

DRAFT Long-term Strategy September 17, 2024

Introduction

Our "Why"

Electricity is an essential part of the fabric of modern life. WECC strengthens that fabric to preserve and improve society's future. Our "why" is at the heart of all we do, because we know what happens when the power goes out—gas systems fail, water pumps cease to operate, communication networks shut down, emergency services are impaired, economies are affected, people panic, and lives are lost.

The Western Interconnection is changing at a magnitude and pace that is unparallelled. Those who plan, operate, and care about the reliability of the interconnection must confront challenges more frequently—increasingly recurrent extreme natural events, large-scale generator retirements to meet aggressive clean energy goals, massive amounts of new generators that present new technological and dispatchability challenges, evolving and increasing cyber- and physical threats, the risks and opportunities posed by artificial intelligence, rapidly changing demand brought about by electrification, and the proliferation of data centers and other technologies, with their accompanying large loads. In short, change is affecting everything, everywhere, all at once.

To fulfill our mission to effectively and efficiently mitigate risks to the reliability and security of the Western Interconnection's Bulk Power System, we must continue to elevate our organizational health and organizational performance. We must be *The* Voice of Reliability in the West.

We are part of a Brilliant Model



We are unified in our reliability Mission with the other entities of the ERO Enterprise. NERC and the Regional Entities play different, but important and complementary, roles in delivering ERO Enterprise programs. NERC provides industry-wide perspective and oversight, and the Regional Entities have unique features and activities that serve the needs of their regional constituents. The partnership

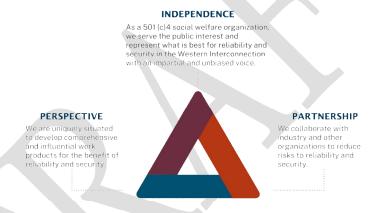
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between NERC and the Regional Entities is critical to the success of the ERO Enterprise. As an enterprise, we are committed to:

- Working together as one team and honoring each of its roles;
- Actively supporting ERO Enterprise activities while eliminating unnecessary duplication of work;
- Collaborating in developing clear and consistent guidance across the ERO Enterprise;
- Sharing information, knowledge, and resources across the ERO Enterprise;
- Developing and sharing harmonized messages across ERO Enterprise communications; and
- Supporting innovation, initiative, and the sharing of best practices across the ERO Enterprise.

At WECC, our Long-term Strategy with its five Impact Areas very deliberately aligns with the ERO Enterprise Long-term Strategy and its four Focus Areas.

We are uniquely positioned to be The Voice of Reliability in the West



Our ability to inform, educate and collaborate makes us unique in the Western Interconnection.

- <u>Independence</u>: All stakeholders look to and rely upon us as the impartial and unbiased voice on
 matters that impact reliability in the Western Interconnection. We deliver relevant insight and
 sometimes difficult messages necessary to address and mitigate risks to the grid. Our analytical,
 oversight, and study work support and reinforce our independent approach/mission.
- <u>Perspective</u>: We develop comprehensive and influential work products that ensure reliability and security. WECC is distinguished as a regional entity with an interconnection-wide view. Our unique perspective and role allow us to analyze a wide variety of data which assists in identifying and addressing/mitigating broad risks to reliability and security.
- <u>Partnership</u>: We collaborate and coordinate across stakeholders to identify, evaluate, and reduce risks to the reliability and security of the Western Interconnection. Our credibility with industry, policymakers, government entities, regional bodies, interested stakeholders and the ERO Enterprise is the key to successfully achieving our mission.



Impact Areas

We have identified five Impact Areas that will ensure a future in which we continue to realize our vision of a reliable and secure bulk power system in the Western Interconnection.

- 1. We are an organization aligned around risk reduction. Our holistic risk-based approach uses all the tools and skills available to deliver comprehensive risk mitigation strategies.
- 2. We are sought after as a partner to address the risks that pose the greatest threat to reliability. We identify concerns and facilitate solutions with input from diverse and often conflicting stakeholder perspectives, focusing our resources on risks that pose the greatest threat to reliability and security.
- 3. Our insights, analyses, and outreach promote industry action. We are renowned for providing clear and actionable communications supported by data and rigorous analysis.
- 4. Our resource- and technology-neutral, interconnection-wide perspective is respected and trusted to assure decision-makers that they have an independent partner to rely on.
- 5. Our highly skilled and engaged employees are champions for reliability.

Detail on each of these Impact Areas follows.

<u>Impact Area 1</u>: We are an organization aligned around risk reduction. Our holistic risk-based approach uses all the tools and skills available to deliver comprehensive risk mitigation strategies.

We develop cohesive, well-coordinated strategies to identify and mitigate risks to reliability and security. These strategies are effective and leverage all of the tools at our disposal. To ensure that our risk-based approach meets the reliability and security challenges facing the Western Interconnection:

- We collectively work from, orient around, and live by a single, company-wide register of risks that drives a holistic, coordinated, comprehensive, one-WECC mindset and approach to identifying, prioritizing, and mitigating reliability and security risks.
- We use effective and coordinated implementation of resources (e.g., oversight, event analysis, reliability assessments, outreach, strategic engagement, internal and external relationships, training, etc.) and skills across the organization in support of identifying and reducing risks to reliability.
- We create an environment where industry participants in the Western Interconnection focus on how to identify and mitigate risks to reliability and security as opposed to focusing solely on compliance risk.

Impact Area 2: We are sought after as a partner to address the risks that pose the greatest threat to reliability. We identify concerns and facilitate solutions with input from diverse and often conflicting stakeholder perspectives, focusing our resources on risks that pose the greatest threat to reliability and security.



Our stakeholders share their known and emerging reliability risks with us and seek to partner with us to address their related needs and concerns. They are actively engaged in our oversight and risk identification programs. They gather and share impact data and relevant considerations related to the identified risks. Our stakeholders implement collectively-identified risk mitigation strategies. To ensure we are the sought after partner for reliability issues in the Western Interconnection:

- Our stakeholders collaborate with us in a way that strengthens our independence, enabling us to perform world-class monitoring and oversight and to produce timely, relevant work that informs reliability and security in the Western Interconnection.
- Our stakeholders rely upon and value the unique perspective that we have as both a regulator and a partner.
- Our teams' commitment to interdisciplinary collaboration fosters the partnership and coordination with stakeholders necessary to maximize our impact on the most important reliability topics, while ensuring we do not expend resources on low-impact activities.

<u>Impact Area 3</u>: Our insights, analyses, and outreach drive industry action. We are renowned for providing clear and actionable communications supported by data and rigorous analysis.

Our broad range of stakeholders in the Western Interconnection rely on our products as authoritative sources to inform conclusions and resulting actions. Our communications and publications are celebrated by their targeted audiences for being timely, clear, and compelling because:

- We enhance existing and create new modes of training, outreach, and communication.
- We use the latest technologies and tools available to acquire the data we need, to understand and analyze that data, and to manage the data in an exemplary manner.
- We ensure that they are technically rigorous while being tailored to their intended recipients and are timely delivered to the stakeholders who need them.

<u>Impact Area 4</u>: Our resource- and technology-neutral, interconnection-wide perspective is respected and trusted to assure decision-makers that they have an independent partner to rely on.

We are a critical partner in discussions that impact reliability and security across the interconnection. Decision makers use our information to support decisions being made within their jurisdictions to the benefit of reliability. We are the trusted and critical partner decision-makers in the Western Interconnection need because:

- Our products and insights empower decision makers in the Western Interconnection to make decisions that have reliability as a priority.
- Our products speak across multiple audiences. Everything we develop and produce exhibits outside-in thinking.



• Our neutrality and singular focus on reliability creates a space where decision-makers can share their diverse perspectives to address the most significant reliability issues.

Impact Area 5: Our highly skilled and engaged employees are champions for reliability.

Our employees have sought out and remain with us because they are passionate about our Vision and Mission, our culture, and opportunities to develop and do work that matters. Our employees are valued and trusted partners who produce high quality, credible, and influential work. Our employees are engaged, highly skilled and want to be part of an organization that is taking on the most significant reliability issues because:

- We intentionally connect all our employees to our Vision, Mission, and culture, through our workforce engagement model.
- We trust each other and are empowered and accountable to challenge the status quo, embrace change, and elevate our contributions.
- We focus on professional development and knowledge transfer to build cross-functional teams, to provide development opportunities to employees, and ensure that we have the bench strength to fulfill our mission.

Conclusion

Electricity is an integral part of the fabric of modern life. Our reliability and security vision and mission are crucial to preserving the strength of that fabric. In the increasingly complex and rapidly changing landscape of the Western Interconnection, we embrace our role as *The* Voice of Reliability by adopting this Long-term Strategy.

