secure and reliable cloud-based software.



## Corporate Services Statement of Activities

**Statement of Activities, Fixed Assets Expenditures, and Change in Working Capital**  
**2025 Budget and 2026 Budget**  
**CORPORATE SERVICES**

	2025 Budget	2026 Budget	Variance (\$)	Variance (%)
<b>Revenue</b>				
<b>Statutory Funding</b>				
WECC Assessments	\$ -	\$ -	\$ -	
Penalties Released	-	-	-	
<b>Total Statutory Funding</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Membership Fees	\$ -	\$ -	\$ -	
Federal Grants	-	-	-	
Services & Software	-	-	-	
Workshops & Miscellaneous	-	-	-	
Interest	-	-	-	
<b>Total Revenue (A)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
<b>Expenses</b>				
<b>Personnel Expenses</b>				
Salaries	\$ 5,716,487	\$ 6,148,281	\$ 431,794	7.55%
Payroll Taxes	345,226	360,387	\$ 15,161	4.39%
Benefits	997,372	1,048,629	\$ 51,257	5.14%
Retirement Costs	537,590	491,183	\$ (46,407)	-8.63%
<b>Total Personnel Expenses</b>	<u>\$ 7,596,675</u>	<u>\$ 8,048,480</u>	<u>\$ 451,805</u>	<u>5.95%</u>
<b>Meeting Expenses</b>				
Meetings & Conference Calls	\$ 70,920	\$ 93,302	\$ 22,382	31.56%
Travel	171,624	188,256	\$ 16,632	9.69%
<b>Total Meeting Expenses</b>	<u>\$ 242,544</u>	<u>\$ 281,558</u>	<u>\$ 39,014</u>	<u>16.09%</u>
<b>Operating Expenses, excluding Depreciation</b>				
Consultants & Contracts	\$ 277,000	\$ 463,000	\$ 186,000	67.15%
Office Rent	1,328,263	1,326,433	\$ (1,830)	-0.14%
Office Costs	2,063,975	2,123,117	\$ 59,142	2.87%
Professional Services	1,327,700	1,367,225	\$ 39,525	2.98%
Miscellaneous	-	-	\$ -	
<b>Total Operating Expenses</b>	<u>\$ 4,996,938</u>	<u>\$ 5,279,775</u>	<u>\$ 282,837</u>	<u>5.66%</u>
<b>Total Direct Expenses</b>	<u>\$ 12,836,157</u>	<u>\$ 13,609,813</u>	<u>\$ 773,656</u>	<u>6.03%</u>
<b>Indirect Expenses</b>	<u>\$ (12,836,157)</u>	<u>\$ (13,609,813)</u>	<u>\$ (773,656)</u>	<u>6.03%</u>
<b>Other Non-Operating Expenses</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
<b>Total Expenses (B)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
<b>Change in Net Assets (=A-B)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
<b>Fixed Assets, excluding Right of Use Assets (C)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
<b>TOTAL BUDGET (B+C)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
<b>TOTAL CHANGE IN WORKING CAPITAL (A-B-C)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
FTEs	42.50	42.50	-	0.00%
HC	43.00	43.00	-	0.00%



# **Non-Statutory Program**

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**Goals, Budget Assumptions, and Statements of Activities**



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## 2026 Non-Statutory Budget Overview

Over the last decade, the use of renewable energy and the need to have reliable, credible information for compliance and voluntary renewable usage has increased. States and provinces across the continent are increasing both the amount of renewable energy they are requiring and how they count this energy for compliance. Current and proposed legislation around the West anticipates the increased use of renewable energy through the end of the decade and beyond. The Western Renewable Energy Generation Information System (WREGIS) budget assumes that increased renewable energy penetration will require increased resources from WREGIS.

### Budget and Funding Summary

WECC's proposed 2026 non-statutory budget is \$4,638,000, a \$945,000 (26.0%) increase from the 2025 non-statutory budget. Non-statutory funding, derived predominantly from activity-based fees, is budgeted at \$3,568,000, a \$308,000 (9.4%) increase from 2025.

### Major Budget Drivers

#### Funding Sources

- Membership Fees increase due to an anticipated increase in program participation and expansions of some programs.
- Interest remains stable due to anticipated rates of return on investments.

#### Personnel Expenses

- Three FTEs are added due to program growth, program expansion, and new fuel type tracking requirements, which are all being driven by state renewable portfolio standards targets in the coming years.
- 3% merit and 1% market adjustment pools.
- Adjustments to compensation based on data from a salary survey to enable us to remain competitive with the market and hire and retain highly skilled employees.
- Refinement of payroll tax and benefits enrollment rates and premiums.
- Labor float assumption changes based on actual turnover and vacancy rates.

#### Meeting Expenses

- Travel increases due to increased on-site audit activities to assist program participants with training and compliance and in-person staff training.

#### Indirect Expenses

- Indirect Expenses increase due to three FTEs added in this program and an increase in Corporate Services expenses. Corporate Services expenses are allocated to statutory and non-statutory program areas based on FTEs.



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## Consultants and Contracts

- Consulting increases to provide project management and documentation assistance for various software projects.

## Computer/Software Maintenance & Licenses

- Software costs increase due to escalations in software licensing fees as well as new software for a help desk solution.

## WREGIS Business Update

WECC and CleanCounts (f/k/a M-RETS) have an agreement under which CleanCounts currently provides software services to support WREGIS. This agreement ends on December 31, 2027, and CleanCounts has opted not to extend the agreement beyond this date.

The expiration of the current software agreement with CleanCounts has created an opportunity to consider WREGIS's future and how WREGIS can best meet the needs of its users and the programs it serves. To assist in determining the best path forward for WREGIS, WECC retained a consultant who has assisted us in conducting a thorough assessment of a variety of potential paths forward for WREGIS. The consultant offered an independent perspective on what is best for WREGIS and its many stakeholders and for WECC.

At WECC's June 2025 Board Meeting, recommendations were presented to WECC's Board. Based upon those recommendations, the Board has instructed as follows:

- WECC will issue an RFP to third-party software developers for the development of custom software to meet the needs of WREGIS and its customers and stakeholders; and
- WECC will explore separation of WREGIS from WECC, establishing WREGIS as an independent company focused solely upon meeting the needs of its customers, stakeholders, and programs in the West. This change would allow WECC to focus solely on its delegated responsibilities under its Regional Delegation Agreement.

WECC anticipates that both the software development work and the separation of WREGIS from WECC will be completed by December 31, 2027, at the very latest to minimize disruption to WREGIS's customers. All expenditures incurred related to the software development and the establishment of the new entity will be funded by non-statutory program revenue and reserves. Currently, there is uncertainty surrounding the impact to WECC's non-statutory 2026 budget for WREGIS, so nothing is included in the 2026 budget related to the software or the separation of WREGIS from WECC.



# WREGIS Statement of Activities

## Statement of Activities, Fixed Assets Expenditures, and Change in Working Capital 2025 Budget & Projection, and 2026 Budget

### NON-STATUTORY

	2025 Budget	2025 Projection	Variance 2025 Budget v 2025 Projection Over(Under)	2026 Budget	Variance (\$)	Variance (%)
<b>Revenue</b>						
<b>Statutory Funding</b>						
WECC Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	
Penalties Released	-	-	-	-	-	
<b>Total Statutory Funding</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
Membership Fees	\$ 3,077,375	\$ 3,196,796	\$ 119,421	3,385,000	\$ 307,625	10.00%
Federal Grants	-	-	-	-	-	
Services & Software	-	-	-	-	-	
Workshops & Miscellaneous	2,500	1,800	(700)	2,500	-	0.00%
Interest	180,000	304,713	124,713	180,000	-	0.00%
<b>Total Revenue (A)</b>	<b>\$ 3,259,875</b>	<b>\$ 3,503,309</b>	<b>\$ 243,434</b>	<b>\$ 3,567,500</b>	<b>\$ 307,625</b>	<b>9.44%</b>
<b>Expenses</b>						
<b>Personnel Expenses</b>						
Salaries	\$ 1,139,845	\$ 1,029,073	\$ (110,772)	\$ 1,390,198	\$ 250,353	21.96%
Payroll Taxes	72,898	69,230	(3,668)	85,687	12,789	17.54%
Benefits	174,656	140,508	(34,148)	201,563	26,907	15.41%
Retirement Costs	101,295	91,774	(9,521)	110,735	9,440	9.32%
<b>Total Personnel Expenses</b>	<b>\$ 1,488,694</b>	<b>\$ 1,330,585</b>	<b>\$ (158,109)</b>	<b>\$ 1,788,183</b>	<b>\$ 299,489</b>	<b>20.12%</b>
<b>Meeting Expenses</b>						
Meetings & Conference Calls	\$ 5,200	\$ 3,439	\$ (1,761.00)	\$ 5,400	\$ 200	3.85%
Travel	46,830	43,299	(3,531)	46,080	(750)	-1.60%
<b>Total Meeting Expenses</b>	<b>\$ 52,030</b>	<b>\$ 46,738</b>	<b>\$ (5,292)</b>	<b>\$ 51,480</b>	<b>\$ (550)</b>	<b>-1.06%</b>
<b>Operating Expenses, excluding Depreciation</b>						
Consultants & Contracts	\$ -	\$ 264,000	\$ 264,000	\$ 100,000	\$ 100,000	
Office Rent	-	-	-	-	-	
Office Costs	990,968	1,004,960	13,992	1,247,972	257,004	25.93%
Professional Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
<b>Total Operating Expenses</b>	<b>\$ 990,968</b>	<b>\$ 1,268,960</b>	<b>\$ 277,992</b>	<b>\$ 1,347,972</b>	<b>\$ 357,004</b>	<b>36.03%</b>
<b>Total Direct Expenses</b>	<b>\$ 2,531,692</b>	<b>\$ 2,646,283</b>	<b>\$ 114,591</b>	<b>\$ 3,187,635</b>	<b>\$ 655,943</b>	<b>25.91%</b>
<b>Indirect Expenses</b>	<b>\$ 1,146,873</b>	<b>\$ 1,072,725</b>	<b>\$ (74,148)</b>	<b>\$ 1,437,341</b>	<b>\$ 290,468</b>	<b>25.33%</b>
<b>Other Non-Operating Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Total Expenses (B)</b>	<b>\$ 3,678,565</b>	<b>\$ 3,719,008</b>	<b>\$ 40,443</b>	<b>\$ 4,624,976</b>	<b>\$ 946,411</b>	<b>25.73%</b>
<b>Change in Net Assets (=A-B)</b>	<b>\$ (418,690)</b>	<b>\$ (215,699)</b>	<b>\$ 202,991</b>	<b>\$ (1,057,476)</b>	<b>\$ (638,786)</b>	<b>152.57%</b>
<b>Fixed Assets, excluding Right of Use Assets (C)</b>	<b>\$ 14,787</b>	<b>\$ -</b>	<b>\$ (14,787)</b>	<b>\$ 12,884</b>	<b>\$ (1,903)</b>	<b>-12.87%</b>
<b>TOTAL BUDGET (B+C)</b>	<b>\$ 3,693,352</b>	<b>\$ 3,719,008</b>	<b>\$ 25,656</b>	<b>\$ 4,637,860</b>	<b>\$ 944,508</b>	<b>25.57%</b>
<b>TOTAL CHANGE IN WORKING CAPITAL (=A-B-C)</b>	<b>\$ (433,477)</b>	<b>\$ (215,699)</b>	<b>\$ 217,778</b>	<b>\$ (1,070,360)</b>	<b>\$ (636,883)</b>	<b>146.92%</b>
FTEs	13.00	13.00	-	16.00	3.00	23.08%
HC	13.00	13.00	-	16.00	3.00	23.08%



## Personnel—Overview of FTEs and Expenses

FTEs are defined as full-time equivalent employees only. Fractional FTEs reflect part-time employees or employees who worked in fewer than all four quarters of the year.

Total FTEs by Program Area	Budget 2025	Direct FTEs 2026 Budget	Shared FTEs* 2026 Budget	Total FTEs 2026 Budget	Change from 2025 Budget
<b>NON-STATUTORY</b>					
<b>Operational Programs</b>					
<b>Total FTEs Operational Programs</b>	-	-	-	-	-
<b>Administrative Programs</b>					
WREGIS	13.00	16.00	-	16.00	3.00
<b>Total FTEs Administrative Programs</b>	<b>13.00</b>	<b>16.00</b>	<b>-</b>	<b>16.00</b>	<b>3.00</b>
<b>Total FTEs</b>	<b>13.00</b>	<b>16.00</b>	<b>-</b>	<b>16.00</b>	<b>3.00</b>

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



# Overview of Changes in Reserves

Working Capital Reserve Analysis	
NON-STATUTORY	
	Total
<b>Beginning Reserve (Deficit), January 1, 2025</b>	\$ 7,305,200
Plus: 2025 Funding	3,503,309
Less: 2025 Projected expenses & capital expenditures	(3,719,008)
<b>Projected Working Capital Reserve (Deficit), December 31, 2025</b>	<u><u>\$ 7,089,501</u></u>
Plus: 2026 Funding	3,567,500
Less: 2026 Transfer of Peak Holdback Reserves from Non-Statutory to Statutory	(312,000)
Less: 2026 Projected expenses & capital expenditures	(4,637,860)
<b>Projected Working Capital Reserve, December 31, 2026</b>	<u><u>\$ 5,707,141</u></u>



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## Non-Statutory Program—Goals and Budget Assumptions

### WREGIS

#### Program Scope, Purpose, and Impact

WREGIS is an independent, renewable energy database for the Western Interconnection. WREGIS creates renewable energy certificates (REC) for verifiable renewable generation from units that are registered in the database.

WREGIS was developed by the Western Governors' Association, the Western Regional Air Partnership, and the California Energy Commission (CEC). This development was further guided by stakeholder input from more than 400 participants for more than three years.

The program was integrated into WECC on March 31, 2012, following the expiration of the contract between WECC and the CEC that provided for backstop funding. WREGIS is advised by two committees: the Stakeholder Advisory Committee, which is open to all interested participants, and the WREGIS Committee, which is open to members and various stakeholder groups.

WREGIS costs fall outside Section 215 of the Federal Power Act. Participants fund WREGIS through registration and transaction fees. To avoid any crossover of Section 215 dollars, a portion of WECC's overhead costs is allocated to the program based on a formula implemented following a FERC audit.

WREGIS consists of two parts: the information system software and administrative operations. Staff coordinates with the software contractor and performs all the administrative tasks, including:

- Registering customers and generation units;
- Training users;
- Providing customer service and help desk services;
- Testing software releases;
- Supporting participating programs by facilitating cooperation and research into ongoing issues and sharing documentation with participants;
- Auditing generation and other data; and
- Managing the budgeting, billing, and financial reporting.

#### 2026 Key Budget Assumptions

WREGIS is funded entirely by user fees and is not subsidized by Section 215 funding. There are several types of user fees. Annual fees are paid by Generator and General Organizations and are based on size (generation capacity) and organization type. Transaction fees are paid by General Organizations. WREGIS also charges fees for ad hoc reporting and e-Tag-related data services.

- Transaction fees are based on organization type.
  - Approximately 4% of revenues are based on annual fees.
  - Approximately 92% of revenues are based on transaction fees, which may depend on factors like weather (wind and solar generation levels) and state regulatory policies (retirement, transfers, etc.).



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- Approximately 4% of revenues are attributable to fees for specific, requested functions like tracking e-Tags.
  - Revenues vary from year to year, so WREGIS reserves are held to allow for normal operations or special large-scale improvements.
  - The current software is a cloud-based software as a service product and all costs, including upgrades, maintenance and licenses are built into the monthly fee.
  - Interest rates remain stable.
  - Travel for training and audits will increase after a reduction caused by the COVID-19 pandemic.
  - Two analysts are added due to program growth, increasing customer audit requirements, and software needs.
  - One manager is added to assist with the growing staff loads and managerial duties.
  - Any expenses incurred in 2026 related to software development and the separation of WREGIS from WECC will be funded by non-statutory reserves.

## 2026 Goals and Deliverables

- Continuously improve program processes and tools to adapt to changes in the industry.
- Deliver quantitative and qualitative results for Corporate Scorecard items and develop methods and metrics for ongoing evaluation of effectiveness and efficiency.
- Maintain compliance with the participating state and provincial programs, and voluntary programs.
- Register program participants.
- Refine and improve data collection to ensure high-quality data.
- Perform four customer audits each for Qualified Reporting Entities, REC-holding customers, and Generator Owners.
- Deliver two in-person customer training sessions and quarterly virtual customer training sessions.
- Deliver two virtual Qualified Reporting Entity training sessions.
- Make progress on the development of custom software and the separation of WREGIS from WECC.

# Appendices

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**Additional Information**

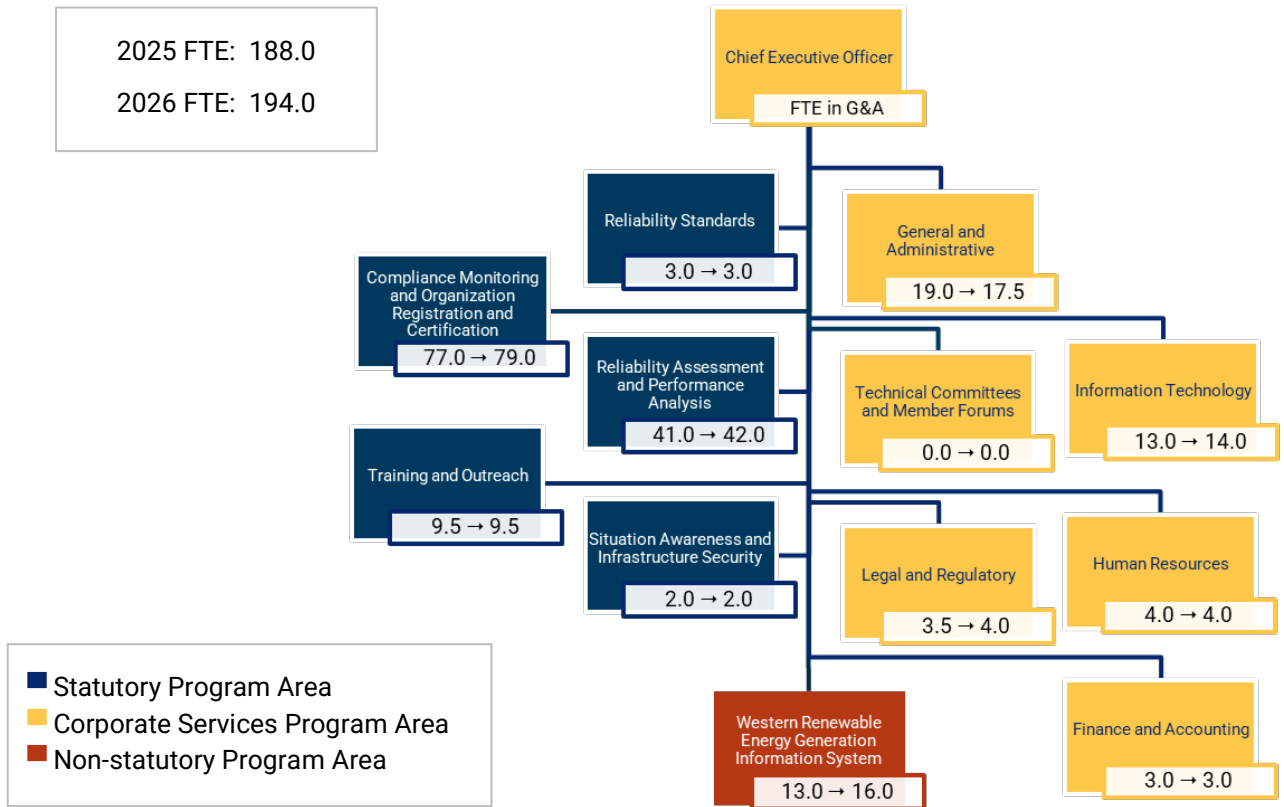


## Appendix A—2026 Statement of Activities by Program, Statutory and Non-Statutory

Statement of Activities and Capital Expenditures by Program	Total	Statutory Total	Non-Statutory Total	Statutory Programs						Non-Statutory Program		
				Statutory Total	Reliability Standards	Compliance and Organization Registration and Certification	Reliability Assessment and Performance Analysis	Training and Outreach	Situation Awareness and Infrastructure Security	Corporate Services	Non-Statutory Total	WREGIS
<b>Revenue</b>												
<b>Statutory Funding</b>												
WECC Assessments	\$ 35,657,280	\$ 35,657,280	\$ -	\$ 35,657,280	\$ 855,914	\$ 20,785,916	\$ 11,092,619	\$ 2,370,248	\$ 552,583	\$ -	\$ -	\$ -
Penalties Released	41,745	41,745	-	41,745	924	24,339	12,939	2,927	616	-	-	-
<b>Total Statutory Funding</b>	<b>\$ 35,699,025</b>	<b>\$ 35,699,025</b>	<b>\$ -</b>	<b>\$ 35,699,025</b>	<b>\$ 856,838</b>	<b>\$ 20,810,255</b>	<b>\$ 11,105,558</b>	<b>\$ 2,373,175</b>	<b>\$ 553,199</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Non-statutory Funding	\$ 3,385,000	\$ -	\$ 3,385,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,385,000	\$ 3,385,000
Workshops & Miscellaneous	760,000	757,500	2,500	757,500	5,513	145,173	77,181	525,958	3,675	-	2,500	2,500
Interest	1,180,006	1,000,006	180,000	1,000,006	22,140	583,029	309,966	70,111	14,760	-	180,000	180,000
<b>Total Revenue (A)</b>	<b>\$ 41,024,031</b>	<b>\$ 37,456,531</b>	<b>\$ 3,567,500</b>	<b>\$ 37,456,531</b>	<b>\$ 884,491</b>	<b>\$ 21,538,457</b>	<b>\$ 11,492,705</b>	<b>\$ 2,969,244</b>	<b>\$ 571,634</b>	<b>\$ -</b>	<b>\$ 3,567,500</b>	<b>\$ 3,567,500</b>
<b>Expenses</b>												
<b>Personnel Expenses</b>												
Salaries	\$ 27,407,022	\$ 26,016,824	\$ 1,390,198	\$ 26,016,824	\$ 538,597	\$ 11,513,585	\$ 6,104,030	\$ 1,373,830	\$ 338,501	\$ 6,148,281	\$ 1,390,198	\$ 1,390,198
Payroll Taxes	1,662,984	1,577,297	85,687	1,577,297	31,969	710,244	371,857	81,182	21,658	360,387	85,687	85,687
Benefits	3,188,431	2,986,868	201,563	2,986,868	42,986	1,130,885	600,508	133,268	30,592	1,048,629	201,563	201,563
Retirement Costs	2,182,007	2,071,272	110,735	2,071,272	43,088	915,811	484,879	109,231	27,080	491,183	110,735	110,735
<b>Total Personnel Expenses</b>	<b>\$ 34,440,444</b>	<b>\$ 32,652,261</b>	<b>\$ 1,788,183</b>	<b>\$ 32,652,261</b>	<b>\$ 656,640</b>	<b>\$ 14,270,525</b>	<b>\$ 7,561,274</b>	<b>\$ 1,697,511</b>	<b>\$ 417,831</b>	<b>\$ 8,048,480</b>	<b>\$ 1,788,183</b>	<b>\$ 1,788,183</b>
<b>Meeting Expenses</b>												
Meetings & Conference Calls	\$ 616,568	\$ 611,168	\$ 5,400	\$ 611,168	\$ -	\$ -	\$ 16,746	\$ 501,120	\$ -	\$ 93,302	\$ 5,400	\$ 5,400
Travel	1,090,040	1,043,960	46,080	1,043,960	17,378	589,330	206,301	31,846	10,849	188,256	46,080	46,080
<b>Total Meeting Expenses</b>	<b>\$ 1,706,608</b>	<b>\$ 1,655,128</b>	<b>\$ 51,480</b>	<b>\$ 1,655,128</b>	<b>\$ 17,378</b>	<b>\$ 589,330</b>	<b>\$ 223,047</b>	<b>\$ 532,966</b>	<b>\$ 10,849</b>	<b>\$ 281,558</b>	<b>\$ 51,480</b>	<b>\$ 51,480</b>
<b>Operating Expenses, excluding Depreciation</b>												
Consultants & Contracts	\$ 1,595,400	\$ 1,495,400	\$ 100,000	\$ 1,495,400	\$ -	\$ 714,000	\$ 318,400	\$ -	\$ -	\$ 463,000	\$ 100,000	\$ 100,000
Office Rent	1,326,433	1,326,433	-	1,326,433	-	-	-	-	-	1,326,433	-	-
Office Costs	4,212,624	2,964,652	1,247,972	2,964,652	1,755	343,085	404,321	89,854	2,520	2,123,117	1,247,972	1,247,972
Professional Services	1,367,225	1,367,225	-	1,367,225	-	-	-	-	-	1,367,225	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 8,501,682</b>	<b>\$ 7,153,710</b>	<b>\$ 1,347,972</b>	<b>\$ 7,153,710</b>	<b>\$ 1,755</b>	<b>\$ 1,057,085</b>	<b>\$ 722,721</b>	<b>\$ 89,854</b>	<b>\$ 2,520</b>	<b>\$ 5,279,775</b>	<b>\$ 1,347,972</b>	<b>\$ 1,347,972</b>
<b>Total Direct Expenses</b>	<b>\$ 44,648,734</b>	<b>\$ 41,461,099</b>	<b>\$ 3,187,635</b>	<b>\$ 41,461,099</b>	<b>\$ 675,773</b>	<b>\$ 15,916,940</b>	<b>\$ 8,507,042</b>	<b>\$ 2,320,331</b>	<b>\$ 431,200</b>	<b>\$ 13,609,813</b>	<b>\$ 3,187,635</b>	<b>\$ 3,187,635</b>
<b>Indirect Expenses</b>	\$ -	\$ (1,437,341)	\$ 1,437,341	\$ (1,437,341)	\$ 269,501	\$ 7,096,866	\$ 3,773,017	\$ 853,421	\$ 179,667	\$ (13,609,813)	\$ 1,437,341	\$ 1,437,341
<b>Other Non-Operating Expenses</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenses (B)</b>	<b>\$ 44,648,734</b>	<b>\$ 40,023,758</b>	<b>\$ 4,624,976</b>	<b>\$ 40,023,758</b>	<b>\$ 945,274</b>	<b>\$ 23,013,806</b>	<b>\$ 12,280,059</b>	<b>\$ 3,173,752</b>	<b>\$ 610,867</b>	<b>\$ -</b>	<b>\$ 4,624,976</b>	<b>\$ 4,624,976</b>
<b>Change in Net Assets (=A-B)</b>	<b>\$ (3,624,703)</b>	<b>\$ (2,567,227)</b>	<b>\$ (1,057,476)</b>	<b>\$ (2,567,227)</b>	<b>\$ (60,783)</b>	<b>\$ (1,475,349)</b>	<b>\$ (787,354)</b>	<b>\$ (204,508)</b>	<b>\$ (39,233)</b>	<b>\$ -</b>	<b>\$ (1,057,476)</b>	<b>\$ (1,057,476)</b>
<b>Fixed Assets, excluding Right of Use Assets (C)</b>	<b>\$ 122,000</b>	<b>\$ 109,116</b>	<b>\$ 12,884</b>	<b>\$ 109,116</b>	<b>\$ 2,416</b>	<b>\$ 63,617</b>	<b>\$ 33,822</b>	<b>\$ 7,650</b>	<b>\$ 1,611</b>	<b>\$ -</b>	<b>\$ 12,884</b>	<b>\$ 12,884</b>
<b>TOTAL BUDGET (B+C)</b>	<b>\$ 44,770,734</b>	<b>\$ 40,132,874</b>	<b>\$ 4,637,860</b>	<b>\$ 40,132,874</b>	<b>\$ 947,690</b>	<b>\$ 23,077,423</b>	<b>\$ 12,313,881</b>	<b>\$ 3,181,402</b>	<b>\$ 612,478</b>	<b>\$ -</b>	<b>\$ 4,637,860</b>	<b>\$ 4,637,860</b>
<b>TOTAL CHANGE IN WORKING CAPITAL (A-B-C)</b>	<b>\$ (3,746,703)</b>	<b>\$ (2,676,343)</b>	<b>\$ (1,070,360)</b>	<b>\$ (2,676,343)</b>	<b>\$ (63,199)</b>	<b>\$ (1,538,966)</b>	<b>\$ (821,176)</b>	<b>\$ (212,158)</b>	<b>\$ (40,844)</b>	<b>\$ -</b>	<b>\$ (1,070,360)</b>	<b>\$ (1,070,360)</b>
FTEs	194.00	178.00	16.00	178.00	3.00	79.00	42.00	9.50	2.00	42.50	16.00	16.00
HC	194.00	178.00	16.00	178.00	3.00	79.00	42.00	9.00	2.00	43.00	16.00	16.00



## Appendix B—Organizational Chart—Changes in FTE by Program



## Appendix C—Adjustment to the Alberta Electric System Operator (AESO) Assessment

<b>Adjustment to the AESO Assessments</b>		
<b>Credit for WECC Compliance Costs</b>		
	<b>2025 Compliance Budget AESO NEL Allocation</b>	<b>2026 Compliance Budget AESO NEL Allocation</b>
<b>WECC Compliance Costs</b>		
Direct Costs less Revenue	\$ 13,787,457	\$ 15,188,738
Indirect Costs	6,793,018	7,096,866
Fixed Asset Expenditures	87,584	63,617
<b>Total Net Costs, including Fixed Assets</b>	<b>\$ 20,668,059</b>	<b>\$ 22,349,221</b>
<b>Net total to be allocated</b>	<b>\$ 20,668,059</b>	<b>\$ 22,349,221</b>
AESO NEL Share (2023 and 2024)	6.949%	7.203%
<b>AESO Proportional Share of Compliance Costs, including Fixed Assets</b>	<b>\$ 1,436,177</b>	<b>\$ 1,609,898</b>
% Credit (70.00 of 77.00 FTE for 2025; )	90.91%	93.99%
<b>AESO Credit for Compliance Costs</b>	<b>\$ 1,305,616</b>	<b>\$ 1,513,101</b>

## Appendix D—Statutory and Non-Statutory Budget History Charts

