



MRO Draft 2020 Business Plan and Budget Posted for Review and Comment

May 3, 2019

Saint Paul, MN. Midwest Reliability Organization (MRO) is pleased to announce that it is in the final stages of developing its 2020 Business Plan and Budget, a draft of which is now available for industry review and comment. The draft budget of \$17.5 million reflects an overall increase of \$1.6 million (9.8 percent) from the 2019 budget, and makes thoughtful and strategic investments in support of MRO's vision of a highly reliable and secure North American bulk power system.

The primary reason for the budget increase is the substantial combination of the former Southwest Power Pool Regional Entity with MRO that became effective on July 1, 2018. Since that time, MRO's leadership team has had the opportunity to monitor and assess the actual impact of the regional expansion on the organization's workload, and experience has informed decisions about necessary resources. "If approved, the draft 2020 budget allows MRO to continue focusing on high quality execution of delegated work, alignment and support of ERO Enterprise initiatives, and expanding regional outreach and engagement in key risk areas," said President and CEO Sara Patrick. She added that when compared with the combined 2018 portion of the SPP RE budget and 2018 MRO budget, the draft 2020 budget continues to reflect significant savings of \$3.2 million (16 percent) and a 10 percent reduction in Net Energy for Load (NEL) assessment rates.

Regarding the assessment per NEL charged to load-serving entities, the draft 2020 budget reflects an increase of \$1.5 million (9.8 percent) from the 2019 budget, which includes an adjustment of \$557,718 from MRO's reserves to stabilize assessments and offset the increase. "This is the first budget cycle since the regional combination where we know what our 'new normal' is in terms of workload," Patrick said.

The MRO Board of Directors met on April 18, 2019, to review the draft 2020 Business Plan and Budget and board members expressed overall support of the materials presented. The presentation provided at the meeting highlights important aspects of the budget and is available for review on [MRO's website](#), along with the [draft 2020 Business Plan and Budget](#).

Comments and questions should be directed to MRO's Vice President Finance and Administration [Sue Clarke](#) no later than **May 15, 2019**.

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Following the comment period, the draft 2020 Business Plan and Budget will be presented to the MRO Board of Directors for approval at its June 20, 2019 meeting in Saint Paul, Minnesota. Following MRO Board approval, the budget is presented to the NERC Board of Trustees for approval and then filed with FERC. FERC typically issues an order in the October/November timeframe.

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Midwest Reliability Organization (MRO) is a non-profit organization dedicated to ensuring the reliability and security of the bulk power system in the central region of North America, including parts of both the United States and Canada. MRO is one of seven regional entities in North America operating under authority from regulators in the United States through a delegation agreement with the North American Electric Reliability Corporation (NERC) and in Canada under similar arrangements. The primary focus of MRO is developing and ensuring compliance with reliability standards and assessing the grid's ability to meet the demands for electricity.



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