

## **APPA Comments on the Second Draft of NERC's 2019 Draft Business Plan and Budget July 31, 2018**

The American Public Power Association (“APPA”)<sup>1</sup> appreciates the opportunity to comment on the second draft of NERC’s 2019 Business Plan and Budget (“Budget”). APPA supports NERC’s efforts to improve efficiency and effectiveness and therefore evaluates proposed budget items on their projected efficiency and effectiveness for the ERO.

APPA remains concerned about the increases in the non-E-ISAC portion of the 2019 budget. Therefore, public power reasserts its concerns from our initial budget comments and provide the following comments that mirror the State/Municipal and Transmission Dependent Utilities (SM-TDUs) input that will be submitted to the Board of Trustees as policy input on August 1, 2018.

### **Non-EISAC, NERC Proposed 2019 Budget, Second Draft**

For stakeholders to execute their roles in the ERO Enterprise, responsive engagement and transparency are essential. While APPA can understand why stakeholders may be excluded from discussions involving compliance and enforcement matters, we believe that, as ERO funding entities, our input on budget issues should be given considerable weight. To date, we have not seen much evidence that our NERC 2019 budget input has been fully considered or thoughtfully responded to.

Stakeholders are eager to learn how issues such as the Canadian usage of the E-ISAC will be resolved. And while issues such as the Situational Awareness for FERC, NERC and the Regions (SAFNR) have been considered on a standalone basis in budget discussions, stakeholders believe it would be beneficial to see how an item such as SAFNR is evaluated in the context of other significant increase items. Such an evaluation would provide transparency about whether funds should be increased/decreased in 2019 compared to other years. APPA believes such a comparison also would be of value when considering the CMEP Tool.

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<sup>1</sup> APPA is the national service organization representing the interests of the nation’s 2,000 not-for-profit, community-owned electric utilities. Public power utilities are located in every state except Hawaii. They collectively serve over 49 million people and account for 15% of all sales of electric energy (kilowatt-hours) to ultimate customers. Public power utilities serve retail load, with the primary goal of providing the communities they serve with safe, reliable electric service at the lowest reasonable cost. This orientation aligns the interests of the utilities with the long-term interests of the residents and businesses in their communities.