

Questions and Answers on Proposed WIEB Bylaw Amendments

Q1: When was the last time the Bylaws were amended?

A: 1996

Article I.F.

Q2: Why segregate the financial records for WIRAB from the general WIEB books?

A: Expenditures to support the WIRAB may be reviewed by WECC, the ERO and FERC. Separate accounting would make the review of WIRAB expenditures easy and transparent. FERC's final reliability rules require the ERO and Regional Entities to provide FERC details on their activities covered by Section 215 and those outside Section 215.¹ If FERC agrees to allow funding WIRAB from mandatory dues under Section 215 it is likely the Commission would require such segregation of expenditures. A second reason is that the Board needs to report to Western Governors on the WIRAB including expenditures to support the WIRAB.

Article IV

Q3: Why were Articles IV, V and VI combined?

A: These Articles in the existing Bylaws were combined to group together under one Article the provisions pertaining to the Energy Board. There are no substantive changes in the text. The new structure groups the provisions pertinent to the Energy Board under Article IV and those pertinent to the Western Interconnection Regional Advisory Body under Article V.

Article V

Q4: Why is the WIRAB created as a standing advisory committee of the Western Interstate Nuclear Board?

A: The legal entity created by the Western Interstate Nuclear Compact is the Western Interstate Nuclear Board. Ten states (AZ, CA, CO, ID, MT, NV, NM, UT, WA, WY) are signatories to the Compact and active. The Western Interstate Energy Board is a standing advisory committee to the Nuclear Board and includes the same membership as the Nuclear Board plus OR, AB (associate member), BC (associate member), Saskatchewan (associate member), and NE (associate member). This arrangement allows states (e.g., OR) to participate in the Western

¹ The preamble to the final FERC rules provide that "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." (paragraph 227)

Interstate Energy Board without having to enact the Western Interstate Nuclear Compact. Associate members of the Board do not have voting rights but participate in Board discussions. Provincial enactment of the Western Interstate Nuclear Compact would be problematic. The Energy Board conducts all business of the Nuclear Board except for three non-delegable actions -- hiring of an Executive Director, election of officers of the Nuclear Board, and approval of a budget. At its annual meetings, the Board elects officers of the Energy Board and the Nuclear Board. The Board has always approved budgets by unanimous consent guaranteeing an affirmative vote by a majority of the Nuclear Board.

The WIRAB would be created in the same manner as the Energy Board, technically as an advisory committee to the Nuclear Board. Like the Energy Board, WIRAB would take final policy actions without requiring the approval of another body. As anticipated in Section 215(j) of the Federal Power Act and WGA [resolution 05-29](#), all members of the WIRAB would vote on issues before the WIRAB.

Q5. Why limit the WIRAB membership to those states with one-half of their load in the Western Interconnection?²

- A. Section 215(j) of the Federal Power Act provides the requirement for one-half the load within the region. Very small sections of South Dakota, Nebraska and Texas are in the Western Interconnection.

Q6. Should South Dakota, Nebraska and Texas be invited to join the WIRAB?

- A. That is a decision for the Board.

Q7. What agency from Mexico should be invited to join the WIRAB?

- A. There are two logical possibilities, the state of Baja Norte and the Mexican Federal Government's Comision Federal de Electricidad.

Q8. What's the relationship between the WIRAB and the Energy Board?

- A. Members of the Energy Board (or their alternates) are the members of the WIRAB. The WIRAB may ask the Energy Board and its Committee on Regional Electric Power Cooperation (CREPC) to undertake work to assist the WIRAB. Presumably, such work would be paid for from funds collected to operate the WIRAB.

Q9. How will the WIRAB be financed?

² EAct 2005, Sect. 1211(j): The Commission shall establish a regional advisory body on the petition of at least two thirds of the States within a region that have more than one-half of their electric load served within the region.

A. Section 215 of the FPA provides that all costs under Section 215 (including Regional Advisory Bodies) will be financed from revenues sources that the ERO and WECC will be funded. However, FERC said in the preamble to the final rules: “We find that it is not necessary to provide in our regulations funding of a Regional Advisory Body. Such bodies are voluntary organizations with members to be appointed by the Governor of each participating state or province. Each Regional Advisory Body is responsible for developing its own funding means.” (paragraph 248 on page 103). Efforts are being made to determine if FERC’s decision is an oversight or whether they want to deny Section 215 funding to Regional Advisory Bodies.

Q.10 What is the relationship between WIRAB and WECC?

A: There is no legal connection between WIRAB and WECC, however, it is likely that WIRAB would focus much of its attention on the activities of WECC since those activities are most germane to the states and provinces. Whether there will be any connection between WECC and WIRAB regarding the WIRAB budget is unclear. It is possible that if FERC allows Regional Advisory Bodies to be funded from mandatory fees, then the revenue to support WIRAB could become part of the WECC budget submission to the ERO which would eventually be ruled on by FERC.