



Following are questions that were asked during the July 18 webinar with Peak Reliability, where Peak announced that it plans to wind down its business by Dec. 31, 2019. Some questions and answers have been paraphrased and or expanded for clarity.

Q Will Peak create a team to review the process?

A The Peak executive team and Board will manage the wind down in a manner that is consistent with our fiduciary duty under Peak’s articles of incorporation, Bylaws, Utah law and existing contractual obligations. Peak is focused on reliability during this time of transition and will work with the executive leadership within the Interconnection, as well as the operational leadership of alternative Reliability Coordinators (RC) and of the Balancing Authorities and Transmission Operators, to provide an orderly reliability-focused transition.

Q Please repeat the notice dates.

- July 30 – Comments due
- Aug. 3 – Summary of comments posted on Peak website
- Aug. 6 – Peak announces Draft Funding Amount and future direction
- Sept. 18 – Peak Board approves budget and future direction.

Funding Amount and Future Direction of Peak Timelines

Funding	June 28 MAC review of scenarios posted on June 1 will occur during MAC meeting June 28.	June 29 Draft Funding Amount (DFA) posted for comment (both scenarios)	Jul 30 DFA comment period closes	Aug 6 Peak responses to DFA comments posted on website	Aug 27 Objections to Peak’s DFA responses due	Sep 4 Peaks posts proposed Funding Amount on website
Future Direction of Peak	Jun 8 – Jul 30 TRC vs. Wind Down comment window	Jul 9 Publish TRC vs. Wind Down LOI	Jul 18 TRC vs. Wind Down status webinar	Jul 26 – 30 TRC vs. Wind Down LOI submission window	Aug 3 TRC vs. Wind Down LOI results posted	Aug 6 Peak announces strategic direction

Final Decision
September 18 – Board of Directors votes on proposed Funding Amount and ratifies Strategic Direction

PEAKRELIABILITY



Q Is the Peak/PJM Connex initiative fully called off?

A Peak has ended its partnership with PJM Connex. Peak has withdrawn from the agreement to prevent the wind down of Peak from creating an unnecessary distraction to the PJM Connex initiative which has over the past several months gained traction among Western entities. PJM Connex will continue independent activities advancing markets in the West.

Q Peak has worked with IT vendors to develop beneficial tools; will there be a process to ensure Peak's tools are maintained for the Western Interconnection?

A We are committed to finding the best fit for those tools to protect the reliability of the Interconnection. Peak will evaluate, consistent with its articles of incorporation, bylaws and contractual obligations, alternative use or ownership of its tools based on whether the proposed use(s) would carry forward Peak's mission to promote and enhance the reliability of the Bulk Electric System.

Q Do you foresee a competing RC or will the only RC option be CAISO?

A The response to Peak's announcement regarding wind down indicates that there may be several RC options in development. Going forward Peak will evaluate, consistent with its articles of incorporation, bylaws, and contractual obligations, alternative use or ownership of its tools, systems and processes based on whether the proposed use(s) would carry forward Peak's mission to promote and enhance the reliability of the Bulk Electric System.

Q Peak recently received a letter from a group of funders. Was the group too small to influence the decision?

A The letter was a single data point received by Peak in response to our outreach efforts to measure support for a TRC vs. Wind Down budget and strategic direction proposed in June of 2018. The letter was not the only data point received through formal and informal outreach. Funding entities, at the operational and executive level, indicated consistent and overwhelming support for the Wind Down scenario based on concerns related to cost, governance and scope of services. Additionally, Peak has received virtually no support for the TRC scenario.



Q Have the RC-to-RC coordination discussions included conversations about others taking on Peak’s tools?

A Conversations thus far have been focused on how we share the cost, ownership and decision making related to the ECC and WIT. Future conversations will need to be held to discuss specifically where these tools will land after December 31, 2019.

Q How do you rebrand Peak to preserve the talents and tools there today?

A We see the value in the people and tools continuing our reliability mission. If there’s an opportunity to transition those people and tools under a different construct Peak will evaluate, consistent with its articles of incorporation, bylaws and contractual obligations, alternative use or ownership of its tools, systems and processes based on whether the proposed use(s) would carry forward Peak’s mission to promote and enhance the reliability of the Bulk Electric System.

Q The Funding Agreement states: “To ensure such cooperation, Peak and the Funding Parties agree to negotiate as soon as reasonably practicable following any notification expressed or implied by items (a) or (b) above, the terms and costs of transitioning the Funded Services.” There are large questions looming concerning the Wind Down budget. When will the meeting(s) be scheduled to negotiate? Just an announcement of the costs, at first glance, does not seem in accordance with the Funding Agreement contractual requirements for negotiations.

A It is premature to comment on the process associated with the Funding Agreement or other documents. Peak’s executive team and Board will manage the wind down in a manner that is consistent with fiduciary responsibility under Peak’s articles of incorporation, Bylaws, Utah law and existing contractual obligations to reliability. Peak is focused on reliability during this time of transition and will work with the executive leadership within the Interconnection, as well as the operational leadership of alternative RCs, to provide an orderly reliability-focused transition. The budget comment period, which is intended for questions and concerns to be brought forth, is open until July 30.



Q Will the names of those parties supporting the Wind Down be posted?

A We have a process to allow entities to comment. Entities are encouraged to continue to submit comments through July 30, and to use that process to get feedback and questions to us. A summary of those comments will be posted per our timeline on Aug. 3, 2018.

Q Will Hosted Advanced Applications (HAA) wind down also? Do you plan to transfer HAA to a third-party?

A HAA is another core asset in the Peak organization and to reliability. Again we will follow the process prescribed in the bylaws. Feedback thus far from current HAA users indicates they are highly satisfied with the HAA services and would like to see these services continue.

Additional questions can be submitted to Rachel Sherrard at rsherrard@peakrc.com.