# Western Interconnection Regional Advisory Body

## 2026 Business Plan and Budget

## Date: xxxx

**Under Consideration by**

**Appointed Members of the**

**Western Interconnection Regional Advisory Body**

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## Introduction

The Western Interconnection Regional Advisory Body (WIRAB) proposed budget for 2026 is $885,728. This amount is $54,167 (6.5%) higher than the amount in WIRAB's approved 2025 budget. Total proposed full-time equivalents (FTEs) for 2026 have increased from 2.60 FTEs in 2025 to 3.20 FTEs in 2026. Major drivers of the budget increase are due to personnel and indirect expense. Personnel and indirect expenses increased by 9.9% due to the addition of 0.60 FTEs in 2026, and annual budgeted cost of living and merit increases of 4%. WIRAB's total funding requirement is $701,028. As shown in Table 1 below, this amount represents the total statutory expenses of $885,728 less $184,700 in statutory working capital requirement. WIRAB's proposed funding assessment is $699,028, a decrease of $16,433 (2.3%) from the 2025 funding assessment. The modest assessment decrease is necessary for the continuation of assessment stabilization and the prevention of major fluctuation in future budget periods. 2026 funding includes the use of working capital reserves in the amount of $184,700. WIRAB proposes to allocate the funding assessment as follows: $594,174 (85%) to the U.S. portion; and $104,854 (15%) to the Canadian portion. Table 1 summarizes the WIRAB proposed budget for 2026.

## Table 1. WIRAB Budget for 2026

| WIRAB - Total Resources (in whole dollars) | 2026 Budget | U.S. | Canada | Mexico |
|---|---|---|---|---|
| Statutory FTEs* | 3.20 | | | |
| Non-statutory FTEs | | | | |
| **Total FTEs** | 3.20 | | | |
| Statutory Expenses | $ 885,728 | | | |
| Non-Statutory Expenses | | | | |
| **Total Expenses** | $ 885,728 | | | |
| Statutory Inc(Dec) in Fixed Assets | | | | |
| Non-Statutory Inc(Dec) in Fixed Assets | | | | |
| **Total Inc(Dec) in Fixed Assets** | $ - | | | |
| Statutory Working Capital Requirement | $ (184,700) | | | |
| Non-Statutory Working Capital Requirement | 0 | | | |
| **Total Working Capital Requirement** | $ (184,700) | | | |
| Total Statutory Funding Requirement | $ 701,028 | | | |
| Total Non-Statutory Funding Requirement | $ - | | | |
| **Total Funding Requirement** | $ 701,028 | | | |
| | | | | |
| **Statutory Funding Assessments**[1] | $ 699,028 | $ 594,174 | $ 104,854 | $ - |
| **Non-Statutory Fees** | | | | |
| NEL** | 850,783,074 | 727,245,301 | 123,437,773 | - |
| NEL% | 100.0% | 85% | 15% | 0.0% |

[1] The allocation of the statutory assessments was updated to reflect 2024 NEL data on [TBD 2025]. The 2026 allocation of assessments does not include Mexico. NERC, WECC, and WIRAB have been unable to collect assessments from Mexico since 2021 and have decided not to assess Mexico until a new agreement is reached. In accordance with their ROP, NERC recovered the outstanding balances owed from Mexico up through the 2024 assessment for the portions owed to NERC ($954k) and WIRAB ($39k) by reallocating these amounts to WECC LSE's as part of a special assessment reflected on their 2025 Assessment Schedule. To offset the impact, WECC's final 2025 BP&B reflected a reserve release of $984k to reduce WECC's 2025 assessment. The WECC portion of the outstanding assessments from Mexico is $1.9M. Instead of NERC charging the WECC LSE's this portion in 2025, WECC wrote off this amount in 2024 used WECC reserves to fund the write off.

## Organizational Overview

The Federal Energy Regulatory Commission (FERC or Commission) created WIRAB in April 2006, upon petition of ten Western Governors and in accordance with Section 215(j) of the Federal Power Act (FPA). The Governors invited all U.S. states, Canadian provinces, and Mexican jurisdictions with territory in the Western Interconnection to join WIRAB and to participate in WIRAB's activities as a regional advisory body charged with advising FERC, the North American Electric Reliability Corporation (NERC), and the Regional Entity (i.e., the Western Electricity Coordinating Council or WECC) on matters of electric grid reliability.

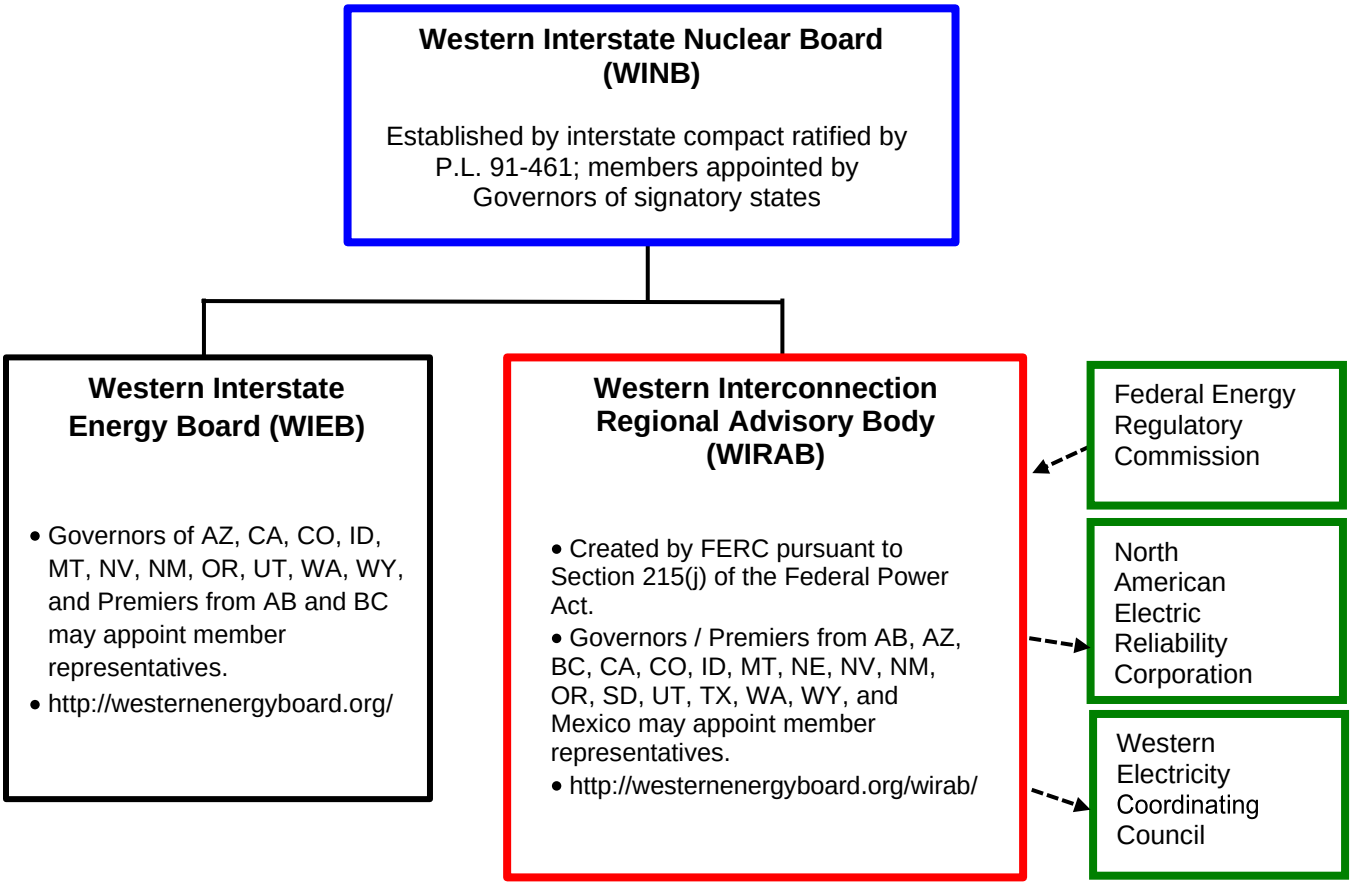
In July 2006, FERC issued an order granting the Governors' petition to establish WIRAB.[2] In its order, FERC determined that WIRAB should receive funding for its Section 215(j) activities and directed WIRAB to annually develop a budget and related information for submittal through the Electric Reliability Organization (ERO) budget approval process. The Commission instructed WIRAB to develop a budget in a form similar to that specified for regional entities as set forth in Order 672.[3] FERC also required WIRAB to identify the portion of its funding to be received from Canada and Mexico.

The Governors created WIRAB as a standing advisory committee to the Western Interstate Nuclear Board (WINB), which was formed pursuant to the Western Interstate Nuclear Compact, P.L. 91-461. WIRAB has the same status under the compact as the Western Interstate Energy Board (WIEB). Below is a chart that illustrates these organizational relationships.

[2] Order on Petition to Establish a Regional Advisory Body for the Western Interconnection, 116 FERC ¶ 61,061, Docket No. RR06-2-000, July 20, 2006.

[3] Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Reliability Standards, Order 672, Docket RM05-30-000, Feb. 3, 2006, P. 228. "Each Regional Entity must submit its complete business plan, entire budget, and organizational chart to the ERO for it to submit to the Commission. The complete business plan and the entire budget will provide the Commission with necessary information about any non-statutory activities, the source of their funding, and whether the pursuit of such activities presents a conflict of interest for the Regional Entity. For a Cross-Border Regional Entity, this information will also inform the Commission as to what portion of the budget is expended upon activities within the United States."

**Figure 1. Organizational Relationships**




## Membership and Governance

All U.S. states with territory in the Western Interconnection (Arizona, California, Colorado, Idaho, Montana, Nebraska, Nevada, New Mexico, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming) the Canadian provinces of Alberta and British Columbia, and the Mexican state of Baja California are eligible to appoint members to WIRAB. Member representatives of WIRAB are appointees of the respective Governors and Premiers, or representative-designated alternates. Below is the list of current WIRAB member representatives (as of May 1, 2025):

**Figure 2. WIRAB Membership List**

| WIRAB Member Representatives | | | |
|---|---|---|---|
| State/Province | Name | Title/Agency | WIRAB Leadership |
| Alberta | Betsy Li Alward | Director, Generation, Transmission and Markets Policy, Utilities, Alberta Affordability and Utilities | |
| Arizona | Lea Márquez Peterson | Commissioner, Arizona Corporation Commission | Vice-Chair |
| British Columbia | Chris Gilmore | Executive Director, Electricity Policy Branch, Ministry of Energy, Mines and Low Carbon Innovation | |
| California | Siva Gunda | Vice Chair, California Energy Commission | |
| Colorado | James Lester | Senior Policy Lead on Transmission, Climate and Energy, Colorado Energy Office | |
| Idaho | Cally Younger | Administrator, Idaho Governor's Office of Energy and Mineral Resources | |
| Mexico | Vacant | - | |
| Montana | Michael Freeman | Natural Resources Policy Advisor, Montana Office of the Governor | |
| Nebraska | Tim Texel | Executive Director, Nebraska Power Review Board | |
| Nevada | Dwayne McClinton | Director, Nevada Governor's Office of Energy | |
| New Mexico | Vacant | | |
| Oregon | Janine Benner | Director, Oregon Dept of Energy | |
| South Dakota | Greg Rislov | Commission Advisor, South Dakota Public Utility Commission | |
| Texas | Vacant | - | |
| Utah | Emy Lesofski | Director, Utah Office of Energy Development | |
| Washington | Elizabeth Osborne | Senior Energy Policy Analyst, Washington State Energy Office | |
| Wyoming | Mary Throne | Chairman, Wyoming Public Service Commission | Chair |

WIRAB holds two in-person meetings each year, usually in Spring and Fall. These meetings are open to the public. WIRAB also holds open monthly conference calls to discuss current and emerging issues and hosts periodic webinars with presentations from subject matter experts on key electric grid reliability topics.

## Statutory Functional Scope

FERC established WIRAB as a Regional Advisory Body under section 215(j) of the FPA. The language in Section 215(j) specifically provides for WIRAB's authority to advise FERC, NERC, and WECC on whether reliability standards, budgets and fees, governance, compliance, assessments, strategic direction, and other activities conducted pursuant to Section 215 are just, reasonable, not unduly discriminatory, or preferential, and in the public interest.

WIRAB's advice to FERC, NERC, and WECC can be grouped into four categories that are appropriately funded under Section 215 of the FPA, including:

1. Governance and Strategic Planning;
2. Emerging Trends and System Risks;
3. Periodic Reliability Assessments; and
4. Reliability Standards and Proactive Enforcement.

WIRAB's activities in each of these categories are described in Section A – Statutory Activities.

## 2026 Strategic Initiatives

The Western Interconnection is vital to the region's economy and its people. It serves a population of nearly 90 million, and they are asking for more of the electric system to meet the demands of everyday life. Although energy efficiency has reduced the demand of traditional electricity use cases, previously non-electrified services, such as transportation, and growing services, such as data centers and other large loads, are creating new dynamic impacts on the system. Traditionally, supply and demand were fairly predictable, but demand is growing and becoming more variable, all with greater expectations for reliable service.

The energy generation mix in the Western Interconnection that is used to meet these demands continues to evolve, driven by environmental policies, market dynamics, new technologies, and aging infrastructure. Inverter-based resources like solar photovoltaics are experiencing significant growth, particularly in regions like California and the Desert Southwest. Plus, utility-scale wind continues to be developed where wind resources are most available, likely

requiring the addition of long transmission lines to serve population centers. Additionally, the procurement of energy storage solutions, such as batteries, is becoming increasingly vital to support the integration of weather-dependent renewable energy resources. Traditional thermal generation, such as coal, continues to retire, shifting the dynamics of the Western Interconnection and requiring new approaches to ensure system reliability.

The Western Interconnection faces ongoing challenges from extreme natural events, which require careful consideration when managing critical infrastructure. From wildfires and droughts to heatwaves and extreme cold, these environmental factors complicate utility planning and operations. Additionally, energy policymakers and regulators are increasingly factoring environmental and climate considerations into grid infrastructure decisions, highlighting the critical need to prioritize grid reliability as they adapt to meet current and future energy demands.

Transmission planning, siting, and development are critical to ensuring a reliable and resilient electric grid in the West. As the generation resource mix continues to change and the grid increases in complexity, adequate transmission infrastructure is necessary to deliver power to where it is needed most, maintain system stability, and reduce congestion. Planning and developing new transmission lines and upgrades to existing infrastructure will be essential to support the integration of new renewable energy resources and ensure grid reliability throughout the region.

Grid modernization efforts present both opportunities and challenges for the Western grid. The continued growing presence of rooftop solar emphasizes the need for enhanced coordination between Bulk Power System and distribution system operators. Moreover, integrating new technologies designed to increase efficiency and reliability may introduce new complexities and vulnerabilities. Further research, development, and deployment of innovative technologies and operational tools are imperative to achieve improved reliability. It is also imperative to ensure the cyber and physical security of critical grid infrastructure across the Western Interconnection.

Furthermore, the evolving structure of Western power markets introduces both challenges and opportunities for reliability. Market reforms are poised to bring significant changes to system operations, including transmission scheduling, congestion management, and reliability coordination. Additionally, regulatory frameworks aimed at ensuring resource adequacy across

extensive regions of the West are progressing, reshaping how entities demonstrate their capacity to meet customer demands consistently throughout the region.

In light of these challenges, WIRAB has identified strategic initiatives for 2026 that encourage WECC, the ERO, and industry to take actions to ensure a reliable electric grid in the Western Interconnection. By focusing on these strategic initiatives, WIRAB aims to strengthen the reliability and security of the Western Interconnection, ensuring that WECC and its stakeholders remain well-equipped to navigate the evolving energy landscape in the West.

**Initiative 1: Advise WECC to work with states, provinces, and planning entities to improve long-term planning assumptions, data, and models to meet evolving regulatory and reliability needs.**

As the Western Interconnection prepares for a future marked by large-scale deployment of new generation, unprecedented load growth, and ambitious state and provincial policy targets, the need for robust and coordinated long-term transmission planning is more urgent than ever. This initiative supports WECC's engagement with transmission providers, planning entities, and state and provincial agencies to enhance foundational planning tools, assumptions, and models. It builds on the momentum of regional efforts such as the Western Transmission Expansion Coalition (WestTEC) and responds directly to new federal policy directives.

FERC Order No. 1920, as first issued in May 2024 and amended, requires transmission providers to participate in Long-Term Regional Transmission Planning (LTRTP) processes that look at least 20 years into the future. The rule mandates that transmission planners identify long-term transmission needs and evaluate potential projects to meet those needs. Additionally, planners must consider diverse scenarios incorporating load growth, resource changes, and evolving state and federal policy. Planners must also consult with states on several issues, including cost allocation, selection criteria, and scenario development. FERC Order 1920 also provides the opportunity for states to propose an ex-ante cost allocation methodology and to propose a State Agreement Process to consider alternative cost allocation methodologies after projects that meet cost allocation requirements are identified in the planning process. FERC Orders 1920A and 1920B reinforced state involvement, by requiring state-proposed methodologies to be filed at FERC and allowing states to request an extension to allow for more time in the state engagement

period. States in the West, through the CREPC 1920 Ad Hoc Committee, requested a six-month extension which was granted by FERC. States anticipate the need for access to data and technical assistance to help develop cost allocation proposals and to help provide input into other aspects of long-term regional transmission planning.

To help support implementation of FERC Order No. 1920, WECC's Long-Term Transmission Planning Task Force (LTPTF), convened under the Reliability Assessment Committee (RAC), recommended that WECC take on a greater role in:

- Developing foundational 20-year datasets and base cases (e.g., power flow and production cost models).
- Documenting transparent and repeatable planning assumptions and methodologies.
- Collecting and sharing regional data on proposed transmission and generation projects.
- Hosting a neutral forum to coordinate inputs and scenarios across entities.

This effort would extend WECC's existing 10-year Anchor Data Set (ADS) framework into a 20-year planning horizon and it will provide critical support for LTRTP and regional reliability assessments, while also enabling better coordination across jurisdictions and planning authorities.

The goals of this initiative include:

- Aligning WECC's long-term planning efforts with state and provincial policy objectives, ensuring that reliability assessments support broader energy goals.
- Enhancing collaboration between WECC and regional planning entities to develop consistent and comprehensive planning assumptions.
- Improving modeling tools and methodologies to accurately reflect future grid conditions, including high penetrations of renewable energy and emerging technologies.

To achieve these goals, WIRAB staff will:

- Participate in WECC's RAC and other relevant technical working groups to track progress on long-term planning data and model development.
- Encourage WECC to establish and maintain a 20-year base case with regionally vetted

assumptions, including input from state and provincial policymakers.

- Review documentation produced by the LTPTF and RAC to ensure transparency and consistency in long-term planning practices.
- Promote stakeholder, particularly state engagement by urging WECC to hold webinars or workshops that gather feedback on modeling assumptions, scenarios, and regional priorities.
- Monitor how WestTEC and other planning forums integrate with WECC's long-term efforts to avoid duplication and ensure coordinated outcomes.

By undertaking these actions, WECC can play a pivotal role in advancing long-term transmission planning that is responsive to the region's evolving energy landscape, thereby enhancing the reliability and resilience of the Western Interconnection.

**Initiative 2: Advise WECC, NERC, and stakeholders to develop common interconnection and performance requirements for large loads—especially data centers—to ensure reliable and secure integration into the Bulk Power System.**

Across the Western Interconnection, the emergence of large, energy-intensive loads—especially data centers, industrial electrification projects, and hydrogen production facilities—is placing increasing pressure on the grid. These loads are not only larger than traditional commercial or industrial customers, but they also introduce new operational characteristics that challenge system planning and reliability. As described in WECC's 2024 *Large Loads Risk Assessment*, these loads can develop rapidly, outpace traditional interconnection timelines, and are often clustered in locations with limited infrastructure. They frequently have complex configurations, including behind-the-meter (BTM) generation, on-site storage, or co-location with renewable resources. This makes them more difficult to model and integrate, particularly when information about their real-time behavior is incomplete or unavailable.

The *NERC Large Load Task Force* is exploring this concern by highlighting that large loads may operate with non-linear characteristics, experience high ramp rates, or include power electronic interfaces that create challenges related to voltage stability, harmonics, and system protection. Yet, unlike inverter-based generation—which is increasingly subject to defined performance expectations through IEEE-2800 and emerging NERC standards—no consistent regional framework exists for the interconnection of large loads. Current practices vary widely

across utilities and balancing authorities. In many cases, large load developers negotiate site-specific interconnection terms with limited transparency, technical guidance, or standardized expectations. This fragmented approach increases the risk of inconsistent modeling, uncoordinated infrastructure development, and localized reliability vulnerabilities.

To mitigate these risks, both WECC and NERC have identified the need to develop standard interconnection and performance requirements for large loads. A uniform, technically grounded framework would improve transparency and planning certainty for utilities, developers, and regulators alike. It would also help ensure that the rapid proliferation of large loads does not undermine grid reliability, especially in regions where transmission capacity, reserves, and situational awareness may be limited. WECC should also assess the possibility that large loads, properly managed, could enhance grid stability. WIRAB recognizes this as a pressing reliability and governance issue and seeks to promote regional coordination and best practices in addressing it.

The goals of this initiative include:

- Supporting the development of an interconnection requirement template for large loads, with input from utilities, regulators, and developers.
- Increasing awareness of the reliability risks posed by rapidly growing, energy-intensive loads.
- Promoting consistency in performance expectations and visibility requirements for large load facilities across the Western Interconnection.
- Ensuring Western regulators are equipped to ask informed questions and request appropriate commitments from load-serving entities and developers.
- Exploring ways to manage large loads to support grid stability

To achieve these goals, WIRAB staff will:

- Monitor and engage with the NERC's Large Load Task Force and other national forums such as the Large Load Task Force supported by the Energy Systems Integration Group (ESIG).
- Encourage WECC and NERC to identify and convene stakeholders to incorporate guidance from NERC's Large Load Task Force and other national forums.

- Host briefings and panel discussions to engage state and provincial regulators on large load integration challenges and solutions.

In conclusion, standardized practices for large load interconnections will help WECC and the industry improve planning certainty, facilitate infrastructure coordination, and maintain system reliability amid rapid growth and electrification across the Western Interconnection.

**Initiative 3: Advise WECC to study the impacts of rapid electrification and large load growth on reliability, including regional and seasonal resource adequacy trends.**

The Western Interconnection is experiencing substantial and accelerating electric load growth driven by trends in electrification (e.g., buildings and transportation), the proliferation of data centers and industrial facilities, and population growth. While these developments support economic and policy goals, they present significant challenges to maintaining electric system reliability, particularly where resource procurement and transmission expansion lag demand.

WECC's 2024 *Western Assessment of Resource Adequacy (WARA)* identifies growing tightness in capacity margins, especially under high-load and extreme weather scenarios. The report highlights regional differences in risk exposure, including areas where reliability risks spike in winter due to changing load patterns, and others where summer remains the primary concern. In particular, WECC's analysis suggests that electrification and industrial demand could substantially shift peak timing, increase net load variability, and stress resource portfolios in unanticipated ways.

Similarly, WECC's *Large Load Risk Assessment* emphasizes that many new loads—particularly hyperscale data centers—may appear quickly, with little warning or alignment with long-term planning processes. These loads are often large enough to materially alter system conditions and may not participate fully in traditional load forecasting or integrated resource planning. Without timely analysis and coordination, the cumulative impact of these loads may exacerbate resource adequacy risks across multiple subregions.

To ensure the Western Interconnection remains reliable, planners and policymakers must understand how multiple scenarios of load growth timing and development variability may interact

with resource procurement, especially in the presence of variable renewable generation and evolving market frameworks. WIRAB believes this initiative is essential for advancing WECC's ability to support forward-looking, geographically resolved, and policy-informed resource adequacy assessments.

The goals of this initiative include:

- Encouraging WECC to incorporate multiple load growth scenarios—including data centers, electrification, and industrial development—into future resource adequacy assessments.
- Promoting geographic and seasonal granularity in assessments, capturing differences across states and subregions.
- Ensuring assessments consider a range of policy and market conditions, including differing levels of market participation, state policy driven resource requirements, and regional coordination.
- Providing state and provincial policymakers with timely, actionable data to support resource planning decisions.

To achieve these goals, WIRAB staff will:

- Engage with WECC's Reliability Assessment Committee (RAC) and Resource Adequacy Modeling Work Group to advocate for expanded load growth modeling and scenario analysis.
- Monitor and provide feedback on the WARA process and its treatment of electrification and large load trends.
- Collaborate with state and provincial energy offices and utility commissions to identify key planning questions that future adequacy assessments should address.
- Encourage WECC to convene webinars or workshops to share findings from WECC's resource adequacy work and gather input from WIRAB members and stakeholders.
- Contract with subject matter experts, if needed, to evaluate the modeling methods or assumptions used in adequacy studies and to identify potential improvements.

As the Western Interconnection undergoes transformative change driven by electrification,

industrial development, and regional policy shifts, it is critical that reliability assessments evolve to match the pace and complexity of this transition. By proactively examining the implications of rapid load growth and changing adequacy dynamics, WECC can provide the data and insights that state and provincial leaders need to ensure a reliable and resilient grid.

**Initiative 4: Advise WECC and the ERO to assess whether reliability standards adequately reflect the growing role of energy storage technologies in supporting grid stability and essential reliability services.**

As the deployment of battery storage and hybrid resources accelerates, it is critical to ensure that reliability standards and practices account for their unique operating characteristics. According to WECC's 2023 *Western Assessment of Resource Adequacy*, battery energy storage systems (BESS) are projected to make up over 12% of nameplate capacity by 2032 in the Western Interconnection, a dramatic increase from just 1.4% in 2023. Many of these resources are expected to be hybridized with solar PV, presenting new challenges for modeling, forecasting, and performance expectations. As energy storage increasingly contributes to peak capacity and essential reliability services, ensuring standards reflect these technologies' capabilities—particularly around frequency response, voltage control, and fault ride-through—is vital for maintaining system reliability.

However, the current suite of reliability standards and interconnection requirements may not fully reflect the operating characteristics, potential contributions, and unique vulnerabilities of these technologies. A recent *June 2023 NERC Reliability Guideline* on BESS and hybrid resource performance in modeling and studies identifies the need for enhanced clarity around expected performance, particularly under abnormal grid conditions. Additionally, a *September 2023 NERC White Paper* on Grid-Forming Inverter (GFM) functional specifications proposes a standardized framework for GFM behavior encouraging GFM for BESS but stops short of establishing enforceable requirements. These gaps can lead to inconsistent modeling, insufficient coordination between developers and operators, and underutilization of energy storage capabilities.

Furthermore, industry groups such as the American Clean Power Association (ACP) and the Energy Systems Integration Group (ESIG) have highlighted limitations in existing codes and standards—such as IEEE 1547 and UL 9540—that focus heavily on safety and interconnection,

but do not adequately address the operational contributions of storage under high inverter-based resource (IBR) penetration scenarios. In particular, ESIG's guidance on GFM batteries stresses the importance of moving toward performance-based requirements that reflect modern grid needs.

In the Western Interconnection, where renewable penetration is increasing rapidly, energy storage is poised to play a crucial role in maintaining essential reliability services. However, without a clear and comprehensive review of how reliability standards apply to storage, there is a risk that these resources may be underutilized or mischaracterized in planning and operations. WECC is well-positioned to convene stakeholders, assess standards applicability, and identify opportunities for refinement, including through regional criteria or guidance.

The goals of this initiative include:

- Assessing whether current WECC reliability criteria and NERC standards sufficiently reflect the performance capabilities and operational characteristics of battery energy storage and hybrid systems.
- Identifying gaps or ambiguities in existing standards and modeling practices that could limit the ability of storage resources to contribute to essential reliability services.
- Supporting the development of regional guidance or templates to improve consistency in how storage is studied, interconnected, and operated.
- Encouraging the use of performance-based expectations that enable emerging technologies—like grid-forming inverters—to provide enhanced grid support under high IBR scenarios.

To achieve these goals, WIRAB staff will:

- Monitor the application of NERC Reliability Guidelines and emerging standards relevant to energy storage integration and identify areas where regional guidance may be warranted.
- Participate in relevant WECC and NERC technical committees (e.g., ESF, RRC, RAC, and RSTC) and task forces where energy storage is being studied or discussed.
- Contract with subject matter experts, if needed, to evaluate gaps or ambiguities in existing standards and modeling practices that could limit the ability of storage resources to contribute to essential reliability services.

- Support WECC in engaging with stakeholders—such as utilities, developers, and state regulators—to collect perspectives on the adequacy and clarity of existing standards for storage.
- Convene panel discussions or webinars to inform WIRAB members about storage-related reliability challenges and opportunities, particularly as hybrid resources grow in the West.

As the Western Interconnection navigates a rapidly evolving resource mix, ensuring that reliability standards evolve alongside new technologies is essential. This initiative will help position WECC and its stakeholders to fully leverage the capabilities of energy storage while mitigating emerging risks.

## 2026 Budget and Assessment Impacts

The WIRAB proposed budget for 2026 is $885,728. This amount is $54,167 (6.5%) higher than the amount in WIRAB's approved budget for 2025. Total proposed FTEs for 2026 are 3.20, an increase of 0.60 FTEs over 2025. The budget continues to maintain two employees dedicated to WIRAB activities with additional support from five other technical staff for a total of 3.20 FTEs. WIRAB's total funding requirement is $701,028. WIRAB's proposed funding assessment is $699,028, a $16,433 (2.3%) decrease over the 2025 assessment. The modest assessment decrease is necessary for the continuation of assessment stabilization and the prevention of major fluctuations in future budget periods, while incrementally drawing down reserves to twenty five percent of budgeted expenses. 2026 funding includes the use of working capital reserves in the amount of $184,700.

### Personnel and Indirect Expenses

Direct labor expenses (exclusive of indirect expenses) increased from $281,826 in the 2025 Budget to $309,604 (9.9%) in the 2026 Budget. This is attributable to standard annual cost of living and merit increases of 4% and the addition of 0.60 FTEs in 2026. WIRAB uses a single rate method for indirect expenses. Indirect expenses include office expenses, medical and retirement expenses as well as holiday, vacation, and sick leave for WIRAB staff. The indirect rate is the ratio between overhead expenses to direct labor allocated to WIRAB. The indirect rate remains flat at 95% of direct labor costs in the 2026 Budget. Table 2 shows personnel and indirect expenses per FTE for the approved 2025 Budget and the proposed 2026 Budget.

**Table 2. Personnel and Indirect Expense Analysis, 2025-2026**

**WIRAB - Personnel and Indirect Expense Analysis 2026**

**STATUTORY**

| | Budget 2025 | Projection 2025 | Budget 2026 | Change $ | Change % |
|---|---|---|---|---|---|
| **Personnel** | | | | | |
| Direct Labor | $281,826 | $281,826 | $309,604 | $ 27,778 | 9.9% |
| FTEs | 2.60 | 2.60 | 3.20 | 0.60 | 23.1% |
| Cost per FTE | $108,395 | $108,395 | $ 96,751 | $ (11,643) | -10.7% |
| **Indirect** | | | | | |
| Indirect Rate | 95.0% | 95.0% | 95.0% | | 0.0% |
| Indirect Expense | $267,735 | $267,735 | $294,124 | $ 26,389 | 9.9% |
| FTEs | 2.60 | 2.60 | 3.20 | 0.60 | 23.1% |
| Cost per FTE | $102,975 | $102,975 | $ 91,914 | $ (11,061) | -10.7% |

### Meeting Expense

Meeting costs remain flat at $101,500 in the proposed 2026 budget. WIRAB will hold two major in-person meetings per year that include participation by state/provincial agencies with electric power responsibilities in the Western Interconnection. Wherever feasible, WIRAB meetings will be coordinated with other meetings of the Western states and provinces. Webinars on topics of concern will continue to be utilized between in-person meetings. WIRAB also conducts monthly conference calls to update members on current activities and to develop positions on reliability issues in the Western Interconnection.

### Travel Expense

Travel costs remain flat at $80,500. WIRAB members' travel to biannual meetings and reliability conferences accounts for $42,400. WIRAB staff travel to attend meetings of WIRAB, WECC, NERC, FERC, and other activities account for $38,100. Hotel and travel costs are based on experience from previous years and in consideration of continued economic conditions.

### Consultants and Contracts

The 2025 budget included $100,000 in contract funding for technical expertise on issues related to improved grid operating practices, reliability standards and compliance; the same amount is budgeted for 2026. This expertise will assist WIRAB in preparing and providing technically-sound advice to be submitted to the FERC, NERC, and WECC as authorized under Section 215(j).

# Table 3. Budget Comparison 2025 to 2026

| WIRAB - Statement of Activities and Change in Working Capital<br>2025 Budget & Projection, and 2026 Budget<br>STATUTORY | 2025 Budget | 2025 Projection | Variance Over(Under) | % Change | 2026 Budget | Variance 2026 Budget v 2025 Budget Over(Under) | % Change |
|---|---|---|---|---|---|---|---|
| **Funding** | | | | | | | |
| **WIRAB Funding** | | | | | | | |
| Assessments | $ 715,461 | $ 715,461 | $ - | 0.0% | $ 699,028 | $ (16,433) | -2.3% |
| Penalty Sanctions | - | - | - | | - | - | |
| **Total WIRAB Funding** | **$ 715,461** | **$ 715,461** | **$ -** | **0.0%** | **$ 699,028** | **$ (16,433)** | **-2.3%** |
| Membership Dues | - | - | - | | - | - | |
| Interest | 2,000 | 2,000 | $ - | 0.0% | 2,000 | $ - | 0.0% |
| Miscellaneous | - | - | - | | - | - | |
| **Total Funding (A)** | **$ 717,461** | **$ 717,461** | **$ -** | **0.0%** | **$ 701,028** | **$ (16,433)** | **-2.3%** |
| **Expenses** | | | | | | | |
| **Personnel Expenses** | | | | | | | |
| **Direct Labor** | 281,826 | 281,826 | - | 0.0% | 309,604 | $ 27,778 | 9.9% |
| **Payroll Taxes** | | | - | | | - | |
| **Benefits** | | | - | | | - | |
| **Retirement Costs** | | | - | | | - | |
| **Total Personnel Expenses** | **$ 281,826** | **$ 281,826** | **$ -** | **0.0%** | **$ 309,604** | **$ 27,778** | **9.9%** |
| **Meeting Expenses** | | | | | | | |
| **WIRAB Meetings** | $ 101,500 | $ 101,500 | $ - | 0.0% | $ 101,500 | $ - | 0.0% |
| **State Travel** | 42,400 | 42,400 | $ - | 0.0% | 42,400 | $ - | 0.0% |
| **Staff Travel** | 38,100 | 35,000 | $ (3,100) | -8.1% | 38,100 | $ - | 0.0% |
| | | - | $ - | | - | $ - | |
| **Total Meeting Expenses** | **$ 182,000** | **$ 178,900** | **$ (3,100)** | **-1.7%** | **$ 182,000** | **$ -** | **0.0%** |
| **Operating Expenses** | | | | | | | |
| **Consultants & Contracts** | $ 100,000 | $ 100,000 | $ - | 0.0% | $ 100,000 | $ - | 0.0% |
| **Office Rent** | - | - | - | - | - | - | - |
| **Office Costs** | - | - | - | - | - | - | - |
| **Professional Services** | - | - | - | - | - | - | - |
| **Miscellaneous** | - | - | - | - | - | - | - |
| **Depreciation** | - | - | - | - | - | - | - |
| **Total Operating Expenses** | **$ 100,000** | **$ 100,000** | **$ -** | **0.0%** | **$ 100,000** | **$ -** | **0.0%** |
| **Total Direct Expenses** | **$ 563,826** | **$ 560,726** | **$ (3,100)** | **-0.5%** | **$ 591,604** | **$ 27,778** | **4.9%** |
| **Indirect Expenses** | **$ 267,735** | **$ 267,735** | **$ (0)** | **0.0%** | **$ 294,124** | **$ 26,389** | **9.9%** |
| **Other Non-Operating Expenses** | **$ -** | **$ -** | **$ -** | - | **$ -** | **$ -** | - |
| **TOTAL BUDGET (B)** | **$ 831,561** | **$ 828,461** | **$ (3,100)** | **-0.4%** | **$ 885,728** | **$ 54,167** | **6.5%** |
| **CHANGE IN WORKING CAPITAL (=A-B)[1]** | **$ (114,100)** | **$ (111,000)** | **$ 3,100** | **-** | **$ (184,700)** | **$ (70,600)** | **-** |
| **FTEs** | 2.60 | 2.60 | - | 0.0% | 3.20 | 0.60 | 23.1% |

**Statutory Assessments**

WIRAB's proposed funding assessment of $699,028 is allocated at $594,174 (85%) to the U.S. portion; and $104,854 (15%) to the Canadian portion.

**Key Assumptions**

The WIRAB 2026 Business Plan and Budget is based on the following assumptions:

- There will be no significant expansion of the FERC responsibilities as a result of legislation or administrative actions.
- There is a continued minor expansion of NERC and WECC responsibilities due to FERC Order 901 requiring NERC to develop new or modify Reliability Standards to Address Inverter-Based Resources.
- WIRAB will monitor reliability coordination activities at the RC West, SPP, the AESO, and BC Hydro.
- WIRAB will monitor resource adequacy and transmission planning activities at the Western Power Pool.
- WIRAB will hold two in-person meetings in 2026.
- WIRAB will organize and sponsor webinars and workshops on key reliability issues for WIRAB members, state and provincial representatives, industry representatives, and other interested stakeholders.
- WIRAB will attend all WECC Board of Directors and Member Advisory Committee (MAC) meetings.
- WIRAB will monitor all NERC Board of Trustees meetings and attend select NERC meetings and workshops when necessary.
- WIRAB will annually visit FERC in its offices.
- WIRAB will monitor all FERC business meetings.
- WIRAB will attend FERC technical conferences on reliability issues.

# Section A – Statutory Activities

## 2026 Business Plan and Budget

WIRAB's advice to the FERC, NERC, and WECC can be grouped into four categories that are appropriately funded under Section 215 of the FPA:

1. **Governance and Strategic Planning:** Section 215(j) of the FPA authorizes WIRAB to provide advice to the FERC on the governance, strategic direction, budget, and fees of WECC.

2. **Emerging Trends and System Risks:** WIRAB must maintain awareness of system conditions, emerging trends, and system risks in order to provide effective and technically sound advice regarding the strategic direction of the FERC, NERC, and WECC. WIRAB also uses knowledge of emerging trends and risks to provide advice to WECC on reliability readiness activities and proactive compliance efforts. These activities are appropriately funded under Section 215(j) of the FPA.

3. **Periodic Reliability Assessments:** Section 215(g) of the FPA requires NERC to conduct periodic assessments of the reliability and adequacy of the BPS. WECC assists NERC in performing this statutory activity. WIRAB works closely with WECC to improve reliability and resource adequacy assessments in the Western Interconnection.

4. **Reliability Standards and Proactive Enforcement:** Section 215(j) of the FPA authorizes WIRAB to provide advice to the FERC on whether reliability standards are just, reasonable, not unduly discriminatory, or preferential, and in the public interest. WIRAB works closely with WECC to identify emerging problems or conditions that should be considered in the course of requesting, drafting, and voting on amendments to existing standards and in developing new standards.

WIRAB's activities in each of these categories are described in the following subsections.

## Governance and Strategic Planning

Section 215(j) of the FPA authorizes WIRAB to advise the FERC, NERC, and the regional entity (i.e., WECC) on the governance, strategic direction, budget, and fees of WECC. To inform WIRAB on governance matters, the WIRAB staff engages with the WECC Board of Directors, management, Technical Committees, and Member Advisory Committee (MAC). Through this engagement, WIRAB monitors developments related to WECC's organizational governance, strategic direction, and business plan and budget. This engagement informs WIRAB's efforts to evaluate the effectiveness and efficiency of operations at WECC and to ensure that all "activities conducted pursuant to Section 215 are just, reasonable, not unduly discriminatory or preferential, and in the public interest."

The WIRAB staff also conduct open monthly meetings with WIRAB Members. During these teleconference meetings, WIRAB staff provides WIRAB Members, WECC's Class 5 Representatives (i.e., representatives of state and provincial governments), and other interested stakeholders with regular updates on current and upcoming activities at WECC and other reliability topics in the Western Interconnection. These meetings provide WIRAB Members with an opportunity to develop and review WIRAB's written Advice. During these webinars, the WIRAB staff also provides opportunities for WECC staff to engage with and discuss governance-related activities with WIRAB Members. WIRAB provides WECC with Advice with a single common voice from the states and provinces on operational practices and performance, annual business plans and budgets, strategic planning, committee charters, proposed bylaw amendments, fees, and other matters.

Additionally, WIRAB is deeply involved in WECC's quinquennial organizational review required by Section 4.9 of the WECC Bylaws. Once the organizational review is completed, WIRAB monitors and participates in the implementation of the recommendations that the WECC Board develops during the organizational review. WIRAB and the WIRAB staff will continue to engage with WECC and to provide Advice and guidance to the organization as appropriate.

## Emerging Trends and System Risks

WIRAB staff engages in the following ongoing activities in order to provide independent expert advice on emerging reliability trends and system risks:

**Event Analysis and Situational Awareness:**

Understanding important operational issues facing the bulk power system (BPS) today, as well as in the past, is key to maintaining and improving reliability in the Western Interconnection. Event analysis and situational awareness matters should be discussed in open and transparent forums, when appropriate. These types of discussions bring together utility operators, who deal with these types of issues on a day-to-day basis, with thought leaders to provide different perspectives that can add value to tackling reliability challenges. It is important to share lessons learned and to promote best practices to ensure that system operators have access to the tools and knowledge necessary to maintain a reliable grid in real-time.

WIRAB members and the WIRAB staff engage in relevant discussions and activities by attending and participating in WECC's technical committee meetings, monitoring the western Reliability Coordinators, and monitoring reliability activities in other forums. The WIRAB staff also provides leadership by conducting educational webinars and develops panel sessions for WIRAB's in-person meetings. These outreach opportunities are designed to promote discussions among Western regulators, policymakers, and other stakeholders regarding emerging trends and risks associated with system events.

**Expanding Market Operations:**

Organized markets continue to expand in the Western Interconnection. The California Independent System Operator (CAISO) Western Energy Imbalance Market (WEIM) continues to gain new participants, and CAISO will soon offer day-ahead market services to WEIM participants (Extended Day-Ahead Market, or EDAM). The Southwest Power Pool (SPP) is also offering market services, including Western Energy Imbalance Services (WEIS), to Balancing Authorities (BAs) and Transmission Operators (TOPs) within the Western Interconnection with expanding services through its Market+ initiative. Some western utilities are expected to join SPP's full RTO with expansion into the Western Interconnection. Additionally, discussions are occurring through the West-Wide Governance Pathways Initiative to explore a viable path to electricity market inclusive of all western states, with independent governance. These market reforms could result in significant changes to system operations (e.g., transmission scheduling, congestion management, etc.) and create new reliability challenges and opportunities for the Western Interconnection. The

Western Power Pool's Western Resource Adequacy Program (WRAP) is in a non-binding period, and when it moves to fully binding operations it will allow Western participants to coordinate resource adequacy requirements necessary to maintain reliability.

The WIRAB staff monitors market reform efforts in the Western Interconnection and provides a forum for discussions about reliability-related issues associated with developing multiple markets in the Western Interconnection. The WIRAB staff monitors and participates in forums that are exploring these reliability issues associated with markets taking place at public utility commissions, regional TOP meetings, and ISO/RTO workshops. Additionally, the WIRAB staff engages in relevant WECC technical committee meetings and activities, such as those of WECC's Reliability Risk Committee. WIRAB will continue to provide advice to WECC and to make recommendations as appropriate on reliability challenges and opportunities associated with expanding market operations in the Western Interconnection.

**Essential Reliability Services:**

As the resource mix continues to change, some reliability services that have traditionally been provided by synchronous generating resources may not be available to the same extent in the future as the BPS is becoming increasingly reliant on variable inverter-based resources. The electric utility industry must examine alternative opportunities to provide these essential reliability services and develop practices today that support ongoing BPS reliability under a new paradigm. Inverter-based resources, specifically solar PV generation, have historically been regarded as unable to provide grid supporting services, such as frequency support and voltage control, traditionally provided by synchronous resources. However, new power electronic technologies available through advanced inverters and other grid-enhancing technologies now enable inverter-based generation to provide grid support similar to synchronous generators if programmed correctly. FERC Order 901, which requires NERC to develop new or modify Reliability Standards to Address Inverter-Based Resources, will address some reliability gaps related to inverter-based resources in data sharing, model validation, planning and operational studies, and performance and ride-through requirements. The West has been at the forefront of the inverter-based resource issue, so there may still be a need for additional policies and practices to account for emerging technologies to support grid reliability in the future in the Western Interconnection.

WIRAB Members and the WIRAB staff develop expertise by attending, participating in, and monitoring WECC's Technical Committees, NERC's Reliability Issues Steering Committee (RISC), Reliability and Security Technical Committee (RSTC), the FERC's Reliability Technical Conferences, and other forums within the industry such as the Energy Systems Integration Group (ESIG). WIRAB provides advice on policies regarding the risks associated with the provision of essential reliability services in the Western Interconnection. Additionally, WIRAB leverages subject matter expertise via consultant projects to educate and inform WIRAB Advice. WIRAB staff also provide periodic outreach webinars and develop panel sessions for WIRAB's in-person meetings to discuss emerging trends. These forums provide an opportunity to inform Western policymakers and other interested stakeholders of the emerging risks associated with the changing resource mix and the importance of maintaining essential reliability services in the Western Interconnection.

**Load Growth and Large Loads:**

The Western Interconnection is experiencing a surge in electricity demand driven by electrification efforts and the rapid emergence of large loads, such as advanced manufacturing facilities and data centers. These loads often require hundreds of megawatts of new demand, may be clustered in locations with limited transmission capacity, and can be deployed much faster than utility infrastructure can be upgraded. This imbalance presents significant reliability planning and operational challenges.

WIRAB monitors the potential system risks from this unprecedented load growth by engaging with regulators, utilities, WECC and NERC technical committees, and other industry forums. The WIRAB staff also participates in discussions around transmission and distribution system impacts, utility interconnection processes, and the adequacy of planning models and assumptions to address fast-evolving load scenarios. WIRAB advises WECC to work with industry stakeholders to evaluate accelerated load scenarios and large load impacts on the reliability of the Western Interconnection.

## Periodic Reliability Assessments

Assessing the reliability implications of a changing resource mix is a high priority for WIRAB. WIRAB strives for WECC to produce high-quality assessments that address the

reliability implications of the changing resource mix in the Western Interconnection over a 10- to 20-year timeframe to inform policymaking in the West. Production cost modeling can identify the economic dispatch of a potential new resource mix for every hour over a future year and identify critical hours of system stress. Power flow analysis then examines these critical stress hours for traditional reliability parameters. The integrated use of production cost modeling and power flow analysis will be essential for future reliability assessments of the Western Interconnection.

Additionally, the Western Power Pool (WPP), through its Western Transmission Expansion Coalition (WestTEC) initiative, is undertaking a collaborative, West-wide effort aimed at formulating an actionable transmission plan to cater to the future energy grid's requirements. A West-wide transmission plan will have significant reliability implications that require adherence to principles of transparency, independence, and inclusivity, with due consideration for interconnection-wide transmission planning perspectives. WECC is contributing both time and money to support this effort.

WIRAB will monitor the WestTEC initiative and Advise WECC in its participation in the effort. Additionally, WIRAB monitors, advises, and participates in WECC's RAC to promote improved reliability assessments of the Western Interconnection. WIRAB will encourage and support the RAC in its efforts to integrate WECC's data and modeling capability to perform roundtrip reliability assessments that combine power flow analysis and production cost modeling. WIRAB will also monitor, engage, and communicate findings on leading research about the integration of variable energy resources into the Western Interconnection, such as the work of NERC's Inverter- Based Resource Subcommittee. WIRAB maintains a non-voting member status of the Energy Systems Integration Group (ESIG) where WIRAB Staff engage in technical working groups and workshops to discuss emerging issues, which helps to inform WIRAB's advice to WECC, NERC and FERC. Further, WIRAB staff monitors and engages with national laboratories, academic and industry trade organizations such as the Institute of Electrical and Electronics Engineers (IEEE), registered entity activities, and other forums investigating the flexibility and reliability of the power system. WIRAB also provides outreach to Western states and provinces on the policy implications associated with new research.

## Reliability Standards and Proactive Enforcement

WIRAB staff engages in the following ongoing activities in order to provide independent expert advice on the development and proactive enforcement of reliability standards:

**Operations and Planning Reliability Standards:**

Reliability standards were created to provide the minimum requirements for planning and operating the electric grid. The compliance and enforcement of these reliability standards ensure there is oversight and accountability of BPS owners and operators to maintain system-wide reliability. Reliability standards must be strict enough to guarantee that system reliability is maintained, but flexible enough to respond to the changing industry. It is essential to develop and review reliability standards to ensure they effectively preserve reliability while not being overly burdensome on the entities required to comply.

WIRAB staff develops WIRAB advice on the development and proactive enforcement of reliability standards by contracting with subject matter experts with direct knowledge of the efficacy of reliability standards and the burden of compliance on regulated entities. WIRAB staff attends, participates, or monitors WECC's Technical Committee meetings, WECC's Standards Committee meetings, WECC's Reliability and Security Workshop, NERC's standard development process, and other industry forums. When necessary, WIRAB provides written advice to WECC, NERC and the FERC on the implementation of specific standards within the Western Interconnection and standards that have a significant impact on the Western Interconnection. WIRAB staff also conduct educational webinars and in-person panel discussions for WIRAB's meetings to consider emerging trends that may require changes to reliability standards in the Western Interconnection.

**Physical and Cyber Security:**

The electric grid's physical and cyber security continues to represent issues of growing concern in the Western Interconnection and across the ERO. The Western Interconnection has experienced physical and cyber incidents that have potentially impacted system reliability. Experiences worldwide demonstrate there is a greater threat to the electric grid reliability related to physical and cyber security. The Critical Infrastructure Protection (CIP) standards provide a baseline level set of requirements for registered entities to maintain the protection of critical assets

of the BPS. The CIP standards must be risk-based to ensure that critical assets are protected while maintaining the flexibility to respond to the changing nature of potential threats. It is essential to develop and review the CIP standards to effectively preserve reliability while not being overly burdensome on the entities required to comply.

WIRAB stays abreast of significant incidents that have compromised both the physical and cyber security of the grid through secure briefings and updates from security experts. WIRAB works with WECC and subject matter experts to educate regulators on the steps registered entities take to maintain the physical and cyber security of the grid. WIRAB continues to monitor the development of NERC's CIP standards and will provide advice when appropriate. WIRAB staff observes NERC's GridEx exercises, which allow utilities to demonstrate how they would respond to coordinated cyber and physical security events. WIRAB encourages entities to broadly share lessons learned and best practices across the Western Interconnection.

# Section B – Supplementary Financial Information

## 2026 Business Plan and Budget

### Working Capital Reserve

WIRAB projects that it will have a working capital reserve of $671,900 on December 31, 2025, as compared to a desired working capital reserve on December 31, 2026, of $487,200 which is 55 percent of budgeted expenses. WIRAB's target working capital reserve is 25 percent of budgeted expenses. In order to maintain assessment stabilization and avoid large fluctuations over several budget cycles, a more desirable level of reserves has been established for 2026 to draw down reserves incrementally and consistently. The surplus working capital reserve results in a $184,700 reduction in WIRAB's funding requirement for 2026.

In its 2018 Business Plan and Budget, WIRAB changed its reserve policy to stabilize statutory assessments while reducing its surplus financial reserve over several budget cycles. FERC allows WIRAB to carry a financial reserve under the proviso that any excess reserves be used to offset future assessments. WIRAB's funding assessments are calculated nine months in advance of each budget year. This assessment is fixed, meaning that, once approved, it cannot be decreased or increased mid-year to match actual expenses more closely. The financial reserve allows for some budgetary flexibility.

**Table B-1. Working Capital Reserve Analysis 2025 – 2026**

| WIRAB - Working Capital Reserve Analysis 2025 - 2026 | |
|---|---|
| **STATUTORY** | |
| **Beginning Working Capital Reserve (Deficit), December 31, 2024** | 782,876 |
| Plus: 2025 Funding (from LSEs or designees) | 715,461 |
| Plus: 2025 Other funding sources | 2,000 |
| Minus: 2025 Projected expenses & capital expenditures | (828,461) |
| **Projected Working Capital Reserve (Deficit), December 31, 2025** | **671,900** |
| **Desired Working Capital Reserve, December 31, 2026** | 487,200 |
| Minus: Projected Working Capital Reserve, December 31, 2025 | (671,900) |
| **Increase(decrease) in funding requirement to achieve Working Capital Reserve** | (184,700) |
| 2026 Expenses and Capital Expenditures | 885,728 |
| Less: Penalty Sanctions | 0 |
| Less: Other Funding Sources | (2,000) |
| Adjustment: To achieve desired Working Capital Reserve | (184,700) |
| **2026 NERC Assessment** | 699,028 |

## Table B-2. 2025 Budget with 2026 & 2027 Projections

WIRAB projects a 6.5% increase to its annual budget in 2026 and a 3.3% increase in 2027. These increases reflect standard annual changes in indirect expense, expected cost-of-living adjustments to personnel expenses for employees, personnel allocations, and meeting expenses.

| WIRAB - 2025, 2026, and 2027 Budget Projections<br>STATUTORY | 2025 Budget | 2026 Projection | Change 2026 Projection v 2025 Budget Over(Under) | % Change | 2027 Projection | Change 2027 Projection v 2026 Budget Over(Under) | % Change |
|---|---|---|---|---|---|---|---|
| **Funding** | | | | | | | |
| **WIRAB Funding** | | | | | | | |
| Assessments | $ 715,461 | $ 699,028 | $ (16,433) | -2.3% | $ 651,200 | $ (47,828) | -6.8% |
| Penalty Sanctions | - | - | - | | - | - | |
| **Total WIRAB Funding** | **$ 715,461** | **$ 699,028** | **$ (16,433)** | **-2.3%** | **$ 651,200** | **$ (47,828)** | **-6.8%** |
| Membership Dues | - | - | - | | - | - | |
| Testing Fees | - | - | - | | - | - | |
| Services & Software | - | - | - | | - | - | |
| Workshops | - | - | - | | - | - | |
| Interest | 2,000 | 2,000 | $ - | 0.0% | 2,000 | $ - | 0.0% |
| Miscellaneous | - | - | - | | - | - | |
| **Total Funding (A)** | **$ 717,461** | **$ 701,028** | **$ (16,433)** | **-2.3%** | **$ 653,200** | **$ (47,828)** | **-6.8%** |
| **Expenses** | | | | | | | |
| **Personnel Expenses** | | | | | | | |
| **Direct Labor** | 281,826 | 309,604 | 27,778 | 9.9% | 322,000 | $ 12,396 | 4.0% |
| **Payroll Taxes** | | | - | | | - | |
| **Benefits** | | | - | | | - | |
| **Retirement Costs** | | | - | | | - | |
| **Total Personnel Expenses** | **$ 281,826** | **$ 309,604** | **$ 27,778** | **9.9%** | **$ 322,000** | **$ 12,396** | **4.0%** |
| **Meeting Expenses** | | | | | | | |
| **WIRAB Meetings** | $ 101,500 | $ 101,500 | $ - | 0.0% | $ 104,500 | $ 3,000 | 3.0% |
| **State Travel** | $ 42,400 | $ 42,400 | $ - | 0.0% | $ 43,700 | $ 1,300 | 3.1% |
| **Staff Travel** | $ 38,100 | $ 38,100 | $ - | 0.0% | $ 39,200 | $ 1,100 | 2.9% |
| **Total Meeting Expenses** | **$ 182,000** | **$ 182,000** | **$ -** | **0.0%** | **$ 187,400** | **$ 5,400** | **3.0%** |
| **Operating Expenses** | | | | | | | |
| **Consultants & Contracts** | $ 100,000 | $ 100,000 | $ - | 0.0% | $ 100,000 | $ - | 0.0% |
| **Office Rent** | - | - | - | - | - | - | - |
| **Office Costs** | - | - | - | - | - | - | - |
| **Professional Services** | - | - | - | - | - | - | - |
| **Miscellaneous** | - | - | - | - | - | - | - |
| **Depreciation** | - | - | - | - | - | - | - |
| **Total Operating Expenses** | **$ 100,000** | **$ 100,000** | **$ -** | **0.0%** | **$ 100,000** | **$ -** | **0.0%** |
| **Total Direct Expenses** | **$ 563,826** | **$ 591,604** | **$ 27,778** | **4.9%** | **$ 609,400** | **$ 17,796** | **3.0%** |
| **Indirect Expenses** | **$ 267,735** | **$ 294,124** | **$ 26,389** | **9.9%** | **$ 305,900** | **$ 11,776** | **4.0%** |
| **Other Non-Operating Expenses** | **$ -** | **$ -** | **$ -** | - | **$ -** | **$ -** | - |
| **TOTAL BUDGET (B)** | **$ 831,561** | **$ 885,728** | **$ 54,167** | **6.5%** | **$ 915,300** | **$ 29,572** | **3.3%** |
| **CHANGE IN WORKING CAPITAL (=A-B)[1]** | **$ (114,100)** | **$ (184,700)** | **$ (70,600)** | **-** | **$ (262,100)** | **$ (77,400)** | **-** |
| **FTEs** | 2.60 | 3.20 | 0.60 | 23.1% | 3.20 | - | 0.0% |

# Section C – Non-Statutory Activities

## 2026 Business Plan and Budget

WIRAB does not engage in non-statutory activities.

# Section D – Additional Consolidated Financial Statements

## 2026 Business Plan and Budget

### Statement of Financial Position

Table D-1 provides WIRAB's Statement of Financial Position as of the following dates:

- As of June 30, 2024, per audit
- As of December 31, 2025, projected
- As of December 31, 2026, as budgeted

**Table D-1. Statement of Financial Position, Three-Year Comparison**

| WIRAB - Statement of Financial Position<br>STATUTORY | As of June 30, 2024 (Audit) | As of December 31, 2025 (Projected) | As of December 31, 2026 (Budgeted) |
|---|---|---|---|
| **Assets** | | | |
| Cash and Investments | $ 908,160 | $ 671,900 | $ 487,200 |
| **Total Assets** | **$ 908,160** | **$ 671,900** | **$ 487,200** |

# Appendix A – Organization Chart

## 2026 Business Plan and Budget

**The WIRAB Staff Organization Chart is shown below.**