

**NERC**

NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

# ERO Enterprise Combined 2018 Budgets and Assessments

Scott Jones, Vice President of Finance  
Finance and Audit Committee Meeting  
August 9, 2017

**RELIABILITY | ACCOUNTABILITY**



# 2017 vs 2018 Budgeted Expenses

(\$000's)

Entity	2017	% of Total ERO Budget	2018	% of Total ERO Budget	% Change
NERC	\$ 69,602	36.3%	\$ 73,135	37.0%	5.1%
FRCC	7,178	3.7%	7,514	3.8%	4.7%
MRO	11,227	5.9%	11,727	5.9%	4.5%
NPCC	15,147	7.9%	15,107	7.6%	-0.3%
RF	19,909	10.4%	21,394	10.8%	7.5%
SERC	17,482	9.1%	17,183	8.7%	-1.7%
SPP RE	10,866	5.7%	10,793	5.5%	-0.7%
TRE	12,167	6.4%	12,657	6.4%	4.0%
WECC	26,797	14.0%	27,097	13.7%	1.1%
WIRAB	1,229	0.6%	1,068	0.5%	-13.1%
	<b>\$ 191,604</b>	<b>100.0%</b>	<b>\$ 197,675</b>	<b>100.0%</b>	<b>3.2%</b>

Entity	Change			
	2017	2018	2018 v 2017	% Change
NERC	\$ 59,856	\$ 62,937	\$ 3,081	5.1%
FRCC	6,164	6,661	497	8.1%
MRO	10,494	10,730	236	2.2%
NPCC	14,255	14,342	87	0.6%
RF	19,561	20,148	587	3.0%
SERC	15,706	17,205	1,499	9.5%
SPP	9,093	9,727	635	7.0%
TRE	9,595	11,272	1,677	17.5%
WECC	25,282	25,282	0	0.0%
WIRAB	901	711	-190	-21.1%
<b>TOTAL ERO ENTERPRISE</b>	<b>\$ 170,908</b>	<b>\$ 179,014</b>	<b>\$ 8,106</b>	<b>4.7%</b>

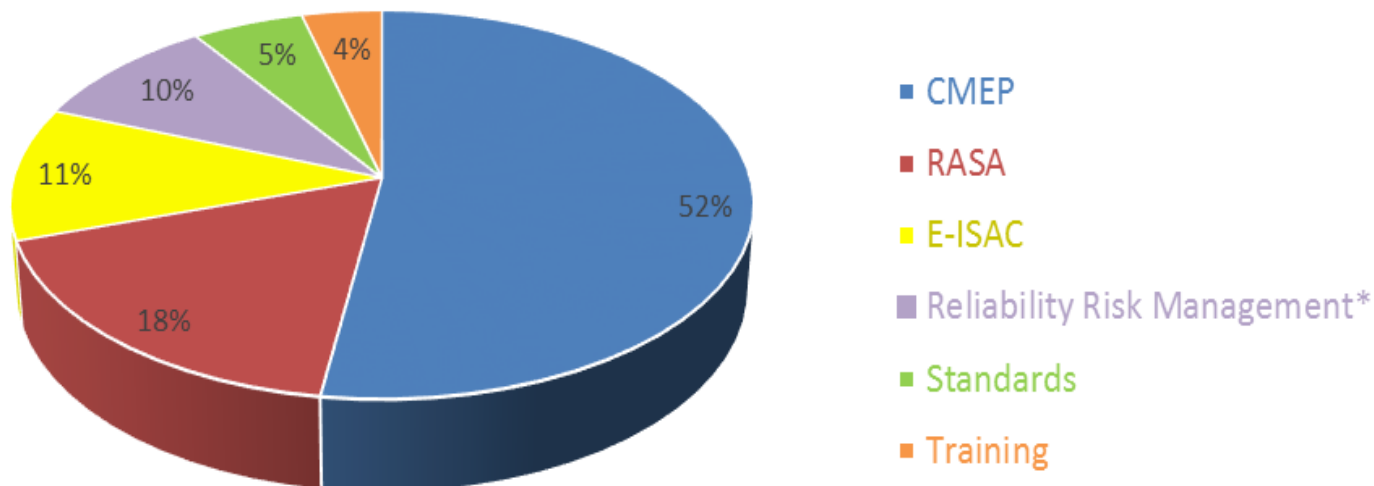
# Change in Total ERO Enterprise Assessments (by Region)

<b>REGION</b>	<b>% Change 2016 v 2015</b>	<b>% Change 2017 v 2016</b>	<b>% Change 2018 v 2017</b>
FRCC	7.6%	-2.0%	6.9%
MRO	11.8%	-2.1%	3.6%
NPCC	1.3%	1.0%	2.6%
RF	3.3%	1.8%	3.9%
SERC	2.1%	10.0%	7.3%
SPP RE	-6.5%	4.5%	6.7%
TRE	-4.6%	2.5%	13.8%
WECC	1.1%	1.4%	0.6%
<b>Total \$ Change</b>	<b>\$ 2,977,758</b>	<b>\$ 4,399,595</b>	<b>\$ 8,106,719</b>
<b>Total % Change</b>	<b>1.8%</b>	<b>2.6%</b>	<b>4.7%</b>

*Note: NERC assessments are allocated to each Regional Entity using NEL data. For purposes of this table, NERC assessments were allocated using the 2016 data.*

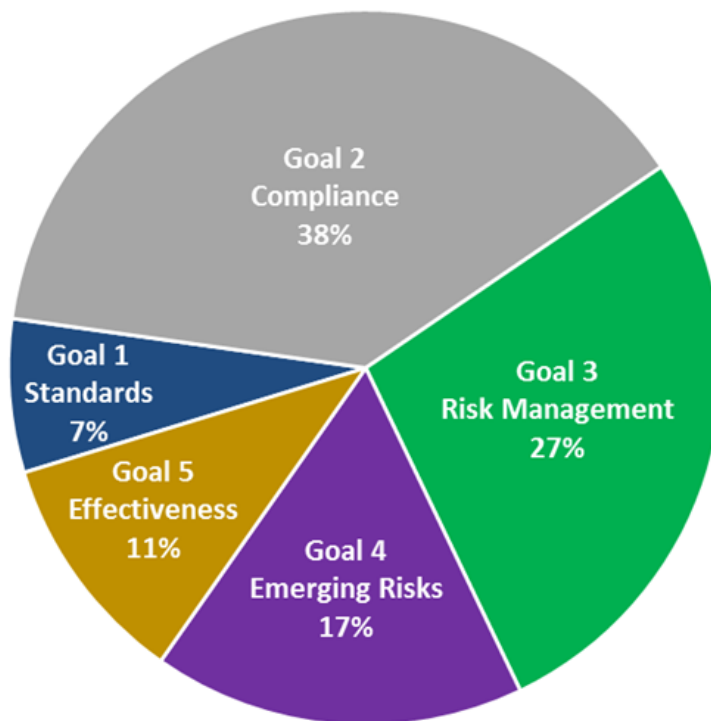
- NERC and Regional Entity resource requirements and budgets
- Year-End reserve levels
  - Surplus reserves
  - Reserves from prior years that can be applied
- Penalty funds and stabilization reserves (U.S. only)
  - Loss of one time offsets applied in prior year
  - New penalty funds available
- Year to year NEL (Net Energy for Load) variations
- Application and true-up of certain Canadian credits

## Total ERO Enterprise 2018 Budget By Program Area



\*For NERC Includes Performance Analysis, Event Analysis and Situation Awareness  
For Regions includes Situation Awareness

## ERO Enterprise Resource Allocation to Strategic Goal Areas





# Questions and Answers