



Draft NERC 2018 Business Plan and Budget Comments of the Canadian Electricity Association

I. Introduction

The Canadian Electricity Association (“CEA”) appreciates this opportunity to provide comments on the first draft of NERC’s 2018 Business Plan and Budget (“Draft Budget”).

As the voice of the electricity sector in Canada, CEA remains an advocate of NERC’s international standard-setting model. In step with CEA members’ support for this model, CEA offers these comments in the spirit of helping to ensure NERC’s success.

II. Comments

CEA appreciates the opportunity to comment on the Draft Budget, and encourages even more transparency in the budgeting process.

CEA notes that the trend of annual NERC budget increases continues, with the Draft Budget proposing an annual budget increase of 2.5%, or 5.1% with the inclusion of the proposed actions to implement the 2018 E-ISAC Strategic Additions. This trend does not appear to be changing, with the 2018 Draft Budget forecasting an annual budget increase of 3.9% in 2019, and 2.1% in 2020.

CEA and other Canadian stakeholders will continue to watch this pattern closely. As stated in previous years, these annual budget increases seem inconsistent with the fiscal and regulatory realities faced by electric utilities. Ratepayers, regulators, and governmental authorities continue to mandate rigorous fiscal discipline by the utility industry.

CEA requests that NERC is mindful of this reality when planning budgets, and encourages NERC to move to a funding trajectory that aligns with economic realities and stakeholder expectations. NERC should continue cost-effectiveness efforts, and should undertake strategic and budgetary planning which ensures expenditures are made in the most effective and efficient manner possible, and achieves, where appropriate, budgetary stabilization and lasting efficiencies and savings.

CEA trusts that the concerns outlined in this letter will be given due and fair consideration.

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