

MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: AUGUST 21, 2024 MEETING OF THE TRANSMISSION AGENCY OF
NORTHERN CALIFORNIA

The Commission of the Transmission Agency of Northern California (TANC) will meet at 10:00 a.m. on Wednesday, July 17, 2024, at 2377 Gold Meadow Way, First Floor, Gold River, California, 95670. The meeting is also accessible by telephone at:

Join Meeting: 1 (202) 945-4283; Phone conference ID: 425 371 144#

In addition to the customary reports, enclosed are reports related to WestConnect activities, California-Oregon Transmission Project matters, TANC technical matters, Federal Energy Regulatory Commission and related regulatory matters, Western Electricity Coordinating Council matters, Open Access Same-Time Information System matters, wildfire matters, California Independent System Operator matters, a report from the TANC Chair and a report on TANC strategic planning efforts.

The Commission will also consider a resolution approving a Letter of Credit regarding the long-term COTP Capital Replacements Plan and discuss and possibly take action on the appointment of a labor negotiator. The TANC Commission will then consider items in Closed Session. After the Closed Session discussion, the Commission will reconvene in open session to discuss and possibly take action on authorizing the Commission Chair to enter into an agreement for Interim Contract Executive/General Manager Services for TANC. The Commission will also discuss and possibly take action on establishing an Ad Hoc Committee of TANC Commission Members to identify and/or negotiate with an Interim/Regular Contract Executive/General Manager. The Commission will then schedule its next meeting.

A Public Entity whose Members include:
Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Modesto Irrigation District,
Palo Alto, Plumas-Sierra Rural Electric Cooperative, Redding, Roseville,
Sacramento Municipal Utility District, Santa Clara, Turlock Irrigation District, Ukiah

TAB 1

CALL TO ORDER

The TANC Chair will call the meeting to order.

TAB 2

ROLL CALL

The TANC Chair or another TANC representative will conduct a roll call of the TANC Commission members in attendance.

AGENDA
TANC COMMISSION MEETING
August 21, 2024
10:00 AM

LOCATION
2377 Gold Meadow Way
First Floor Conference Room
Gold, River, CA 95670

Remote Locations:

Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678-6420

City of Santa Clara
881 Martin Ave
Santa Clara, CA 95050

Any member of the public who desires to address the Commission during public comment portion of this meeting or on any item considered by the Commission at this meeting, before, or during the Commission's consideration of that item, shall so advise the Commission Chair or General Manager when public comment is called and when recognized shall thereupon be given an opportunity to do so.

Any person requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact Larry Riegle at lriegle@tanc.us in advance of the meeting to arrange for such accommodations.

Join Meeting: 1 (202) 945-4283; Phone conference ID: 425 371 144#

1. Call to Order

The TANC Chair will call the meeting to order.

2. Roll Call

A representative from TANC will conduct a roll call of TANC Commission members in attendance.

3. Approval of Agenda

The Commission will review the proposed agenda and approve it with any necessary corrections or deletions.

PUBLIC COMMENT

4. The Commission will consider comments from the public at this time.

CONSENT CALENDAR

ALL MATTERS LISTED UNDER THE CONSENT CALENDAR ARE CONSIDERED BY THE COMMISSION TO BE ROUTINE AND WILL ALL BE ENACTED BY ONE MOTION. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A COMMISSIONER REQUESTS THAT AN ITEM BE SEPARATELY CONSIDERED PRIOR TO THE TIME THE COMMISSION VOTES ON THE MOTION TO ADOPT.

5. Approval of the Draft Minutes from the July 17, 2024 TANC Commission Meeting.

Enclosed are the draft minutes from the July 17, 2024 TANC Commission meetings, for approval, subject to any necessary corrections or clarifications.

6. Report on TANC's Investment Purchases

Enclosed are reports on TANC's investment purchases.

7. Report on General Manager's Committees

Enclosed are approved meeting minutes from the following committees:

- a. Contracts Committee
- b. Finance Committee

8. Report on WestConnect Activities

Enclosed is a report regarding activities related to WestConnect.

9. Report on COTP Matters

Enclosed is a report regarding California-Oregon Transmission Project matters.

10. Report on TANC Technical Matters

Enclosed is a report regarding TANC technical matters.

11. Report on FERC and Related Regulatory Matters

Enclosed is a report regarding Federal Energy Regulatory Commission and other related regulatory matters.

12. Report on WECC Matters

Enclosed is a report regarding Western Electricity Coordinating Council matters.

13. Report on TANC OASIS Matters

Enclosed is a report regarding usage on the Open Access Same-Time Information System and related matters.

14. Report on Wildfire Activities

Enclosed is a report regarding recent wildfire related initiatives.

15. Report on CAISO Matters

Enclosed is a report on California Independent System Operator related matters.

INFORMATION ITEMS

16. Report from the TANC Chair

The Commission will receive a report from TANC's Chair.

17. Report on TANC Strategic Planning Efforts

The Commission will receive a report on the status of workplans associated with ongoing strategic planning efforts.

ACTION ITEMS

18. Resolution Approving a Letter of Credit

The Commission will consider a resolution approving a Letter of Credit regarding the long-term COTP Capital Replacements Plan.

19. Discussion and Possible Action - Appointment of Labor Negotiator

The Commission will consider appointing the Commission Chair as the Labor Negotiator to Negotiate for the Unrepresented Position of Interim Contract Executive/General Manager.

CLOSED SESSION

20. Public Employment:

Closed Session Pursuant to Government Code Section 54957 – Appointment of Public Employee Appointment - Interim Contract Executive/General Manager.

Closed Session - Pursuant to Government Code Section 54957.6 - Conference with Labor Representative Regarding Unrepresentative Position of Interim Contract Executive/General Manager.

END OF CLOSED SESSION

ADDITIONAL ACTION ITEMS

21. Discussion and Possible Action - Agreement for Interim Contract Executive/General Manager Services

The Commission will consider a potential action authorizing the Commission Chair to Enter into an Agreement for Interim Contract Executive/General Manager Services for TANC.

22. Discussion and Possible Action -Establishment of an Ad Hoc Committee of TANC Commission Members to Identify and/or Negotiate with an Interim/Regular Contract Executive/General Manager

The Commission will consider a potential action establishing an Ad Hoc Committee of TANC Commission Members to Identify and/or Negotiate with an Interim/Regular Contract Executive/General Manager.

23. Meeting Calendar

The Commission will confirm the date of its next scheduled meeting is September 18, 2024.

TAB 4

PUBLIC COMMENT

The TANC Commission will consider comments from the public at this time.

TAB 5

DRAFT MINUTES AND ATTACHMENTS

DRAFT MINUTES
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
COMMISSION MEETING
JULY 17, 2024

Chair Zettel (Modesto Irrigation District) called the July 17, 2024 Transmission Agency of Northern California (TANC) Commission meeting to order at 10:00 a.m. Mr. Riegle (TANC) took a roll call of Commissioners in attendance. Meeting attendees are listed in Attachment 1.

Approval of Agenda

Chair Zettel reported that a matter was brought to his attention after the agenda was posted and that he was proposing a motion that the meeting agenda be revised to include Administrative Item 24 to consider a change of location for the regularly scheduled TANC Commission meetings from August through December 2024. Mr. Gill (Turlock Irrigation District) made a motion to revise the July 17, 2024 TANC Commission agenda. Ms. Lewis (Sacramento Municipal Utility District) seconded the motion, which was approved by the TANC Commission. Chair Zettel then inquired as to any recommended additions, deletions or modifications to the revised agenda. With no additional changes proposed, Mr. Cabellero (Modesto Irrigation District) made a motion to approve the revised agenda. Mr. Gill (Turlock Irrigation District) seconded the motion, which was approved by the TANC Commission. The approved revised agenda for the July 17, 2024 Commission meeting is included as Attachment 2.

PUBLIC COMMENT

Chair Zettel asked if there were any members of the public that wished to address the TANC Commission. There were no requests.

CONSENT CALENDAR

Chair Zettel asked if any Commissioner would like a discussion or removal of any item under the Consent Calendar and there were no requests. Mr. Cabellero (Modesto Irrigation District) made a motion to approve the Consent Calendar. Mr. Gill (Turlock Irrigation District) seconded

the motion, which was approved by the Commission. The approved minutes from the May 22, 2024 TANC Commission meeting are included as Attachments 3.

INFORMATION ITEMS

Report from the TANC General Manager

Chair Zettel noted that the TANC General Manager was unavailable for the meeting and therefore there was no update for this agenda item.

Report on TANC Strategic Planning Efforts

Chair Zettel noted that an update on strategic planning efforts was included in the meeting information and that since the TANC General Manager was unavailable for the meeting there were no further updates beyond that report.

ACTION ITEMS

Resolution Approving TANC's Reliability Standards Compliance Program

Chair Zettel reported that Version 25 of the TANC Compliance Program has been presented for consideration and the modification are relatively minor to make sure that TANC remain aligned with the requirements of the Western Electricity Coordinating Council. After discussion by TANC Commission, Mr. Gill (Turlock Irrigation District) moved to approve Version 25 of the TANC Compliance Program. This motion was seconded by Mr. Cabellero (Modesto Irrigation District) and approved by the TANC Commission. Resolution 2024-15 is included as Attachment 4.

Resolution Approving an Amendment to the TANC Letter of Agreement with WAPA

The TANC Commission discussed approving an amendment to Letter of Agreement (LOA) 23-SNR-03003 with the Western Area Power Administration (WAPA). The TANC Commission

discussed that in November 2023, Resolution 2023-25 approved LOA 23-SNR-03003, under which TANC will provide upfront funding for WAPA's cost sharing responsibility for Fiscal Year 2025 Capital Replacement Plan costs. The Commission also discussed that Resolution 2023-25 provided that LOA Exhibit A would be revised as necessary to update repayment terms, project costs and administrative fees. After discussion by the TANC Commission, Mr. Cabellero (Modesto Irrigation District) moved to approve an amendment to Exhibit A to the LOA. This motion was seconded by Mr. Gill (Turlock Irrigation District) and approved by the TANC Commission. Resolution 2024-16 is included as Attachment 5.

Proposed Approval of Amended and Restated Resolution 2024-14 (Approving the Fiscal Year 2025 Budget and Revised Open Access Transmission Tariff)

Chair Zettel reported that on May 22, 2024, the Commission approved Resolution 2014-14 for the Fiscal Year 2025 Budget and revised Open Access Transmission Tariff. At the meeting, changes to the resolution were proposed to provide additional clarifications on the authorizations granted to the TANC General Manager. Chair Zettel noted that additional edits are proposed which would authorize the TANC General Manager to enter into any amendment, renewal, or extension of any existing agreement provided that the funding for such amendment, extension, or renewal has been approved in the current Fiscal Year budget and there are no substantive changes to the agreement other than the term, including rates, fees or charges. After discussion by the TANC Commission, Mr. Zimmer (City of Alameda) moved to approve Amended and Restated Resolution 2024-14. This motion was seconded by Mr. Gill (Turlock Irrigation District) and approved by the TANC Commission. Amended and Restated Resolution 2024-14 is included as Attachment 6.

CLOSED SESSION

Chair Zettel indicated there were no closed session items to discuss.

Report and Potential Action on Administrative Items

The TANC Commission discussed changing the meeting location of its regularly scheduled meetings from August through December 2024. After discussion by the TANC Commission, Mr. Cabellero (Modesto Irrigation District) moved to approve the location change. This motion was seconded by Mr. Gill (Turlock Irrigation District) and approved by roll call vote.

Meeting Calendar

The next regular TANC Commission meeting is scheduled for August 21, 2024. There being no further business, Chair Zettel adjourned the meeting.



Roseville Electric
2090 Hilltop Circle
Roseville, California 95747-9704
Reliable Energy. Dependable Service.

July 17, 2024

Transmission Association of Northern California

Via email to Jarom Zimmerman jzimmerman@tanc.us
35 Iron Point Circle, Suite 225
Folsom, CA 95630

Re: City of Roseville TANC Alternate Commissioner Appointment of Petra Wallace

To whom it may concern:

Please be advised that Roseville Electric appoints Petra Wallace as an Alternate Commissioner, effective immediately.

Sincerely,

Bill Forsythe
Assistant Electric Utility Director
Roseville Electric Utility

Bill Forsythe

Assistant Electric Utility Director
Roseville Electric Utility

☎ (916) 774-5619 📠 (530) 391-3250

✉ wforsythe@roseville.ca.us

📍 2090 Hilltop Circle | Roseville, CA 95747



ATTENDANCE LIST

TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
COMMISSION MEETING

July 17, 2024

10:00 AM

NAME

ORGANIZATION

| | |
|------------------|---------------------------------------|
| Nick Zettel | City of Redding |
| Martin Caballero | Modesto Irrigation District |
| Manjot Gill | Turlock Irrigation District |
| Petra Wallace | City of Roseville |
| Laura Lewis | Sacramento Municipal Utility District |
| Chris Hofmann | Sacramento Municipal Utility District |
| Tony Zimmer | Northern California Power Agency |
| Anish Nand | Northern California Power Agency |
| Basil Wong | Silicon Valley Power |
| Jeanne Haas | Western Area Power Administration |
| Bryan Griess | Western Area Power Administration |
| Melinda Jones | Western Area Power Administration |
| Steve Gross | TANC General Counsel |
| Amy Cuellar | TANC Staff |
| Larry Riegle | TANC Staff |

**REVISED AGENDA
TANC COMMISSION MEETING
July 17, 2024
10:00 AM**

**LOCATION
35 Iron Point Circle, Suite 225
Folsom, CA 95630**

Remote Locations:

Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678-6420

SMUD Headquarters Building
6201 S Street
Sacramento, CA 95817

Roseville Electric
2090 Hilltop Circle
Roseville, CA 95747

City of Santa Clara
881 Martin Ave
Santa Clara, CA 95050

Any member of the public who desires to address the Commission during public comment portion of this meeting or on any item considered by the Commission at this meeting, before, or during the Commission's consideration of that item, shall so advise the Commission Chair or General Manager when public comment is called and when recognized shall thereupon be given an opportunity to do so.

Any person requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact Larry Riegle at lriegle@tanc.us in advance of the meeting to arrange for such accommodations.

Join Meeting: 1 (202) 945-4283; Phone conference ID: 684 012 779#

1. Call to Order

The TANC Chair will call the meeting to order.

2. Roll Call

The General Manager will conduct a roll call of TANC Commission members in attendance.

3. Approval of Agenda

The Commission will review the proposed agenda and approve it with any necessary corrections or deletions.

PUBLIC COMMENT

4. The Commission will consider comments from the public at this time.

CONSENT CALENDAR

ALL MATTERS LISTED UNDER THE CONSENT CALENDAR ARE CONSIDERED BY THE COMMISSION TO BE ROUTINE AND WILL ALL BE ENACTED BY ONE MOTION. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A COMMISSIONER REQUESTS THAT AN ITEM BE SEPARATELY CONSIDERED PRIOR TO THE TIME THE COMMISSION VOTES ON THE MOTION TO ADOPT.

5. Approval of the Draft Minutes from the May 22, 2024 TANC Commission Meeting.

Enclosed are the draft minutes from the May 22, 2024 TANC Commission meetings, for approval, subject to any necessary corrections or clarifications.

6. Report on TANC's Investment Purchases

Enclosed are reports on TANC's investment purchases.

7. Report on General Manager's Committees

Enclosed are approved meeting minutes from the following committees:

- a. Engineering and Operations
- b. Open Access Transmission Tariff Committee

8. Report on WestConnect Activities

Enclosed is a report regarding activities related to WestConnect.

9. Report on COTP Matters

Enclosed is a report regarding California-Oregon Transmission Project (COTP) matters.

10. Report on TANC Technical Matters

Enclosed is a report regarding TANC technical matters.

11. Report on FERC and Related Regulatory Matters

Enclosed is a report regarding Federal Energy Regulatory Commission and other related regulatory matters.

12. Report on WECC Matters

Enclosed is a report regarding Western Electricity Coordinating Council matters.

13. Report on TANC OASIS Matters

Enclosed is a report regarding usage on the Open Access Same-Time Information System and related matters.

14. Report on Wildfire Activities

Enclosed is a report regarding recent wildfire related initiatives.

15. Report on TANC's Reliability Standards Compliance Program

Enclosed is a report regarding TANC's Reliability Standards Compliance Program.

16. Report on CAISO Matters

Enclosed is a report on California Independent System Operator related matters.

INFORMATION ITEMS

17. Report from the TANC General Manager

The Commission will receive a report from TANC's General Manager.

18. Report on TANC Strategic Planning Efforts

The Commission will receive a report on the status of workplans associated with ongoing strategic planning efforts.

ACTION ITEMS

19. Resolution Approving TANC's Reliability Standards Compliance Program

The Commission will consider a resolution regarding an update to TANC's Reliability Standards Compliance Program.

20. Resolution Approving an Amendment to the TANC Letter of Agreement with WAPA

The Commission will consider a resolution approving an amendment to Exhibit A to the Letter of Agreement between TANC and the Western Area Power Administration.

21. Proposed Approval of Amended and Restated Resolution 2024-14 (Approving the Fiscal Year 2025 Budget and Revised Open Access Transmission Tariff)

The Commission will consider approval of an amended and restated Resolution 2024-14, which was approved on May 22, 2024, to allow for additional clarifications on the authorizations granted to the TANC General Manager.

CLOSED SESSION

22. Closed Session Pursuant to Government Code Section 54957(a): Risk Assessment and Potential Threats to Public Services and Facilities. Consultation with General Manager.

END OF CLOSED SESSION

23. Meeting Calendar

The Commission will confirm the date of its next scheduled meeting is August 21, 2024.

24. Administrative Items

The Commission will consider changing the location of its regularly scheduled TANC Commission meetings from August through December 2024.

Approved July 17, 2024

Attachment 3

MINUTES
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
COMMISSION MEETING
MAY 22, 2024

Vice Chair Caballero (Modesto Irrigation District) called the May 22, 2024 Transmission Agency of Northern California (TANC) Commission meeting to order at 10:00 a.m. Mr. Zimmerman (TANC General Manager) took a roll call of Commissioners in attendance. Meeting attendees are listed in Attachment 1.

Approval of Agenda

Vice Chair Caballero inquired as to any recommended additions, deletions or modifications to the agenda. With no changes proposed, Ms. Lewis (Sacramento Municipal Utility District) made a motion to approve the agenda. Mr. Gill (Turlock Irrigation District) seconded the motion, which was approved by the TANC Commission. The approved agenda for the May 22, 2024 Commission meeting is included as Attachment 2.

PUBLIC COMMENT

Vice Chair Caballero asked if there were any members of the public that wished to address the TANC Commission. There were no requests.

CONSENT CALENDAR

Vice Chair Caballero asked if any Commissioner would like a discussion or removal of any item under the Consent Calendar and there were no requests. Mr. Gill (Turlock Irrigation District) made a motion to approve the Consent Calendar. Mr. Beans (City of Roseville) seconded the motion, which was approved by the Commission. The approved minutes from the April 17, 2024 TANC Commission meeting are included as Attachments 3.

INFORMATION ITEMS

Report from the TANC General Manager

Mr. Zimmerman (TANC) notified the TANC Commission that the time was extended on TANC Bid Request 24-01 for repairs on the access road to the Sites Communication Site as no bids were received by the initial deadline. Mr. Zimmerman also reported that bids were expected to be under the current signing authority of the General Manager which is \$50,000 but if they were over that amount then the contract would be signed by the TANC Chair who has a \$100,000 signing authority. Mr. Zimmerman also reported that Special Counsel is working on a draft assignment agreement for the City of Redding's California-Oregon Transmission Project (COTP) entitlement that they wished to transfer to TANC. Once finale, the agreement will require a 30-day notice. Mr. Zimmerman provided an update on the Federal Energy Regulatory Commission Order 2023 which includes changes to the processes for interconnection requests and transmission queues. Mr. Zimmerman noted that TANC reviewed and considered Order 2023 in its proposed Open Access Transmission Tariff (OATT) revisions that are being considered later in the meeting. Mr. Gill (Turlock Irrigation District) reported that they are interested in obtaining additional South of

Tesla capacity and that they will reach out to other Members. The TANC Commission also discussed the status of both Turlock Irrigation District and the City of Roseville's interest in Carmichael and San Juan Water Districts' COTP Entitlements which are currently laid off to the Sacramento Municipal Utility District through the end of 2024 and that additional updates on the transfer process would likely be presented to the TANC Commission in October 2024.

Report on TANC Strategic Planning Efforts

Mr. Zimmerman provided an overview of the strategic planning tasks that are included in the 2024 TANC Strategic Plan and reported that on Task 1 "Finance and Implement COTP Series Capacitor Project", the General Manager's Finance Committee is proceeding with a two-stage approach to financing the series capacitors including issuing a line of credit in summer 2024 and full debt financing of the credit line in the spring of 2025. Mr. Zimmerman also reported that upfront funding to the Western Area Power Administration (WAPA) would be provided in October 2024 and that WAPA would begin repayment of upfront funding in November 2024.

ACTION ITEMS

Report and Potential Action on the Annual Monitoring Report for Palm Tract

Mr. Zimmerman presented the Twenty-Ninth Annual Monitoring Report – Waterfowl Mitigation Plan Compliance for Palm Tract 'B' 2023 for TANC Commission approval. Mr. Zimmerman noted the report includes information on TANC's continued compliance with land use and management terms and conditions set forth in the 1994 Conservation Easement with the California Department of Fish and Wildlife. After discussion by TANC Commission, Mr. Gill (Turlock Irrigation District) moved to approve the Annual Monitoring Report for Palm Tract. This motion was seconded by Mr. Bowers (City of Redding) and approved by the TANC Commission.

Resolution Approving the 2024 TANC's Wildfire Mitigation Plan for the California-Oregon Transmission Project

Mr. Zimmerman presented the 2024 TANC Wildfire Mitigation Plan for the COTP (TANC WMP) and reviewed updates that have been implemented since last year's plan which include progress on specific wildfire mitigation and prevention strategies. Mr. Howard (Northern California Power Agency) requested that future updates to the TANC WMP include a consideration of the feasibility of implementing Public Safety Power Shutoffs on the COTP. After agreement of Mr. Howard's request and discussion by the TANC Commission, Ms. Lewis (Sacramento Municipal Utility District) moved to approve the 2024 WMP and its filing with the California Wildfire Safety Advisory Board before the July 1, 2024 deadline. This motion was seconded by Mr. Gill (Turlock Irrigation District) and approved by the TANC Commission. Resolution 2024-09 is included as Attachment 4.

Resolution Terminating the Agreement with current COTP Counsel – Stoel Rives, LLP and Entering into an Agreement with Tribune Law Professional Corporation to serve as COTP Counsel

Mr. Zimmerman reported that Stoel-Rives currently serves as COTP Counsel, and that their lead attorney recently departed from Stoel-Rives and joined Tribune Law Professional Corporation. Mr. Zimmerman also indicated that based on interviews with both law firms, that he is recommending that the current engagement letter with Stoel-Rives be terminated and that TANC enter a new engagement letter with Tribune Law Professional Corporation to serve as COTP Counsel. After discussion by the TANC Commission, Mr. Gill (Turlock Irrigation District) moved to terminate the current engagement letter with Stoel-Rives, LLP and execute an engagement letter with Tribune Law Professional Corporation to serve as COTP Counsel. This motion was seconded by Mr. Beans (City of Roseville) and approved by the TANC Commission. Resolution 2024-10 is included as Attachment 5.

Resolution Approving WAPA's Request to Reallocate Funds for the Purchase of a Mapboard

Mr. Zimmerman reported that WAPA is requesting to reallocate \$460,000 of capital funding from the Microwave Radio Replacement Project to purchase a new Mapboard. Mr. Zimmerman indicated that the current Mapboard was installed in 2009, has reached its end of life and that WAPA is having trouble finding replacement parts for the outdated system. Mr. Zimmerman further indicated that the Mapboard is used for situational awareness for WAPA dispatchers in the control room, which is key to maintaining system reliability. Mr. Zimmerman also indicated that the \$460,000 cost represents the COTP portion of the entire \$2.3 million dollar purchase price. After discussion by the TANC Commission and a change to the resolution to indicate that the \$460,000 cost represents the COTP financial responsibility, or approximately 20%, of the total cost of Mapboard; Mr. Bowers (City of Redding) moved to approve WAPA's request to reallocate funds. This motion was seconded by Ms. Lewis (Sacramento Municipal Utility District) and approved by the TANC Commission. Resolution 2024-11 is included as Attachment 6.

Resolution Approving the TANC Enterprise Risk Management Framework

Mr. Zimmerman reported that as approved by the TANC Commission at the July 19, 2023 meeting, an Enterprise Risk Management (ERM) Framework has been developed. Mr. Zimmerman noted that the ERM Framework is TANC's approach to identifying and managing risk associated with TANC's operations, including risks associated with owning and operating the COTP. After discussion by the TANC Commission, Mr. Gill (Turlock Irrigation District) moved to approve the ERM Framework for implementation. This motion was seconded by Ms. Lewis (Sacramento Municipal Utility District) and approved by the TANC Commission. Resolution 2024-12 is included as Attachment 7.

Resolution Approving the First Amendment to the Professional Services Contract with Baker Tilly US, LLP

Mr. Zimmerman reminded the Commission that at their meeting on November 15, 2023, the Commission determined that an extension to the contract with auditor – Baker Tilly should be considered. Mr. Zimmerman also noted that the current contract with Baker Tilly US, LLP ends on June 30, 2024 and the General Manager’s Audit/Budget Committee has negotiated and does recommend that the agreement be amended and extended the term for a period of three years beginning on July 1, 2024, and ending on June 30, 2027, with an option to extend it for an additional two years through June 30, 2029. After discussion by the TANC Commission, Ms. Lewis (Sacramento Municipal Utility District) moved to approve the First Amendment to Professional Services Contract Between TANC and Baker Tilly US, LLP. This motion was seconded by Mr. Bowers (City of Redding) and approved by the TANC Commission. Resolution 2024-13 is included as Attachment 8.

Resolution Adopting the FY25 TANC Budget and Revised OATT

Mr. Zimmerman presented the Fiscal Year 2025 TANC Budget and revised OATT to the Commission and provided an update of the changes identified in the Fiscal Year 2025 Budget compared to the current Fiscal Year 2024 TANC Budget. Mr. Zimmerman noted that the Fiscal Year 2024 TANC Budget reflects input received from recent General Manager’s Audit/Budget Committee meetings. Mr. Gill (Turlock Irrigation District) requested that future TANC budgets include a comparison of the actual expenditures from the previous year as compared to the budget going forward. After discussion by the TANC Commission and a change to the resolution to provide additional clarifications on the authorizations granted to the TANC General Manager, Mr. Gill (Turlock Irrigation District) moved to approve the Fiscal Year 2025 TANC Budget and revised OATT. This motion was seconded by Mr. Beans (City of Roseville) and approved by the TANC Commission. Resolution 2024-14 is included as Attachment 9.

CLOSED SESSION

Pursuant to subsections (a), (b), and (d) of California Code Section 54956.9, and California Code Section 54957(b)(1), TANC General Counsel Mr. Gross placed the Commission into closed session.

After discussion Mr. Gross reported that no reportable action was taken by the Commission.

Report and Potential Action on Administrative Items

The TANC Commission discussed and approved *Amendment Number 1 to the Management Services Agreement between the Transmission Agency of Northern California and Keystone Power Services, LLC* which provides for a three percent increase in monthly fees. After discussion by the TANC

Commission, Mr. Beans (City of Roseville) moved to approve the rate increase. This motion was seconded by Mr. Gill (Turlock Irrigation District) and approved by roll call vote.

Meeting Calendar

The next regular TANC Commission meeting is scheduled for June 19, 2024. There being no further business, Vice Chair Caballero adjourned the meeting.

Respectfully Submitted,

Signed by:


D20E09F52920434...

Nick Zettel

TANC Commission Chair

RESOLUTION 2024-15

A RESOLUTION OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
APPROVING MODIFICATIONS TO TANC'S
RELIABILITY STANDARDS COMPLIANCE PROGRAM

WHEREAS, the Transmission Agency of Northern California (TANC) is a joint exercise of powers agency organized under the laws of the State of California; and

WHEREAS, TANC is the largest Participant and the Project Manager of the California-Oregon Transmission Project (COTP); and

WHEREAS, the Energy Policy Act of 2005 established a nationwide Electric Reliability Organization (ERO) to oversee the development, implementation, and enforcement of Electric Reliability Standards; and

WHEREAS, the Federal Energy Regulatory Commission (FERC) issued an Order establishing the North American Electric Reliability Corporation as the ERO for the United States and later approved Electric Reliability Standards; and

WHEREAS, FERC ordered mandatory and enforceable Electric Reliability Standards initially went into effect on June 18, 2007; and

WHEREAS, all owners, operators, and users of the bulk power system in the United States must comply with FERC approved Electric Reliability Standards; and

WHEREAS, TANC Resolution 2007-12 adopted TANC's initial Reliability Standards Compliance Program (Compliance Program); and

WHEREAS, TANC Resolution 2023-18 adopted the most recent revisions to the Compliance Program; and

WHEREAS, updates to the Compliance Program have been developed and the modified Compliance Program is included here by reference; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission of the Transmission Agency of Northern California that the revised Reliability Standards Compliance Program is adopted as provided herein.

PASSED AND ADOPTED this 17th day of July 2024, on a motion by Mr. Gill (Turlock Irrigation District) and seconded by Mr. Cabellero (Modesto Irrigation District).

| | AYES | NOES | ABSTAIN | ABSENT |
|--|------|------|---------|--------|
| City of Alameda | X | | | |
| City of Biggs | X | | | |
| City of Gridley | X | | | |
| City of Healdsburg | X | | | |
| City of Lodi | X | | | |
| City of Lompoc | X | | | |
| Modesto Irrigation District | X | | | |
| City of Palo Alto | X | | | |
| Plumas-Sierra Rural Electric Cooperative | X | | | |
| City of Redding | X | | | |
| City of Roseville | X | | | |
| Sacramento Municipal Utility District | X | | | |
| City of Santa Clara | X | | | |
| Turlock Irrigation District | X | | | |
| City of Ukiah | X | | | |

RESOLUTION 2024-16

A RESOLUTION OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
APPROVING AN AMENDMENT TO THE LETTER OF AGREEMENT 23-SNR-03003
WITH THE
WESTERN AREA POWER ADMINISTRATION

WHEREAS, the Transmission Agency of Northern California (TANC) is a joint exercise of powers agency organized under the laws of the State of California; and

WHEREAS, TANC is the largest Participant and the Project Manager of the California-Oregon Transmission Project (COTP); and

WHEREAS, since the COTP is approaching 30-years of commercial operation and needs substantial long-term capital replacement of certain assets, TANC worked in concert with Western Area Power and Administration (WAPA) to develop a 20-year Capital Replacements Plan; and

WHEREAS, the 20-year Capital Replacements Plan was approved by the TANC Commission in November 2021 as Resolution 2021-19; and

WHEREAS, the approved 20-year Capital Replacements Plan is supported by WAPA, TANC and its COTP participants and will aid in securing funding including from federal government appropriations well into the future; and

WHEREAS, in November 2023, the TANC Commission approved Resolution 2023-25 and Letter of Agreement 23-SNR-03003 (LOA) between TANC and WAPA, under which TANC will provide upfront funding for WAPA's cost sharing responsibility for Federal Fiscal Year 2025 Project costs and bill WAPA monthly until such time as WAPA's financial obligations under the LOA are met; and

WHEREAS, Exhibit A to the LOA provided that Exhibit A would be revised to state WAPA's Cost Share of the Project for Federal Fiscal Year 2025 if it changes, TANC's costs to provide WAPA's portion of the upfront funding for the Project once TANC's financing is finalized, and the Administrative Fee to paid by WAPA to TANC; and

WHEREAS, TANC and WAPA have negotiated *Exhibit A, Revision 1 to Letter of Agreement 23-SNR-03003* which identifies the repayment terms for the upfront funding being provided by TANC for WAPA's cost sharing responsibility for Federal Fiscal Year 2025 costs including the total estimate of WAPA's cost share and the amount of the annual Administrative Fee to be paid by WAPA during the repayment term.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission of the Transmission Agency of Northern California that it approves *Exhibit A, Revision 1 to Letter of Agreement 23-SNR-03003* and directs either the TANC Chair or the TANC General Manager to execute and deliver to WAPA *Exhibit A, Revision 1 to Letter of Agreement 23-SNR-03003*.

PASSED AND ADOPTED this 17th day of July 2024, on a motion by Mr. Caballero (Modesto Irrigation District) and seconded by Mr. Gill (Turlock Irrigation District).

| | AYES | NOES | ABSTAIN | ABSENT |
|--|------|------|---------|--------|
| City of Alameda | X | | | |
| City of Biggs | X | | | |
| City of Gridley | X | | | |
| City of Healdsburg | X | | | |
| City of Lodi | X | | | |
| City of Lompoc | X | | | |
| Modesto Irrigation District | X | | | |
| City of Palo Alto | X | | | |
| Plumas-Sierra Rural Electric Cooperative | X | | | |
| City of Redding | X | | | |
| City of Roseville | X | | | |
| Sacramento Municipal Utility District | X | | | |
| City of Santa Clara | | X | | |
| Turlock Irrigation District | X | | | |
| City of Ukiah | X | | | |

RESOLUTION 2024-14
AN AMENDED AND RESTATED RESOLUTION OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
APPROVING THE FISCAL YEAR 2025 BUDGET AND
REVISED OPEN ACCESS TRANSMISSION TARIFF

WHEREAS, the Transmission Agency of Northern California (TANC) is a joint exercise of powers agency organized under the laws of the State of California; and

WHEREAS, the Fiscal Year 2025 (FY25) Budget for TANC has been developed by the General Manager, with input received from the General Manager's Audit/Budget Committee, and discussion of funding obligations during the FY25 TANC Budget Workshop held April 24, 2024; and

WHEREAS, the proposed FY25 Budget provides TANC's share of the FY25 California-Oregon Transmission Project (COTP) Operations and Maintenance Budget and Work Plan, which was previously approved by the TANC Commission and COTP Management Committee at their respective meetings on March 20, 2024 meeting; and

WHEREAS, the FY25 Budget also provides funding obligations for Debt Service, TANC Agency, TANC Operations, TANC Open Access Same-Time Information System, Participating Transmission Owner Engagement, South of Tesla (SOT) functions, and the Congestion Revenue Rights (CRR) program comprising a total TANC financial commitment; and

WHEREAS, the proposed sources of funds in the FY25 Budget is estimated at \$145,477,646 including \$45,099,108 in Open Access Transmission Tariff (OATT) payments, while the uses of funds are estimated at \$138,283,815; and

WHEREAS, the Commission will also be approving and authorizing new OATT rates in tandem and in conjunction with the FY25 TANC Budget; and

WHEREAS, the rate of \$3.24 per kilowatt-month will fully recover TANC's FY25 revenue requirement excluding those costs associated with SOT commitments and the CRR program; and

WHEREAS, at its regular meeting on May 22, 2024, the Commission approved Resolution 2024-14 and the Commission now desires to amend and restate that resolution.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission of the Transmission Agency of Northern California that the Fiscal Year 2025 Uses of Funds Budget is approved in the amount of \$138,283,815.

BE IT FURTHER RESOLVED that the TANC Commission is authorizing the filing of a new OATT rate in the amount of \$3.24 per kilowatt-month; and

BE IT ADDITIONALLY RESOLVED that the TANC General Manager is authorized to enter into any new agreements or amendments to existing agreements for contractor services as outlined within the budget document up to the funding levels provided for in the TANC FY25 Budget and up to the purchasing limits of the TANC General Manager, which is currently \$50,000.

BE IT ADDITIONALLY RESOLVED that the TANC General Manager is authorized to enter into any amendment, renewal, or extension of any existing agreement provided that the funding for such amendment, extension, or renewal has been approved in the TANC FY25 Budget and there are no substantive changes to the agreement other than the term, such as to rates, fees or charges.

PASSED AND ADOPTED this 17th day of July 2024 on a motion by Mr. Zimmer (City of Alameda) seconded by Mr. Gill (Turlock Irrigation District).

| | AYES | NOES | ABSTAIN | ABSENT |
|--|------|------|---------|--------|
| City of Alameda | X | | | |
| City of Biggs | X | | | |
| City of Gridley | X | | | |
| City of Healdsburg | X | | | |
| City of Lodi | X | | | |
| City of Lompoc | X | | | |
| Modesto Irrigation District | X | | | |
| City of Palo Alto | X | | | |
| Plumas-Sierra Rural Electric Cooperative | X | | | |
| City of Redding | X | | | |
| City of Roseville | X | | | |
| Sacramento Municipal Utility District | X | | | |
| City of Santa Clara | X | | | |
| Turlock Irrigation District | X | | | |
| City of Ukiah | X | | | |

TAB 6

REPORT ON TANC'S INVESTMENT PURCHASES

Enclosed is a report on TANC's investment purchases.

Transmission Agency of Northern California

Investment Purchases Report For Month Ended July 31, 2024

| Settlement Date | Maturity Date | Portfolio | Investment Type | Issuer | Par Value |
|--------------------|------------------|-----------|-----------------|--------|--------------|
|--------------------|------------------|-----------|-----------------|--------|--------------|

No purchases in July 2024

TAB 7

**SCHEDULE OF UPCOMING
GENERAL MANAGER'S COMMITTEE MEETINGS**

| | |
|---|--------------------|
| Audit/Budget Committee | August 22, 2024 |
| Contracts Committee | October 1, 2024 |
| Engineering and Operations Committee | September 11, 2024 |
| Open Access Transmission Tariff Committee | October 1, 2024 |

**GENERAL MANAGER'S COMMITTEE MEETINGS
APPROVED MINUTES**

| | |
|---------------------|---|
| Contracts Committee | March 5, 2024 |
| Finance Committee | August 22, 2023 November 2, 2023 April 12, 2024 |

Approved May 7, 2024

MINUTES OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
GENERAL MANAGER'S
CONTRACTS COMMITTEE MEETING
MARCH 5, 2024

Chair Wong called the March 5, 2024 Transmission Agency of Northern California (TANC) General Manager's Contracts Committee (Committee) to order at 10:00 a.m. Mr. Riegler performed a roll call and a list of attendees to the meeting is provided as Attachment 1.

Review and Accept March 5, 2024 Contracts Committee Agenda

Mr. Wong inquired if there were any revisions to the agenda. Upon hearing of no suggested revisions, the March 5, 2024 General Manager's Contracts Committee agenda was accepted.

Review and Approval of Minutes from the February 6, 2024 Contracts Committee Meeting

Minutes from the February 6, 2023 General Manager's Contracts Committee meeting were reviewed, and with no suggested revisions, Chair Wong accepted the minutes.

FY24 Budget Versus Expenditure Report through January 2024

Mr. Riegler reviewed the FY24 Budget Versus Actual Report with the Committee through January 2024.

Monthly Transmission Activities Update

Mr. Persson provided the Committee with an update on transmission activities including a report on California Independent System Operator (CAISO) including Cluster 16 Interconnection Requests and Interconnection Process Enhancements. Transmission staff planning activity centered on the COI Path Re-Rate to 5100 MW, updates on interconnection projects currently engaged on the COTP, Affected System Study work including WAPA's Monarch and CAISO Q1702, and the latest on PG&E's equipment derate project.

Existing and Anticipated Litigation

Mr. Postar briefed the Committee on the latest developments associated to the PG&E TO18, TO19, and TO20 settlements updates. It is believed that final documents can be prepared by the end of March '24 and presented to the Committee. Mr. Postar also briefed the Committee on other matters identified in the agenda. Upon conclusion of discussion no action needed to be taken on topics discussed.

Next Meeting

The frequency of Contracts Committee meetings was discussed by the General Manager and Committee members with a resolution that meetings be held bi-monthly going forward unless something of importance needs attention and / or direction for Commission consideration. Further, that traditional material such as the Budget Variance report and Transmission Activities Report continue to be distributed per usual in those months where a meeting does not take place.

Officially, the next meeting of the General Manager's Contracts Committee is scheduled for April 2, 2024 starting at 10:00 a.m. Depending on information to be discussed this meeting may be cancelled. If so, the following Contracts Committee meeting would be set for May 7, 2024 at 10:00 am.

Handouts and material from this meeting will be distributed upon request.

Respectfully Submitted,

DocuSigned by:

Jarom Zimmerman

Jarom Zimmerman

TANC General Manager

Approved April 12, 2024

MINUTES
OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
FINANCE COMMITTEE MEETING

August 22, 2023

Chair Mills convened a meeting of the Transmission Agency of Northern California (TANC or Agency) General Manager's Finance Committee (Committee) at 11:00 a.m. Mr. Riegle performed a roll call and a list of attendees to the meeting is provided as Attachment 1.

Approval of the Agenda

Chair Mills inquired if there were any modifications to the proposed agenda. Upon hearing of no revisions, the Chair approved the August 22, 2023 Finance Committee Agenda.

Approval of the February 2, 2023 Draft Minutes

Chair Mills asked if there were any revisions to the February 2, 2023 draft minutes. After hearing of no suggested changes Chair Mills considered the minutes approved.

Latest Credit Report Ratings from Standard and Poor's

Chair Mills mentioned that on August 4, 2023 Standard and Poor's affirmed TANC's credit rating of A+ noting that wildfire risk to the Agency was negligible.

Available Cash Presentation as of June 30, 2023

Ms. Nguyen presented TANC's available cash as of June 30, 2023 to the Committee. Members discussed the value of retaining the non-OATT line item and how TANC's funds are invested. Available cash will be further discussed later in the agenda.

Draft Preliminary Cash Distribution Policy

Mr. Riegle mentioned that the Audit/Budget Committee recently reviewed a preliminary draft TANC Cash Distribution Policy for Commission consideration to be presented later this calendar year. Mr. Bowers suggested that Finance Committee members who desire to participate in this discussion be afforded that opportunity. Mr. Riegle will extend an invitation for Finance Committee members to join in this conversation at the appropriate time.

Financing Options for Series Capacitor Project

Mr. Zimmerman began discussion with an overview of a draft Letter Agreement being prepared between TANC and WAPA for assistance in solving a WAPA cash management concern with the Department of Energy related to WAPA's funding obligation for the

Series Capacitor project. WAPA should learn relatively soon if the DOE will be funding their portion of the project; but it is anticipated DOE will not be able to provide this funding, thus the need for the Letter Agreement. Chair Mills noted that TANC cannot finance WAPA's share of the project and as such would need to lean on and use a portion of TANC's available cash for initially funding WAPA's share. PFM presented an updated PowerPoint with two options for consideration with the first being a 100 percent financing of the project, or secondly using a certain amount of TANC cash in association with a financing. Upon conclusion of discussions a motion was made by Mr. Bowers to promote a 100 percent financing of the Series Capacitor project to the Commission. This motion was seconded by Ms. Ainsworth and approved by the Committee.

Long-Term Layoff Agreement Discussion

Mr. Riegle briefly mentioned a potential option for future consideration by the Committee is that current Long-Term Layoff Agreement participants be allowed to pay for their debt obligations associated with the Series Capacitor project ahead of the termination of the LTLA. Alternatively, Members may desire to stay the course and continue with accumulation of debt obligations per the Annual LTLA. This will be discussed further at an upcoming meeting.

Next Steps

Staff will continue to work with pertinent parties related to the Cash Distribution Policy with the goal of buy-in from Members and Treasurer/Controller staff by the October Commission meeting. Staff will also present to the Commission at their September meeting the recommendation to proceed with a 100 percent debt financing of the Series Capacitor project.

Other

No other matters were discussed.

Next Meeting

The next TANC Finance Committee meeting was not immediately scheduled.

Respectfully Submitted,

DocuSigned by:

Russell Mills

A458150F304F470...

Russell Mills

Ex Officio Member and Secretary

Approved April 12, 2024

MINUTES
OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
FINANCE COMMITTEE MEETING

November 2, 2023

Mr. Bowers (in place of Chair Mills) convened a meeting of the Transmission Agency of Northern California (TANC or Agency) General Manager's Finance Committee (Committee) at 3:00 p.m. Mr. Riegle performed a roll call and a list of attendees to the meeting is provided as Attachment 1.

Approval of the Agenda

Mr. Bowers inquired if there were any modifications to the proposed agenda. Upon hearing of no revisions the November 2, 2023 Finance Committee Agenda was approved.

Draft Cash Distribution Policy

Mr. Riegle mentioned that the Audit/Budget Committee again discussed the proposed TANC Cash Distribution Policy at their October 26, 2023 meeting and noted that the consensus was for the Finance Committee to take one more look at the Policy before presentation to the Commission for consideration. This was the main purpose of today's Finance Committee meeting. With that Mr. Riegle discussed the highlights of the proposed Policy with this Committee. Further discussion pertained to adding language to the Policy regarding potential investment liquidity ahead of maturity, and if a member desires to withdraw available cash, to the extent there are fees, fines, or penalties on existing investments associated the desire to withdraw cash, that those members taking their funds will make whole other members who decide not to take funds. This would pertain to either planned or unplanned available cash distributions. It was determined that Mr. Riegle will make edits to the Policy to accommodate this concern.

Other

Mr. Zimmerman briefly mentioned that latest developments associated with a Letter Agreement between TANC and WAPA for assistance in solving a WAPA cash management concern with the Department of Energy related to WAPA's funding obligation for the Series Capacitor project. As mentioned in previous meetings, TANC cannot finance WAPA's share of the project and as such would need to lean on and use a portion of TANC's available cash for initially funding WAPA's share. Also previously discussed was a desire to finance 100 percent of the project. This topic will be discussed further at the November 15, 2023 TANC Commission meeting.

Next Meeting

The next TANC Finance Committee meeting was not immediately scheduled.

Respectfully Submitted,

DocuSigned by:

Russell Mills

A458150F304F470...
Russell Mills

Ex Officio Member and Secretary

Approved July 11, 2024

MINUTES
OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
FINANCE COMMITTEE MEETING

April 12, 2024

Chair Mills convened a meeting of the Transmission Agency of Northern California (TANC or Agency) General Manager's Finance Committee (Committee) at 10:00 a.m. Mr. Riegle performed a roll call and a list of attendees to the meeting is provided as Attachment 1.

Approval of the Agenda

Chair Mills inquired if there were any modifications to the proposed agenda. Upon hearing of no revisions, the April 12, 2024 Finance Committee Agenda were approved.

Approval of the August 22 and November 2, 2023 Draft Minutes

Chair Mills asked if there were any revisions to the August 22 and November 2, 2023 draft minutes. After hearing of no suggested changes Chair Mills considered the minutes approved.

Financing Option for the COTP Series Capacitor Project

Mr. Zimmerman provided the Committee with an update on the latest developments associated with the Series Capacitor Project. The Western Area Power Administration (WAPA) will be distributing the November '24 COTP cash call in August '24 with the fully anticipated amount of funding for the Project estimated at \$120 million. These funds will be due October 1, 2024. Chair Mills provided an update on the Line of Credit for TANC and mentioned that JP Morgan provided the best option for short-term credit funding. A full debt financing for TANC's portion of the Project is then expected in the spring of '25. Chair Mills then inquired if continuing with JP Morgan for the Line of Credit was acceptable to the Committee and this was affirmed. It remains the plan for TANC to provide WAPA with cash (via TANC's available cash) for WAPA's initial portion of the Project – while other COTP Project Participants provide and account for their own separate funding obligations.

Other

Nothing was mentioned.

Next Meeting

The next TANC Finance Committee meeting was not immediately scheduled.

Respectfully Submitted,

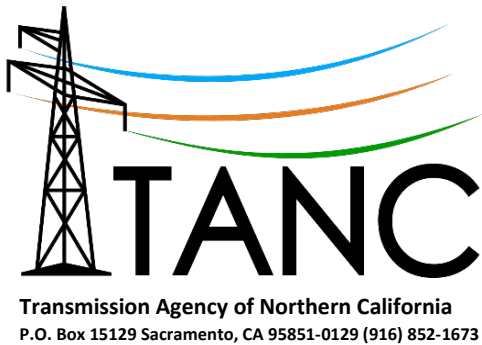
Signed by:

Russell Mills

Russell Mills

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Ex Officio Member and Secretary



MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON WESTCONNECT ACTIVITIES

This memo provides a summary of recent WestConnect activities. The Transmission Agency of Northern California (TANC) continues to participate in activities conducted by WestConnect, which is tasked with coordination of regional and interregional transmission planning. The most recent Planning Subcommittee (PS) meeting was held on July 16, 2024. The most recent Planning Management Committee (PMC) meeting was held on July 17, 2024. The next PS and PMC meetings are scheduled for August 20 and 21, 2024.

Planning Subcommittee

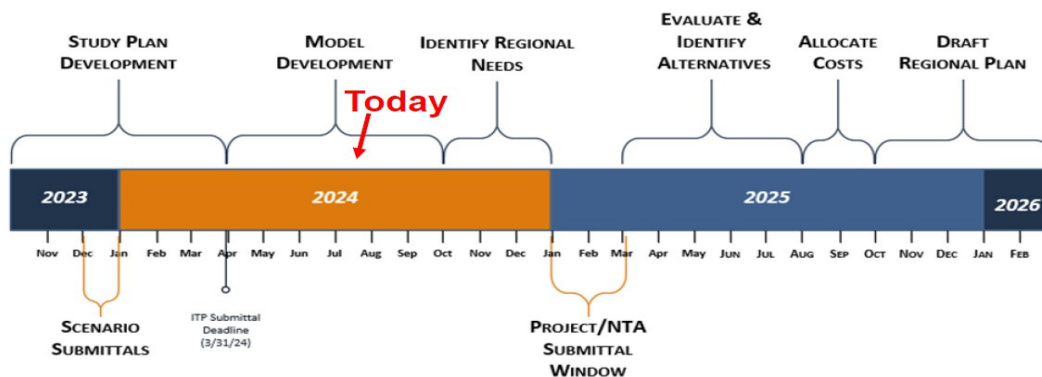
At their meeting on July 16, 2024, the PS discussed the 2024-2025 Model Development progress and the upcoming schedule for the Model Development. Since the previous PS meeting on June 18, 2024, the PS has been building and testing the second draft of the powerflow model and production cost model for the 2024-2025 Model Development process. Members supplied feedback for these models based on what was distributed by the PS. This included system topology and contingencies for testing. TANC had no comments on the material provided by the PS. Based on initial powerflow results, there were no flagged items within TANC's assets from the Draft 2 contingency results shared during the meeting. The third draft of results was distributed for member review following the meeting.

Planning Management Committee

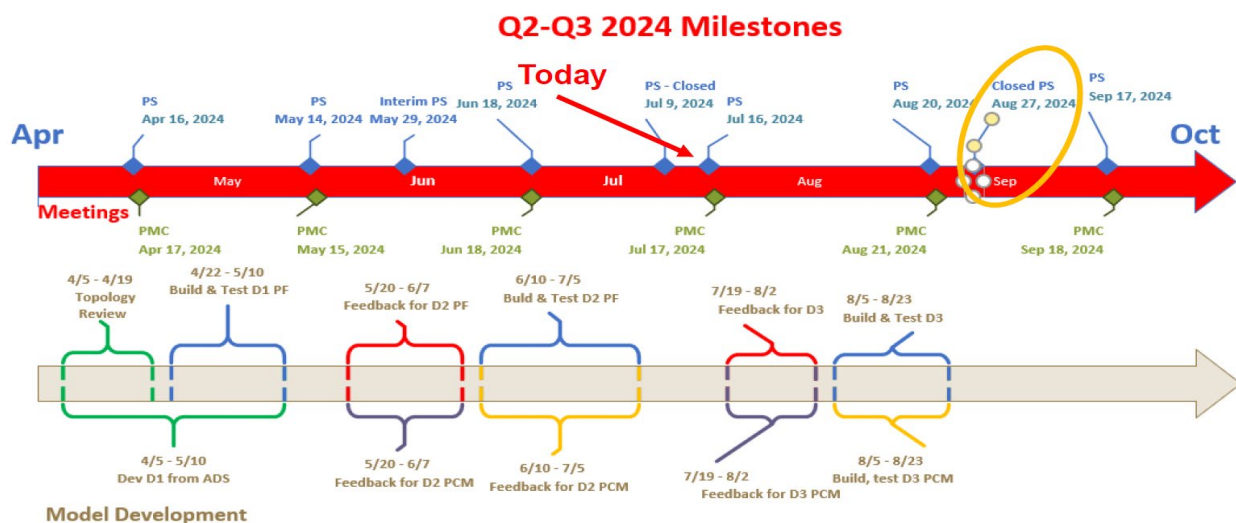
At their meeting on July 17, 2024, the PMC discussed updates to model development efforts, with second drafts of the regional models prepared in June and July. Development of Reliability and Economic models is ongoing. Results of preliminary regional assessments are expected to be

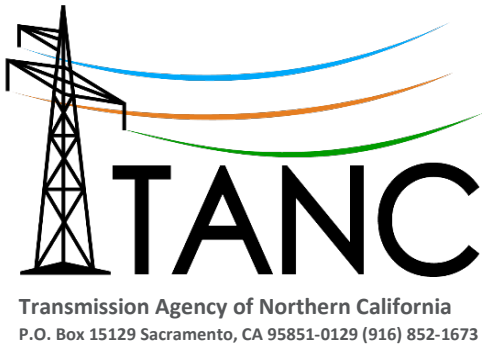
available by August 27, 2024. Subsequent to a communication from many Enrolled Transmission Owner members, the Contract and Compliance Subcommittee Chair requested that the PMC withdraw a previously approved action item to provide interpretations on Federal Energy Regulatory Commission (FERC) Order 1920 requirements. FERC Order 1920 requires transmission providers in each transmission planning region of the country to participate in a regional transmission planning process that includes “Long-Term Regional Transmission Planning,” or planning with a 20-year minimum horizon. The previous approval was sought for the Evaluation Process Plans which were submitted as part of the 2024-2025 Interregional Transmission Project and for which WestConnect is a Relevant Planning Region. The Interregional Transmission Projects include Phase 2 of the Sloan Canyon – Mead 230 kilovolt Project, Mead – Mohave Project, and the Western Bountu Transmission System.

2024-25 Process Timeline



Q2-Q3 2024 Schedule





MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON COTP MATTERS

Recent environmental and land matters pertaining to the Transmission Agency of Northern California (TANC) have included:

Communication Site Updates

Widow Mountain Communication Site

In November 2021, TANC submitted *Standard Form 299-Application For Transportation, Utility Systems, Telecommunications And Facilities On Federal Lands And Property* to the United States Bureau of Land Management (BLM) to request a renewal of the existing Communication Use Lease for the Widow Mountain Communication Site. The original lease became effective in September 1992 and expired on December 31, 2022. After submittal of the November 2021 application, TANC was informed by the BLM that the site would continue to operate and that no further action is needed until BLM considers the application.

In April 2024, TANC received notification that the BLM, Applegate Field Office had completed the National Environmental Policy Act Categorical Exclusion and Decision Record that were required before BLM could consider approval of TANCs 2021 Standard Form 299 application. In July 2024, TANC received the renewed Communication Us Lease for the Widow Mountain Communication Site which will remain in effect until December 31, 2054.

Sites Communication Site- Access Road

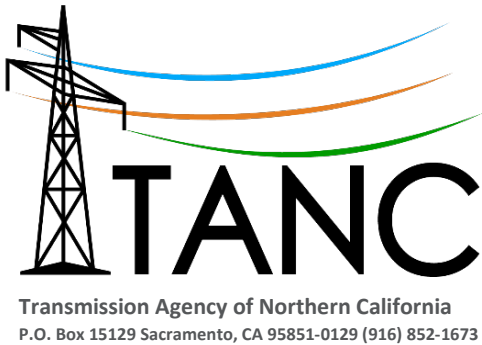
On July 25, 2024, TANC issued a notice to proceed to ABS Builders Inc. (ABS) for improving the drainage management and erosion control features on the access road to the Sites Communication Site. A kickoff call was held on July 26, 2024 with TANC, ABS, and Pacific Watershed Associates

TANC Commission

August 14, 2024

Page Two

(PWA), who will be acting as TANC's designated field representative while providing site supervision and quality control for the road treatments being implemented. Work began on July 29, 2024. On August 1, 2024 PWA reported that the work was progressing well, with an anticipated completion date in mid-August.



MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON TECHNICAL MATTERS

Recent transmission planning and technical matters pertaining to the Transmission Agency of Northern California (TANC) and its transmission asset the California-Oregon Transmission Project (COTP) have included:

California-Oregon Intertie Path Rating Process

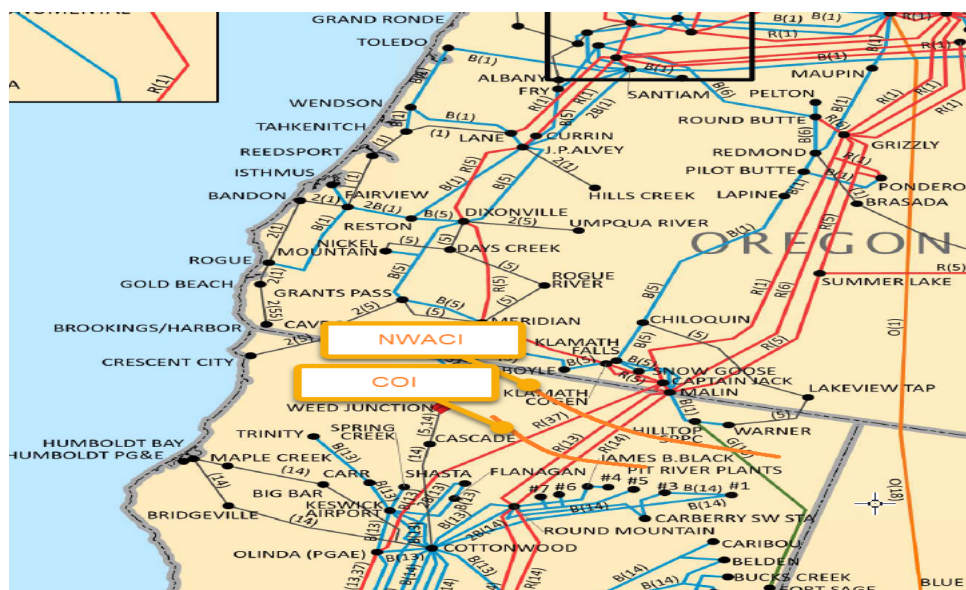
The Phase 2 California-Oregon Intertie (COI) Path Rerate study was submitted to the Project Review Group (PRG) in June 2024. A presentation with a summary of the finding from the study supporting the change to the rating of the COI to 5,100 megawatts (MW) was also provided to the PRG on June 20, 2024. The PRG provided comments which were reviewed by the COI owners who have been collaborating on the study. The final draft of the report will be submitted to the Western Electricity Coordinating Council Reliability Assessment Committee (RAC) in the coming weeks. After RAC approval, the path rating process will transition to Phase 3 which will involve preparing for operations, updating contracts and finalizing other tools for implementation. Expected implementation is Summer operating season for 2025 or April 1, 2025.

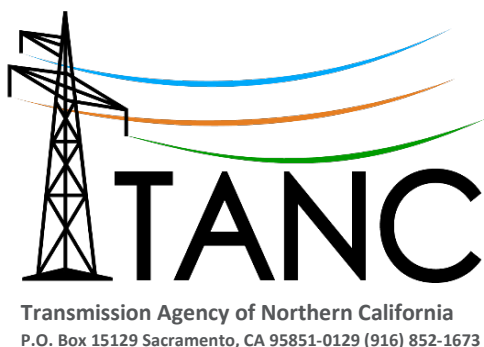
2024 Annual Planning Assessment

The 2024 Annual Planning Assessment is underway. The final study plan for the assessment was distributed to the California-Oregon Transmission Project (COTP) and the General Manager's TANC Engineering and Operations (E&O) Committee members on July 26, 2024. Base cases for the study plan are expected to be distributed in late August. After these cases are reviewed, the study will begin with a steady state powerflow analysis for peak cases in 2025, 2029 and 2034 as well as an off peak 2025 study case. Initial results are expected by the end of September and will

Bonneville Power Administration – California Independent System Operator Meeting

On August 6, 2024, the California Independent System Operator (CAISO), as the COI path operator, and the Bonneville Power Administration (BPA) held a meeting with the COI and Northwest Alternating Current Intertie (NWACI) Owners to discuss how COI and NWACI limits are implemented for CAISO and BPA. At this meeting, there was a discussion of the storm conditions that occurred on Martin Luther King Weekend in January 2024, and which caused outages in the BPA service territory and during which limitations were implemented on the NWACI side of the path. Based on how the NWACI and COI are linked by implementing the limitations for the NWACI, the limitations were also implemented on the COI side of the path. This caused real-time congestion to be observed far south of the physical constraint. Members within the BPA service territory asked why this is occurring and whether the NWACI and COI could be split to operate two different limits. It was noted by the CAISO that if the limit were to be split that this would cause reliability issues due to the timing of how the two areas operate - CAISO in the hour ahead and BPA in the quarter hour. Further it was discussed that this situation can cause deviations in applied limits in the two areas and require real-time work arounds to procure generation that might not be available in the time required. It was noted that if there was a hedging mechanism for managing congestion in the Northwest then the prices observed would not have been as extreme as they were. For now, it was decided that the COI and NWACI would remain linked as it is done today since the CAISO and BPA manage schedules in different manner (with the CAISO in the hour ahead and BPA in the quarter hour) and splitting the NWACI and COI into two different limits would presents significant challenges that would impact system reliability. The two limits for COI and NWACI are shown below.





MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON FERC AND OTHER REGULATORY MATTERS

This memorandum provides an update on regulatory issues at the Federal Energy Regulatory Commission (FERC) that are relevant to the Transmission Agency of Northern California (TANC) and its Members.

Upgrade Cost Challenge – D.C. Circuit Rejects Duke Energy Request

On July 9, 2024, the D.C. Circuit upheld a FERC Order requiring Duke Energy to reimburse two renewable energy developers for the cost of making network upgrades needed to bring their solar projects online. The two developers (American Beech Solar and Edgcombe Solar) propose to connect their solar generating facilities to a neighboring section of the grid. Interconnections of these facilities would require \$20-30 million in upgrades to Duke Energy's system. The issue Duke Energy raised is whether reimbursement applies to upgrades to an "affected system" (i.e. a neighboring transmission provider not directly connected to the generator interconnection) and whether Duke Energy is required to reimburse the solar developers. Traditionally, FERC interconnection rules state that generators pay for initial upgrade costs, but then they are reimbursed by the transmission provider. The D.C. Circuit rejected Duke Energy's request to not reimburse the two renewable energy developers. The court stated that per the requirements of Order 2003, reimbursement is required unless a transmission provider or affected system operator has 1. Demonstrated compliance with a FERC-approved generally applicable deviation from that requirement, or 2. Justified a case-specific deviation in the circumstances presented regarding the affected system operating agreement at issue. FERC Order 2003 (along with Orders 2003-A, 2003-B, and 2003-C) established "standard procedures and a standard agreement for interconnecting [large] generators" to jurisdictional public utilities' transmission systems.

A Public Entity whose Members include:

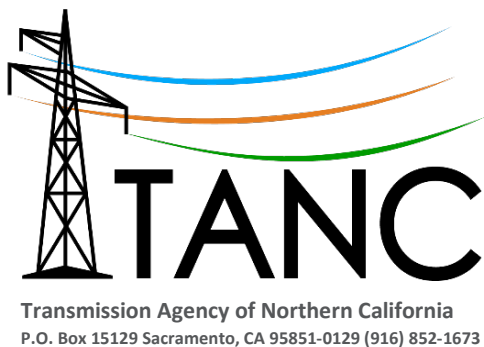
Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Modesto Irrigation District,
Palo Alto, Plumas-Sierra Rural Electric Cooperative, Redding, Roseville,
Sacramento Municipal Utility District, Santa Clara, Turlock Irrigation District, Ukiah

Dynamic Line Ratings - Advanced Notice of Proposed Rulemaking,

On June 27, 2024, FERC issued a draft Advanced Notice of Proposed Rulemaking (ANOPR) to consider potential requirements for transmission providers to use dynamic line ratings (DLRs). DLRs improve the accuracy of transmission line ratings by reflecting up-to-date forecasts of weather conditions, specifically ambient air temperature, wind, and solar heating. FERC believes that the integration of DLRs will lead to more accurate system transfer capability, thereby resulting in more just and reasonable rates. The draft ANOPR intends to build on FERC Order 881 (2021), which required transmission providers to adopt ambient-adjusted line ratings (AARs). AARs only reflect ambient air temperature, so their adoption has been considered a precursor to the adoption of DLRs. Shortly after issuing Order 881, FERC issued a Notice of Inquiry (NOI) on DLRs, seeking information on potential criteria for DLR requirements, as well as details regarding the benefits, costs, and challenges of implementing DLRs. Based on this NOI and subsequent outreach, the draft ANOPR proposes a DLR framework that requires transmission line ratings to reflect ambient air temperature, solar heating based on the sun's position, solar heating based on forecastable cloud cover, forecasts of wind speed, and, for transmission lines in windy and congested areas, forecasts of wind direction. Initial comments on the draft ANOPR are due 90 days after its publication in the Federal Register.

A Public Entity whose Members include:

Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Modesto Irrigation District,
Palo Alto, Plumas-Sierra Rural Electric Cooperative, Redding, Roseville,
Sacramento Municipal Utility District, Santa Clara, Turlock Irrigation District, Ukiah



MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: WESTERN ELECTRICITY COORDINATING COUNCIL MATTERS

This memorandum provides an update on the relevant matters pertinent to the Western Electricity Coordinating Council (WECC) including its various committees and subcommittees.

Reliability Risk Committee and Reliability Assessment Committee

On July 10, 2024, the Reliability Risk Committee (RRC) and Reliability Assessment Committee (RAC) convened for a joint meeting. During the meeting, the North American Electric Reliability Corporation (NERC) provided an overview of two new Reliability Standards, BAL-007-1 and BAL-008-1 which are applicable to Balancing Authorities and Reliability Coordinators and will require processes to perform both near-term and seasonal energy reliability assessments. NERC indicated that its Standard Drafting Team is also beginning to work on a third Reliability Standard, which will require long-term planning assessments. The RRC and RAC also discussed challenges and lessons learned regarding the January 2024 winter weather event, as well as contemplated risks and potential action items related to inverter-based resource oscillation events.

Reliability Assessment Committee

On July 10 and July 11, 2024, the RAC held a two-day meeting. On Day 1, the Western Power Pool (WPP) provided an analysis of geomagnetic disturbances and related risks. Recently, from May 10, 2024 to May 12, 2024, a geomagnetic storm resulted in 100 amps being recorded on a Bonneville Power Administration transformer. According to the WPP, these storms can generate harmonic currents that trip and/or damage critical electrical equipment, including transformers,

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static compensators, capacitors, generators, and transmission lines. To mitigate such risk, the WPP encouraged entities to conduct free harmonic assessments, using an online tool called EPRI GICHarm, to model equipment impacts during various scenarios and improve study processes. On Day 2, the RAC discussed Federal Energy Regulatory Commission (FERC) Order 1920 and its implications for WECC. Issued on May 13, 2024, Order 1920 reforms FERC's long-term regional transmission planning and cost allocation requirements to ensure that transmission providers are pursuing efficient, cost-effective investments in electric transmission infrastructure. Among the new regulatory requirements, FERC requires transmission providers to develop comprehensive, forward-looking regional transmission plans, employing data on a 20-year time horizon to establish projections of long-term transmission needs and potential facilities to meet those needs. To help inform this effort, the RAC indicated that WECC will aggregate data to build 20-year base cases for both reliability and production cost modeling.

Joint Guidance Committee

On July 12, 2024, the Joint Guidance Committee (JGC) met and approved a motion, recommending that the WECC Board of Directors (BOD) dissolve the JGC and retire its associated charter. The JGC's original goal was to provide oversight for RRC and RAC activities and ensure that such activities were aligned with WECC's strategic direction, objectives, and priorities. According to the JGC, this degree of oversight is no longer necessary, as the RRC and RAC have reached a point in which they are self-sufficient. Pending BOD approval, the JGC will formally dissolve. In the JGC's absence, the BOD and Member Advisory Committee (MAC) will continue to maintain oversight of WECC's various committees, including the RRC and RAC, and their related activities.

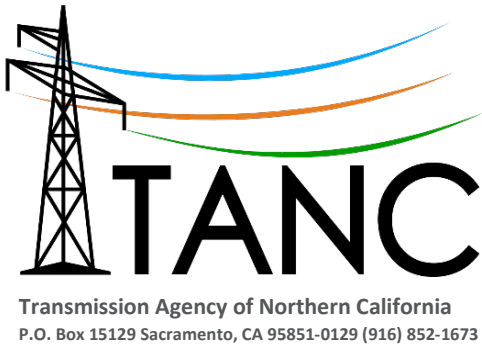
Studies Subcommittee

The Studies Subcommittee (StS) met on July 16, 2024 and discussed items relating to the 2023 study program results. The results discussed include the 20-year compound load, cold weather event and extreme heat event studies. The most notable results from these studies included the loss of significant generation in the Northwest and Canada during a cold weather event. The StS also discussed WECC members collaborating on the geomagnetic disturbance study relating to the TPL-007 requirements which have been updated since WECC will no longer be performing studies for TPL-007. It remained up in the air if WECC members would collaborate on this study and it was decided to be determined later.

Member Advisory Committee

On July 31, 2024, the MAC met and discussed potential opportunities for members to integrate themselves with the RRC's reliability risk priorities (RRP) process. The MAC is currently accepting feedback from members regarding the degree to which they would like to participate in the RRP process. Additionally, during the meeting, the MAC shared that WECC's 20-Year Transmission Trends Assessment was published back in June 2024. The Assessment analyzes industry trends and risks across a range of scenarios set in 2042 (Year 20) to inform WECC's

perception of future transmission use and energy flows. The Assessment produced the following results: 1) most subregions required increased imports during both extreme cold and extreme heat events; 2) under high-load conditions, the California–Mexico (CAMX) subregion was an exporter annually, but during extreme weather events, the CAMX subregion required imports; 3) because each path is used differently depending on the season, month, time of day, and weather, entities in the Western Interconnection cannot assume that the direction of path flows today will be the same in Year 20, nor that the predominant flow direction will be the same across all system conditions; and 4) some scenarios led to a decrease in path utilization but a high potential for load loss due to generation constraints.



MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON TANC OASIS MATTERS

The Transmission Agency of Northern California (TANC) allows third party transmission sales on its portion of the California-Oregon Transmission Project via TANC's Open Access Same-Time Information System (OASIS) web portal. These sales pertain strictly to Project Agreement No. 5 (PA-5) Member participation.

Enclosed is a bar graph indicating PA-5 Member third party OASIS sales on a monthly basis since 2020, in addition there are pie charts indicating monthly sales through June 2024 as well as year-to-date 2024 sales. A second bar graph includes calendar year sales from 2020 through June 2024. Additionally, another report is provided, indicating megawatt-hour sales in a format similar to revenue sales. Buy-backs and excess capacity purchases by TANC PA-5 Members are not included.

TANC's third party transmission sales in June totaled \$113,221. The 2024 Year-to-Date sales through June are \$465,985.

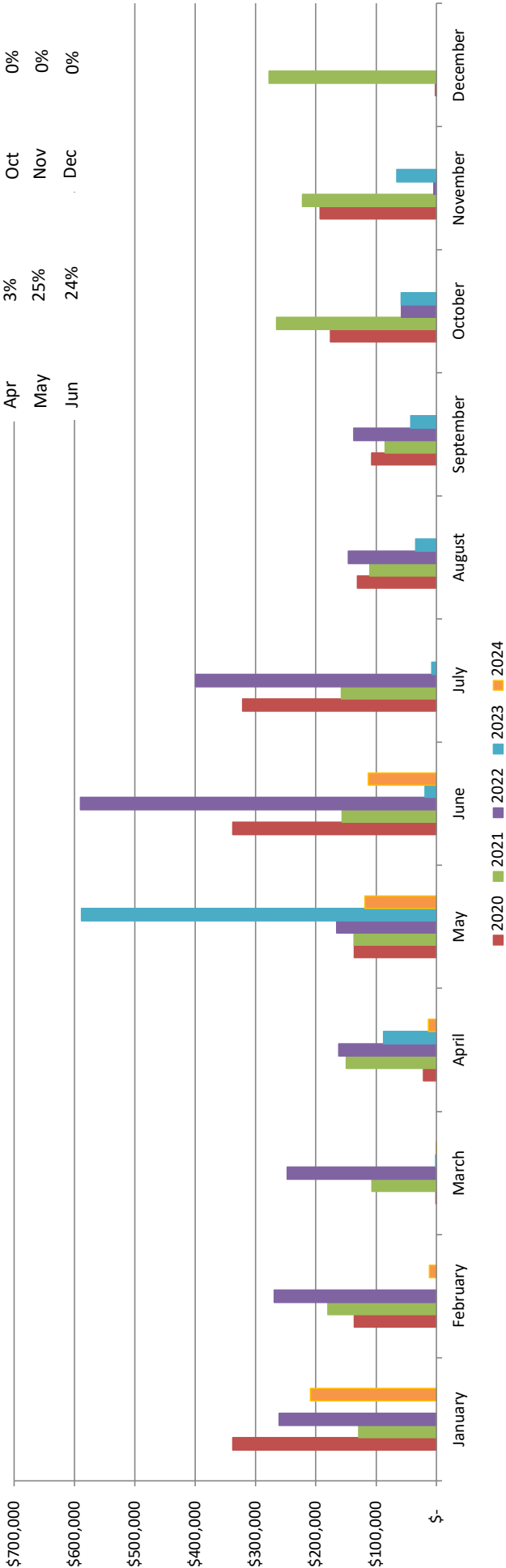
Enclosures

Monthly percentage of the YTD Total Revenue

2024 TANC OASIS (PA-5) Annual Revenue Third Party Sales*

Historical OASIS Sales & Percentages for June 2024

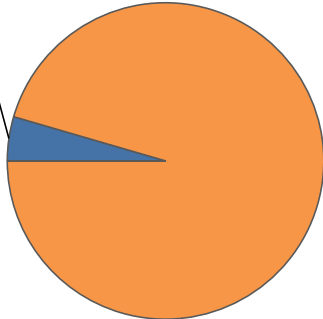
2020-2024



2024 Product Sales

Total June Sales \$113,221

NF-Hourly, \$5,125

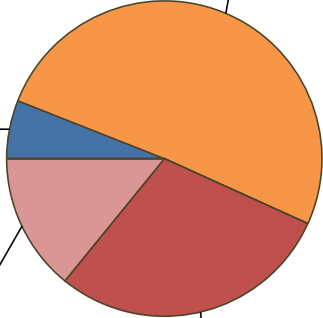


NF-Daily, \$108,096

2024 YTD Product Sales

Total 2024 Sales \$0.47M

F-Weekly, \$65,880



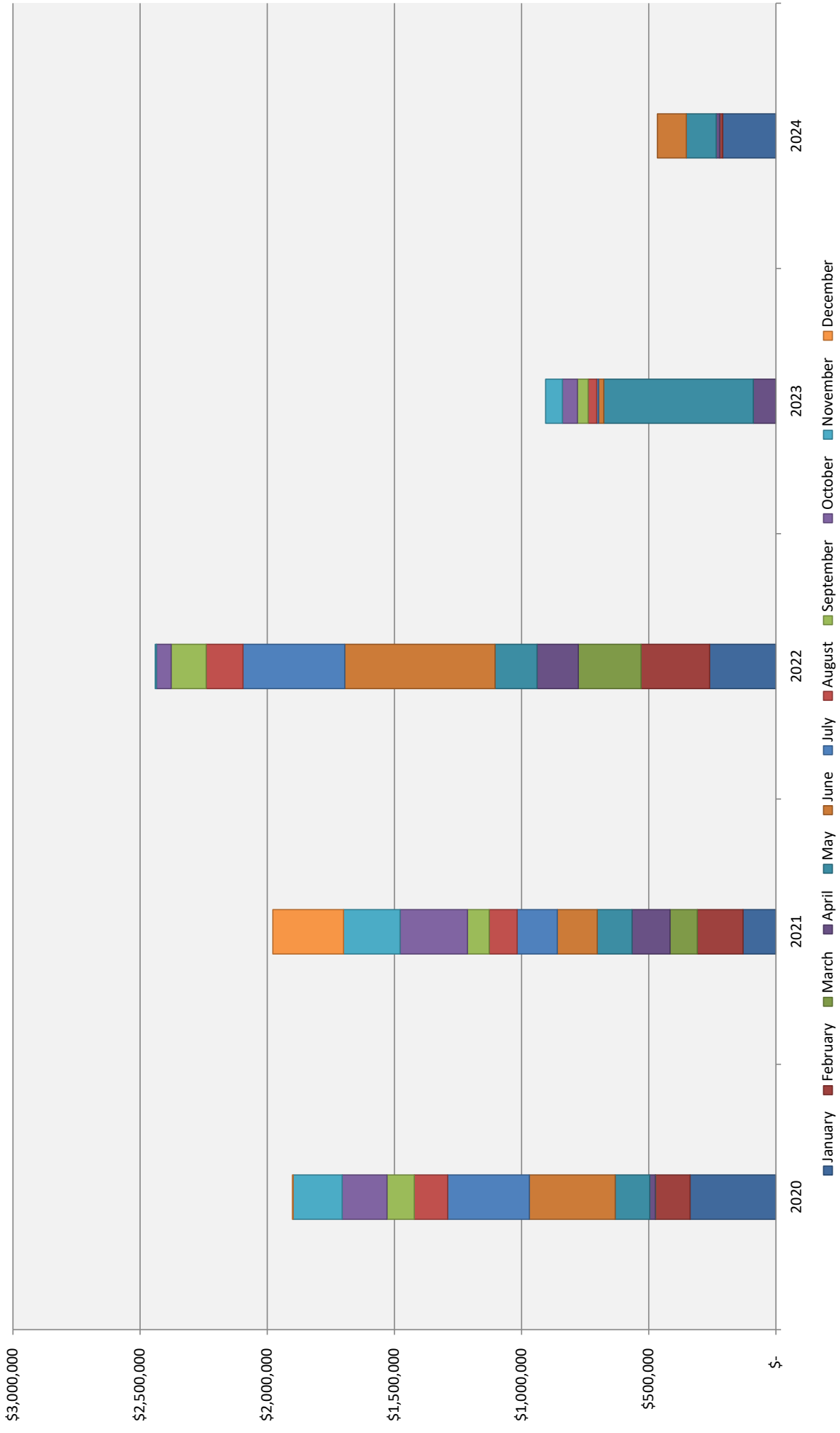
F-Daily, \$135,470

NF-Daily, \$236,864

* Includes OASIS sales data through June 2024. Does not include buy-backs or excess capacity purchases by TANC OASIS participants

2024 TANC OASIS (PA-5) Annual Revenue from Third Party Sales*

Monthly Historical OASIS Sales
January 2020 - June 2024



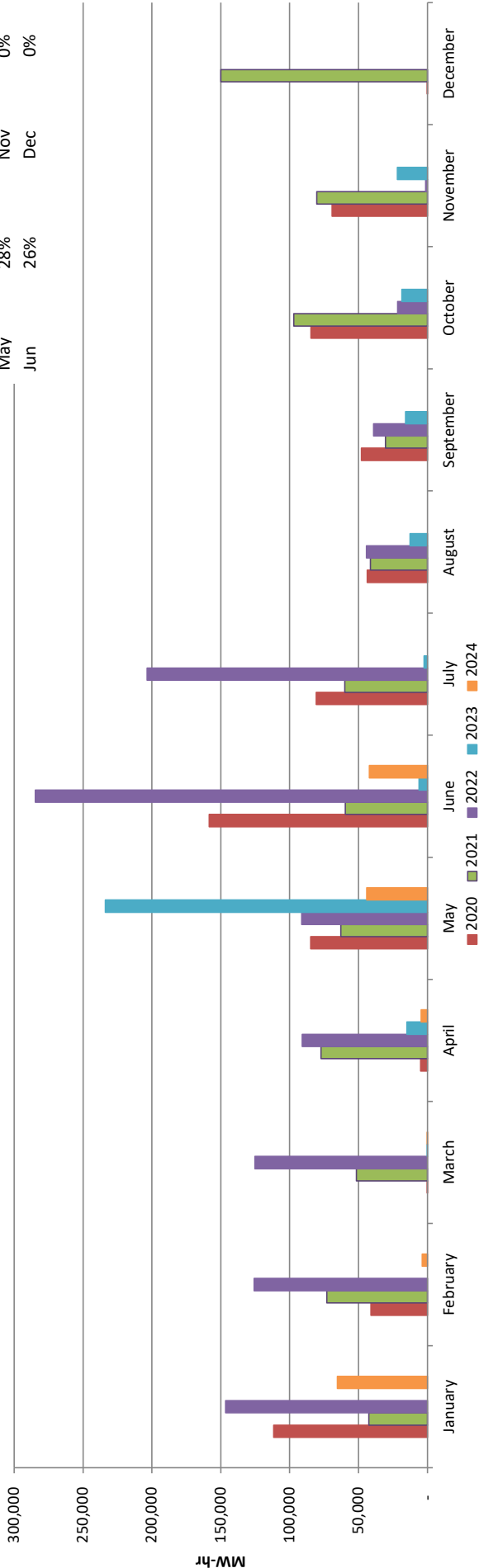
* Includes OASIS sales data through June 2024. Does not include buy-backs or excess capacity purchases by TANC OASIS participants

Monthly percentage of the YTD Total MWHr

2024 TANC OASIS (PA-5) Annual MWh Third Party Sales*

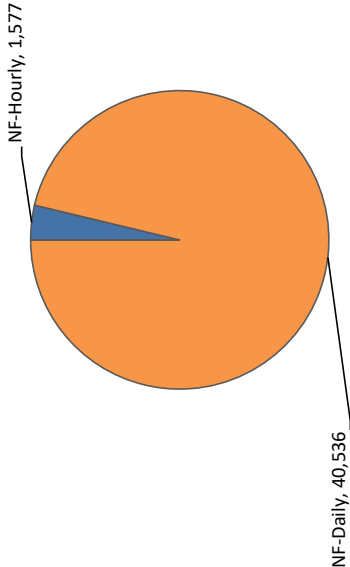
Historical OASIS Sales & Percentages for June 2024

2020-2024



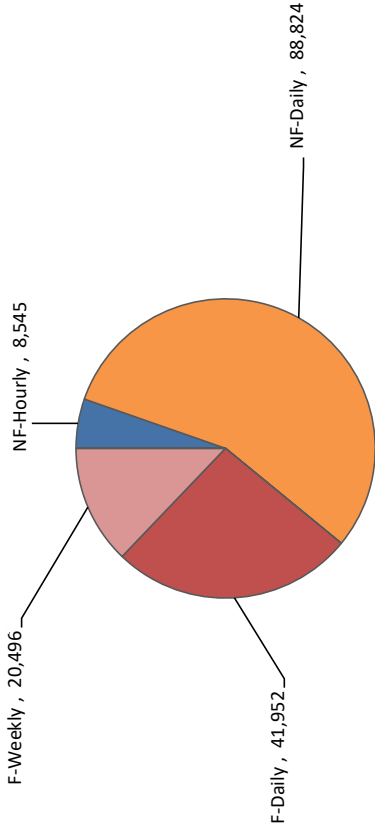
2024 MWh Sales

Total June Sales 42,113 MWh



2024 YTD MWh Product Sales

Total 2024 Sales 159,82 GWh

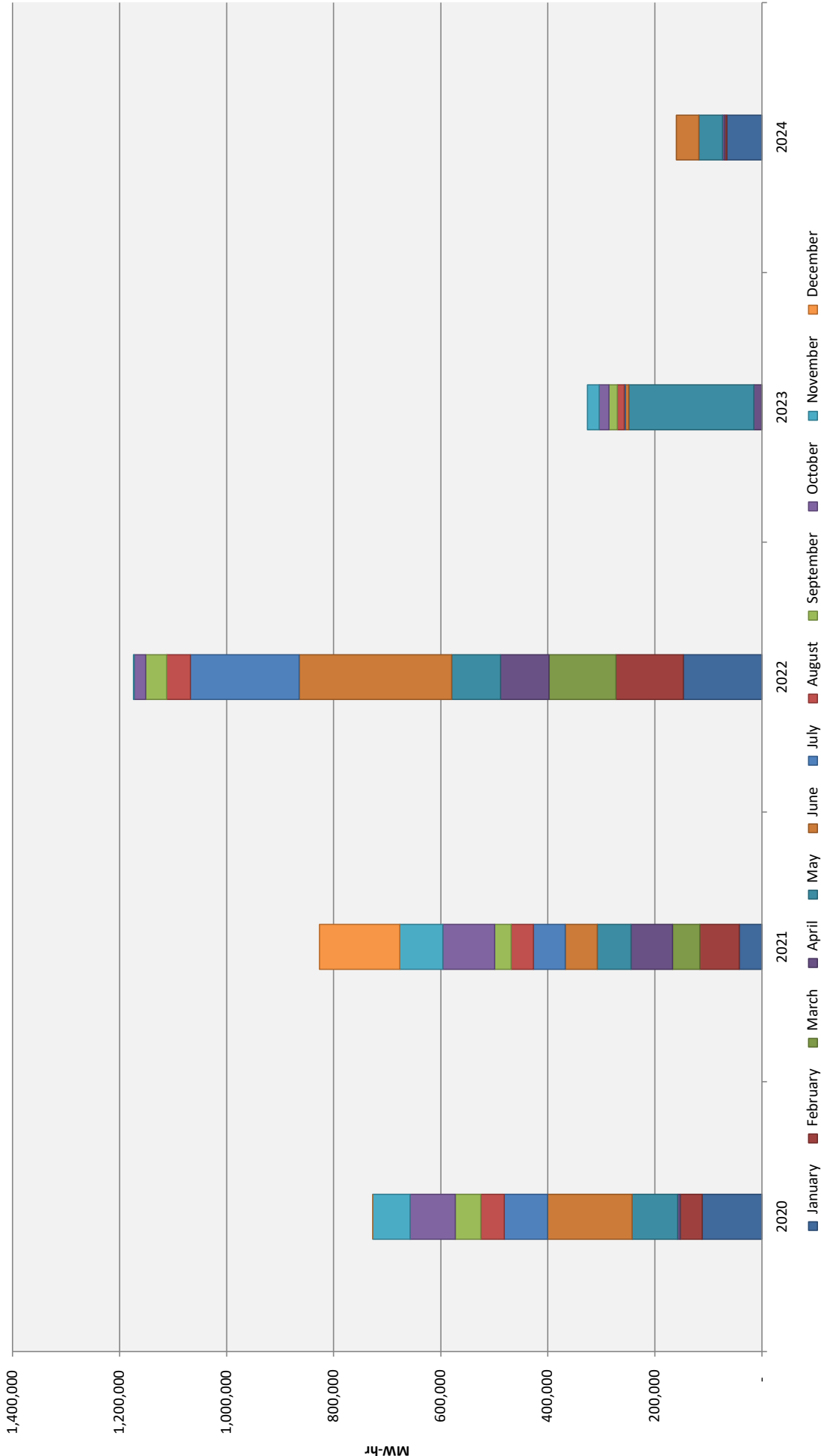


* Includes OASIS sales data through June 2024. Does not include buy-backs or excess capacity purchases by TANC OASIS participants
Includes sales only, does not include actual scheduled energy.

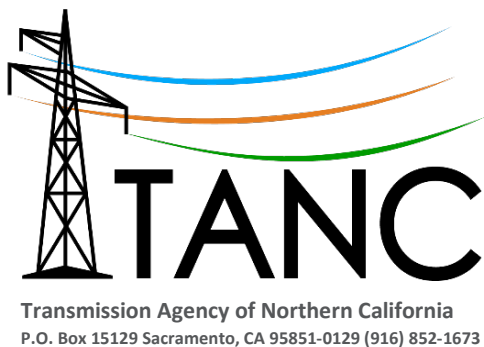
2024 TANC OASIS (PA-5) Annual MWh Third Party Sales*

Monthly Historical OASIS Sales

January 2020 - June 2024



* Includes OASIS sales data through June 2024. Does not include buy-backs or excess capacity purchases by TANC OASIS participants
Includes sales only, does not include actual scheduled energy.



MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON WILDFIRE ACTIVITIES

The following provides an update on recent activities of the California Wildfire Safety Advisory Board (WSAB) and related wildfire mitigation activities pertaining to the Transmission Agency of Northern California (TANC) Wildfire Mitigation Plan (WMP) for the California-Oregon Transmission Project.

Wildfire Mitigation Plan

California Wildfire Safety Advisory Board Recommendations for 2025 Wildfire Mitigation Plans Prepared by Publicly-Owned Utilities

The WSAB issued its Advisory Opinion for Publicly-Owned Utility (POU) 2024 WMPs on December 4, 2023¹, which recommended that POUs participate in meetings or workshops as requested by the WSAB. The purpose of those meetings was to engage with the WSAB and to exchange information and ideas through discussions on several topics relevant to POU WMPs. The WSAB and POUs held six meetings from January to April 5, 2024 to identify topics for further discussion (Discussion Topics) and consideration in the 2025 POU WMPs. Those meetings and Discussion Topics were summarized in the May 2024 POU Summary Report² that also included eleven Preliminary Recommendations—one for each Discussion Topic. Each of the eleven Discussion Topics and Preliminary Recommendations are summarized in Table 1, below. TANC will evaluate them for their relevance to the 2025 TANC WMP.

¹ California Wildfire Safety Advisory Board, "Advisory Opinion for the 2024 Wildfire Mitigation Plans of Electric Publicly Owned Utilities and Rural Electric Cooperatives" December 4, 2023, <https://energysafety.ca.gov/wp-content/uploads/2023/12/wsab-2024-wmp-pou-advisory-opinion.pdf>.

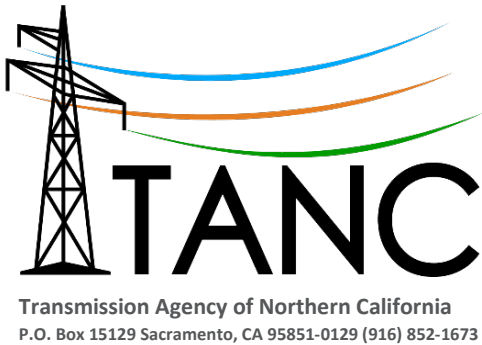
² "Wildfire Safety Advisory Board – Publicly-Owned Electric Utilities and Rural Electric Cooperatives Wildfire Mitigation Plan Working Group Summary Report (POU WMP Summary Report)."

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| Table 1. WSAB Discussion Topics and Preliminary Recommendations for 2025 POU WMPs | |
|---|---|
| Discussion Topic 1: Summary of Projects and Programs | <i>Preliminary Recommendation:</i> The POUs should include a standalone summary of key wildfire mitigation initiatives, accomplishments from the prior reporting period. The WSAB recommends a template or table format. |
| Discussion Topic 2: Late WMP Submissions | <i>Preliminary Recommendation:</i> If a POU determines they are likely to submit their WMP after the July 1 deadline, they should submit a letter to the docket by the July 1 deadline, explaining the cause of the delay and the estimated time they will submit their WMP. |
| Discussion Topic 3: Tracking Changes to WMPs | <i>Preliminary Recommendation:</i> The POUs should include a summary of changes to indicate the year-to-year updates made to their WMPs, as a redline, narrative description, or revision log. |
| Discussion Topic 4: Digital Accessibility | <i>Preliminary Recommendation:</i> The POUs should: <ul style="list-style-type: none"> • Include internal hyperlinks in the table of contents of their WMPs; and • Conduct digital accessibility checks of their WMPs prior to submittal and follow the accessible content guidelines set out by the Department of Rehabilitation (DOR), available at: https://www.dor.ca.gov/Home/Accessibility. |
| Discussion Topic 5: Areas that Exceed Minimum Standards in General Orders | <i>Preliminary Recommendation:</i> The POUs should include information about their decision-making process for how they assess if known local conditions require them to exceed any applicable minimum design, construction, or maintenance standards (i.e. General Orders) for a particular facility. |
| Discussion Topic 6: Independent Evaluator Reports | <i>Preliminary Recommendation:</i> Where appropriate, the POUs should include in the project scopes for independent evaluator (IE) reports an evaluation of WMP strategy and projects, to provide recommendations for improvements for the WMP overall and for specific initiatives/projects. |
| Discussion Topic 7: Alternative Reporting for POUs Without Overhead Electric Facilities in the High Fire Threat District | <i>Preliminary Recommendation:</i> A POU that does not own or control any overhead electric supply facilities in the High Fire Threat District (HFTD), and that has no updates to its WMP, may utilize a CMUA alternative reporting template. |
| Discussion Topic 8: Progress and Achievements | <i>Preliminary Recommendation:</i> The POUs should highlight their recent progress and achievements in their WMP programs by including more detailed information in the WMP regarding project targets, and timelines and progress updates for each project in each subsequent WMP. This information could be combined with other informational items, such as the summary of projects and programs (see Recommendation item 1), and could be in a narrative, table, or other format. |
| Discussion Topic 9: Quality Assurance/Quality Control Programs | <i>Preliminary Recommendation:</i> The POUs should provide descriptions of their quality assurance/quality control (QA/QC) programs and the lessons learned for inspection and maintenance programs in the WMP. |
| Discussion Topic 10: Performance Metrics | <i>Preliminary Recommendation:</i> The WSAB recommends that POUs use the CMUA's 2024 revised metrics template as the starting point for developing their own metrics table. <ul style="list-style-type: none"> • It is expected that POUs will tailor the metrics to their unique circumstances. • Furthermore, the WSAB recommends that the POUs use the latest Context Setting Template, which includes additional metrics for the impacts of PSPS events that are caused by third parties. |

| Table 1. WSAB Discussion Topics and Preliminary Recommendations for 2025 POU WMPs | |
|---|---|
| <i>Discussion Topic 11: Other Topics</i> | <ul style="list-style-type: none">• Communication company risks;• Issues with US Federal Agencies such as the US Forest Service;• Inclusion of wildfire maps and the sharing of mapping data;• WMP updates reporting guidelines and template(s) for some POUs;• Engagement with the GO 95/128 Rules Committee; and• Identification and sharing of wildfire management practices at the local, state, regional and federal levels through utility-led meetings. |



MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON CAISO MATTERS

This memorandum provides an update on issues at the California Independent System Operator (CAISO) that are relevant to the Transmission Agency of Northern California (TANC).

West-Wide Governance Pathways Initiative

On June 18, 2024, the CAISO held a meeting to initiate its stakeholder process for the West-Wide Governance Pathways Initiative (WWGPI) Step 1 proposal. The WWGPI seeks to expand the CAISO's Western Energy Imbalance Market (WEIM) and Extended Day-Ahead Market (EDAM), as well as establish a path forward for a fully unified Western market. The WWGPI's Step 1 proposal focuses on pursuing substantive changes within the scope of existing law, while continuing to develop pathways to an independent Western market governance. On July 23, 2024, the CAISO held an additional meeting and discussed the overwhelming support in stakeholder comments on the Step 1 proposal. The CAISO indicated that it does not recommend any major changes to the Step 1 proposal and plans to proceed with a joint meeting between the Board of Governors and WEIM Governing Body on August 13, 2024, to consider and vote on the Step 1 proposal.

2024-2025 Transmission Planning Process

On June 26, 2024, the CAISO posted the final study plan for Phase 1 of the 2024-2025 Transmission Planning Process (TPP). The final study plan identifies the goals and unified planning assumptions for the studies to be completed in Phase 2 of the 2024-2025 TPP. On August 15, 2024, the CAISO will commence Phase 2 when it posts its preliminary reliability study results and mitigation solutions. By August 30, 2024, the CAISO expects to post the base scenario cases for each planning area used in its preliminary reliability study. Stakeholder meetings will be held on

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September 25 and 26, 2024 to discuss the CAISO's Phase 2 efforts to that point. The CAISO will post its final reliability study results by October 31, 2024 and then proceed with its Phase 2 efforts for the policy- and economic-driven studies.

Updates on the Extended Day-Ahead Market

On July 2, 2024, Portland General Electric (PGE) signed an implementation agreement to formally commit to joining the CAISO's EDAM. The EDAM is a voluntary, day-ahead electricity market designed to expand on the CAISO's existing WEIM, which delivers reliability, economic, and environmental benefits to participating balancing areas and utilities by leveraging transmission connectivity and resource diversity across the Western Interconnection. In December 2023, FERC approved tariff amendments filed by the CAISO to implement the EDAM. The EDAM is expected to become operational in 2026. PGE and PacifiCorp have formally committed to joining the EDAM in Spring 2026, and the Balancing Authority of Northern California, the Los Angeles Department of Water and Power, and NV Energy have all expressed their intent or interest in joining the EDAM. Idaho Power has also indicated that it is considering joining the EDAM.

2023 Interconnection Process Enhancements Initiative - Track 3

On July 15, 2024, the CAISO held a meeting to discuss its 2023 Interconnection Process Enhancements (IPE) Initiative Track 3 straw proposal, which was posted to the CAISO's website on July 5, 2024. In Track 3, the CAISO will explore modifications to its transmission plan deliverability (TPD) allocation methodology (Track 3A), as well as consider improving the existing processes for Cluster 14 and other earlier queued projects (Track 3B). The CAISO will explore the following issues as part of Track 3B: 1) establishing an intra-cluster prioritization process for projects' use of existing short-circuit duty (e.g., reliability headroom) as the CAISO awaits the completion of ongoing reliability network upgrades; 2) modifying the prioritization process for awarding interim deliverability; and 3) discontinuing the distributed generation deliverability process. The CAISO is expected to post a draft final proposal for Track 3 later this month, with the Board of Governors expected to consider approval of the final IPE Track 3 proposal in December 2024.

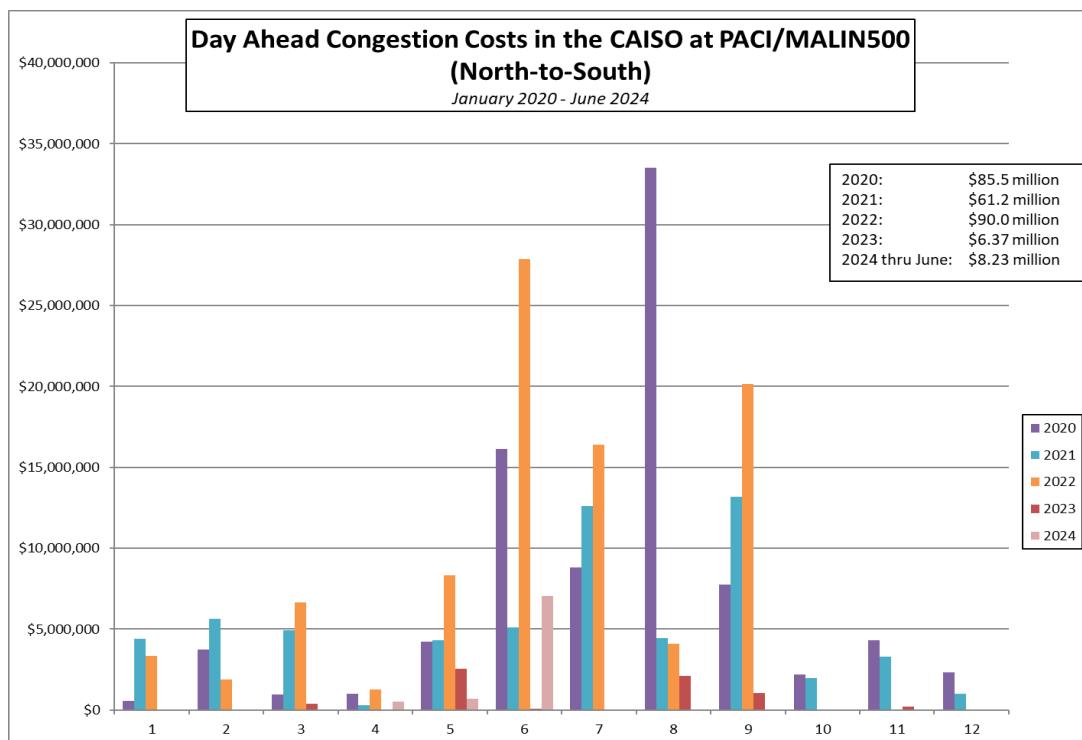
Federal Energy Regulatory Commission Order 881 - Managing Transmission Line Ratings

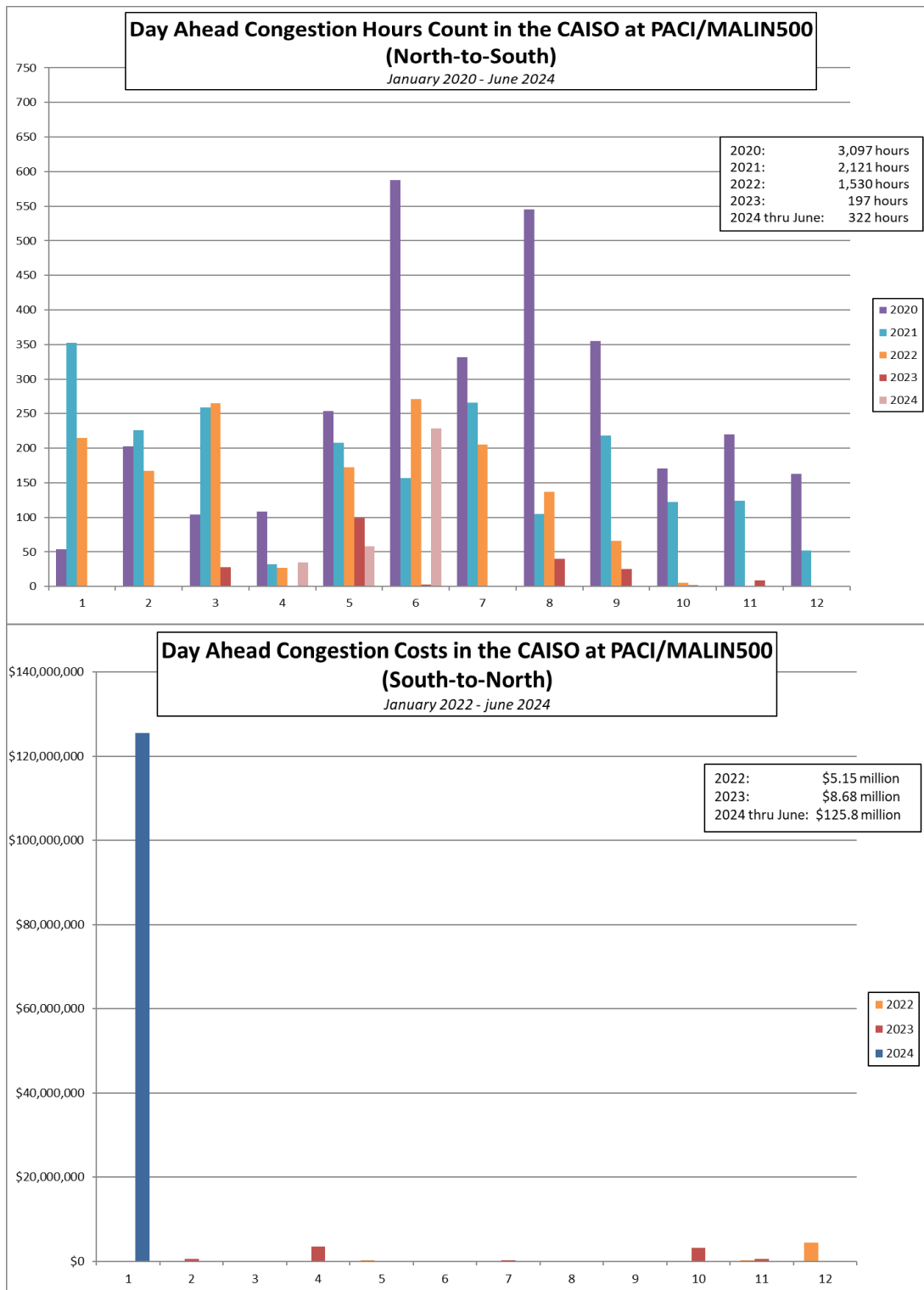
On July 23, 2024, the CAISO hosted their quarterly update meeting on Federal Energy Regulatory Commission Order 881. Issued in 2021, Order 881 requires transmission providers to adopt ambient-adjusted line ratings (AARs) to improve the accuracy and transparency of their transmission line ratings. During the meeting, the CAISO reported that Open Access Technology International is actively finalizing the CAISO's webLineR look-ahead rating application. The webLineR tool will be employed to interface with all RC West transmission operators (TOPs), so that it may acquire 240 hours of look ahead AARs. The CAISO's current transmission registry will still be employed to interface with TOPs for seasonal ratings. However, an initiative to transition the CAISO's seasonal rating management capabilities to webLineR will be considered in the future. The CAISO also provided additional information on webLineR's capabilities which

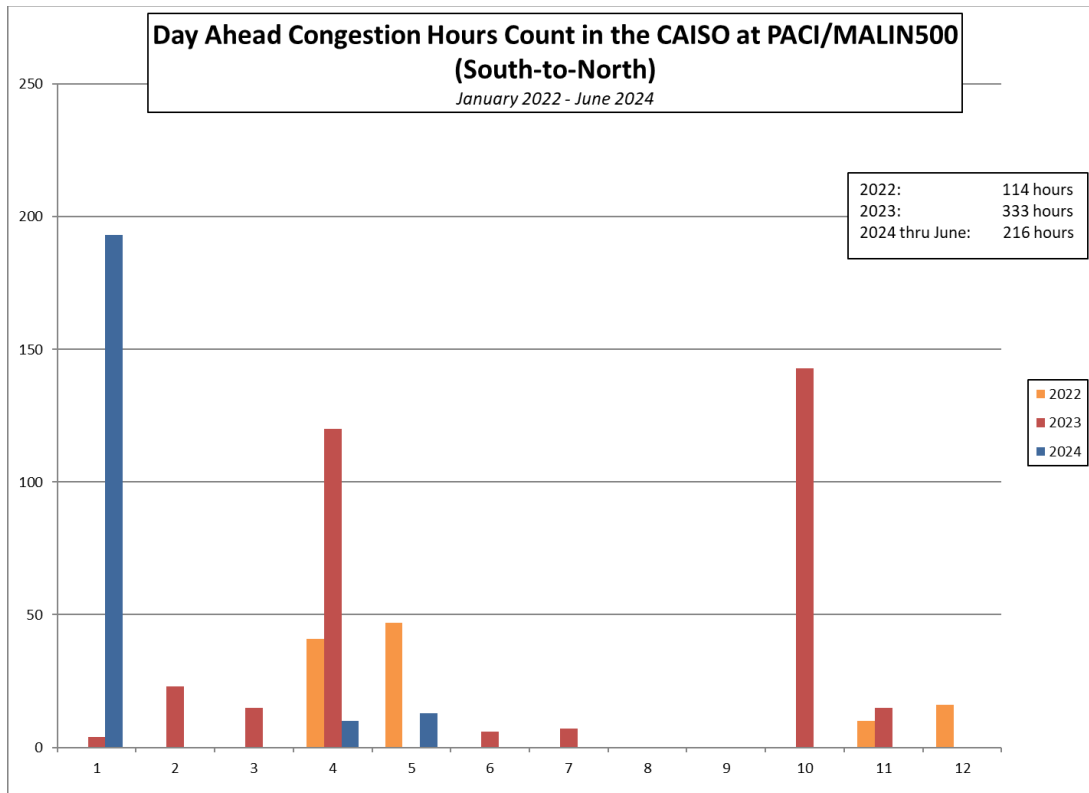
includes: 1) enable TOPs to upload their AARs and immediately transmit ratings downstream throughout the CAISO's systems; 2) perform AAR validation; 3) support one normal rating and up to four emergency ratings; 4) perform ratings coordination for tie-lines, where TOPs at each end can independently submit their own ratings; 5) transmit AARs to the CAISO's real-time market every hour, fifteen minutes before the top of the hour; and 6) provide a 10-day rating payload that can be consumed by several of the CAISO's downstream systems, including AARs for 240 hours in an hourly format.

Congestion

In June 2024, North-to-South congestion at Malin totaled \$7,037,415 over 229 hours. In June 2024, South-to-North congestion at Malin totaled \$0 over 0 hours. Year-to-date North-to-South congestion is \$8,228,650 over 322 hours, and year-to-date South-to-North congestion remains at \$125,830,493 over 216 hours. Below are charts depicting Congestion Costs and Hours of Congestion at Malin from January 2020 through June 2024 in the North-to-South direction. Charts for the same Costs and Hours in the South-to-North direction depicting congestion from January 2022 through June 2024 are also included.



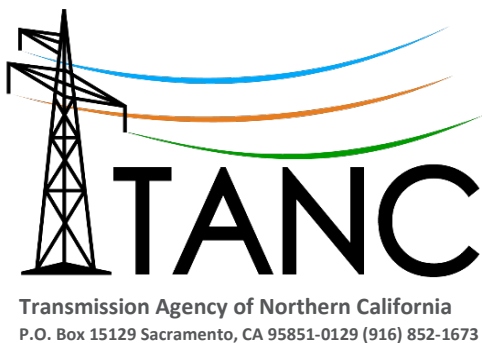




TAB 17

REPORT FROM THE TANC CHAIR

The TANC Commission will receive a report from the TANC Chair



MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON TANC STRATEGIC PLANNING EFFORTS

This memorandum provides the Transmission Agency of Northern California (TANC) Commission with an update on activities associated with the TANC 2021-2025 Strategic Plan. The text below includes an update from the last TANC Commission meeting. Any progress made on the tasks that comprise the 2024 work plan since the last TANC Commission meeting is included in Table 1 in *italics text*. The current Gantt Chart is also provided in Figure 1.

Table 1 - Progress on 2024 Work, By Task as Shown in the Gantt Chart in Figure 1

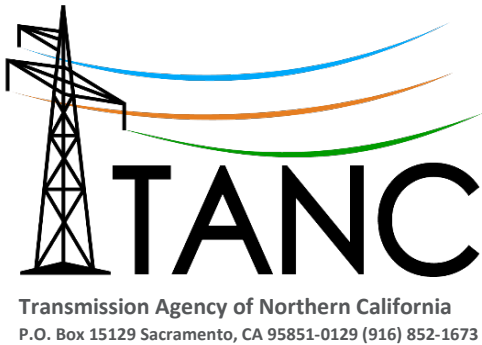
| Task No. | <u>Task Name/Progress</u> |
|----------|---|
| 1 | <p><u>Finance and Implement California-Oregon Transmission Project (COTP) Series Capacitor Project</u></p> <p>Approval of an amendment to the Letter of Agreement (LOA) between TANC and the Western Area Power Administration (WAPA) will be considered for approval by the TANC Commission later at this meeting. The update agreement will include the amount of the administrative fee that WAPA will be responsible for as part of the repayment of upfront funding for their portion of the COTP Series Capacitor Project.</p> <p><i>The amendment to the LOA which was approved by the TANC Commission at their July 17, 2024 meeting as has been executed by both TANC and WAPA. Later at this meeting, the TANC Commission will consider a resolution approving a Letter of Credit regarding the COTP Series Capacitor Project. TANC will then work with Treasurer/Controller staff</i></p> |

| Task No. | Task Name/Progress |
|----------|--|
| | <i>to implement the steps necessary to provide required upfront funding to WAPA for their share of the COTP Series Capacitor Project.</i> |
| 2 | <p><u>Complete California-Oregon Intertie (COI) Path 66 Rating Process</u></p> <p>In early June 2024, the Phase Two COI Path Rating Study was submitted to the Project Review Group (PRG). A meeting with the PRG was then held on June 20, 2024. The PRG has 30 days to review and provide comments before submitting the study to the Reliability Assessment Committee (RAC) for consideration and approval.</p> <p><i>The final draft of the Phase Two COI Path Rating Study will be submitted to the RAC in the coming weeks. After RAC approval, the path rating process will transition to Phase 3 which will involve preparing for operations, updating contracts, and finalizing other tools for implementation. Expected implementation is Summer operating season for 2025 or April 1, 2025.</i></p> |
| 3 | <p><u>Update Key TANC Agreements</u></p> <p>The Balancing Authority of Northern California will prepare a draft operating agreement for TANC and Sacramento Municipal Utility District review later this year.</p> |
| 4 | <p><u>Prepare for and Complete 2024 Western Electricity Coordinating Council (WECC) Audit</u></p> <p>Approval of an update to the TANC Internal Compliance Program will be considered by the TANC Commission later at this meeting.</p> <p><i>Task is complete.</i></p> |
| 5 | <p><u>Continued Evaluation of Wildfire Risk Reduction Activities</u></p> <p>The approved TANC Wildfire Mitigation Plan (WMP) was submitted to the Office of Energy Infrastructure Safety for publication to the Wildfire Safety Advisory Board (WSAB) on June 11, 2024. TANC has assessed the camera and visual lookout coverage of the COTP. TANC and WAPA continue to actively evaluate Tier 2 and Tier 3 fuels reduction opportunities and develop procurements for reducing fuels on access roads and at communications sites consistent with strategies in the 2024 TANC WMP.</p> <p><i>TANC will be considering the 11 Discussion Topics and corresponding Preliminary recommendations jointly drafted by the California WSAB and California Municipal Utilities Association for Publicly-Owned Utilities' consideration when updating their 2025 WMPs.</i></p> |
| 6 | <p><u>Consider Potential New Transmission Development</u></p> <p>TANC reviewed WECC's 20-year transmission plan, the Department of Energy National Corridor's designation, and the California Independent System Operator (CAISO) new generation interconnection process. TANC has continued to work with developers seeking to locate on the COTP and the potential transmission upgrades, if any, that may be required to interconnect the projects. TANC has also</p> |

| Task No. | <u>Task Name/Progress</u> |
|----------|---|
| | <p>reviewed applicable Federal Energy Regulatory Commission Orders that impact transmission planning. Next steps are to summarize the available information, noted above, and evaluate implications for the COTP and the potential need or requirement for new or upgraded transmission assets.</p> <p><i>The CAISO recently released its 2024 20-year transmission plan, as well as competitive bid documents for two projects slated to integrate Offshore Wind from Humbolt into the CAISO. TANC is reviewing these documents.</i></p> |
| 7 | <p><u>Explore Options to Increase the Value of the COTP</u></p> <p>The General Manager's OATT Committee has requested staff to inquire about developing new transmission products that are not Federal Energy Regulatory Commission pro-forma, in alignment with recent trends in third party usage of the COTP and Pacific Alternating Current Intertie lines. TANC is working with Special Counsel and Open Access Technology International, Inc. to determine the legal and technical issues that would either inhibit or allow the offering of these products.</p> |
| 8 | <p><u>Explore Enhancements to South of Tesla Asset</u></p> <p>Initiative will begin in second quarter of 2024.</p> |
| 9 | <p><u>Develop and Adopt Enterprise Risk Plan</u></p> <p>The Enterprise Risk Management Framework was approved by the TANC Commission at their May 22, 2024 meeting. Example risks for the identified risk categories will be discussed in by the TANC Commission, in Closed Session, later at this meeting.</p> <p><i>TANC has started to implement the approved Enterprise Risk Management Framework, developing an initial list of risks that will be used to refine the metrics used in the analyses. Example risks for the identified risk categories may be discussed by the TANC Commission, in Closed Session, at a future meeting.</i></p> |
| 10 | <p><u>Explore Impacts of Changing Markets on TANC and the COTP</u></p> <p>TANC is reviewing various economic analyses of market changes on transmission flows on the COTP. Market changes include Energy Day-Ahead Markets and applicable Resource Adequacy programs. See item #6 above regarding changes in generation and transmission that could impact the COTP.</p> |
| 11 | <p><u>Consider Revisions to TANC's Open Access Transmission Tariff (OATT)</u></p> <p>In August, the General Manager's OATT Committee in conjunction with Special Counsel and staff, will consider revisions to the LGIP and Large Generator Interconnection Agreement. It is anticipated that a revised OATT being submitted for TANC Commission review later this year.</p> <p><i>The task of updating the TANC OATT and potentially incorporating elements of FERC Order 2023 associated with clustering of interconnection projects to the COTP has begun. It is anticipated this project will be brought before the TANC Commission for consideration in January 2025.</i></p> |

Project Lead: Nick Zettel

[illegible]



MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: RESOLUTION APPROVING A LETTER OF CREDIT

In November 2021, the Transmission Agency of Northern California (TANC) Commission approved Resolution 2021-19 which approved the 20-year California-Oregon Transmission Project (COTP) Capital Replacements Plan. The approved 20-year Capital Replacements Plan is supported by the Western Area Power Administration (WAPA), TANC and its COTP participants. In November 2023, the TANC Commission approved Resolution 2023-25 and Letter of Agreement 23-SNR-03003 between TANC and WAPA, under which TANC will provide upfront funding for WAPA's cost sharing responsibility of the Series Capacitor Project and bill WAPA monthly until such time as WAPA's financial obligations under the LOA are met.

Exhibit A to the Letter of Agreement 23-SNR-03003 was then revised in July 2024 and approved as Resolution 2024-16, which includes additional details on the repayment terms for the upfront funding being provided by TANC for WAPA's cost sharing responsibility for the Series Capacitor Project, including the total estimate of WAPA's cost share and the amount of the annual Administrative Fee to be paid by WAPA during the repayment term.

TANC now needs to consider the issuance of one or more series of notes in the aggregate principal amount of not to exceed one hundred twenty million dollars (\$120,000,000), on an interim basis and on the terms and conditions set forth in the enclosed resolution, to provide the upfront funding to WAPA on an interim basis as agreed to in Letter of Agreement 23-SNR-0300 3. It is expected that full debt financing of the credit line will occur in the Spring of 2025.

TANC Commission

August 14, 2024

Page Two

At their meeting on August 14, 2024, the General Manager's Finance Committee recommended approval of the attached resolution which would authorize the issuance of one or more series of notes in the aggregate principal amount of not to exceed one hundred twenty million dollars (\$120,000,000) and authorize the activities necessary to complete the request. The General Manager's Finance Committee did also report that they may have additional edits to the enclosed documents which would be brought to the Commission's attention prior to the August 21, 2024 TANC Commission meeting.

Enclosures

RESOLUTION 2024-__

RESOLUTION OF THE TRANSMISSION AGENCY OF NORTHERN CALIFORNIA AUTHORIZING AND APPROVING THE ISSUANCE OF NOT TO EXCEED \$120,000,000 AGGREGATE PRINCIPAL AMOUNT OF NOTES; APPROVING A CREDIT AGREEMENT PURSUANT TO WHICH SUCH NOTES ARE TO BE ISSUED; AND AUTHORIZING CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, the Transmission Agency of Northern California (“TANC”) is a public entity duly organized and existing pursuant to an agreement entitled “Joint Powers Agreement, Transmission Agency of Northern California,” dated December 10, 1984 (the “Agreement”), and the provisions relating to the joint exercise of powers found in Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”); and

WHEREAS, TANC in its own name, or for the benefit of its Members, has the power to acquire by purchase or eminent domain, construct, finance, operate and maintain facilities for electric power transmission including, without limitation, the power to purchase, lease, operate, develop, contract for, or own, new or upgraded transmission lines, and facilities for the benefit of its Members; and

WHEREAS, pursuant to Article 4 of the Act, TANC has the authority to issue bonds or notes for public capital improvements for two or more local agencies, which bonds or notes may be payable from, and secured by a pledge of, any revenue-producing contract; and

WHEREAS, pursuant to the Act and Articles 10 and 11 of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California, TANC has the authority to issue bonds or notes for the purpose of refunding its outstanding revenue bonds; and

WHEREAS, TANC and the cities of Alameda, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, and Ukiah, the Modesto Irrigation District, the Plumas-Sierra Rural Electric Cooperative, the Sacramento Municipal Utility District and the Turlock Irrigation District (the “Member-Participants”) have entered into an agreement entitled

“Transmission Agency of Northern California Project Agreement No. 3 for the California-Oregon Transmission Project” (the “Project Agreement”) to provide for the financing, acquisition, construction, and operation of the California-Oregon Transmission Project (the “Project”), the use of Project transfer capability by the Member-Participants, and the source of payment and security for the bonds, notes and other evidences of indebtedness issued and to be issued to finance or refinance the Project; and

WHEREAS, TANC desires to issue one or more series of not to exceed \$120,000,000 aggregate principal amount of its notes (collectively, the “Notes”), for the purposes set forth in this Resolution, including financing certain improvements to the Project on an interim basis, all as shall be specified in the Credit Agreement as hereinafter authorized; and

WHEREAS, the Notes are to be issued under and pursuant to Credit Agreement, dated as of August 28, 2024, by and between TANC and JPMorgan Chase Bank, National Association, as lender (the “Lender”) (such credit agreement, in the form submitted to this meeting and with such changes, insertions and omissions as are made pursuant to this Resolution is referred to herein as the “Credit Agreement”); and

WHEREAS, the Credit Agreement shall constitute a “Security Document” under the Sixth Supplemental Indenture, dated as of May 1, 2009 (as amended from time to time in accordance with its terms, the “Indenture”), by and between TANC and U.S. Bank Trust National Association, as trustee (the “Trustee”), and that, therefore, the Notes issued pursuant to the Credit Agreement and certain other obligations to the Lender are to be payable from and secured by a pledge of the TANC Revenues on a subordinate basis to the bonds (the “Bonds”) issued under the Indenture; and

WHEREAS, the Credit Agreement will constitute an “Indenture” for purposes of the Project Agreement; and

WHEREAS, the Notes and certain other obligations to the Lender under the Credit Agreement will constitute an “Indebtedness” for purposes of the Project Agreement; and

WHEREAS, there have been prepared and submitted to this meeting form of the Credit Agreement; and

WHEREAS, after having reviewed and considered the information submitted by the Treasurer of TANC to finance the improvements to the Project on an interim basis with the Notes, the Commission now desires to authorize the issuance of the Notes, including the execution of such documents and the performance of such acts as may be necessary or desirable in connection with such issuance; and

WHEREAS, TANC expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long term basis; and

WHEREAS, TANC reasonably expects that the Notes in an amount not to exceed \$120,000,000 will be issued in order to finance improvements to Project on an interim basis, and that certain of the proceeds in an amount of not to exceed \$120,000,000 of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the regulations promulgated by the United States Department of the Treasury (the “Treasury Regulations”) requires TANC to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing, if such proceeds are to be deemed spent upon the reimbursement allocation, for purposes of federal tax law;

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Transmission Agency of Northern California, as follows:

Section 1. The issuance of one or more series of Notes in the aggregate principal amount of not to exceed one hundred twenty million dollars (\$120,000,000) on the terms and conditions set forth in, and subject to the limitations specified in, the Credit Agreement is hereby authorized and approved. The Notes will be dated, will bear interest at the rates, will mature on the dates, will be issued in the forms, will be subject to redemption,

and will otherwise have the terms provided in the Credit Agreement as the same are completed, executed and delivered as provided in this Resolution.

Section 2. The Credit Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved and also approved as an “Indenture” for purposes of the Project Agreement. The Chairman, Vice Chairman, the Secretary, the Treasurer of TANC, each Assistant Treasurer and any other officer of TANC, acting singly (each an “Authorized TANC Representative”), are hereby authorized and directed to execute the Credit Agreement in the form submitted to this meeting and with such changes, insertions and omissions as may be approved by the Authorized TANC Representative executing the Credit Agreement, said execution being conclusive evidence of such approval.

Section 3. The proceeds of the issuance of the Notes, together with other available moneys, shall be applied to (i) pay for certain improvements to the Project on an interim basis; and (ii) the paying of the costs of issuance of the Notes, all on the terms set forth in the Credit Agreement or as otherwise specified by an Authorized TANC Representative.

Section 4. An Authorized TANC Representative is hereby authorized to determine the following: (i) the series designations and the maturity dates of the Notes, (ii) the principal amount of the Notes maturing on each maturity date, (ii) the Sinking Fund Installments, if any, for the Notes, (iii) the interest rate mechanism to apply to the Notes, which may evidence tax-exempt and taxable interest rates; and (iv) the final maturity of the Notes which shall not exceed May 1, 2039.

Section 5. Each Authorized TANC Representative, acting singly, is authorized to execute any documents and certifications on behalf of TANC, including without limitation a tax certificate or agreement, or taking any other action necessary or convenient in carrying out the transactions contemplated by this Resolution.

Section 6. For purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations, TANC hereby declares its official intent to use proceeds of the Notes in an amount not to exceed \$120,000,000 to reimburse itself for Reimbursement Expenditures. This declaration does not bind TANC to make any expenditure, incur any indebtedness or proceed with the Project.

Section 7. Each Authorized TANC Representative, acting singly, each is hereby authorized to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or convenient in carrying out the transactions contemplated by the Credit Agreement (including any related agreements, certificates and/or documents relating thereto) and this Resolution, including without limitation, the giving of any required notices, any amendments to the Indenture or the Credit Agreement, the making of any determinations or the submission of any documents or reports which are required by any rule or regulation of any governmental entity in connection with the issuance and sale of the Notes as contemplated by the Credit Agreement and this Resolution.

Section 8. All actions heretofore taken by any committee of the Commission, or any officer, representative or agent of TANC, in connection with the issuance of the Notes is hereby ratified, approved and confirmed.

Section 9. This Resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED this 21st day of August, 2024, on a motion by _____ and seconded by _____.

| | AYES | NOES | ABSTAIN | ABSENT |
|---|------|------|---------|--------|
| City of Alameda | | | | |
| City of Biggs | | | | |
| City of Gridley | | | | |
| City of Healdsburg | | | | |
| City of Lodi | | | | |
| City of Lompoc | | | | |
| Modesto Irrigation District | | | | |
| City of Palo Alto | | | | |
| Plumas-Sierra Rural Electric Cooperative | | | | |
| City of Redding | | | | |
| City of Roseville | | | | |
| Sacramento Municipal Utility District | | | | |
| City of Santa Clara | | | | |
| Turlock Irrigation District | | | | |
| City of Ukiah | | | | |

CREDIT AGREEMENT

dated

August 28, 2024

between

TRANSMISSION AGENCY OF NORTHERN CALIFORNIA

and

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

TABLE OF CONTENTS

| SECTION | HEADING | PAGE |
|-----------|---|------|
| ARTICLE 1 | DEFINITIONS | 1 |
| | Section 1.01. Defined Terms | 1 |
| | Section 1.02. Classification of Loans and Borrowings..... | 24 |
| | Section 1.03. Terms Generally..... | 24 |
| | Section 1.04. Accounting Terms; GAAP..... | 24 |
| | Section 1.05. Interest Rates; Benchmark Notification..... | 25 |
| ARTICLE 2 | THE CREDITS | 25 |
| | Section 2.01. Commitment | 25 |
| | Section 2.02. Loans and Borrowings | 26 |
| | Section 2.03. Requests for Revolving Borrowings..... | 26 |
| | Section 2.04. Taxability | 27 |
| | Section 2.05. Funding of Borrowings..... | 27 |
| | Section 2.06. Interest Elections..... | 27 |
| | Section 2.07. Termination and Reduction of Commitment | 28 |
| | Section 2.08. Repayment of Loans; Evidence of Debt | 29 |
| | Section 2.09. Prepayment of Loans | 30 |
| | Section 2.10. Fees | 30 |
| | Section 2.11. Interest..... | 32 |
| | Section 2.12. Alternate Rate of Interest | 33 |
| | Section 2.13. Increased Costs | 36 |
| | Section 2.14. Break Funding Payments | 37 |
| | Section 2.15. Withholding of Taxes; Gross-Up..... | 38 |
| | Section 2.16. Payments Generally; Sharing of Setoffs | 39 |
| | Section 2.17. Mitigation Obligations | 39 |
| | Section 2.18. Extension of Maturity Date..... | 40 |
| | Section 2.19. Security | 40 |
| ARTICLE 3 | REPRESENTATIONS AND WARRANTIES..... | 41 |
| | Section 3.01. Organization; Powers | 41 |
| | Section 3.02. Authorization; Enforceability | 41 |
| | Section 3.03. No Material Adverse Change..... | 41 |
| | Section 3.04. Litigation and Environmental Matters | 42 |
| | Section 3.05. No Defaults | 42 |
| | Section 3.06. Financial Condition..... | 42 |
| | Section 3.07. Governmental Approvals; No Conflicts | 43 |
| | Section 3.08. Security | 43 |
| | Section 3.09. No Proposed Legal Changes..... | 43 |
| | Section 3.10. No Immunity | 44 |
| | Section 3.11. Solvency..... | 44 |
| | Section 3.12. Environmental Matters..... | 44 |

| | | |
|---------------|--|----|
| Section 3.13. | Compliance with Laws and Agreements | 44 |
| Section 3.14. | Tax-Exempt Status of Tax-Exempt Note..... | 45 |
| Section 3.15 | Usury..... | 45 |
| Section 3.16. | Federal Reserve Regulations..... | 45 |
| Section 3.17. | Properties | 45 |
| Section 3.18. | Investment Company Status | 45 |
| Section 3.19. | Tax-Exempt Nature..... | 45 |
| Section 3.20. | ERISA..... | 45 |
| Section 3.21. | Anti-Corruption Laws and Sanctions..... | 45 |
| Section 3.22. | Plan Assets; Prohibited Transactions..... | 46 |
| Section 3.23. | Incorporation by Reference..... | 46 |
| Section 3.24. | Insurance | 46 |
| Section 3.25. | No Swap Agreement | 46 |
| Section 3.26. | Control of Budget | 46 |
| ARTICLE 4 | CONDITIONS..... | 47 |
| Section 4.01. | Effective Date | 47 |
| Section 4.02. | Each Credit Event | 48 |
| ARTICLE 5 | AFFIRMATIVE COVENANTS | 49 |
| Section 5.01. | Financial Statements; Ratings Change and Other Information..... | 49 |
| Section 5.02. | Notices of Material Events..... | 50 |
| Section 5.03. | Existence; Conduct of Business..... | 51 |
| Section 5.04. | Payment of Obligations..... | 51 |
| Section 5.05. | Maintenance of Properties; Insurance..... | 51 |
| Section 5.06. | Books and Records; Inspection Rights | 51 |
| Section 5.07. | Compliance with Laws. | 52 |
| Section 5.08. | Use of Proceeds..... | 52 |
| Section 5.09. | Accuracy of Information..... | 52 |
| Section 5.10 | Ability to Refund Commitment | 53 |
| Section 5.11. | Compliance with Documents | 53 |
| Section 5.12. | Rate Covenant..... | 53 |
| Section 5.13. | Further Assurances..... | 54 |
| Section 5.14. | Disclosure to Participants, Lender Transferees and Non-Lender Transferees | 54 |
| Section 5.15. | Other Agreements | 54 |
| Section 5.16. | Investment Policy..... | 55 |
| Section 5.17. | Environmental Laws | 55 |
| Section 5.18. | Underlying Rating..... | 55 |
| Section 5.19. | Maintain Properties | 55 |
| Section 5.20. | Budget and Appropriation..... | 55 |
| Section 5.21. | Taxes | 55 |
| ARTICLE 6 | NEGATIVE COVENANTS | 56 |
| Section 6.01. | Indebtedness..... | 56 |

| | | |
|---------------|---|----|
| Section 6.02. | Liens..... | 56 |
| Section 6.03. | Fundamental Changes..... | 56 |
| Section 6.04. | Swap Agreements | 57 |
| Section 6.05. | Maintenance of Tax-Exempt Status of Bonds | 57 |
| Section 6.06. | No Rating; No CUSIP Number..... | 57 |
| Section 6.07. | No Impairment | 57 |
| Section 6.08. | Amendment of Loan Documents | 57 |
| Section 6.09. | Immunity from Jurisdiction | 57 |
| Section 6.10. | Use of Lender’s Name | 58 |
| Section 6.11. | ERISA | 58 |
| Section 6.12. | Application of Note Proceeds | 58 |
| Section 6.13. | Limitation on Notes | 58 |
| ARTICLE 7 | EVENTS OF DEFAULT | 58 |
| Section 7.01. | Events of Default | 58 |
| Section 7.02. | Remedies Upon an Event of Default | 61 |
| Section 7.03. | Application of Payments..... | 62 |
| ARTICLE 8 | MISCELLANEOUS | 63 |
| Section 8.01. | Notices | 63 |
| Section 8.02. | Waivers; Amendments..... | 64 |
| Section 8.03. | Expenses; Limitation of Liability; Indemnity, Etc | 64 |
| Section 8.04. | Successors and Assigns..... | 65 |
| Section 8.05. | Survival | 67 |
| Section 8.06. | Counterparts; Integration; Effectiveness; Electronic Execution..... | 67 |
| Section 8.07. | Severability | 69 |
| Section 8.08. | Right of Setoff..... | 69 |
| Section 8.09. | Governing Law; Jurisdiction; Consent to Service of Process..... | 69 |
| Section 8.10. | Waiver of Jury Trial..... | 70 |
| Section 8.11. | Headings | 71 |
| Section 8.12. | Confidentiality | 71 |
| Section 8.13. | Dealing with the Borrower..... | 71 |
| Section 8.14. | Interest Rate Limitation | 71 |
| Section 8.15. | No Fiduciary Duty, etc..... | 72 |
| Section 8.16. | USA PATRIOT Act..... | 73 |
| Section 8.17. | Acknowledgement Regarding Any Supported QFCs..... | 73 |
| Section 8.18. | Waiver of Rule of Construction | 73 |
| Section 8.19. | EMMA Postings..... | 73 |

EXHIBITS:

| | | |
|-------------|---|-----------------------------------|
| EXHIBIT A | — | Form of Borrowing Request |
| EXHIBIT B | — | Form of Interest Election Request |
| EXHIBIT C | — | Form of Investor Letter |
| EXHIBIT D-1 | — | Form of Tax-Exempt Note |
| EXHIBIT D-2 | — | Form of Taxable Note |

CREDIT AGREEMENT

This CREDIT AGREEMENT is dated August 28, 2024 (as supplemented, amended or otherwise modified from time to time, this “*Agreement*”), between TRANSMISSION AGENCY OF NORTHERN CALIFORNIA (the “*Borrower*”), and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, as lender (including its successors and assigns, the “*Lender*”).

RECITALS:

WHEREAS, the Borrower is a public entity duly organized and existing pursuant to an agreement entitled “Joint Powers Agreement, Transmission Agency of Northern California” dated December 10, 1984 (as amended, restated, supplemented or otherwise modified from time to time, the “*Joint Powers Agreement*”), and the Joint Exercise of Powers Act of the State of California, being California Government Code Sections 6500-6599.5, inclusive, as amended (the “*Act*”);

WHEREAS, pursuant to the power and authority granted by the laws of the State of California (including the Act) and Resolution No. [2024-____] adopted by the Commission of the Borrower on [____, 2024] (the “*Resolution*”), the Borrower authorized the issuance of its [____ **Tax-Exempt Note**] and [____ **Taxable Note**] in an aggregate principal amount not to exceed \$120,000,000 at any one time; and

WHEREAS, the Borrower has requested the Lender establish the Commitment and provide for a line of credit hereunder, and the Lender has agreed to establish the Commitment and make available such line of credit to the Borrower in the following manner and subject to the following terms and conditions.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Borrower and the Lender hereby agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.01. Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“*ABR*,” when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, bear interest at a rate determined by reference to the Alternate Base Rate.

“*ABR Applicable Margin*” means the ABR Applicable Margin as determined as set forth in the defined term “Applicable Margin” hereof.

“Act” has the meaning set forth in the recitals hereof.

“Adjusted Daily Simple SOFR” means an interest rate per annum equal to (a) the Daily Simple SOFR, *plus* (b) 0.10%; *provided* that if the Adjusted Daily Simple SOFR as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“Adjusted Term SOFR Rate” means, for any Interest Period, an interest rate per annum equal to (a) the Term SOFR Rate for such Interest Period, *plus* (b) 0.10%; *provided* that if the Adjusted Term SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agreement” has the meaning set forth in introductory paragraph hereof.

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1%, and (c) the Adjusted Term SOFR Rate for a one month Interest Period as published two U.S. Government Securities Business Days prior to such day (or if such day is not a U.S. Government Securities Business Day, the immediately preceding U.S. Government Securities Business Day) plus 1%; *provided* that, for the purpose of this definition, the Adjusted Term SOFR Rate for any day shall be based on the Term SOFR Reference Rate at approximately 5:00 a.m. Chicago time on such day (or any amended publication time for the Term SOFR Reference Rate, as specified by the CME Term SOFR Administrator in the Term SOFR Reference Rate methodology). Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted Term SOFR Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted Term SOFR Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.12 hereof (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to Section 2.12(b) hereof), then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Alternate Base Rate as determined pursuant to the foregoing would be less than 1.0%, such rate shall be deemed to be 1.0% for purposes of this Agreement.

“Ancillary Document” has the meaning assigned to it in Section 8.06(b) hereof.

“Ancillary Obligations” has the meaning assigned to such term in the Indenture.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Borrower from time to time concerning or relating to bribery or corruption.

“Applicable Factor” means 80%.

“*Applicable Margin*” means, for any day, with respect to any Loan, as the case may be, the applicable rate *per annum* set forth below under the caption “Tax-Exempt Applicable Margin,” “Taxable Applicable Margin” or “ABR Applicable Margin” as the case may be, based upon the Applicable Rating:

| LEVEL | MOODY’S RATING | S&P RATING | FITCH RATING | TAX-EXEMPT APPLICABLE MARGIN | TAXABLE APPLICABLE MARGIN | ABR APPLICABLE MARGIN |
|---------|-------------------|---------------|-----------------|------------------------------------|---------------------------------|-----------------------------|
| Level 1 | A1 or above | A+ or above | A+ or above | 1.20% | 1.20% | 0.20% |
| Level 2 | A2 | A | A | 1.30% | 1.30% | 0.30% |
| Level 3 | A3 | A- | A- | 1.40% | 1.40% | 0.40% |
| Level 4 | Baa1 | BBB+ | BBB+ | 1.60% | 1.60% | 0.60% |
| Level 5 | Baa2 | BBB | BBB | 1.80% | 1.80% | 0.80% |
| Level 6 | Baa3 or below | BBB- or below | BBB- or below | 2.05% | 2.05% | 1.05% |

In the event of a split in the Applicable Ratings, each Applicable Margin shall be based upon the Level in which the lowest Applicable Rating appears (for the avoidance of doubt, Level 6 is the lowest Level, and Level 1 is the highest Level for purposes of the above pricing matrix). Any change in either Applicable Margin resulting from a change in an Applicable Rating shall be and become effective as of and on the date of the public announcement of the change in such Applicable Rating. References to the ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the applicable rating in connection with the adoption of a “*global*” rating scale, the rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The Borrower acknowledges that as of the Effective Date, each Applicable Margin is that specified above for Level 1 above. Anything herein to the contrary notwithstanding, in the event that an Applicable Rating is suspended, withdrawn or otherwise unavailable from any Rating Agency for credit related reasons (and, for the avoidance of doubt, not as a result of the Borrower withdrawing or terminating any such rating from any such Rating Agency) or reduced below “Baa3” (or its equivalent) by Moody’s, “BBB-” (or its equivalent) by S&P or “BBB-” (or its equivalent) by Fitch or upon the occurrence and during the continuance of an Event of Default, the applicable interest rate on the Notes (and all Borrowings and Loans hereunder) shall increase automatically to the Default Rate.

“*Applicable Rating*” means, with respect to any Rating Agency, and at any given time, the lowest long-term unenhanced credit rating assigned by such Rating Agency to the Borrower’s Senior Debt (without giving effect to any bond insurance policy or other credit enhancement securing any such Senior Debt).

“Availability Period” means the period from and including the Effective Date to but excluding the earlier of the Maturity Date and the date of termination of the Commitment.

“Available Commitment” means the Commitment from time to time in effect, as such amount is adjusted from time to time as follows: (a) downward in an amount equal to the principal amount of each Loan,; and (b) so long as this Agreement has not terminated, upward in an amount equal to the principal amount of each Loan that is repaid; *provided*, that, after giving effect to any such adjustment the Available Commitment shall never exceed the Commitment from time to time in effect. Any adjustments pursuant to clause (a) or (b) above shall occur simultaneously with the event requiring such adjustment.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (e) of Section 2.12 hereof.

“Bank Agreement” means any credit agreement, liquidity agreement, standby bond purchase agreement, reimbursement agreement, direct purchase agreement (such as a continuing covenant agreement or supplemental bondholder’s agreement), bond purchase agreement, or other agreement or instrument (or any amendment, supplement or other modification thereof) under which, directly or indirectly, any Person or Persons undertake(s) to make loans to the Borrower or to make or provide funds to make payment of, or to purchase or provide credit or liquidity enhancement for bonds or notes of the Borrower.

“Benchmark” means, initially, with respect to any (i) RFR Loan, Daily Simple SOFR or (ii) Term Benchmark Loan, the Term SOFR Rate; *provided* that if a Benchmark Transition Event, and the related Benchmark Replacement Date have occurred with respect to the Daily Simple SOFR or Term SOFR Rate, as applicable, or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (b) of Section 2.12 hereof.

“Benchmark Replacement” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Lender for the applicable Benchmark Replacement Date:

(1) the Adjusted Daily Simple SOFR; or

(2) the sum of: (a) the alternate benchmark rate that has been selected by the Lender and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market

convention for determining a benchmark rate as a replacement for the then-current Benchmark for dollar-denominated syndicated credit facilities at such time in the United States and (b) the related Benchmark Replacement Adjustment;

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Lender and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement and/or any Term Benchmark Revolving Loan, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of such Benchmark and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of such Benchmark exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Replacement Date” means, with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or component thereof) have been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; *provided*, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if such Benchmark (or component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“*Benchmark Transition Event*” means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, *provided* that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, the CME Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; *provided* that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“*Benchmark Unavailability Period*” means, with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.12 hereof and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.12 hereof.

“*BHC Act Affiliate*” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“*Borrower*” has the meaning set forth in the introductory paragraph hereof.

“*Borrowing*” means a Revolving Borrowing.

“*Borrowing Request*” means a request by the Borrower for a Revolving Borrowing in accordance with Section 2.03 hereof, which shall be substantially in the form of Exhibit A hereto or any other form approved by the Lender in writing.

“*Business Day*” means, any day (other than a Saturday or a Sunday) on which banks are open for business in New York City; *provided* that, in addition to the foregoing, a Business Day shall be any such day that is only a U.S. Government Securities Business Day (a) in relation to RFR Loans and any interest rate settings, fundings, disbursements, settlements or payments of any such RFR Loan, or any other dealings of such RFR Loan and (b) in relation to Loans referencing the Adjusted Term SOFR Rate and any interest rate settings, fundings, disbursements, settlements or payments of any such Loans referencing the Adjusted Term SOFR Rate or any other dealings of such Loans referencing the Adjusted Term SOFR Rate.

“*Capital Lease Obligations*” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases or financing leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“Change in Law” means the occurrence after the Effective Date of (a) the adoption of or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) compliance by the Lender (or, for purposes of Section 2.13 hereof, by any lending office of the Lender or by the Lender’s holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; *provided* that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall, in each case, be deemed to be a “Change in Law,” regardless of the date enacted, adopted, issued or implemented.

“Charges” has the meaning assigned to it in Section 8.14 hereof.

“CME Term SOFR Administrator” means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

“Code” means the Internal Revenue Code of 1986, as amended.

“Commission” means the governing body of the Borrower as described in the Joint Powers Agreement.

“Commitment” means, initially, \$120,000,000, as such amount may be reduced from time to time or terminated pursuant to Sections 2.07 and 7.02 hereof.

“Commitment Fee” has the meaning assigned to it in Section 2.10(a) hereof.

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. *“Controlling”* and *“Controlled”* have meanings correlative thereto.

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Covered Entity” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party” has the meaning assigned to it in Section 8.17 hereof.

“Current Parity Lien Indebtedness” has the meaning assigned to such term in the Indenture.

“Daily Simple SOFR” means, for any day (a “SOFR Rate Day”), a rate per annum equal to SOFR for the day (such day “SOFR Determination Date”) that is five (5) U.S. Government Securities Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower. If by 5:00 p.m. (New York City time) on the second (2nd) U.S. Government Securities Business Day immediately following any SOFR Determination Date, SOFR in respect of such SOFR Determination Date has not been published on the SOFR Administrator’s Website and a Benchmark Replacement Date with respect to the Daily Simple SOFR has not occurred, then SOFR for such SOFR Determination Date will be SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator’s Website.

“Default” means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“Default Rate” means, for any day, a rate of interest per annum equal to the higher of (a) the sum of 3.0% plus the Alternate Base Rate plus the ABR Applicable Margin from time to time in effect and (b) 12.0% per annum; *provided*, that for (i) any Tax-Exempt Loan accruing interest based the Adjusted Term SOFR Rate at the time of the applicable Event of Default, the “Default Rate” means the sum of 3.0% plus the Tax-Exempt Term SOFR Rate then in effect until the end of the Interest Period applicable thereto and, thereafter, at a rate per annum equal to the higher of (a) the sum of 3.0% plus the Alternate Base Rate plus the ABR Applicable Margin from time to time in effect and (b) 12.0% per annum and (ii) any Taxable Loan accruing interest based the Adjusted Term SOFR Rate at the time of the applicable Event of Default, the “Default Rate” means the sum of 3.0% plus the Taxable Term SOFR Rate then in effect until the end of the Interest Period applicable thereto and, thereafter, at a rate per annum equal to the higher of (a) the sum of

3.0% plus the Alternate Base Rate plus the ABR Applicable Margin from time to time in effect and (b) 12.0% per annum.

“*Default Right*” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“*Determination of Taxability*” means and shall be deemed to have occurred on the first to occur of the following:

(i) on the date when the Borrower files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability has occurred;

(ii) the date on which the Lender or any Holder or former Holder notifies the Borrower that it has received a written opinion by a nationally recognized firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within one hundred eighty (180) days after receipt by the Borrower of such notification from the Lender or such Holder or any former Holder, the Borrower shall deliver to the Lender, the Holder and any former Holder a ruling or determination letter issued to or on behalf of the Borrower by the Commissioner of the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government official exercising the same or a substantially similar function from time to time, including an employee subordinate to one of these officers who has been authorized to provide such ruling or determination letter) or a written opinion of its Note Counsel to the effect that, after taking into consideration such facts as form the basis for the opinion;

(iii) on the date when the Borrower shall be advised in writing by the Commissioner of the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government official exercising the same or a substantially similar function from time to time, including an employee subordinate to one of these officers who has been authorized to provide such advice) that, based upon filings of the Borrower, or upon any review or audit of the Borrower or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on the date when the Borrower shall receive notice from a Holder, a Holder representative, on behalf of the Lender, or any former Holder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Holder or such former Holder the interest on the Tax-Exempt Note (and Tax-Exempt Loans thereunder) due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (ii) or (iii) hereunder unless the Borrower has been afforded the opportunity, at its expense, to contest any such assessment or opinion, and, further, no Determination of Taxability shall occur until such

contest, if made, has been finally determined; *provided further, however*, that upon demand from a Holder, a Holder representative, on behalf of the Lender, or former Holder, the Borrower shall promptly reimburse, such Holder or former Holder for any payments, including any taxes, interest, penalties or other charges, such Holder (or former Holder) shall be obligated to make as a result of the Determination of Taxability.

“Dollars,” “dollars” or “\$” refers to lawful money of the United States of America.

“Effective Date” means the date on which the conditions specified in Section 4.01 hereof are satisfied (or waived in accordance with Section 8.02 hereof), which date is August 28, 2024.

“Electronic Signature” means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

“EMMA” means the Electronic Municipal Market Access system and any successor thereto.

“Environmental Laws” means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to (i) the environment, (ii) preservation or reclamation of natural resources, (iii) the management, release or threatened release of any Hazardous Material or (iv) health and safety matters.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

“Event of Default” has the meaning assigned to such term in Section 7.01 hereof.

“Event of Taxability” means a (i) change in Law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Borrower, or the failure to take any action by the Borrower, or the making by the Borrower of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale, making or delivery of the Tax-Exempt Note or any Tax-Exempt Loan) which has the effect of causing interest paid or payable on the Tax-Exempt Note or any Tax-Exempt Loan to become includable, in whole or in part, in the gross income of a Holder or any former Holder for federal income tax purposes or (ii) the entry of any decree or judgment by a

court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural Law, in either case, which has the effect of causing interest paid or payable on the Tax-Exempt Note or any Tax-Exempt Loan to become includable, in whole or in part, in the gross income of such Holder or such former Holder for federal income tax purposes with respect to the Tax-Exempt Note or such Tax-Exempt Loan.

“Excluded Taxes” means Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of the Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes.

“Existing Maturity Date” has the meaning assigned to such term in Section 2.18(a) hereof.

“Extension Request” means a written request from the Borrower to the Lender requesting an extension of the Maturity Date pursuant to Section 2.18 hereof.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“Federal Funds Effective Rate” means, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions, as determined in such manner as shall be set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; *provided* that if the Federal Funds Effective Rate as so determined would be less than 0.00%, such rate shall be deemed to be 0.00% for the purposes of this Agreement.

“Federal Reserve Board” means the Board of Governors of the Federal Reserve System of the United States of America.

“Fiscal Year” means the twelve-month period commencing on July 1 of each year and ending on June 30.

“Fitch” means Fitch Ratings Inc.

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Adjusted Term SOFR Rate or the Adjusted Daily Simple SOFR, as applicable. For the avoidance of doubt, the initial Floor for each of the Adjusted Term SOFR Rate or the Adjusted Daily Simple SOFR shall be 0.00%.

“GAAP” means generally accepted accounting principles in the United States of America and as applied to governmental entities.

“Governmental Authority” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; *provided*, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“Holder” means the Lender and each Lender Transferee or Non-Lender Transferee pursuant to Section 8.04 hereof so long as such Lender Transferee or Non-Lender Transferee is an owner of any interest in any Note.

“Indebtedness” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are customarily paid, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (g) all Guarantees by such Person of Indebtedness of others, (h) all Capital Lease Obligations of such Person, (i) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit, demand guarantees and similar independent undertakings and (j) all obligations, contingent

or otherwise, of such Person in respect of bankers' acceptances and Bank Agreements. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document and (b) to the extent not otherwise described in (a) hereof, Other Taxes.

"Indemnatee" has the meaning assigned to it in Section 8.03(c) hereof.

"Indenture" means the Indenture of Trust dated as of May 1, 1990, by and between the Borrower and U.S. Bank National Association, as trustee, as previously amended and supplemented, and as such Indenture of Trust has been amended and restated by the Sixth Supplemental Indenture dated as of May 1, 2009, by and between the Borrower and the Trustee, relating to the Senior Bonds, together with all additional supplements, in each case, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Information" has the meaning assigned to it in Section 8.12 hereof.

"Interest Election Request" means a request by the Borrower to convert or continue a Revolving Borrowing in accordance with Section 2.06 hereof, which shall be substantially in the form of Exhibit B or any other form approved by the Lender.

"Interest Payment Date" means (a) with respect to any ABR Loan, the first Business Day of each calendar month following the Borrowing of such Loan and the Maturity Date, (b) with respect to any RFR Loan, (1) each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month) and (2) the Maturity Date, and (c) with respect to any Term Benchmark Loan, the last day of each Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Term Benchmark Borrowing with an Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period, and the Maturity Date.

"Interest Period" means with respect to any Term Benchmark Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter (in each case, subject to the availability for the Benchmark applicable to the relevant Loan or Commitment), as the Borrower may elect; *provided*, that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the

last calendar month of such Interest Period and (iii) no tenor that has been removed from this definition pursuant to Section 2.12(e) hereof shall be available for specification in such Borrowing Request or Interest Election Request. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and, in the case of a Revolving Borrowing, thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“Joint Powers Agreement” has the meaning set forth in the recitals hereof.

“Lender” means JPMorgan Chase Bank, National Association (or any of its designated branch offices or affiliates), in its capacity as lender hereunder.

“Lender-Related Person” has the meaning assigned to it in Section 8.03(d) hereof.

“Liabilities” means any losses, claims (including intraparty claims), demands, damages or liabilities of any kind.

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“Loan Documents” means this Agreement, including schedules and exhibits hereto, the Notes, the Indenture, the Joint Powers Agreement, the Project Agreement, the Resolution and any agreements entered into in connection with the commercial lending facility made available hereunder by the Borrower with or in favor of the Lender, including the Notes, the Indenture and the Resolution, any amendments, modifications or supplements thereto or waivers thereof, legal opinions issued in connection with the other Loan Documents, UCC filings, flood determinations and any other documents prepared in connection with the other Loan Documents, if any.

“Loans” means the loans made by the Lender to the Borrower pursuant to this Agreement.

“Margin Stock” means margin stock within the meaning of Regulations T, U and X, as applicable.

“Material Adverse Effect” means (i) a material adverse effect on (a) the business, assets, operations, prospects or condition, financial or otherwise, of the Borrower, (b) the ability of the Borrower to perform any of its Obligations or (c) the rights, security, interests or remedies of or benefits available to the Lender hereunder or under any other Loan Document; (ii) a material impairment of the ability of the Borrower to perform its obligations under any Loan Document to which it is a party; or (iii) a material adverse effect upon (a) the legality, validity, binding effect or enforceability against the Borrower of any Loan Document to which it is a party or (b) the validity or enforceability of the pledge of or lien on the TANC Revenues securing the Notes and/or the pledge of or lien on the TANC Revenues securing the other Obligations, or, in each case, the priority of such pledge and lien.

“Maturity Date” means the earlier of (i) later of (a) August 26, 2025, *provided, however*, if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day and (b) if the maturity date is extended by the Lender pursuant to Section 2.18 hereof, such extended maturity date as determined pursuant to such Section and (ii) such earlier date on which the Commitment shall be terminated in full as permitted herein.

“Maximum Federal Corporate Tax Rate” means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Lender, the maximum statutory rate of federal income taxation which could apply to the Lender).

“Maximum Rate” has the meaning assigned to it in Section 8.14 hereof.

“Member” means each of those members of the Borrower that has executed the Project Agreement, together in each case with its successors and assigns.

“Moody’s” means Moody’s Investors Service, Inc.

“Note Counsel” means Orrick Herrington & Sutcliffe LLP, or any other firm of attorneys nationally recognized on the subject of tax-exempt municipal finance selected by the Borrower.

“Notes” means the Tax-Exempt Note and the Taxable Note.

“NYFRB” means the Federal Reserve Bank of New York.

“NYFRB’s Website” means the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

“NYFRB Rate” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); *provided* that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Lender from a federal funds broker of recognized standing selected by it; *provided, further*, that if any of the aforesaid rates as so determined be less than 0.00%, such rate shall be deemed to be 0.00% for purposes of this Agreement.

“Obligations” means all advances to, and debts, liabilities, obligations, covenants and duties of, the Borrower arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Borrower or any Affiliate thereof of any proceeding under any debtor relief laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed or allowable claims in such proceeding. Without limiting the foregoing, the Obligations include (a) the obligation to pay principal, interest, charges, expenses,

fees, indemnities and other amounts payable by the Borrower under any Loan Document and (b) the obligation of the Borrower to reimburse any amount in respect of any of the foregoing that the Lender, in each case in its sole discretion, may elect to pay or advance on behalf of the Borrower.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.17 hereof).

“Overnight Bank Funding Rate” means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar transactions denominated in Dollars by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

“Participant” has the meaning assigned to such term in Section 8.04(c) hereof.

“Patriot Act” has the meaning assigned to it in Section 8.16 hereof.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any employee pension benefit plan subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Plan Asset Regulations” means 29 CFR § 2510.3-101 *et seq.*, as modified by Section 3(42) of ERISA, as amended from time to time.

“Prime Rate” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Lender) or any similar release by the Federal Reserve Board (as determined by the Lender). Each change in the Prime Rate shall

be effective from and including the date such change is publicly announced or quoted as being effective.

“Proceeding” means any claim, litigation, investigation, action, suit, arbitration or administrative, judicial or regulatory action or proceeding in any jurisdiction.

“Project” means the Borrower’s ownership interest in the California-Oregon Transmission Project and such other project or projects as may be designated as a Project under the Indenture from time to time by a certificate of the Borrower delivered to the Trustee.

“Project Agreement” means the Transmission Agency of Northern California Project Agreement No. 3 for the California-Oregon Transmission Project, dated as of March 1, 1990, among the Borrower and the Members (together with their successors and assigns), as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms hereof and thereof.

“Property” means, as to any Person, all types of real, personal, tangible, intangible or mixed property owned by such Person whether or not included in the most recent balance sheet of such Person under GAAP.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

“QFC Credit Support” has the meaning assigned to it in Section 8.17 hereof.

“Rating Agency” means each of S&P, Moody’s and Fitch.

“Recipient” means (a) the Lender and (b) any Holder.

“Reduction Fee” has the meaning assigned to such term in Section 2.10(b) hereof.

“Reference Time” with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two U.S. Government Securities Business Days preceding the date of such setting, (2) if the RFR for such Benchmark is Daily Simple SOFR, then four U.S. Government Securities Business Days prior to such setting or (3) if such Benchmark is none of the Term SOFR Rate or Daily Simple SOFR, the time determined by the Lender in its reasonable discretion.

“Regulation D” means Regulation D of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation T” means Regulation T of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation U” means Regulation U of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation X” means Regulation X of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Related Parties” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person’s Affiliates.

“Relevant Governmental Body” means, the Federal Reserve Board and/or the NYFRB, or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB or, in each case, any successor thereto.

“Relevant Rate” means (i) with respect to any Term Benchmark Borrowing, the Adjusted Term SOFR Rate or (ii) with respect to any RFR Borrowing, the Adjusted Daily Simple SOFR, as applicable.

“Resolution” has the meaning set forth in the recitals hereof.

“Response Date” has the meaning assigned to such term in Section 2.18(a) hereof.

“Responsible Officer” means the Chairman, Vice-Chair, Secretary, Treasurer and Controller of the Borrower and any successor to the functions of such offices. The signature of one Responsible Officer shall be sufficient to bind the Borrower.

“Revolving Borrowing” means Revolving Loans of the same Type, made, converted or continued on the same date and, in the case of Term Benchmark Loans, as to which a single Interest Period is in effect.

“Revolving Credit Exposure” means, with respect to the Lender at any time, the sum of the outstanding principal amount of the Revolving Loans at such time.

“Revolving Loan” means a Loan made pursuant to Section 2.03 hereof.

“RFR Borrowing” means, as to any Borrowing, the RFR Loans comprising such Borrowing.

“RFR Loan” means a Loan that bears interest at a rate based on the Adjusted Daily Simple SOFR.

“S&P” means S&P Global Ratings.

“Sanctioned Country” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, the Crimea, Zaporizhzhia and Kherson Regions of Ukraine, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means, at any time, any Person subject or target of any Sanctions, including (a) any Person listed in any Sanctions-related list of designated Persons maintained by the U.S. government, including by Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, U.S. Department of Commerce, or by the United Nations Security Council, the European Union, any European Union member state, His Majesty’s Treasury of the United Kingdom or other relevant sanctions authority, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b) (including, without limitation for purposes of defining a Sanctioned Person, as ownership and control may be defined and/or established in and/or by any applicable laws, rules, regulations, or orders).

“Sanctions” means all economic or financial sanctions, trade embargoes or similar restrictions imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state, His Majesty’s Treasury of the United Kingdom or other relevant sanctions authority.

“SEC” means the Securities and Exchange Commission of the United State of America.

“Senior Bonds” means, collectively, all of the Borrower’s “Bonds” (as defined in the Indenture) and all of the Borrower’s Current Parity Lien Indebtedness, if any.

“Senior Debt” means the Senior Bonds, Current Parity Lien Indebtedness and any other Indebtedness of the Borrower secured by a Senior Lien or that otherwise has a priority in security or payment from the TANC Revenues over the Notes.

“Senior Lien” has the meaning assigned to the term “Parity Lien” in the Indenture.

“SOFR” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” means the NYFRB (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the NYFRB’s website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“SOFR Determination Date” has the meaning specified in the definition of “Daily Simple SOFR.”

“SOFR Rate Day” has the meaning specified in the definition of “Daily Simple SOFR.”

“Subordinate Lien” has the meaning assigned to such term in the Indenture.

“Subordinate Lien Obligations” means the obligations of the Borrower under the Notes and all other Indebtedness issued or incurred by or on behalf of the Borrower secured by a Subordinate Lien on the TANC Revenues and/or payable from all or any portion of the TANC Revenues on parity with the Notes.

“Supported QFC” has the meaning assigned to it in Section 8.17 hereof.

“Swap Agreement” means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; *provided* that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower shall be a Swap Agreement.

“TANC Operating Expenses” has the meaning assigned to such term in the Indenture.

“TANC Project Indebtedness” has the meaning assigned to such term in the Indenture.

“TANC Revenues” has the meaning assigned to such term in the Indenture. For purposes of clarity, the definition set forth in the Master Indenture is as follows:

“TANC Revenues” means (i) all revenues, income, rents and receipts derived from or attributable to the Project or to the payment of the costs thereof received or to be received by TANC (including without limitation payments from Members pursuant the Project Agreement; and amounts realized from any security arrangements contemplated by the Project Agreement; and amounts received pursuant to 6.09(c) of this Indenture; and amounts received by TANC pursuant to any other contract or arrangement for the sale by TANC of the capacity, use or service of the Project or any portion thereof); (ii) the proceeds of any insurance, including proceeds of any self-insurance fund, covering business interruption loss relating to TANC’s interest in the Project; and (iii) interest received or to be received on any moneys or securities held pursuant to this Indenture and required to be paid into the TANC Revenue Fund; and (iv) any other revenues as may be designated as TANC Revenues from time to time by a Certificate of TANC delivered to the Trustee.

In the event of a conflict between the defined term set forth in this Agreement and the Indenture, the defined term in the Indenture as in effect on the Effective Date as amended, supplemented or modified in accordance with the terms hereof and thereof shall control. All terms used in this definition and not otherwise defined in this Agreement shall have the meaning set forth in the Indenture, as of the Effective Date, and, for the avoidance of doubt shall not be further amended for purposes of this Agreement unless amended in accordance with the terms hereof.

“Tax-Exempt Applicable Margin” means the Tax-Exempt Applicable Margin as determined as set forth in the defined term “Applicable Margin” hereof.

“Tax-Exempt Loan” means a Loan that is identified as a tax-exempt Loan in the Borrowing Request with respect thereto.

“Tax-Exempt Note” means the Transmission Agency of Northern California, California Oregon Transmission Project Tax-Exempt Revolving Note, 2024 Series A in substantially the form attached hereto as Exhibit D-1, including all extensions, renewals and amendments thereto and restatements thereof.

“Tax-Exempt Term SOFR Rate” means a per annum rate of interest equal to the sum of (a) the Tax-Exempt Applicable Margin plus (b) the product of (i) the Adjusted Term SOFR Rate multiplied by (ii) the Applicable Factor.

“Taxable Applicable Margin” means the Taxable Applicable Margin as determined as set forth in the defined term “Applicable Margin” hereof.

“Taxable Date” means the date on which interest on the Tax-Exempt Note or any Tax-Exempt Loan is first includable in gross income of a Holder (including, without limitation, any previous Holder) as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.

“Taxable Loan” means a Loan that is identified as a taxable Loan in the Borrowing Request with respect thereto.

“Taxable Note” means the Transmission Agency of Northern California, California Oregon Transmission Project Taxable Revolving Note, 2024 Series B, in substantially the form attached hereto as Exhibit D-2, including all extensions, renewals and amendments thereto and restatements thereof.

“Taxable Period” has the meaning set forth in Section 2.04 hereof.

“Taxable Rate” means, for each day during a Taxable Period, the product of (i) the interest rate on the applicable Notes for such day and (ii) the applicable Taxable Rate Factor.

“Taxable Rate Factor” means, for each day that the Taxable Rate is determined, the quotient of (i) one divided by (ii) one minus the Maximum Federal Corporate Tax Rate in effect as of such day, rounded upward to the second decimal place.

“Taxable Term SOFR Rate” means a per annum rate of interest equal to the sum of (a) the Taxable Applicable Margin plus (b) the Adjusted Term SOFR Rate.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), value added taxes, or any other goods and services, use or sales

taxes, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Benchmark” when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate.

“Term SOFR Determination Day” has the meaning assigned to it under the definition of Term SOFR Reference Rate.

“Term SOFR Rate” means, with respect to any Term Benchmark Borrowing and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such tenor comparable to the applicable Interest Period, as such rate is published by the CME Term SOFR Administrator.

“Term SOFR Reference Rate” means, for any day and time (such day, the *“Term SOFR Determination Day”*), with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the rate per annum published by the CME Term SOFR Administrator and identified by the Lender as the forward-looking term rate based on SOFR. If by 5:00 pm (New York City time) on such Term SOFR Determination Day, the *“Term SOFR Reference Rate”* for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then, so long as such day is otherwise a U.S. Government Securities Business Day, the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

“Termination Date” means the earlier of (i) the Maturity Date and (ii) the date on which the Commitment shall be terminated as permitted by Section 7.02 hereof.

“Termination Fee” has the meaning assigned to such term in Section 2.10(b) hereof.

“Total Revolving Credit Exposure” means, at any time, the sum of the outstanding principal amount of the Revolving Loans at such time.

“Transactions” means the execution, delivery and performance by the Borrower of this Agreement, the borrowing of Loans, the use of the proceeds thereof.

“Trustee” means U.S. Bank Trust Company, National Association, as successor trustee to U.S. Bank National Association.

“*Type*,” when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted Term SOFR Rate, the Alternate Base Rate or the Adjusted Daily Simple SOFR.

“*Unadjusted Benchmark Replacement*” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“*U.S. Government Securities Business Day*” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“*U.S. Person*” means a “United States person” within the meaning of Section 7701(a)(30) of the Code.

“*U.S. Special Resolution Regime*” has the meaning assigned to it in Section 8.17 hereof.

Section 1.02. Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Type (e.g., a “*Term Benchmark Loan*” or an “*RFR Loan*,” a “*Term Benchmark Revolving Loan*” or an “*RFR Revolving Loan*”). Borrowings also may be classified and referred to by Type (e.g., a “*Term Benchmark Borrowing*” or an “*RFR Borrowing*,” a “*Term Benchmark Revolving Borrowing*” or an “*RFR Revolving Borrowing*”).

Section 1.03. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein,” “hereof” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any law, rule or regulation herein shall, unless otherwise specified, refer to such law, rule or regulation as amended, modified or supplemented from time to time and (f) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

Section 1.04. Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; *provided that*, if the Borrower notifies the Lender that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring

after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Lender notifies the Borrower that it is requiring an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to (i) any election under Financial Accounting Standards Board Accounting Standards Codification 825 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower at “fair value,” as defined therein and (ii) any treatment of Indebtedness under Accounting Standards Codification 470-20 or 2015-03 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

Section 1.05. Interest Rates; Benchmark Notification. The interest rate on a Loan denominated in dollars may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.12(b) hereof provides a mechanism for determining an alternative rate of interest. The Lender does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability. The Lender and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Lender may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, the Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE 2

THE CREDITS

Section 2.01. Commitment. Subject to the terms and conditions set forth herein, the Lender agrees to make Revolving Loans to the Borrower from time to time during the Availability Period

in an aggregate principal amount that will not result in the Revolving Credit Exposure exceeding the Commitment. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Revolving Loans.

Section 2.02. Loans and Borrowings. (a) Each Revolving Loan shall be made as part of a Borrowing consisting of Revolving Loans made by the Lender in accordance with the Commitment.

(b) Subject to Section 2.12 hereof, each Revolving Borrowing shall be comprised entirely of ABR Loans or Term Benchmark Loans, as the Borrower may request in accordance herewith. The Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of the Lender to make such Loan; *provided* that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Term Benchmark Revolving Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$100,000 and not less than \$1,000,000. At the time that each ABR Revolving Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$100,000 and not less than \$1,000,000; *provided* that an ABR Revolving Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Commitment. Borrowings of more than one Type may be outstanding at the same time; *provided* that there shall not at any time be more than a total of three (3) Term Benchmark Revolving Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

Section 2.03. Requests for Revolving Borrowings. To request a Revolving Borrowing, the Borrower shall notify the Lender of such request by submitting a Borrowing Request (a) in the case of a Term Benchmark Borrowing, not later than 11:00 a.m., New York City time, three U.S. Government Securities Business Days before the date of the proposed Borrowing, (b) in the case of a RFR Borrowing (but only if RFR Borrowings are applicable and required pursuant to Section 2.12 hereof), five U.S. Government Securities Business Days before the date of the proposed Borrowing, or (c) in the case of an ABR Borrowing, not later than 11:00 a.m., New York City time, one Business Day before the date of the proposed Borrowing. Each such Borrowing Request shall be irrevocable and shall be signed by a Responsible Officer of the Borrower. Each such Borrowing Request shall specify the following information in compliance with Section 2.02:

- (i) the aggregate amount of the requested Borrowing;
- (ii) the date of such Borrowing, which shall be a Business Day;
- (iii) whether such Borrowing is to be an ABR Borrowing, a Term Benchmark Borrowing or an RFR Borrowing (but only if RFR Borrowings are applicable and required pursuant to Section 2.12 hereof);

(iv) in the case of a Term Benchmark Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term “Interest Period”;

(v) the location and number of the Borrower’s account to which funds are to be disbursed, which shall comply with the requirements of Section 2.05 hereof; and

(vi) whether such Loan shall be a Tax-Exempt Loan or a Taxable Loan.

If no election as to the Type of Revolving Borrowing is specified, then the requested Revolving Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Term Benchmark Revolving Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month’s duration.

Section 2.04. Taxability. (a) In the event a Taxable Date occurs, the Tax-Exempt Loans shall bear interest at the Taxable Rate on and after the Taxable Date. In addition to the foregoing (but not in duplication thereof), in the event a Taxable Date occurs, the Borrower hereby agrees to pay to the Lender or any Holder on demand therefor, (1) an amount equal to the difference between (A) the amount of interest that would have been paid to the Lender or any Holder, as applicable, on any Loan or Loans during the period for which interest on such Loan or Loans is or was includable in the gross income of the Lender or any Holder, if such Loan or Loans had borne interest at the Taxable Rate, beginning on the Taxable Date (the “*Taxable Period*”), and (B) the amount of interest actually paid to the Lender or any Holder, as applicable, during the Taxable Period, and (2) an amount equal to any interest, penalties or charges owed by the Lender or any Holder, as applicable, as a result of interest on the Loan or Loans becoming includable in the gross income of the Lender or any Holder, as applicable, together with any and all reasonable attorneys’ fees, court costs, or other out-of-pocket costs incurred by the Lender or any Holder, as applicable, in connection therewith.

(b) The obligations of the Borrower under this Section 2.04 shall survive the termination of this Agreement.

Section 2.05. Funding of Borrowings. The Lender will make Loans available to the Borrower by 1:00 p.m., New York City time, by wiring the funds to the following account of the Borrower: Account Name: Transmission Agency of Northern California, Bank Name: Bank of America, ABA Number: 026 009 593, Account Number: 01488-80163, or such other account as may be designated by the Borrower in writing to the Lender in form satisfactory to Lender.

Section 2.06. Interest Elections. (a) Each Revolving Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Term Benchmark Revolving Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Term Benchmark Revolving Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing.

(b) To make an election pursuant to this Section, the Borrower shall notify the Lender of such election by the time that a Borrowing Request would be required under Section 2.03 hereof if the Borrower were requesting a Revolving Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such Interest Election Request shall be irrevocable and shall be signed by a Responsible Officer of the Borrower.

(c) Each Interest Election Request shall specify the following information in compliance with Section 2.02 hereof:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Term Benchmark Borrowing; and

(iv) if the resulting Borrowing is a Term Benchmark Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "*Interest Period*."

If any such Interest Election Request requests a Term Benchmark Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) If the Borrower fails to deliver a timely Interest Election Request with respect to a Term Benchmark Revolving Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be deemed to have an Interest Period that is one month. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing, (i) no outstanding Revolving Borrowing may be converted to or continued as a Term Benchmark Borrowing and (ii) unless repaid, each Term Benchmark Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

Section 2.07. Termination and Reduction of Commitment. (a) Unless previously terminated, the Commitment shall terminate on the Maturity Date.

(b) The Borrower may at any time terminate, or from time to time reduce, the Commitment; *provided* that (i) each reduction of the Commitment shall be in an amount that is an integral multiple of \$100,000 and not less than \$1,000,000 and (ii) the Borrower shall not terminate or reduce the Commitment if, after giving effect to any concurrent prepayment of the Loans in

accordance with Section 2.09 hereof, the Revolving Credit Exposure would exceed the Commitment.

(c) The Borrower shall notify the Lender of any election to terminate or reduce the Commitment under paragraph (b) of this Section at least three Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Each notice delivered by the Borrower pursuant to this Section shall be irrevocable; *provided* that a notice of termination of the Commitment delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the Borrower (by notice to the Lender on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitment shall be permanent.

(d) Any termination or reduction of the Commitment shall be accompanied by the payment of the Termination Fee or Reduction Fee, respectively, if any.

Section 2.08. Repayment of Loans; Evidence of Debt. (a) The Borrower hereby unconditionally promises to pay to the Lender the then unpaid principal amount of, and interest on, each Revolving Loan and of all other accrued and unpaid Obligations hereunder on the Termination Date.

(b) The Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to the Lender resulting from each Loan made by the Lender, including the amounts of principal and interest payable and paid to the Lender from time to time hereunder.

(c) The Lender shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to the Lender hereunder and (iii) the amount of any sum received by the Lender hereunder for the account of the Lender.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; *provided* that the failure of the Lender or the Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

(e) Pursuant to the Indenture this Agreement shall constitute a "Security Document" under the Indenture, and the principal of and interest on the Notes are payable from and secured by a Subordinate Lien, subordinate solely to the lien and pledge of the Senior Debt. The outstanding principal amount of each Note will be equal to 100% of the outstanding Loans under such Note. The aggregate principal amount of each Note may be repaid and reborrowed pursuant to the terms hereof. The Notes shall not be issued and Loans shall not be made such that the principal amount of all Loans under the Notes shall exceed the Commitment; *provided, however*, that notwithstanding anything herein to the contrary, the Lender shall have no obligation to make a Loan if the sum of such Loan plus the aggregate principal amount of the outstanding Loans

would exceed the Commitment then in effect. On any date, the aggregate principal amount of all Loans made on such date shall not exceed the amount of the Available Commitment before giving effect to such Loans. If the principal amount of all Loans is paid in full on or before the Maturity Date (i.e., there are no outstanding Loans under the Notes) but the Notes have not been redeemed, the Notes will be deemed to not be retired and will be deemed to remain outstanding unless and until (i) on the Maturity Date, no Loans are outstanding or (ii) the Notes are redeemed in full.

(f) The Borrower shall, without duplication, (i) make a principal payment on the related Note on each date on which the Borrower is required to make a principal payment on a Loan in an amount equal to the principal payment due on such date and (ii) pay interest on the related Note on each date on which the Borrower is required to make an interest payment with to a Loan in an amount equal to the interest payment due on such date. Since the Notes evidence and secure the Borrower's obligations to repay the Loans, the payment of the principal of and interest on the related Note shall constitute payment of the principal of and interest on the related Loan, and the payment of the principal of and interest on the related Loans shall constitute the payment of and principal and interest on the related Note, and the failure to make any payment on any Loan when due shall be a failure to make a payment on the related Note when due, and the failure to make any payment on the related Note when due shall be a failure to make a payment on such Loan when due.

Section 2.09. Prepayment of Loans. (a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with paragraph (b) of this Section.

(b) The Borrower shall notify the Lender by telephone (confirmed by telecopy or electronic mail) of any prepayment hereunder (i) in the case of prepayment of a Term Benchmark Revolving Borrowing, not later than 11:00 a.m., New York City time, three Business Days before the date of prepayment, (ii) in the case of an RFR Revolving Borrowing (if applicable and required pursuant to the circumstances set forth in Section 2.12 hereof), not later than 11:00 a.m., New York City time, five Business Days before the date of prepayment or (iii) in the case of prepayment of an ABR Revolving Borrowing, not later than 11:00 a.m., New York City time, one Business Day before the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; *provided* that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitment as contemplated by Section 2.07 hereof, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.07 hereof. Each partial prepayment of any Revolving Borrowing shall be in an amount that would be permitted in the case of an advance of a Revolving Borrowing of the same Type as provided in Section 2.02 hereof. Each prepayment of a Revolving Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.11 hereof and any break funding payments required by Section 2.14 hereof.

Section 2.10. Fees. (a) The Borrower hereby agrees to pay to the Lender on October 1, 2024 (for the period commencing on the Effective Date and ending on September 30, 2024), and on the first Business Day of each January, April, July and October to occur thereafter (each, a

“Quarterly Payment Date”) to the Termination Date, and on the Termination Date, for each day during the immediately preceding fee period, a non-refundable commitment fee (the “Commitment Fee”), computed in arrears (on the basis of a 360 day year for the actual number of days elapsed per the applicable fee period) in an amount equal to the product of the Available Commitment for each day during the related fee period and the rate per annum corresponding to the Applicable Ratings set forth in the applicable Level in the pricing matrix below (the “Commitment Fee Rate”) from time to time in effect for each day during each related fee period:

| LEVEL | MOODY’S RATING | S&P RATING | FITCH RATING | COMMITMENT FEE |
|---------|-------------------|---------------|-----------------|-------------------|
| Level 1 | A1 or above | A+ or above | A+ or above | 0.50% |
| Level 2 | A2 | A | A | 0.55% |
| Level 3 | A3 | A- | A- | 0.60% |
| Level 4 | Baa1 | BBB+ | BBB+ | 0.70% |
| Level 5 | Baa2 | BBB | BBB | 0.80% |
| Level 6 | Baa3 or below | BBB- or below | BBB- or below | 0.95% |

In the event of a split in the Applicable Ratings, the Commitment Fee Rate shall be based upon the Level in which the lowest Applicable Rating appears (for the avoidance of doubt, Level 6 is the lowest Level, and Level 1 is the highest Level for purposes of the above pricing matrix). Any change in the Commitment Fee Rate resulting from a change in an Applicable Rating shall be and become effective as of and on the date of the public announcement of the change in such Applicable Rating. References to the ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the applicable rating in connection with the adoption of a “global” rating scale, the rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The Borrower acknowledges that as of the Effective Date the Commitment Fee Rate is that specified above for Level 1. Anything herein to the contrary notwithstanding, in the event that an Applicable Rating is suspended, withdrawn or otherwise unavailable from any Rating Agency for credit related reasons or reduced below “Baa3” (or its equivalent) by Moody’s, “BBB-” (or its equivalent) by S&P or “BBB-” (or its equivalent) by Fitch or upon the occurrence and during the continuance of an Event of Default, the Commitment Fee Rate shall automatically, immediately and without notice be increased from the rate then in effect by an additional one and a half percent (1.50%). The Commitment Fees shall accrue interest at the Default Rate from the date payment is due until such Commitment Fees are paid in full, such interest to be payable by the Borrower in demand.

(b) Notwithstanding anything set forth herein to the contrary, the Borrower hereby agrees to pay to the Lender a nonrefundable termination fee (a “*Termination Fee*”) in connection with any termination or replacement of the Commitment by the Borrower prior to the Maturity Date in an amount equal to the product of (i) the Commitment Fee Rate in effect on the date of such termination or replacement, (ii) the Commitment in effect as of the date of termination or replacement (prior to giving effect to such termination or replacement) and (iii) a fraction, the numerator of which is equal to the number of days from and including the date of such termination or replacement to and including the Maturity Date and the denominator of which is 360, payable on the date of such termination or replacement.

(c) Notwithstanding the foregoing and anything set forth herein or in the Agreement to the contrary, the Borrower hereby agrees to pay to the Lender, in connection with each and every permanent reduction of the Commitment by the Borrower prior to the Maturity Date, a nonrefundable reduction fee (a “*Reduction Fee*”) in an amount equal to the product of (i) the Commitment Fee Rate in effect on the date of such permanent reduction (prior to giving effect to such reduction), (ii) the amount by which the Commitment is being permanently reduced, and (iii) a fraction, the numerator of which is equal to the number of days from and including the date of such permanent reduction to and including the Maturity Date and the denominator of which is 360, payable on the date of such permanent reduction.

(d) Notwithstanding anything set forth in clauses (b) or (c) of this Section to the contrary, no Termination Fee or Reduction Fee shall become payable if the Commitment is terminated or replaced or permanently reduced, as applicable, as a result of the Lender imposing increased costs on the Borrower, and the Borrower paying such costs, in accordance with Section 2.13 of the Agreement.

(e) The Borrower further agrees to pay to the Lender on the date of each amendment, supplement, or modification to this Agreement (or any other Loan Document, the amendment, supplement or modification of which requires the consent or waiver of the Lender) an amendment, waiver or consent fee, as applicable, in an amount agreed to by the Borrower and the Lender, plus, in each case, the reasonable fees and expenses of counsel to the Lender.

(f) The Borrower hereby agrees to reimburse the Lender for all administrative expenses (including, without limitation, wire fees, courier and overnight delivery fees, and internal processing fees) incurred by the Lender in connection with the execution, delivery and administration of the Agreement, promptly upon the Lender’s request therefor.

(g) The Borrower agrees to pay to the Lender, for its own account, fees payable in the amounts and at the times separately agreed upon between the Borrower and the Lender. All fees payable hereunder shall be paid on the dates due, in dollars in immediately available funds, to the Lender. Fees paid shall not be refundable under any circumstances.

Section 2.11. Interest. (a) The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the ABR Applicable Margin.

(b) The Loans comprising each Term Benchmark Borrowing shall bear interest in the case of (i) each Term Benchmark Borrowing which is a Taxable Loan, at the Taxable Term SOFR Rate and (ii) each Term Benchmark Borrowing which is a Tax-Exempt Loan, at Tax-Exempt Term SOFR Rate.

(c) Each RFR Loan (if required due to the circumstances set forth in Section 2.12) shall bear interest at a rate per annum equal to the Adjusted Daily Simple SOFR plus the related Applicable Margin.

(d) If the amount payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to the Default Rate

(e) Accrued interest on each Loan shall be payable by the Borrower in arrears on each Interest Payment Date for such Loan and, in the case of Revolving Loans, upon termination of the Commitment; *provided* that (i) interest accrued pursuant to paragraph (d) of this Section shall be payable by the Borrower on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Revolving Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable by the Borrower on the date of such repayment or prepayment and (iii) in the event of any conversion of any Term Benchmark Revolving Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(f) Interest computed by reference to the Term SOFR Rate, Daily Simple SOFR or the Alternate Base Rate hereunder shall be computed on the basis of a year of 360 days. Interest computed by reference to the Alternate Base Rate only at times when the Alternate Base Rate is based on the Prime Rate or the NYFRB Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year). In each case interest shall be payable by the Borrower for the actual number of days elapsed (including the first day but excluding the last day). All interest hereunder on any Loan shall be computed on a daily basis based upon the outstanding principal amount of such Loan as of the applicable date of determination. A determination of the applicable Alternate Base Rate, Adjusted Term SOFR Rate, Term SOFR Rate, Adjusted Daily Simple SOFR or Daily Simple SOFR shall be determined by the Lender, and such determination shall be conclusive absent manifest error.

Section 2.12. Alternate Rate of Interest. (a) Subject to clauses (b), (c), (d), (e) and (f) of this Section 2.12, if:

(i) the Lender determines (which determination shall be conclusive absent manifest error) (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining the Adjusted Term SOFR Rate (including because the Term SOFR Reference Rate is not available or published on a current basis), for such Interest Period or (B) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Adjusted Daily Simple SOFR; or

(ii) (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, the Adjusted Term SOFR Rate for such Interest Period will not adequately and fairly reflect the cost to the Lender of making or maintaining the Loan(s) included in such Borrowing for such Interest Period or (B) at any time, Adjusted Daily Simple SOFR will not adequately and fairly reflect the cost to the Lender of making or maintaining the Loan(s) included in such Borrowing;

then the Lender shall give notice thereof to the Borrower by telephone, telecopy or electronic mail as promptly as practicable thereafter and, until (x) the Lender notifies the Borrower that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrower delivers a new Interest Election Request in accordance with the terms of Section 2.06 hereof or a new Borrowing Request in accordance with the terms of Section 2.03 hereof, any Interest Election Request that requests the conversion of any Revolving Borrowing to, or continuation of any Revolving Borrowing as, a Term Benchmark Borrowing and any Borrowing Request that requests a Term Benchmark Revolving Borrowing shall instead be deemed to be an Interest Election Request or a Borrowing Request, as applicable, for (x) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not also the subject of Section 2.12(a)(i) or (ii) above or (y) an ABR Borrowing if the Adjusted Daily Simple SOFR also is the subject of Section 2.12(a)(i) or (ii) above; *provided* that if the circumstances giving rise to such notice affect only one Type of Borrowings, then all other Types of Borrowings shall be permitted. Furthermore, if any Term Benchmark Loan or RFR Loan is outstanding on the date of the Borrower's receipt of the notice from the Lender referred to in this Section 2.12(a) with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until (x) the Lender notifies the Borrower that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrower delivers a new Interest Election Request in accordance with the terms of Section 2.06 hereof or a new Borrowing Request in accordance with the terms of Section 2.03 hereof, any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan, be converted by the Lender to, and shall constitute, (x) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not also the subject of Section 2.12(a)(i) or (ii) above or (y) an ABR Loan if the Adjusted Daily Simple SOFR also is the subject of Section 2.12(a)(i) or (ii) above, on such day.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document (and any Swap Agreement shall be deemed not to be a "Loan Document" for purposes of this Section 2.12), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the

Borrower without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document.

(c) Notwithstanding anything to the contrary herein or in any other Loan Document, the Lender will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(d) The Lender will promptly notify the Borrower of (i) any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (f) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Lender pursuant to this Section 2.12, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.12.

(e) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Lender may modify the definition of “Interest Period” for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Lender may modify the definition of “Interest Period” for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(f) Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for (i) a Term Benchmark Borrowing, conversion to or continuation of Term Benchmark Loans to be made, converted or continued or (ii) a RFR Borrowing or conversion to RFR Loans, during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any request for a Term Benchmark Borrowing or RFR Borrowing, as applicable, into a request for a Borrowing of or conversion to (A) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not the subject of a Benchmark Transition Event or (B) an ABR Borrowing if the Adjusted Daily Simple SOFR

is the subject of a Benchmark Transition Event. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR. Furthermore, if any Term Benchmark Loan or RFR Loan is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark Loan, then until such time as a Benchmark Replacement is implemented pursuant to this Section 2.12, any Term Benchmark Loan or RFR Loan shall on the last day of the Interest Period applicable to such Loan, be converted by the Lender to, and shall constitute, (x) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not the subject of a Benchmark Transition Event or (y) an ABR Loan if the Adjusted Daily Simple SOFR is the subject of a Benchmark Transition Event, on such day.

Section 2.13. Increased Costs. (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, the Lender;

(ii) impose on the Lender or the applicable offshore interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by the Lender; or

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to the Lender or such other Recipient of making, continuing, converting or maintaining any Loan (or of maintaining its obligation to make any such Loan) or to reduce the amount of any sum received or receivable by the Lender or such other Recipient hereunder (whether of principal, interest or otherwise), then the Borrower will pay to the Lender, the Lender or such other Recipient, as the case may be, such additional amount or amounts as will compensate the Lender, the Lender or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If the Lender determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on the Lender's or any Recipient's capital or on the capital of the Lender's or any Recipient's parent or holding company, if any, as a consequence of this Agreement or the Loans made by the Lender, to a level below that which the Lender or such Recipient or the Lender's or such Recipient's parent or holding company could have achieved but for such Change in Law (taking into consideration the Lender's or such Recipient's policies and the policies of the Lender's or such Recipient's parent or holding company with respect to capital adequacy and liquidity), then from time to time the Borrower will pay to the Lender or such Recipient, as the case may be, such additional amount or amounts as will

compensate the Lender or such Recipient or the Lender's such Recipient's parent or holding company for any such reduction suffered.

(c) A certificate of a Lender or Recipient setting forth the amount or amounts necessary to compensate the Lender or such Recipient or its parent or holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay the Lender such Recipient, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Failure or delay on the part of the Lender or any Recipient to demand compensation pursuant to this Section shall not constitute a waiver of the Lender's or such Recipient's right to demand such compensation; *provided* that the Borrower shall not be required to compensate the Lender or any Recipient pursuant to this Section for any increased costs or reductions incurred more than 180 days prior to the date that the Lender or such Recipient, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of the Lender's or such Recipient's intention to claim compensation therefor; *provided further* that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

Section 2.14. Break Funding Payments. (a) With respect to Loans that are not RFR Loans, in the event of (i) the payment of any principal of any Term Benchmark Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default or an optional or mandatory prepayment of Loans), (ii) the conversion of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto, (iii) the failure to borrow, convert, continue or prepay any Term Benchmark Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.09(b) hereof and is revoked in accordance therewith) or (iv) the assignment of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.17 hereof, then, in any such event, the Borrower shall compensate the Lender for the loss, cost and expense attributable to such event. A certificate of the Lender setting forth any amount or amounts that the Lender is entitled to receive pursuant. The Borrower shall pay the Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(b) With respect to RFR Loans, in the event of (i) the payment of any principal of any RFR Loan other than on the Interest Payment Date applicable thereto (including as a result of an Event of Default or an optional or mandatory prepayment of Loans), (ii) the failure to borrow or prepay any RFR Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.09(b) and is revoked in accordance therewith) or (iii) the assignment of any RFR Loan other than on the Interest Payment Date applicable thereto as a result of a request by the Borrower pursuant to Section 2.17 hereof, then, in any such event, the Borrower shall compensate the Lender for the loss, cost and expense attributable to such event. A certificate of the Lender setting forth any amount or amounts that the Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay the Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

Section 2.15. Withholding of Taxes; Gross-Up.

(a) *Payments Free of Taxes.* Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) *Payment of Other Taxes by the Borrower.* The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Lender timely reimburse it for, Other Taxes.

(c) *Evidence of Payments.* As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section, the Borrower shall deliver to the Lender the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Lender.

(d) *Indemnification by the Borrower.* To the extent permitted by law, the Borrower shall indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by Lender shall be conclusive absent manifest error.

(f) *Treatment of Certain Refunds.* If the Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of the Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of the Lender, shall repay to the Lender the amount paid to the Lender pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that the Lender is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the Lender be required to pay any amount to an indemnifying party

pursuant to this paragraph (h) the payment of which would place the Lender in a less favorable net after-Tax position than the Lender would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require the Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(g) *Survival.* Each party's obligations under this Section shall survive the resignation or replacement of the Lender or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitment and the repayment, satisfaction or discharge of all obligations under any Loan Document.

Section 2.16. Payments Generally; Setoff. (a) The Borrower shall make each payment or prepayment required to be made by it hereunder (whether of principal, interest or fees, or of amounts payable under Section 2.13, 2.14 or 2.15, or otherwise) in Dollars prior to 12:00 noon, New York City time, on the date when due or the date fixed for any prepayment hereunder, in immediately available funds, without setoff, recoupment or counterclaim. Any amounts received after such time on any date may, in the discretion of the Lender, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Lender at its offices at JPMorgan Chase Bank, N.A., [**ABA:** _____, **Account Name:** _____, **Account #:** _____, **Ref:** _____] (or such other account as designated by the Lender in writing to the Borrower). If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in Dollars.

(b) If at any time insufficient funds are received by and available to the Lender to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal of outstanding Loans then due hereunder.

Section 2.17. Mitigation Obligations. If the Lender requests compensation under Section 2.13, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to the Lender or any Governmental Authority for the account of the Lender pursuant to Section 2.15, then the Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of the Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Sections 2.13 or 2.15, as the case may be, in the future and (ii) would not subject the Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to the Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by the Lender in connection with any such designation or assignment.

Section 2.18. Extension of Maturity Date. (a) The Borrower may, by delivering an Extension Request to the Lender, not less than 60 days in advance of the Maturity Date in effect at such time (the “*Existing Maturity Date*”), request that the Lender extend the Existing Maturity Date. The Lender, acting in its sole and absolute discretion, shall, by written notice to the Borrower given not later than the date that is the 30th day after the date of the Extension Request, or if such date is not a Business Day, the immediately following Business Day (the “*Response Date*”), advise the Borrower in writing whether or not the Lender agrees to the requested extension.

(b) As a condition precedent to each such extension of the Existing Maturity Date, the Borrower shall deliver to the Lender a certificate of the Borrower dated as of the Existing Maturity Date signed by a Responsible Officer of the Borrower certifying that, as of such date, both before and immediately after giving effect to such extension, (A) the representations and warranties of the Borrower set forth in this Agreement shall be true and correct and (B) no Default shall have occurred and be continuing.

Section 2.19. Security. (a) The Notes and Loans are special limited obligations of the Borrower and shall constitute “Indebtedness” under, as defined in and for purposes of the Project Agreement and this Agreement shall constitute an “Indenture” (in this case, as defined in the Project Agreement) for purposes of the Project Agreement. This Agreement shall constitute a “Security Document” (in this case as defined in the Indenture) secured by a Subordinate Lien pursuant to the terms of the Indenture, and in connection therewith, the Borrower hereby secures the payment of the Notes and Loans and grants a pledge of and Subordinate Lien on the TANC Revenues for the payment of the principal of and interest on the Notes and Loans and the Notes and Loans shall be a charge upon and shall be payable, as to the principal thereof and interest thereon, solely from and secured by a lien upon the TANC Revenues, subordinate solely to the lien thereon of the Senior Debt pursuant to the Indenture.

(b) The Obligations (other than the Notes and Loans) are special limited obligations of the Borrower and shall constitute “Indebtedness” under, as defined in and for purposes of the Project Agreement. This Agreement shall constitute a “Security Document” (in this case as defined in the Indenture) secured by a Subordinate Lien pursuant to the terms of the Indenture, and in connection therewith, the Borrower hereby secures the payment of the Obligations (other than the Notes and Loans) and grants a pledge of and Subordinate Lien on the TANC Revenues for the payment of the principal of and interest on the Obligations (other than the Notes and Loans) and the Obligations (other than the Notes and Loans) shall be a charge upon and shall be payable, as to the principal thereof and interest thereon, solely from and secured by a lien upon the TANC Revenues, subordinate solely to the lien thereon of the Senior Debt pursuant to the Indenture.

(c) The Notes, Loans and Obligations (other than the Notes and Loans) shall be payable pursuant to the Project Agreement in accordance with the terms hereof notwithstanding that no specific fund or account has been established for the payment thereof. To the extent necessary to satisfy the requirements of the Project Agreement and the Indenture with respect to (i) funds and/or accounts and (ii) causing the payment of the Notes and Loans in accordance with the terms hereof to constitute “Debt Service” under, as defined in and for purposes of the Project Agreement, (A) the Lender’s payment account in Section 2.16 hereof shall be deemed to constitute such required fund and/or account and (B) the amounts required to be paid on the Notes and Loans in accordance

with the terms hereof shall be deemed to be the amounts required by an “Indenture” (in this case, as defined in the Project Agreement) or otherwise to be paid into any fund or account created by such “Indenture” (in this case, as defined in the Project Agreement).

(d) No filing, registration, recording or publication of this Agreement or any Note or any other instrument is required to establish the pledge of the TANC Revenues to pay the Notes, Loans or other Obligations.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender that:

Section 3.01. Organization; Powers. The Borrower is duly organized and validly existing as a public entity of the State duly organized and existing pursuant the Joint Powers Agreement and the Act, and, under the Constitution and laws of the State, has full legal right, power and authority to issue the Notes for the purposes described in the Resolution and to finance the Project. The Borrower has all requisite power and authority to carry on its business as now conducted and to enter into contracts such as this Agreement and the other Loan Documents, which powers have been validly exercised in connection with the transactions effected by this Agreement and the other Loan Documents. The Borrower is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required.

Section 3.02. Authorization; Enforceability. The Borrower has the full legal right, power and authority to enter into this Agreement, to adopt the Resolution, to observe, perform and consummate the covenants, agreements and transactions contemplated by this Agreement and the Resolution, and to issue, sell and deliver the Notes to the Lender as provided herein and to create the Notes as TANC Project Indebtedness; by all necessary official action of the Borrower prior to or concurrently with the acceptance hereof, the Borrower has duly adopted the Resolution; the Resolution is in full force and effect and has not been amended, modified or rescinded; and the Borrower has duly authorized and approved the execution and delivery of, and the performance by the Borrower of its obligations contained in the Loan Documents. The Notes, when issued and delivered, and this Agreement, when executed and delivered, will be, and each other Loan Document is, in each case, a legal, valid and binding obligation of the Borrower, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors’ rights generally, and the Holders of the Notes will be entitled to the benefits of the Indenture and the Project Agreement; upon such issuance and delivery, the Indenture will provide, for the benefit of the Holders from time to time of the Notes, a legally valid and binding pledge of and lien on the TANC Revenues, on a subordinated basis to the pledge and lien of the TANC Revenues made for the payment of Senior Debt under the Indenture.

Section 3.03. No Material Adverse Change. No representation or other statement made by the Borrower in or pursuant to this Agreement or any other Loan Document to which it is a party or any other document or financial statement provided by the Borrower to the Lender in connection with this Agreement or any other Loan Document to which it is a party, contains any untrue

statement of a material fact. There is no fact, which the Borrower has not disclosed to the Lender in writing, which could be reasonably expected to result in a Material Adverse Effect. The Borrower has disclosed to the Lender all agreements, instruments and corporate or other restrictions to which it is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of any of the data, reports, budget, projections, financial statements, certificates or other information furnished by or on behalf of the Borrower to the Lender in connection with the negotiation of this Agreement or delivered hereunder contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time. No fact is known to the Borrower that materially and adversely affects or in the future may (as far as it can reasonably foresee) materially and adversely affect the security for any of the Obligations, or the ability of the Borrower to repay when due the Obligations, that has not been set forth in the financial statements and other documents referred to in this Section 3.03 or in such information, reports, papers and data or otherwise disclosed in writing to the Lender.

Section 3.04. Litigation and Environmental Matters. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or threatened (a) in any way questioning the corporate existence of the Borrower or the titles of the officers of the Borrower to their respective offices; (b) in any way contesting, affecting or seeking to prohibit, restrain or enjoin the issuance or delivery of the Notes, or the collection of revenues pledged to pay the principal of and interest on the Notes, or the pledge of such revenues, or the application of the proceeds of the Notes; (c) in any way contesting or affecting the validity of any of the Loan Documents or the tax-exempt status of interest on the Tax-Exempt Note, or contesting the powers of the Borrower or any authority for the issuance of the Notes, the adoption of the Resolution, or the execution and delivery by the Borrower of any of the Loan Documents or (d) (i) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (ii) that involve this Agreement or the transactions contemplated hereby.

Section 3.05. No Defaults. The Borrower is not in default under (a) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality, or (b) any law or regulation, or (c) any bonds or other indebtedness or obligations payable from or secured by the TANC Revenues (including, without limitation, any Senior Bonds), or (d) any contract, agreement or instrument to which the Borrower is a party or by which it or its Property is bound, which default could reasonably be expected to result in a Material Adverse Effect; and no event has occurred which with the giving of notice or the passage of time or both would constitute such a default.

Section 3.06. Financial Condition . The Borrower has heretofore furnished to the Lender its [**consolidated balance sheet and statements of income**], [(a)] as of and for the Fiscal Year ended [**June 30, 2023**], reported on by [**Baker Tilly Virchow Krause, LLP,**] independent public accountants, and (b) as of and for each fiscal quarter ended since [**June 30, 2023**], certified by a

Responsible Officer. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Borrower as of such dates and for such periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (b) above. Since **[June 30, 2023]**, there has been (i) no material adverse change in the business, assets, operations, prospects or condition, financial or otherwise, of the Borrower or (ii) no event or condition that could reasonably be expected to result in a Material Adverse Effect.

Section 3.07. Governmental Approvals; No Conflicts. All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, court, agency or commission having jurisdiction of the matter that are required for the due authorization of, that would constitute a condition precedent to, or the absence of which would adversely affect the due performance by the Borrower of, its obligations under any of the Loan Documents, have been duly obtained or where required for future performance are expected to be obtained. The Transactions and pledge of TANC Revenues (a) do not require any consent or approval of, registration or filing with, or any other action by, any Member, any Governmental Authority or approving public vote or referendum, except such as have been obtained or made and are in full force and effect, (b) will not violate any applicable law or regulation or the organizational documents of the Borrower or any order of any Governmental Authority, (c) will not violate or result in a default under any indenture, agreement or other instrument binding upon the Borrower or its assets, or give rise to a right thereunder to require any payment to be made by the Borrower, and (d) will not result in the creation or imposition of, or the requirement to create, any Lien on any asset of the Borrower.

Section 3.08. Security. (a) The provisions of this Agreement create a legally valid, binding and irrevocable pledge and Subordinate Lien for the benefit of the Holders of the Notes. No filing or recording of any instrument and no taking of any other action by any Person is necessary to maintain each such pledge as a valid and enforceable pledge or to maintain the priority thereof as stated in the preceding sentences. Other than the pledge of TANC Revenues under the Indenture to secure the Senior Debt, there is no lien on the TANC Revenues to secure Indebtedness that ranks senior to the lien granted on the TANC Revenues to the Lender. The Borrower's obligation to pay the Obligations is *pari passu* with its obligation to pay the any other Subordinate Lien Obligations. The statements set forth in Section 2.19 hereof are true and correct.

(b) The Notes constitute TANC Project Indebtedness as defined in and for purposes of the Project Agreement. The payment of the Notes and Loans pursuant to the terms of this Agreement constitutes "Debt Service" under, as defined in and for purposes of the Project Agreement, notwithstanding that no specific fund or account has been established for the payment thereof.

(c) This Agreement constitutes an "Indenture" under, as defined in and for purposes of the Project Agreement.

Section 3.09. No Proposed Legal Changes. To the knowledge of the Borrower after due inquiry, there is no amendment, or proposed amendment to the Constitution of the State or any State law or any administrative interpretation of the Constitution of the State or any State law, or

any legislation that has passed either house of the legislature of the State, or any judicial decision interpreting any of the foregoing, the effect of which could reasonably be expected (i) to affect the validity, enforceability or binding nature of the Project Agreement or the “take or pay” nature of the Members’ obligations under the Project Agreement or (ii) to result in a Material Adverse Effect. There is no public vote or referendum pending, proposed or concluded, the results of which could reasonably be expected to result in a Material Adverse Effect.

Section 3.10. No Immunity. The Borrower does not have any right to assert any immunity it may have as a public entity under the laws of the State of California from lawsuits with respect to a breach of this Agreement or any other Loan Document, *provided* that any such suits shall be subject to all substantive and procedural requirements of California law, including California Government Code, Title 1 Division 3.6¹.

Section 3.11. Solvency. The Borrower is solvent and able to pay its debts as they become due. No bankruptcy, insolvency or other similar proceedings pertaining to the Borrower or any agency or instrumentality of the Borrower are pending or presently contemplated.

Section 3.12. Environmental Matters. Except as disclosed in writing to the Lender on or prior to the Effective Date, the Borrower does not have knowledge that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could reasonably be expected to result in a Material Adverse Effect. Except with respect to any matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, the Borrower (i) has not become subject to any Environmental Liability, (ii) has not received notice of any claim with respect to any Environmental Liability, or (iii) does not know of any basis for any Environmental Liability.

Section 3.13. Compliance with Laws and Agreements. The Borrower in compliance with all laws, resolutions, orders, rules and regulations applicable to it (including, without limitation, Regulations T, U or X of the FRB, or any successor regulations), noncompliance with which could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and all cash and other assets of the Borrower are invested in accordance with its investment policy, as amended or otherwise modified from time to time. The Borrower has not received any notice of noncompliance from the Federal Equal Employment Opportunity Commission or the Federal Occupational Safety and Health Administration which would have a Material Adverse Effect. No Default or Event of Default has occurred and is continuing hereunder, any Loan Documents or under any agreement, resolution or other document related to any Senior Debt or Subordinate Lien Obligations. The Borrower is not in violation of any material term of the organizational documents or authorizing legislation applicable to the Borrower.

¹ Statutes under review

Section 3.14. Tax-Exempt Status of Tax-Exempt Note. The Borrower has not taken any action or knows of any action that any other person has taken, which would cause interest on the Tax-Exempt Note to be included in the gross income of the recipients thereof for Federal income tax purposes (excluding treatment of interest on the Tax-Exempt Note as an item of tax preference for purposes of the federal alternative minimum tax) or State of California personal income taxes.

Section 3.15. Usury. None of the Loan Documents provide for any payments that would violate any applicable usury laws, if any, regarding permissible maximum rates of interest or the calculation or collection upon interest.

Section 3.16. Federal Reserve Regulations. No part of the proceeds of the Loans or Notes will be used for the purpose, whether immediate, incidental or ultimate, to purchase or carry any Margin Stock, or to extend credit to others for the purpose of purchasing or carrying any Margin Stock. The Borrower is not engaged and will not engage in the business of purchasing or carrying Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock.

Section 3.17. Properties. (a) The Borrower has good title to, or valid leasehold interests in, all its Property material to its business, except where the failure to have good and marketable title to any of its assets would not have a Material Adverse Effect.

(b) The Borrower owns, or is licensed to use, all trademarks, trade names, copyrights, patents and other intellectual property material to its business, and the use thereof by the Borrower does not infringe upon the rights of any other Person, except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(c) Neither the business nor the Property of the Borrower is currently affected by any fire, explosion, accident, strike, lockout or other labor dispute, drought, storm, hail, earthquake, embargo, act of God or of the public enemy or other casualty (whether or not covered by insurance), which could have a Material Adverse Effect.

Section 3.18. Investment Company Status. The Borrower is not an “investment company” or a company “controlled” by an “investment company” as defined in, or subject to regulation under, the Investment Company Act of 1940.

Section 3.19. Tax-Exempt Nature. The Borrower is exempt from property taxation in the State and the TANC Revenues are exempt from Federal and State taxation.

Section 3.20. ERISA. The Borrower is not subject to ERISA and maintains no Plans.

Section 3.21. Anti-Corruption Laws and Sanctions. Neither the purchase of the Notes pursuant hereto, nor the making of any Loans nor the use of the proceeds thereof by the Borrower will, to the knowledge of the officer of the Borrower executing this Agreement, solely as it relates to the Members’ use of the Project, violate (i) the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended from time to time (the “Patriot Act”, (ii) the Trading with the Enemy Act, as amended (50 U.S.C. §§ 1-44), or (iii) any of the foreign assets

control regulations of the United States Treasury Department (31 C.F.R., Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto or successor statute thereto. To the best of its knowledge, the Borrower is in compliance in all material respects with the Patriot Act.

The Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance by the Borrower and its respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Borrower and its respective officers and directors and to the knowledge of the Borrower its employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Borrower, any of its respective directors or officers or employees, or (b) to the knowledge of the Borrower, any agent of the Borrower, is a Sanctioned Person. No Borrowing, use of proceeds or other transaction contemplated by this Agreement will violate any Anti-Corruption Law or applicable Sanctions.

Section 3.22. Plan Assets; Prohibited Transactions. The Borrower is not an entity deemed to hold “plan assets” (within the meaning of the Plan Asset Regulations), and neither the execution, delivery nor performance of the transactions contemplated under this Agreement, including the making of any Loan hereunder, will give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Section 3.23. Incorporation by Reference. The representations and warranties of the Borrower contained in the Resolution and each of the other Loan Documents, together with the related definitions of terms contained therein, are hereby incorporated by reference in this Agreement as if each and every such representation and warranty and definition were set forth herein in its entirety, and the representations and warranties made by the Borrower in such Sections are hereby made for the benefit of the Lender. No amendment to or waiver of representations and warranties or definitions made pursuant to the Resolution or each of the other Loan Documents or incorporated by reference shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Lender.

Section 3.24. Insurance. The Borrower currently maintains insurance coverage with insurance companies believed by the Borrower to be capable of performing their obligations under the respective insurance policies issued by such insurance companies to the Borrower (as determined in its reasonable discretion) and in full compliance with Section 5.05 hereof.

Section 3.25. No Swap Agreement. The Borrower has not entered into any Swap Agreement relating to Indebtedness (a) wherein any termination payment thereunder is senior to or on a parity with the payment of the Obligations hereunder or (b) which requires the Borrower to post cash collateral to secure its obligations thereunder.

Section 3.26. Control of Budget. Subject to the terms of the Project Agreement, the Borrower has full and exclusive authority to (i) develop, approve, and distribute to the Members a budget for TANC Project Costs, Debt Service for TANC Project Indebtedness, TANC Project O&M Costs, and TANC Capital Improvement Costs which the TANC Commission estimates will be incurred during each Fiscal Year and (ii) revise such budgets as necessary. All capitalized terms

used in this Section 3.26 and not otherwise defined in this Agreement shall have the meaning set forth in the Indenture, as of the Effective Date, and, for the avoidance of doubt shall not be further amended for purposes of this Agreement unless amended in accordance with the terms hereof.

ARTICLE 4

CONDITIONS

Section 4.01. Effective Date. The obligations of the Lender to make Loans hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 8.02):

(a) The Lender (or its counsel) shall have received from each party hereto a counterpart of the Loan Documents signed on behalf of the parties thereto (which, subject to Section 8.06(b) hereof, may include any Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page) and certified copies of the Resolution and the Indenture.

(b) The Lender shall have received a favorable written opinion (addressed to the Lender and dated the Effective Date) of counsel for the Borrower and covering such other matters relating to the Borrower, this Agreement or the Transactions as the Lender shall reasonably request.

(c) The Lender shall have received such documents and certificates as the Lender or its counsel may reasonably request relating to the organization, existence and good standing of the Borrower, the authorization of the Transactions and any other legal matters relating to the Borrower, this Agreement or the Transactions, all in form and substance satisfactory to the Lender and its counsel.

(d) The Lender shall have received a certificate, dated the Effective Date and signed by a Responsible Officer, confirming compliance with the conditions set forth in paragraph (b)(ii) of Section 4.02 hereof and certifying (A) that there has been no event or circumstance since **[June 30, 2023]** that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect, (B) that the representations and warranties contained in Article 3 hereof and in the other Loan Documents are true and correct in all material respects on the Effective Date and (C) no event has occurred and is continuing, or would result from entry into this Agreement, which would constitute a Default or Event of Default.

(e) The Lender shall have received an incumbency certificate of the Borrower in respect of each of the officials who is authorized to (a) sign this Agreement, the Notes and the other Loan Documents on behalf of the Borrower and (b) take actions for the Borrower under this Agreement, the Notes and the other Loan Documents.

(f) The Lender shall have received all fees and other amounts due and payable on or prior to the Effective Date, including, to the extent invoiced, reimbursement or

payment of all out of pocket expenses required to be reimbursed or paid by the Borrower hereunder.

(g) The Lender shall have received the audited financial statements and the unaudited quarterly financial statements of the Borrower referred to in Section 3.06 hereof.

(h) The Lender shall have received such other documents, certificates, and opinions as the Lender may reasonably request.

(i) The Lender shall have received recent evidence (which may be a screenshot of Moody's and S&P's websites) that the unenhanced long-term debt rating assigned by Moody's and S&P to any Senior Debt is at least "A1" and "A+", respectively.

Notwithstanding the foregoing, the obligations of the Lender to make Loans hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 8.02 hereof) at or prior to 3:00 p.m., New York City time, on August 28, 2024 (and, in the event such conditions are not so satisfied or waived, the Commitment shall terminate at such time).

Section 4.02. Each Credit Event. The obligation of the Lender to make a Loan on the occasion of any Borrowing is subject to the satisfaction of the following conditions:

(a) The representations and warranties of the Borrower set forth in this Agreement shall be true and correct on and as of the date of such Borrowing (except to the extent that any such representations and warranties expressly relate to an earlier date in which case such representations and warranties shall be true and correct as of such earlier date).

(b) At the time of and immediately after giving effect to such Borrowing, (i) no Default shall have occurred and be continuing and (ii) there shall have been no failure to collect TANC Revenues in any Fiscal Year sufficient to comply with the covenants contained in Section 5.12 hereof.

(c) There shall not have occurred any event or circumstance that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect.

(d) The Borrower has timely delivered a duly completed request for such Loan.

(e) The Commitment shall not have terminated in accordance with the terms hereof.

(f) The amount of the request plus any amounts outstanding at the time of such advance of a Loan shall not exceed the Commitment.

(h) With respect to Tax-Exempt Loans only, an opinion of Note Counsel, addressed to the Lender, dated the date of such Borrowing, in the form approved by the Lender, and to the effect that the interest with respect to the Tax-Exempt Note and such Tax-Exempt Loan are excludable from gross income for federal income tax purposes.

(i) With respect to Tax-Exempt Loans only, delivery to the Lender of a copy of (i) the properly completed Form 8038-G filed with the Internal Revenue Service relating to the such Loan and (ii) the properly completed tax certificate relating to the such Loan, if any.

Each Borrowing shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (a), (b) and (c) of this Section.

ARTICLE 5

AFFIRMATIVE COVENANTS

Until the Commitment has expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full, the Borrower covenants and agrees with the Lender that:

Section 5.01. Financial Statements; Ratings Change and Other Information. The Borrower will furnish to the Lender:

(a) *Reporting.* (i) As soon as available and, in any event, within two hundred ten (210) days after the end of each Fiscal Year of the Borrower, the annual financial statements of the Corporation and its Affiliates, including a balance sheet, statement of income, statement of cash flows and such other financial information of the Borrower in such detail as the Lender may reasonably request (such financial information shall present fairly the financial position of the Borrower as of the close of such Fiscal Year and the results of its operations during such Fiscal Year, in accordance with GAAP, and shall be audited and accompanied by the opinion, satisfactory in form and substance to the Lender, of an independent certified public accountant reasonably acceptable to the Lender) and (ii) as soon as available, and in any event within ninety (90) days after the each quarter of each Fiscal Year, the unaudited financial statements of the Borrower, including the balance sheet as of the end of such quarter and a statement of income and expenses, all in reasonable detail and certified, subject to year-end adjustment, by a Responsible Officer.

(b) *Compliance Certificate.* In connection with the financial statements required to be delivered by the Borrower pursuant to clause (a) above, a compliance certificate signed by a Responsible Officer (x) stating that no Event of Default or Default has occurred, or if such Event of Default or Default has occurred, specifying the nature of such Event of Default or Default, the period of its existence, the nature and status thereof and any remedial steps taken or proposed to correct such Event of Default or Default and (y) demonstrating compliance with the financial covenants set forth in Section 5.12 hereof.

(c) *Budget.* As soon as available, and in any event within 60 days following the approval thereof, but in no event later than the commencement of each Fiscal Year, the operating budget of the Borrower.

(d) *KYC Information.* As promptly as practicable following any request therefor, information and documentation reasonably requested by the Lender or the Lender for purposes of compliance with applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act.

(e) *Swap Agreements.* As promptly as practicable, and in any event within five (5) Business Days after the effectiveness thereof, copies of all documentation relating to any Swap Agreement relating to any Senior Debt or Subordinate Lien Obligations.

(f) *Other Information.* As promptly as practicable, such other information respecting the affairs, condition and/or operations, financial or otherwise, of the Borrower as may be reasonably requested by the Lender from time to time.

Section 5.02. Notices of Material Events. The Borrower will furnish to the Lender immediately upon obtaining knowledge thereof, written notice of the following:

(a) (i) Promptly upon obtaining knowledge of any Default or Event of Default hereunder or on any Senior Debt or Subordinate Lien Obligations, or notice thereof, and (A) with respect to a Default, in any event within fifteen (15) days thereafter and (B) with respect to an Event of Default, in any event within five days thereafter, a certificate signed by a Responsible Officer specifying in reasonable detail the nature and period of existence thereof and what action the Borrower has taken or proposes to take with respect thereto, and (ii) promptly following a written request of the Lender, a certificate of a Responsible Officer as to the existence or absence, as the case may be, of a Default or an Event of Default under this Agreement.

(b) As promptly as practicable, and in any event within ten (10) Business Days after the Borrower obtains actual knowledge thereof, written notice to the Lender of all actions, suits or proceedings pending against the Borrower before any arbitrator of any kind or before any court or any other Governmental Authority, including pursuant to any applicable Environmental Laws, which could reasonably be expected to result in a Material Adverse Effect.

(c) As promptly as practicable after any Rating Agency shall have announced a change in the rating established or deemed to have been established for Senior Debt, written notice of such rating change.

(d) Notice of any action arising under any Environmental Law or of any noncompliance by the Borrower with any Environmental Law or any permit, approval, license or other authorization required thereunder that, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;

(e) Any material change in accounting or financial reporting practices by the Borrower;

(f) As soon as practicable, notice of any disclosure documents publicly distributed in connection with any issue of Senior Bonds or Subordinate Lien Obligations;

(g) Any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect; and

(h) Any other event that is an event listed under Rule 15c2-12(b)(5)(i)(C) promulgated pursuant to the Securities Exchange Act of 1934, as amended (17 C.F.R. Sec. 240-15c2-12), or any successor or similar legal requirement as in effect from time to time.

Each notice delivered under this Section (i) shall be in writing, (ii) shall contain a heading or a reference line that reads “Notice under Section 5.02[] of Credit Agreement” and (iii) shall be accompanied by a statement of a Responsible Officer setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 5.03. Existence; Conduct of Business. The Borrower will do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence pursuant to its organizational documents and authorizing legislation and the rights, licenses, permits, privileges and franchises material to the conduct of its business.

Section 5.04. Payment of Obligations. (i) The Borrower will pay its obligations, including Tax liabilities, that, if not paid, could result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) the Borrower has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

(ii) The Borrower will make, or cause to be made, such payments from the sources and in the manner provided herein and in the Project Agreement as are necessary to provide for the payment of the Notes and other amounts payable hereunder when due.

Section 5.05. Maintenance of Properties; Insurance. The Borrower will (a) keep and maintain all Property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and (b) maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by entities engaged in the same or similar businesses operating in the same or similar locations.

Section 5.06. Books and Records; Inspection Rights. (a) The Borrower will keep proper books of record and account in which full, true and correct entries in accordance with GAAP. All financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in

preparing the financial statements, except as otherwise specifically prescribed herein. Except as provided in the immediately preceding sentence, in preparing any financial data or statements contemplated or referred to in this Agreement, the Borrower shall not vary or modify the accounting methods or principles from the accounting standards employed in the preparation of its audited financial statements described in Section 3.06 hereof.

(b) The Borrower will keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities. To the extent permitted by law, the Borrower will permit any representatives designated by the Lender to visit and inspect its properties, to examine and make extracts from its books and records, to discuss its affairs, finances and condition with its officers and independent accountants (and hereby authorizes the Lender and the Lender to contact its independent accountants directly) and to provide contact information for each bank where the Borrower has a depository and/or securities account and the Borrower hereby authorizes the Lender to contact the bank(s) in order to request bank statements and/or balances, all at such reasonable times and as often as reasonably requested.

Section 5.07. Compliance with Laws. The Borrower will comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it, the Project or any of its other Property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrower and its respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

Section 5.08. Use of Proceeds . The proceeds of the Loans will be used to provide funding for capital expenditures related to the Project. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the regulations of the Federal Reserve Board, including Regulations T, U and X. The Borrower will not request any Borrowing, and the Borrower shall not use and its respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permitted for a Person required to comply with Sanctions, or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 5.09. Accuracy of Information. The Borrower will ensure that any information, including financial statements or other documents, furnished to the Lender in connection with this Agreement or any amendment or modification hereof or waiver hereunder contains no material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and the furnishing of such information shall be deemed to be a representation and warranty by the Borrower on the date thereof as to the matters specified in this Section.

Section 5.10. Ability to Refund Commitment. The Borrower shall at all times maintain the capacity to issue Senior Debt in an amount at least equal to the sum of (i) the aggregate principal amount of the Loans, *plus* (ii) the aggregate amount of accrued interest to maturity on all Loans, *plus* (iii) any Obligations payable to the Lender hereunder or under any Loan Document, including without limitation, under the Notes.

Section 5.11. Compliance with Documents. (a) The Borrower agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in the Loan Documents, which provisions, as well as related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety all of which shall be deemed to be made for the benefit of the Lender and shall be enforceable against the Borrower. To the extent that any such incorporated provision permits the Borrower or any other party to waive compliance with such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to the Borrower or any other party, for purposes of this Agreement, such provision shall be complied with unless it is specifically waived by the Lender in writing and such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory only if it is acceptable or satisfactory to the Lender which shall only be evidenced by the written approval by the Lender of the same. Except as permitted by Section 6.08 hereof, no termination or amendment to such covenants and agreements or defined terms or release of the Borrower with respect thereto made pursuant to the Loan Documents, shall be effective to terminate or amend such covenants and agreements and defined terms or release the Borrower with respect thereto in each case as incorporated by reference herein without the prior written consent of the Lender. Notwithstanding any termination or expiration of any Loan Document, the Borrower shall continue to observe the covenants therein contained for the benefit of the Lender until the termination of this Agreement and the payment in full of the Obligations. All such incorporated covenants shall be in addition to the express covenants contained herein and shall not be limited by the express covenants contained herein nor shall such incorporated covenants be a limitation on the express covenants contained herein.

(b) The Borrower shall, and shall cause the Trustee to, comply with the terms, covenants and provisions of the Project Agreement and all other contracts concerning or affecting the application of proceeds of Senior Bonds or the TANC Revenues and shall duly enforce or cause to be enforced the provisions of the Project Agreement to be performed by the Members in accordance with their respective terms.

(c) So long as the Notes are Outstanding or this Agreement remains in effect, the Borrower shall at all times maintain and preserve the Project and purchase and maintain property casualty insurance for the project in conformity with Prudent Utility Practice (as defined in the Indenture) with respect to facilities of similar size and character to the Project. The Borrower shall not use the Project to conduct any business other than that which is lawfully permitted.

Section 5.12. Rate Covenant. The Borrower shall set charges as and to the extent permitted under the Project Agreement in each Fiscal Year so as to cause TANC Revenues deposited in the TANC Revenue Fund (as defined in the Indenture) to be in an amount sufficient to pay (i) all

TANC Operating Expenses, (ii) the principal of and interest on all Senior Bonds and other Senior Debt and amounts due and payable on Ancillary Obligations, and (iii) the principal and interest of all Loans and all other fees and Obligations due hereunder and of any other Subordinate Lien Obligations, in each case for the then-current Fiscal Year. So long as any Loan or other Obligation remains unpaid hereunder, the Borrower has and shall retain good right and lawful power to establish charges and cause to be collected amounts with respect to the Project, subject only to the terms of the Project Agreement. For the avoidance of doubt, the Borrower's failure to comply with this Section 5.12 as of the end of any Fiscal Year shall constitute an Event of Default under Section 7.01(d) hereof.

Section 5.13. Further Assurances. From time to time hereafter, the Borrower will execute and deliver such additional instruments, certificates or documents, and will take all such actions as the Lender may reasonably request for the purposes of implementing or effectuating the provisions of the Resolution, this Agreement or any other Loan Document for the purpose of more fully perfecting or renewing the rights of the Lender with respect to the rights, properties or assets subject to such documents (or with respect to any additions thereto or replacements or proceeds thereof or with respect to any other Property or assets hereafter acquired by the Borrower which may be deemed to be a part thereof). Upon the exercise by the Lender of any power, right, privilege or remedy pursuant to the Resolution, this Agreement or any other Loan Document which requires any consent, approval, registration, qualification or authorization of any governmental authority or instrumentality, the Borrower will, to the fullest extent permitted by law, execute and deliver all necessary applications, certifications, instruments and other documents and papers that the Lender may be required to obtain for such governmental consent, approval, registration, qualification or authorization. At any time, and from time to time, upon request by the Lender, the Borrower will, at the Borrower's expense, correct any defect, error or omission which may be discovered in the form or content of any of the Resolution, this Agreement or any other Loan Document or protect the Lender's interests, security, rights and remedies with respect to the TANC Revenues or its security under the Resolution or hereunder. At all times, the Borrower will defend, preserve and protect the pledge of TANC Revenues pursuant to the Indenture and all the rights of the Lender hereunder and hereunder against all claims and demands of all Persons whosoever.

Section 5.14. Disclosure to Participants, Successors and Assigns. The Borrower shall permit the Lender to disclose the financial information received by it pursuant to this Agreement to each Holder, Lender Transferee, Non-Lender Transferee participant, successor or assign pursuant to Section 8.04 of this Agreement, subject to confidentiality restrictions and use restrictions customary for financial institutions.

Section 5.15. Other Agreements. In the event that the Borrower has or shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement which such Bank Agreement provides such Person with different or more restrictive covenants, different or additional events of default and/or greater rights and remedies (but excluding provisions related to fees, expenses and interest rate pricing) than are provided to the Lender in this Agreement, the Borrower shall provide the Lender with a copy of each such Bank Agreement and such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies (but excluding provisions related to fees, expenses and interest rate pricing) shall automatically be deemed to be incorporated into this Agreement and the Lender shall have the benefits of such

different or more restrictive covenants, different or additional events of default and/or greater rights and remedies (but not provisions related to fees, expenses and interest rate pricing) as if specifically set forth herein. The Borrower shall promptly enter into an amendment to this Agreement to include different or more restrictive covenants, different or additional events of default and/or greater rights and remedies; *provided* that the Lender shall have and maintain the benefit of such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies even if the Borrower fails to provide such amendment.

Section 5.16. Investment Policy. All investments of the Borrower have been and will be made in accordance with the terms of its investment policy.

Section 5.17. Environmental Laws. The Borrower shall comply with all applicable Environmental Laws and cure any defect thereto that may have a Material Adverse Effect (or cause other Persons to effect any such cure) to the extent necessary to bring such real property owned, leased, occupied or operated by the Borrower back into compliance with Environmental Laws and to comply with any cleanup orders issued by a Governmental Authority having jurisdiction thereover. The Borrower shall at all times use commercially reasonable efforts to render or maintain any real property owned, leased, occupied or operated by the Borrower safe and fit for its intended uses. The Borrower shall also immediately notify the Lender of any actual or alleged material failure to so comply with or perform, or any material breach, violation or default under any Environmental Law.

Section 5.18. Underlying Rating. The Borrower shall at all times maintain a rating on its long-term unenhanced Senior Debt from at least one of S&P, Moody's and Fitch. The Borrower covenants and agrees that it shall not at any time withdraw any long-term unenhanced rating on Senior Debt from any of if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement or reduce the Applicable Margin or Commitment Fee.

Section 5.19. Maintain Properties. The Borrower will maintain and preserve all of its properties that are material to the conduct of its business in good working order and condition, ordinary wear and tear excepted.

Section 5.20. Budget and Appropriation. The Borrower shall cause the appropriate Borrower official(s) to take any and all ministerial actions that may be necessary to facilitate the payment of all obligations under this Agreement and the Notes and to include such obligations in each budget delivered to the Members under the Project Agreement.

Section 5.21. Taxes. The Borrower shall pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges which may hereafter be lawfully imposed upon the Borrower on the Project or any portion thereof and which, if unpaid, might impair the security of the Notes, when the same shall become due, but nothing herein contained shall require the Borrower to pay any such tax, assessment or charge so long as it shall in good faith contest the validity thereof. The Borrower will duly observe and conform to all valid material requirements of any Governmental Authority relative to the Project or any part thereof.

ARTICLE 6

NEGATIVE COVENANTS

Until the Commitment has expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full, the Borrower covenants and agrees with the Lender that:

Section 6.01. Indebtedness. (a) The Borrower will not issue and/or incur any additional Indebtedness payable from or secured by TANC Revenues, except for Senior Debt issued in compliance with the Indenture. For avoidance of doubt and notwithstanding the terms of the Indenture, other than Senior Debt, the Borrower will not issue and/or incur any additional Indebtedness secured by the TANC Revenues on a basis senior to the Obligations hereunder.

(b) Notwithstanding the foregoing, the Borrower will issue no additional Senior Debt which is to be secured by all or any portion of the TANC Revenues while any Loan is outstanding unless all outstanding Loans are to be paid in full from the proceeds of such additional Senior Debt or the Lender shall have otherwise previously approved the use of proceeds of such additional Senior Debt in writing.

Section 6.02. Liens. (a) Other than the pledge of TANC Revenues that secures the Senior Debt, the Borrower shall not, directly or indirectly, incur, create or permit to exist any Lien on all or any part of the security provided by the Indenture that is senior to or on a parity with the Lien securing the Obligations, other than (i) Liens created under and in accordance with the terms of the Indenture, as applicable; (ii) the Liens created for the benefit of the Obligations and other Subordinate Lien Obligations that are secured on a parity basis with the Obligations that have heretofore or may hereafter be issued; and (iii) Liens which could not reasonably be expected to materially adversely affect the interests, rights, remedies or security of the Lender under this Agreement and the other Loan Documents.

(b) The Borrower shall not, directly or indirectly, incur, create or permit to exist any Lien on the Project or of all or any portion of the TANC Revenues (whether under the Indenture or otherwise) that would affect the priority of Liens in existence on the Effective Date.

Section 6.03. Fundamental Changes. (a) The Borrower will not merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or otherwise dispose of all or substantially all of its assets, or liquidate or dissolve. Notwithstanding anything set forth in the Indenture to the contrary, the Borrower shall not sell, lease, assign, transfer or otherwise dispose of any portion of its or the Project's assets, facility or facilities (including, without limitation, by sale and leaseback). The Borrower will not dissolve nor will it consolidate any component of the Project with or merge into another Person or permit one or more other Persons to consolidate with or merge into any component of the Project if such event could reasonably be expected to result in a material adverse effect upon the operations, business, properties, assets, liabilities (actual or contingent), ratings, credit, condition (financial or otherwise) or prospects of the TANC Revenues or the Project.

(b) The Borrower will not engage to any material extent in any business other than businesses of the type conducted by the Borrower on the date of execution of this Agreement and businesses reasonably related thereto.

(c) The Borrower will not permit its Fiscal Year to end on a day other than June 30 or change the Borrower's method of determining its fiscal quarters.

Section 6.04. Swap Agreements. The Borrower will not enter into any Swap Agreement (i) wherein any termination payments thereunder are senior to or on parity with the payment of the Subordinate Lien Obligations (except those that are related to Senior Bonds) or (ii) which requires the Borrower to post cash collateral to secure its obligations thereunder.

Section 6.05. Maintenance of Tax-Exempt Status of Tax-Exempt Notes. The Borrower shall not take any action or omit to take any action which, if taken or omitted, would adversely affect the tax-exempt status of the Tax-Exempt Notes.

Section 6.06. No Rating; No CUSIP Number. The Notes will not be (i) assigned a separate rating by any rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement, or (iv) assigned a CUSIP number by Standard & Poor's CUSIP service.

Section 6.07. No Impairment. The Borrower will neither take any action, nor cause any Person to take any action, under the Resolution or any other Loan Document which would materially adversely affect the rights, interests, remedies or security of the Lender under this Agreement or any other Loan Document or which could reasonably be expected to result in a Material Adverse Effect except as expressly permitted thereunder, including without limitation, any action that would result in the Obligations not ranking at least *pari passu* in right of payment from TANC Revenues with the Notes and any other Subordinate Lien Obligations.

Section 6.08. Amendment of Loan Documents. The Borrower will not amend, terminate, replace or modify, or permit to be amended, terminated, replaced or modified, any Loan Document in any manner which could be reasonably expected to result in a Material Adverse Effect without the prior written consent of the Lender. The Borrower shall not amend any Project Agreement in a manner that materially adversely affects the security for the Notes or the other Obligations.

Section 6.09. Immunity from Jurisdiction. To the fullest extent permitted by applicable law, with respect to its obligations arising under this Agreement or any other Loan Document, the Borrower irrevocably agrees that it will not assert or claim any immunity on the grounds of sovereignty or other similar grounds (including, without limitation, governmental immunity) from (i) any action, suit or other proceeding arising under or relating to this Agreement or any other Loan Document, (ii) relief by way of injunction, order for specific performance or writ of mandamus or (iii) execution or enforcement of any judgment to which it or its revenues might otherwise be entitled in any such action, suit or other proceeding, and the Borrower hereby irrevocably waives, to the fullest extent permitted by applicable law, with respect to itself and the TANC Revenues (irrespective of their use or intended use), all such immunity.

Section 6.10. Use of Lender's Name. Except as may be required by law (including, but limited to, federal and state securities laws), the Borrower shall not use the Lender's name in any published materials (other than the Borrower's staff reports, annual statements, audited financial statements, rating agency presentations) without the prior written consent of the Lender.

Section 6.11. ERISA. The Borrower shall not be subject to ERISA and shall not maintain a Plan. The Borrower and each employee benefit plan shall remain in compliance in all material respects with the terms of any such plan and applicable law related thereto

Section 6.12. Application of Note Proceeds. The Borrower will not take or omit to take any action, which action or omission will in any way result in the proceeds from the issuance of the Notes being applied in a manner other than as provided in this Agreement.

Section 6.13. Limitation on Notes. The Borrower will not use the proceeds of any Loan to (i) refund Indebtedness of the Borrower without the prior written consent of the Lender or (ii) pay or repay the principal of or interest on Indebtedness of the Borrower (other than any Loan).

ARTICLE 7

EVENTS OF DEFAULT

Section 7.01. Events of Default. If any of the following events ("*Events of Default*" and each an "*Event of Default*") shall occur:

(a) the Borrower shall fail to pay any principal of or interest on any Loan or any Note when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) the Borrower shall fail to pay any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable under this Agreement, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of three Business Days;

(c) any representation or warranty made or deemed made by or on behalf of the Borrower in or in connection with this Agreement, any other Loan Document, or any amendment or modification hereof or thereof or waiver hereunder or thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement, any other Loan Document, or any amendment or modification hereof or thereof or waiver hereunder or thereunder, shall prove to have been incorrect when made or deemed made;

(d) the Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 5.01, 5.02, 5.03, 5.04, 5.07, 5.08, 5.09, 5.10, 5.11, 5.12, 5.14, 5.15, 5.17, 5.18, 5.20, 5.23 or in Article 6 hereof;

(e) the Borrower shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in clause (a), (b) or (d) of this Article) or any other Loan Document, and such failure shall continue unremedied for a period of 30 days after notice thereof from the Lender to the Borrower (which notice will be given at the request of the Lender);

(f) the Borrower shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Senior Debt or Subordinate Lien Obligations, when and as the same shall become due and payable;

(g) any event or condition occurs that results in any Senior Debt or Subordinate Lien Obligations becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Senior Debt or Subordinate Lien Obligations or any trustee or agent on its or their behalf to cause any Senior Debt or Subordinate Lien Obligations to become due, or to require the acceleration, prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity;

(h) (A) the Borrower shall fail to pay when due and payable any principal of or interest on any Indebtedness of the Borrower in an amount equal to or in excess of \$1,000,000 other than Senior Debt or Subordinate Lien Obligations and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation thereof, or (B) any other default under any indenture, contract or instrument providing for the creation of or concerning such other Indebtedness, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to cause such Indebtedness to become due, or permit the holder of such Indebtedness to cause such Indebtedness to become due, prior to its stated maturity;

(i) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or its debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(j) the Borrower shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (i) of this Section 7.01, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a

general assignment for the benefit of creditors, (vi) take any action for the purpose of effecting any of the foregoing or (v) shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(k) the Borrower shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(l) one or more judgments or orders or writs or writs or warrant or warrants of attachment, or any similar process or processes, in an aggregate amount equal to or in excess of \$1,000,000 shall be issued or rendered against the Borrower and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of the Borrower to enforce any such judgment;

(m) (i) any event which materially and adversely affects the ability of the Borrower to observe and perform its obligations under this Agreement shall have occurred and be continuing, (ii) any event which materially and adversely affects the ability of the Borrower to observe and perform its obligations under any Loan Document shall have occurred and be continuing or (iii) either the Indenture or the Project Agreement shall be amended and such amendment materially and adversely affects the ability of the Borrower to observe and perform its obligations under this Agreement;

(n) any provision of applicable law or any material provision of any Loan Document at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all Obligations, ceases to be valid and binding or fully enforceable or in full force and effect; or the Borrower or any other Person contests in writing the validity or enforceability of any provision of any Loan Document; or the Borrower denies in writing that it has any or further liability or obligation under any Loan Document, or purports in writing to revoke, terminate or rescind any Loan Document;

(o) (i) the Borrower shall impose, declare or announce (whether or not in writing) a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any of the Borrower's Indebtedness (including, without limitation, the Senior Debt, Subordinate Lien Obligations, the Notes or the Loans), or (ii) any Governmental Authority having appropriate jurisdiction over the Borrower shall impose, declare or announce (whether or not in writing) as a result of a finding, ruling or other determination or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest any of the Borrower's Indebtedness (including, without limitation, the Senior Debt, Subordinate Lien Obligations, the Notes or the Loans); or (iii) there shall be appointed or designated with respect to the Borrower an entity such as an organization, board, commission, authority, agency or body to monitor or declare a financial emergency or similar state of financial distress with respect to the Borrower, or there shall be declared by

the Borrower or by any legislative or regulatory body with competent jurisdiction over the Borrower, the existence of a state of financial emergency or similar state of financial distress in respect of the Borrower;

(p) the long-term unenhanced rating by any of Moody's, S&P or Fitch (in each case to the extent such Rating Agency is then providing a rating) on any Senior Debt shall be withdrawn or suspended (for credit related reasons) or reduced below "Baa3" (or its equivalent), "BBB-" (or its equivalent) or "BBB-" (or its equivalent) respectively;

(q) (i) an "event of default" or "default" occurs and is continuing under any other Loan Document; or (ii) any event of default shall have occurred and be continuing under any other agreement between the Borrower and the Lender;

(r) the dissolution or termination of the existence of the Borrower;

(s) (i) any legislation is enacted, repealed, reenacted, amended or otherwise modified which has a material adverse effect on the obligation of the Borrower to pay the Notes or any Obligations or the security granted to secure such payments; or (ii) a court of competent jurisdiction has found any of the Notes to have been issued or incurred illegally or in violation of the terms in the related ordinance or resolution; or

(t) any Member shall default in the making of any payment of its share of monthly billings when due to the Borrower under the Project Agreement and the Borrower shall have failed, within 45 days after the occurrence of such default, to (i) provide to such Member the notice required to exercise the Borrower's remedies under the Project Agreement or (ii) exercise the other remedies available to it under the Project Agreement; or

(u) any of the funds or accounts established pursuant to the Indenture or any funds or accounts on deposit, or otherwise to the credit of, such funds or accounts shall become subject to any stay, writ, judgment, warrant of attachment, execution or similar process by any of the creditors of the Borrower relating to an obligation or obligations of the Borrower equal to or in excess of \$1,000,000 and such stay, writ, judgment, warrant of attachment, execution or similar process shall not be released, vacated or stayed within fifteen (15) days after its issue or levy.

Section 7.02. Remedies Upon an Event of Default. If an Event of Default occurs (other than an event with respect to the Borrower described in Sections 7.01(i) or 7.01(j) hereof), and at any time thereafter during the continuance of such Event of Default, the Lender may by notice to the Borrower, take any or all of the following actions, at the same or different times:

(a) terminate the Commitment, and thereupon the Commitment shall terminate immediately;

(b) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be

declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder and under any other Loan Document, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower;

(c) pursue any rights and remedies it might have under the Loan Documents;
or

(d) exercise all rights and remedies available to it under the Loan Documents and applicable law.

If an Event of Default described in Sections 7.01(i) or 7.01(j) hereof occurs with respect to the Borrower, the Commitment shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other Obligations of the Borrower accrued hereunder (including any break funding payment or prepayment premium, if any), shall automatically become due and payable, in each case, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

Section 7.03. Application of Payments. Notwithstanding anything herein to the contrary, following the occurrence and during the continuance of an Event of Default, and notice thereof to the Lender by the Borrower, all payments received on account of the Obligations shall be applied by the Lender as follows:

(a) *first*, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts payable to the Lender (including fees and disbursements and other charges of counsel to the Lender payable under Section 8.03 and amounts pursuant to Section 2.10(b) payable to the Lender in its capacity as such);

(b) *second*, to payment of that portion of the Obligations constituting fees, expenses, indemnities and other amounts payable to the Lender (including fees and disbursements and other charges of counsel to the Lender payable under Section 8.03) arising under the Loan Documents, ratably among them in proportion to the respective amounts described in this clause (ii) payable to them;

(c) *third*, to payment of that portion of the Obligations constituting unpaid principal of the Loans;

(d) *fourth*, to the payment in full of all other Obligations; and

(e) *finally*, the balance, if any, after all Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by law; and

ARTICLE 8

MISCELLANEOUS

Section 8.01. Notices. (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(i) if to the Borrower: Transmission Agency of Northern California
[_____

Attention: _____
Telephone: _____
E-mail: _____]

(ii) if to the Lender: JPMorgan Chase Bank, N.A.
383 Madison Avenue
New York, New York 10179
Attention: Heather Talbott
E-mail: heather.x.talbott@jpmorgan.com
Phone: (212) 270-4875
Mobile: (646) 326-2934
Attention: Janice Fong
E-mail: janice.r.fong@jpmorgan.com

and for compliance-related items, with a copy to:
public.finance.notices@jpmorgan.com

For Billing and Draw Requests:

As set forth in Exhibit A and Exhibit B hereto

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient).

(b) Notices and other communications to the Borrower and the Lender hereunder may be delivered or furnished by using approved electronic platforms pursuant to procedures approved by the Lender; *provided* that the foregoing shall not apply to notices pursuant to Article 2 unless otherwise agreed by the Lender and the applicable Lender. The Lender or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic

communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications.

(c) Unless the Lender otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor.

(d) Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto.

Section 8.02. Waivers; Amendments. (a) No failure or delay by the Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Lender hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan shall not be construed as a waiver of any Default or Event of Default, regardless of whether the Lender may have had notice or knowledge of such Default or Event of Default at the time.

(b) Subject to Section 2.12(b) and (c), neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Lender.

Section 8.03. Expenses; Limitation of Liability; Indemnity, Etc.

(a) *Expenses.* The Borrower shall pay (i) all reasonable out of pocket expenses incurred by the Lender and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Lender, in connection with the preparation and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all out-of-pocket expenses incurred by the Lender or any Holder, including the fees, charges and disbursements of any counsel for the Lender or such Holder, in connection with the enforcement or protection of its rights in connection with this Agreement and the other Loan Documents, including its rights under this Section, or in connection with the Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) *Limitation of Liability.* To the extent permitted by applicable law (i) the Borrower shall not assert, and the Borrower hereby waives, any claim against the Lender and each Holder, and any Related Party of any of the foregoing Persons (each such Person being called a “*Lender-Related Person*”) for any Liabilities arising from the use by others of information or other materials (including, without limitation, any personal data) obtained through telecommunications, electronic or other information transmission systems (including the Internet), and (ii) no party hereto shall assert, and each such party hereby waives, any Liabilities against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement or instrument contemplated hereby or thereby, the Transactions or any Loan or the use of the proceeds thereof; *provided* that, nothing in this Section 8.03(b) shall relieve the Borrower of any obligation it may have to indemnify an Indemnitee, as provided in Section 8.03(c), against any special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

(c) *Indemnity.* To the extent permitted by applicable law, the Borrower shall indemnify the Lender and each Related Party of the Lender (each such Person being called an “*Indemnitee*”) against, and hold each Indemnitee harmless from, any and all Liabilities and related expenses, including the fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document, or any agreement or instrument contemplated hereby or thereby, (ii) the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the Transactions or any other transactions contemplated hereby, (iii) any Loan or the use of the proceeds therefrom, (iv) any actual or alleged presence or release of Hazardous Materials on or from any Property owned or operated by the Borrower, or any Environmental Liability related in any way to the Borrower, or (v) any actual or prospective Proceeding relating to any of the foregoing, whether or not such Proceeding is brought by the Borrower or its equity holders, Affiliates, creditors or any other third Person and whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such Liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted primarily from the gross negligence or willful misconduct of such Indemnitee. This Section 8.03(c) shall not apply with respect to Taxes other than any Taxes that represent losses, claims or damages arising from any non-Tax claim.

(d) *Payments.* All amounts due under this Section 8.03 shall be payable not later than 10 days after written demand therefor.

Section 8.04. Successors and Assigns. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) the Lender may not assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed

to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in paragraph (d) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Lender and each Holder) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) *Sales and Transfers by Holder to a Lender Transferee.* Without limitation of the foregoing generality, a Holder may at any time sell or otherwise transfer to one or more transferees all or a portion of its interest in the Notes to a Person that is (i) an Affiliate of the Lender or (ii) a trust or other custodial arrangement established by the Lender or an Affiliate of the Lender, the owners of any beneficial interest in which are limited to “qualified institutional buyers” as defined in Rule 144A promulgated under the 1933 Act, or “institutional accredited investors” as defined in Rule 501 of Regulation D under the 1933 Act (each, a “*Lender Transferee*”), it being the express intent of the parties that no offering document is intended to be prepared in connection with the Notes. From and after the date of such sale or transfer, JPMorgan Chase Bank, National Association (and its successors) shall continue to have all of the rights of the Lender hereunder and under the other Loan Documents as if no such transfer or sale had occurred; *provided, however*, that (A) no such sale or transfer referred to in clause (b)(i) or (b)(ii) hereof shall in any way affect the obligations of the Lender hereunder, (B) the Borrower shall be required to deal only with the Lender with respect to any matters under this Agreement and (C) in the case of a sale or transfer referred to in clause (b)(i) or (b)(ii) hereof, only the Lender shall be entitled to enforce the provisions of this Agreement against the Borrower.

(c) *Sales and Transfers by Holder to a Non-Lender Transferee.* Without limitation of the foregoing generality, a Holder may at any time sell or otherwise transfer to one or more transferees which are not Lender Transferees but each of which constitutes a “qualified institutional buyer” as defined in Rule 144A promulgated under the 1933 Act or an “institutional accredited investor” as defined in Rule 501 of Regulation D under the 1933 Act (each a “*Non-Lender Transferee*”) all or a portion of its interest in the Notes if (A) written notice of such sale or transfer, including that such sale or transfer is to a Non-Lender Transferee, together with addresses and related information with respect to the Non-Lender Transferee, shall have been given to the Borrower and the Lender (if different than the Holder) by such selling Holder and Non-Lender Transferee, and (B) the Non-Lender Transferee shall have delivered to the Borrower and the selling Holder, an investment letter in substantially the form attached as Exhibit C to this Agreement (the “*Investor Letter*”).

From and after the date the Borrower and the selling Holder have received written notice and an executed Investor Letter, (A) the Non-Lender Transferee thereunder shall have the rights and obligations of a Holder hereunder and under the Resolution, and this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to effect the addition of the Non-Lender Transferee, and any reference to the transferring Holder hereunder and under the Resolution shall thereafter refer to such transferring Holder and to the Non-Lender Transferee to the extent of their respective interests, and (B) if the transferring Holder (other than the Lender) no longer owns any interest in the Notes, then it shall relinquish its rights and be released from its obligations hereunder and under the Loan Documents.

(d) *Participations.* Each Holder shall have the right to grant participations in all or a portion of such Holder's interest in the Notes and this Agreement to one or more other banking institutions or other entities (a "*Participant*"); *provided, however*, that (i) no such participation by any such participant shall in any way affect the obligations of the Lender hereunder and (ii) the Borrower shall be required to deal only with the Lender, with respect to any matters under this Agreement, the Notes and the other Loan Documents and no such participant shall be entitled to enforce any provision hereunder against the Borrower. The Borrower agrees that each participant shall be entitled to the benefits of Sections 2.13, 2.14, 2.15 and 8.03 hereof to the same extent as if it were the Lender hereunder; *provided, however*, that a participant shall not be entitled to receive any greater payment under this Agreement than the Lender would have been entitled to receive with respect to the participation sold to such participant, unless the sale of the participation to such participant is made with the Borrower's prior written consent; and *provided, further*, that the Lender shall provide the Borrower with prior written notice of any such participation and the identity of the applicable participant.

(e) *Pledge to Federal Reserve Bank.* The Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement and/or the Notes to secure obligations of the Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or the United States Treasury or to any state or local governmental entity or with respect to public deposit, and this Section shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment of a security interest shall release the Lender from any of its obligations hereunder or substitute any such pledgee or assignee for the Lender as a party hereto.

Section 8.05. Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the other Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Documents shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Lender or any Holder may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid and so long as the Commitment has not expired or terminated. The provisions of Sections 2.13, 2.14, 2.15 and 8.03 and Article 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Commitment or the termination of this Agreement or any provision hereof.

Section 8.06. Counterparts; Integration; Effectiveness; Electronic Execution. (a) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Lender constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in

Section 4.01, this Agreement shall become effective when it shall have been executed by the Lender and when the Lender shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(b) Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 8.01), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an “*Ancillary Document*”) that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Loan Document or such Ancillary Document, as applicable. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; *provided* that nothing herein shall require the Lender to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; *provided, further*, without limiting the foregoing, (i) to the extent the Lender has agreed to accept any Electronic Signature, the Lender shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Borrower without further verification thereof and without any obligation to review the appearance or form of any such Electronic signature and (ii) upon the request of the Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, the Borrower hereby (A) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation between the Lender and the Borrower, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (B) the Lender may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person’s business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (C) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (D) waives any claim against the Lender-Related Person for any Liabilities arising solely from the Lender’s reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a

result of the failure of the Borrower to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

Section 8.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 8.08. Right of Setoff. If an Event of Default shall have occurred and be continuing, the Lender and each Holder is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to setoff and apply any and all deposits (general or special, time or demand, provisional or final) at any time held, and other obligations at any time owing, by the Lender or any such Holder, to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement or any other Loan Document to the Lender or such Holder when due, irrespective of whether or not the Lender or such Holder shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower may be owed to a branch office or Affiliate of the Lender or such Holder different from the branch office or Affiliate holding such deposit or obligated on such indebtedness. The rights of the Lender and each Holder under this Section are in addition to other rights and remedies (including other rights of setoff) that the Lender or such Holders may have. The Lender and each Holder agrees to notify the Borrower promptly after any such setoff and application; *provided* that the failure to give such notice shall not affect the validity of such setoff and application. All amounts realized by the Lender and each Holder upon exercise of the set-off rights set forth herein shall be held and applied by the Lender and each Holder for the benefit of the Trustee to be distributed in accordance with the terms of the Indenture, as applicable.

Section 8.09. Governing Law; Jurisdiction; Consent to Service of Process. (a) This Agreement and the other Loan Documents shall be construed in accordance with and governed by the law of the State of California; *provided* that the rights, duties and obligations of the Lender to execute, deliver and perform its obligations hereunder shall be governed by the laws of the State of New York.

(b) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdictions of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may (and any such claims, cross-claims or third party claims brought against the Lender or any of its Related Parties may be heard and determined in such Federal (to the extent permitted by law) or New York State court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any

other manner provided by applicable law. Nothing in this Agreement or in any other Loan Document shall (i) affect any right that the Lender or any Holder may otherwise have to bring any action or proceeding relating to this Agreement against the Borrower or its properties in the courts of any jurisdiction, or (ii) waive any statutory, regulatory, common law, or other rule, doctrine, legal restriction, provision or the like providing for the treatment of bank branches, bank agencies, or other bank offices as if they were separate juridical entities for certain purposes, including Uniform Commercial Code Sections 4-106, 4-A-105(1)(b), and 5-116(b).

(c) Each of the parties hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (c) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(e) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 8.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 8.10. Waiver of Jury Trial. (A) EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

(b) IF ANY ACTION OR PROCEEDING IS FILED IN A COURT OF THE STATE OF CALIFORNIA BY OR AGAINST ANY PARTY HERETO IN CONNECTION WITH ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, (A) THE COURT SHALL, AND IS HEREBY DIRECTED TO, MAKE A GENERAL REFERENCE PURSUANT TO CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638 TO A REFEREE (WHO SHALL BE A SINGLE ACTIVE OR RETIRED JUDGE) TO HEAR AND DETERMINE ALL OF THE ISSUES IN SUCH ACTION OR PROCEEDING (WHETHER OF FACT OR OF LAW) AND TO REPORT A STATEMENT OF DECISION, *PROVIDED* THAT AT THE OPTION OF ANY PARTY TO SUCH PROCEEDING, ANY SUCH ISSUES PERTAINING TO A "PROVISIONAL REMEDY" AS DEFINED IN CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 1281.8 SHALL BE HEARD AND DETERMINED BY THE COURT, AND (B) WITHOUT LIMITING THE GENERALITY OF SECTION 8.04, THE BORROWER SHALL BE SOLELY RESPONSIBLE TO PAY ALL FEES AND EXPENSES OF ANY REFEREE APPOINTED IN SUCH ACTION OR PROCEEDING.

Section 8.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 8.12. Confidentiality. The Lender agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and its and their respective directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any Governmental Authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder or under any other Loan Document, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) on a confidential basis to (i) any rating agency in connection with rating the Borrower or the credit facilities provided for herein or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of identification numbers with respect to the credit facilities provided for herein, (h) with the consent of the Borrower or (i) to the extent such Information (ii) becomes publicly available other than as a result of a breach of this Section or (iii) becomes available to the Lender or any Holder on a non-confidential basis from a source other than the Borrower. For the purposes of this Section, “*Information*” means all information received from the Borrower relating to the Borrower or its business, other than any such information that is available to the Lender or any Holder on a non-confidential basis prior to disclosure by the Borrower and other than information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry; *provided* that, in the case of information received from the Borrower after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. Information provided to or by the Borrower may be subject to disclosure as provided by applicable law.

Section 8.13. Dealing with the Borrower . The Lender and its Affiliates may accept deposits from, extend credit to and generally engage in any kind of banking, trust or other business with the Borrower regardless of the capacity of the Lender hereunder.

Section 8.14. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the “*Charges*”), shall exceed the maximum lawful rate (the “*Maximum Rate*”) which may be contracted for, charged, taken, received or reserved by the Lender in accordance with applicable

law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to the Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the NYFRB Rate to the date of repayment, shall have been received by the Lender.

Section 8.15. No Fiduciary Duty, etc. (a) The Borrower acknowledges and agrees, that the Lender will not have any obligations except those obligations expressly set forth herein and in the other Loan Documents and the Lender is acting solely in the capacity of an arm's length contractual counterparty to the Borrower with respect to the Loan Documents and the transactions contemplated herein and therein and not as a financial advisor or a fiduciary to, or an agent of, the Borrower or any other person. The Borrower agrees that it will not assert any claim against the Lender based on an alleged breach of fiduciary duty by the Lender in connection with this Agreement and the transactions contemplated hereby. Additionally, the Borrower acknowledges and agrees that the Lender is not advising the Borrower as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. The Borrower shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated herein or in the other Loan Documents, and the Lender shall have no responsibility or liability to the Borrower with respect thereto. The Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (whether financial, municipal or otherwise), agent or fiduciary, pursuant to Section 15B of the Securities Exchange Act of 1934 or otherwise, for the Borrower or any other Person, and has no fiduciary duty to the Borrower or any other Person.

(b) The Borrower further acknowledges and agrees that the Lender, together with its Affiliates, in addition to providing or participating in commercial lending facilities such as that provided hereunder, is a full service securities or banking firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, the Lender may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, the Borrower and other companies with which the Borrower may have commercial or other relationships. With respect to any securities and/or financial instruments so held by the Lender or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

(c) In addition, the Borrower acknowledges and agrees that the Lender and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which the Borrower may have conflicting interests regarding the transactions described herein and otherwise. The Borrower also acknowledges that the Lender has no obligation to use in connection with the transactions contemplated by the Loan Documents, or to furnish to the Borrower, confidential information obtained from other companies.

Section 8.16. USA PATRIOT Act. The Lender is subject to the requirements of the USA PATRIOT Act of 2001 (the “*Patriot Act*”) hereby notifies the Borrower that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Lender to identify the Borrower in accordance with the Patriot Act.

Section 8.17. Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support “*QFC Credit Support*” and each such QFC a “*Supported QFC*”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “*U.S. Special Resolution Regimes*”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a “*Covered Party*”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States.

Section 8.18. Waiver of Rule of Construction. The Borrower hereby waives any and all provisions of law to the effect that an ambiguity in a contract or agreement should be interpreted against the party responsible for its drafting.

Section 8.19. EMMA Postings. In the event the Borrower files with EMMA, or its successor, this Agreement or any description of the materials thereof or notice of any agreement to any covenants, events of default, remedies, priority rights or other similar terms pertaining to this Agreement, either voluntarily or as required pursuant to a continuing disclosure agreement or Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the “*Rule*”) (each such posting, an “*EMMA Posting*”), the Borrower shall (i) provide the Lender with a copy of each EMMA Posting prior to submitting or posting on EMMA and (ii) shall not file or permit the filing of any EMMA Posting that includes confidential information (*provided* that Lender shall provide redacted copy of this Agreement for filing but that the Lender makes no

representation as to such redacted copy's compliance the Rule). The Borrower acknowledges and agrees that although the Lender may request review, edits or redactions of such materials prior to filing, the Lender is not responsible for the Borrower's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with any continuing disclosure agreement or any applicable securities or other laws, including, but not limited to, those relating to the Rule.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective authorized officers as of the day and year first above written.

TRANSMISSION AGENCY OF NORTHERN
CALIFORNIA

By: _____
Name: _____
Title: _____

JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION, as Lender

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF BORROWING REQUEST

[Date]

JPMorgan Chase Bank, National Association, as Lender
[JPM-Delaware Loan Operations]
500 Stanton Christiana Road, NCC5, Floor 01
Newark, Delaware 19713-2107
Attention: PFG Servicing
Telephone: (302) 634-2154
Email/Fax: PFG_Servicing@jpmorgan.com

Copy to:

JPMorgan Chase Bank, N.A.
383 Madison Avenue
New York, New York 10179
Attention: Heather Talbott
E-mail: heather.x.talbott@jpmorgan.com
Phone: (212) 270-4875
Mobile: (646) 326-2934
Attention: Janice Fong
E-mail: janice.r.fong@jpmorgan.com

Ladies and Gentlemen:

Reference is hereby made to the Credit Agreement dated August 28, 2024 (as amended, supplemented or otherwise modified from time to time, the “*Credit Agreement*”), between Transmission Agency of Northern California (the “*Borrower*”) and JPMorgan Chase Bank, National Association as Lender. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement. This notice constitutes a Borrowing Request and the Borrower hereby gives you notice, pursuant to Section 2.03 of the Credit Agreement, that it requests a Borrowing under the Credit Agreement, and in that connection the Borrower specifies the following information with respect to such Borrowing:

- (A) Aggregate principal amount of Borrowing:² \$ _____
- (B) Date of Borrowing (which is a Business Day): _____

² Must comply with Section 2.02(c) of the Credit Agreement.

(C) Type of Borrowing:³ _____

(D) Interest Period:⁴ _____

[(E) Location and number of the Borrower's account to which proceeds of the requested Borrowing are to be disbursed: [NAME OF BANK] (Account No.: _____)]

(F) Such Borrowing shall be a [~~Tax-Exempt~~][Taxable] Loan.

The Borrower hereby certifies that the conditions specified in paragraphs (a), (b) and (c) of Section 4.02 of the Credit Agreement have been satisfied and that, after giving effect to the Borrowing requested hereby, the Total Revolving Credit Exposure shall not exceed the maximum amount thereof specified in Section 2.01 of the Credit Agreement.

Very truly yours,

TRANSMISSION AGENCY OF NORTHERN
CALIFORNIA

By: _____
Name: _____
Title: _____

³ Specify ABR Borrowing or Term Benchmark Borrowing or RFR Borrowing (but only if RFR Borrowings are applicable and required pursuant to Section 2.12 of the Credit Agreement). If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing.

⁴ Applicable to Term Benchmark Borrowings only. Shall be subject to the definition of "Interest Period" and can be a period of one, three or six. Cannot extend beyond the Maturity Date. If an Interest Period is not specified, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

EXHIBIT B

FORM OF INTEREST ELECTION REQUEST

[Date]

JPMorgan Chase Bank, National Association, as Lender
[JPM-Delaware Loan Operations]
500 Stanton Christiana Road, NCC5, Floor 01
Newark, Delaware 19713-2107
Attention: PFG Servicing
Telephone: (302) 634-2154
Email/Fax: PFG_Servicing@jpmorgan.com

Copy to:

JPMorgan Chase Bank, N.A.
383 Madison Avenue
New York, New York 10179
Attention: Heather Talbott
E-mail: heather.x.talbott@jpmorgan.com
Phone: (212) 270-4875
Mobile: (646) 326-2934
Attention: Janice Fong
E-mail: janice.r.fong@jpmorgan.com

Ladies and Gentlemen:

Reference is hereby made to the Credit Agreement dated August 28, 2024 (as amended, supplemented or otherwise modified from time to time, the “*Credit Agreement*”), between Transmission Agency of Northern California (the “*Borrower*”) and JPMorgan Chase Bank, National Association as Lender. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement. This notice constitutes an Interest Election Request and the Borrower hereby gives you notice, pursuant to Section 2.06 of the Credit Agreement, that it requests to convert an existing Borrowing under the Credit Agreement, and in that connection the Borrower specifies the following information with respect to such conversion requested hereby:

(A) List date, Type, principal amount, currency and Interest Period (if applicable) of existing Borrowing: _____.

(B) Aggregate principal amount of resulting Borrowing:⁵ \$ _____.

⁵ Must comply with Section 2.02(c) of the Credit Agreement.

(C) Effective date of interest election (which is a Business Day):_____.

(D) Type of Borrowing:⁶_____.

(E) Interest Period and last day thereof (if a Term Benchmark Borrowing):⁷

Very truly yours,

TRANSMISSION AGENCY OF NORTHERN
CALIFORNIA

By:_____

Name: _____

Title: _____

⁶ Specify ABR Borrowing or Term Benchmark Borrowing.

⁷ Applicable to Term Benchmark Borrowings only. Shall be subject to the definition of “Interest Period” and can be one, three or six months. Cannot extend beyond the Maturity Date. If an Interest Period is not specified, then the Borrower shall be deemed to have selected an Interest Period of one month’s duration.

EXHIBIT C

FORM OF INVESTOR LETTER

_____, ____

Transmission Agency of Northern California
[Sacramento, CA]

Re: [_____] Notes] of the Borrower

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to our purchase of above-referenced note (the “Notes”), dated the date hereof. The Notes were issued by Transmission Agency of Northern California (the “Borrower”) pursuant to that certain [Resolution No. _____] of Transmission Agency of Northern California, passed on [_____, 2024] (as amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof and of the Agreement, the “Resolution”), authorizing the execution of the Credit Agreement dated August 28, 2024 (the “Agreement”), between the Borrower and the JPMorgan Chase Bank, National Association (the “Bank,” the “undersigned,” “us” or “we,” as applicable). The Bank is purchasing the Notes pursuant to the Agreement. We hereby represent and warrant to you and agree with you as follows:

1. We understand that the Notes have not been registered pursuant to the Securities Act of 1933, as amended (the “1933 Act”), the securities laws of any state nor has the Resolution been qualified pursuant to the Trust Agreement Act of 1939, as amended, in reliance upon certain exemptions set forth therein. We acknowledge that the Notes (i) are not being registered or otherwise qualified for sale under the “blue sky” laws and regulations of any state, and (ii) will not be listed on any securities exchange.

2. We have not offered, offered to sell, offered for sale or sold any interest in the Notes by means of any form of general solicitation or general advertising, we are not an underwriter of the Notes within the meaning of Section 2(11) of the 1933 Act, and we are not selling or offering to sell the Notes in a primary offering by, or on behalf of, the Borrower.

3. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations and taxable obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Notes.

4. The Bank is either a “qualified institutional buyer” as defined in Rule 144A promulgated under the 1933 Act, or an “institutional accredited investor” as defined in Rule 501 of Regulation D under the 1933 Act, and is able to bear the economic risks of such investment.

5. The Bank understands that no official statement, prospectus, offering circular, or other comprehensive offering statement is being provided with respect to the Notes. The Bank has made its own inquiry and analysis with respect to the Borrower, the Notes and the security therefor, and other material factors affecting the security for and payment of the Notes.

6. The Bank acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Borrower, to which a reasonable investor would attach significance in making investment decisions, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Borrower, the Notes and the security therefor, so that as a reasonable investor, it has been able to make its decision to purchase the Notes.

7. The Notes are being acquired by the Bank for investment for its own account and not with a present view toward resale or distribution; *provided, however*, that the Bank reserves the right to sell, transfer or redistribute the Notes and interests therein, but agrees that any such sale, transfer or distribution by the Bank shall be to a Person:

- (a) that is an affiliate of the Bank;
- (b) that is a trust or other custodial arrangement established by the Bank or one of its affiliates, the owners of any beneficial interest in which are limited to qualified institutional buyers or institutional accredited investors;
- (c) that is a secured party, custodian or other entity in connection with a pledge by the Bank to secure public deposits or other obligations of the Bank or one of its affiliates to state or local governmental entities; or
- (d) that the Bank reasonably believes to be a qualified institutional buyer or institutional accredited investor and who executes an investor letter substantially in the form of this letter.

Very truly yours,

[BANK]

By: _____

Name: _____

Its: _____

EXHIBIT D-1
FORM OF TAX-EXEMPT NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATE OR JURISDICTION, AND IS SUBJECT TO CERTAIN TRANSFER RESTRICTIONS AS PROVIDED IN THE INDENTURE DESCRIBED BELOW AND MAY NOT BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT AS PROVIDED IN THE INDENTURE.

TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
CALIFORNIA-OREGON TRANSMISSION PROJECT
TAX-EXEMPT REVOLVING NOTE, 2024 SERIES A

| Initial Interest Rate | Date of Original Issuance | Initial Maturity Date | CUSIP No. |
|-----------------------|------------------------------|-----------------------|-----------|
| Variable | August 28, 2024 | August 26, 2025 | N/A |

REGISTERED OWNER: JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

MAXIMUM PRINCIPAL AMOUNT: ONE HUNDRED TWENTY MILLION DOLLARS

THE TRANSMISSION AGENCY OF NORTHERN CALIFORNIA (herein called “TANC”), a joint exercise of powers agency established pursuant to the laws of the State of California, acknowledges itself indebted to, and for value received hereby promises to pay to, the registered owner specified above, or its successors and assigns, on the Initial Maturity Date stated above (as such Initial Maturity Date may be extended pursuant to the terms of the hereinafter defined Credit Agreement) and as otherwise required by the hereinafter defined Credit Agreement, but solely from the funds pledged therefor, (i) the Maximum Principal Amount above or, if less, the aggregate unpaid principal amount of all Tax-Exempt Loans (as such term is defined in the hereinafter defined Credit Agreement) made by JPMorgan Chase Bank, National Association (the “Bank”) to TANC, payable in the amounts, in the manner and at such times as are specified in the Credit Agreement, and (ii) interest on the unpaid principal amount of each Tax-Exempt Loan made by the Bank, from the date of each such Tax-Exempt Loan until such principal amount is paid in full, at such interest rates, and payable in the amounts, in the manner, on the dates and at such times, as are specified in the Credit Agreement, in any immediately available coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, until TANC’s obligation with respect to the payment of such Tax-Exempt Loans shall be discharged.

This Note is issued pursuant to (a) an Indenture of Trust, dated as of May 1, 1990 (the “Original Indenture”), as amended and supplemented by a Sixth Supplemental Indenture, dated as of May 1, 2009 (the “Sixth Supplemental Indenture”), pursuant to which the terms of the Original Indenture were amended and restated and as further amended and supplemented to the date hereof and (b) the Credit Agreement dated August 28, 2024 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), between TANC

and the Bank. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Credit Agreement. This Note have been issued under and pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”) and Articles 10 and 11 of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California. This Note shall be construed in accordance with and governed by the law of the State of California

This Note is a special, limited obligation of TANC and constitutes “Indebtedness” under, as defined in and for purposes of the Project Agreement and the Credit Agreement constitutes an “Indenture” (in this case, as defined in the Project Agreement) for purposes of the Project Agreement. The principal amount of, and interest on, this Note is payable solely from the TANC Revenues and the other moneys pledged by TANC under the Credit Agreement and do not constitute a charge against the general credit of TANC. This Note is not secured by a legal or equitable pledge of, or lien or charge upon, any property of TANC or any of its income or receipts except the property pledged pursuant to the Credit Agreement which is subject to the provisions of the Credit Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein. Neither the faith and credit nor the taxing power of the State of California or any public agency thereof or any member of TANC is pledged to the payment of the principal amount or redemption price of, or interest on, this Note. Neither the payment of the principal amount of, or interest on, this Note constitutes a debt, liability or obligation of the State of California or any public agency thereof (other than TANC) or any member of TANC. Neither the members of the Commission of TANC nor any officer or employee of TANC shall be individually liable on this Note or the interest thereon, or in respect of any undertakings by TANC under the Credit Agreement.

This Note is the “Tax-Exempt Note” referred to in the Credit Agreement and is entitled to the benefits thereof and of the Loan Documents referred to therein. This Note is transferable in accordance with the terms and conditions of the Credit Agreement. This Note is subject to prepayment and repayment as provided in the Credit Agreement.

The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of TANC evidenced hereby and the amounts of principal and interest payable and paid from time to time hereunder. The failure to record any such amount, or any error in such records, shall not, however, limit or otherwise affect the obligations of TANC hereunder to repay any and all amounts owed hereunder, together with all interest accrued hereon as provided in the Credit Agreement.

TANC hereby waives presentment for payment, demand, protest, notice of protest, notice of dishonor and all other notices and demands whatsoever except to the extent expressly required by the Credit Agreement.

In the event of a conflict between the terms of this Note and the Credit Agreement, the terms and provisions of the Credit Agreement shall control.

It is hereby certified and recited that all conditions, acts and things required by law, the Indenture and the Credit Agreement to exist, to have happened and to have been performed

precedent to and in the issuance of this bond, exist, have happened and have been performed in due time, form and manner, and that this Note, together with all other indebtedness of TANC, comply in all respects with the applicable laws of the State of California.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the TRANSMISSION AGENCY OF NORTHERN CALIFORNIA has caused this Note to be signed in its name and on its behalf by its Chairman and its seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced and attested by its Secretary or an Assistant Secretary, as of the Date of Original Issuance specified above.

[Seal]

TRANSMISSION AGENCY
OF NORTHERN CALIFORNIA

Attest: _____
SECRETARY

By: _____
CHAIRMAN

Form of Taxable Note

**TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
CALIFORNIA-OREGON TRANSMISSION PROJECT
TAXABLE REVOLVING NOTE, 2024 SERIES B**

This Note is issued pursuant to (a) an Indenture of Trust, dated as of May 1, 1990 (the “*Original Indenture*”), as amended and supplemented by a Sixth Supplemental Indenture, dated as of May 1, 2009 (the “*Sixth Supplemental Indenture*”), pursuant to which the terms of the Original Indenture were amended and restated and as further amended and supplemented to the date hereof and (b) the Credit Agreement dated August 28, 2024 (as amended, restated,

supplemented or otherwise modified from time to time, the “*Credit Agreement*”), between TANC and the Bank. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Credit Agreement. This Note have been issued under and pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”) and Articles 10 and 11 of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California. This Note shall be construed in accordance with and governed by the law of the State of California

This Note is a special, limited obligation of TANC and constitutes “Indebtedness” under, as defined in and for purposes of the Project Agreement and the Credit Agreement constitutes an “Indenture” (in this case, as defined in the Project Agreement) for purposes of the Project Agreement. The principal amount of, and interest on, this Note is payable solely from the TANC Revenues and the other moneys pledged by TANC under the Credit Agreement and do not constitute a charge against the general credit of TANC. This Note is not secured by a legal or equitable pledge of, or lien or charge upon, any property of TANC or any of its income or receipts except the property pledged pursuant to the Credit Agreement which is subject to the provisions of the Credit Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein. Neither the faith and credit nor the taxing power of the State of California or any public agency thereof or any member of TANC is pledged to the payment of the principal amount or redemption price of, or interest on, this Note. Neither the payment of the principal amount of, or interest on, this Note constitutes a debt, liability or obligation of the State of California or any public agency thereof (other than TANC) or any member of TANC. Neither the members of the Commission of TANC nor any officer or employee of TANC shall be individually liable on this Note or the interest thereon, or in respect of any undertakings by TANC under the Credit Agreement.

This Note is the “Taxable Note” referred to in the Credit Agreement and is entitled to the benefits thereof and of the Loan Documents referred to therein. This Note is transferable in accordance with the terms and conditions of the Credit Agreement. This Note is subject to prepayment and repayment as provided in the Credit Agreement.

The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of TANC evidenced hereby and the amounts of principal and interest payable and paid from time to time hereunder. The failure to record any such amount, or any error in such records, shall not, however, limit or otherwise affect the obligations of TANC hereunder to repay any and all amounts owed hereunder, together with all interest accrued hereon as provided in the Credit Agreement.

TANC hereby waives presentment for payment, demand, protest, notice of protest, notice of dishonor and all other notices and demands whatsoever except to the extent expressly required by the Credit Agreement.

In the event of a conflict between the terms of this Note and the Credit Agreement, the terms and provisions of the Credit Agreement shall control.

It is hereby certified and recited that all conditions, acts and things required by law, the Indenture and the Credit Agreement to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed in due time, form and manner, and that this Note, together with all other indebtedness of TANC, comply in all respects with the applicable laws of the State of California.

[SIGNATURE PAGE FOLLOWS]

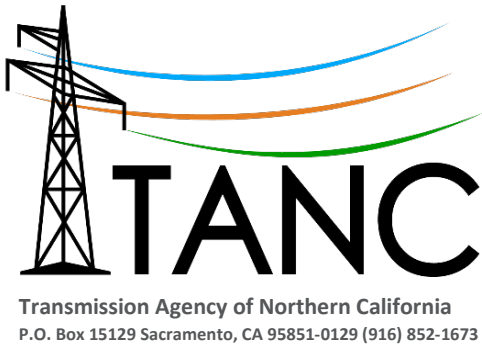
IN WITNESS WHEREOF, the TRANSMISSION AGENCY OF NORTHERN CALIFORNIA has caused this Note to be signed in its name and on its behalf by its Chairman and its seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced and attested by its Secretary or an Assistant Secretary, as of the Date of Original Issuance specified above.

[Seal]

TRANSMISSION AGENCY
OF NORTHERN CALIFORNIA

Attest: _____
SECRETARY

By: _____
CHAIRMAN



MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: DISCUSSION AND POSSIBLE ACTION - APPOINTMENT OF LABOR
NEGOTIATOR

The Transmission Agency of Northern California Commission will discuss and possibly take action on appointing the TANC Commission Chair as the labor negotiator to negotiate for the unrepresented position of Interim Contract Executive/General Manager.

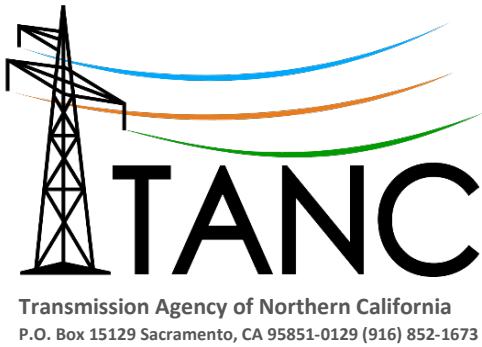
TAB 20

CLOSED SESSION

Public Employment:

Closed Session Pursuant to Government Code Section 54957 – Appointment of Public Employee Appointment - Interim Contract Executive/General Manager.

Closed Session - Pursuant to Government Code Section 54957.6 - Conference with Labor Representative Regarding Unrepresentative Position of Interim Contract Executive/General Manager.



MEMORANDUM

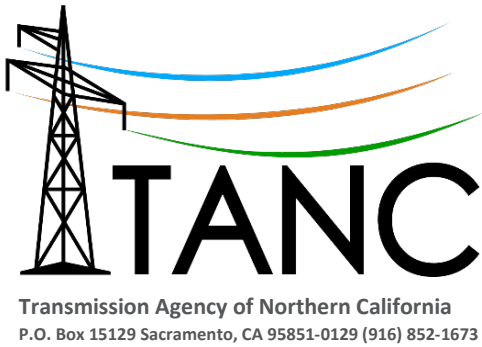
DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: DISCUSSION AND POSSIBLE ACTION - AGREEMENT FOR INTERIM
CONTRACT EXECUTIVE/GENERAL MANAGER SERVICES.

The Transmission Agency of Northern California Commission will discuss and possibly take action on authorizing the Commission Chair to Enter into an Agreement for Interim Contract Executive/General Manager Services for TANC.



MEMORANDUM

DATE: August 14, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: DISCUSSION AND POSSIBLE ACTION - ESTABLISHMENT OF AN AD HOC COMMITTEE OF TANC COMMISSION MEMBERS TO IDENTIFY AND/OR NEGOTIATE WITH AN INTERIM/REGULAR CONTRACT EXECUTIVE/GENERAL MANAGER

The Transmission Agency of Northern California Commission will discuss and possibly take action on establishing an Ad Hoc Committee of TANC Commission Members to identify and/or negotiate with an Interim/Regular Contract Executive/General Manager.

TAB 23

MEETING CALENDAR

The Commission will confirm the date of its next scheduled meeting is September 18, 2024.