

MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

SUBJECT: JANUARY 17, 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, January 17, 2024, at 35 Iron Point Circle, Suite 225, Folsom, California, 95630. The meeting is also accessible by teleconference at:

Join Zoom Meeting

<https://us06web.zoom.us/j/84835556643?pwd=XSfZmCFbmqpYeNs9pCz xen9F144C5l.1>

Meeting ID: 848 3555 6643; Passcode: 830022

Dial In 1 (669) 900-6833

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 activities, TANC's reliability standards compliance, the Fiscal Year 2024 first quarter budget variance report, a report from the TANC General Manager, a report on TANC strategic planning efforts and a report and presentation on California Independent System Operator matters.

The TANC Commission will also receive a report and consider a resolution approving a TANC Cash Distribution Policy, a resolution approving a Legal Services Agreement for Al Jahns and a resolution approving the transfer of Eleventh Collection Agreement unspent funds to the Thirteenth Collection Agreement with the United States Forest Service. The TANC Commission will also consider items in Closed Session and 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 General Manager will conduct a roll call of the TANC Commission members in attendance.

AGENDA
TANC COMMISSION MEETING
January 17, 2024
10:00 AM

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

Remote Meeting Locations:

Palo Alto City Hall
3rd Floor North Conference Room
250 Hamilton Street
Palo Alto, CA 94301

Any member of the public who desires to address the Commission on any item considered by the Commission at this meeting, before, or during the Commission's consideration of that item shall so advise the General Manager and shall thereupon be given an opportunity to do so or by using the "Raise Hand" feature in Zoom (or pressing *9 while dialed into the telephone/toll-free number) during the meeting at the time public comment is called when the commenter's name is announced.

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 Zoom Meeting

<https://us06web.zoom.us/j/84835556643?pwd=XSfZmCFbmqpYeNs9pCz xen9F144C5l.1>

Meeting ID: 848 3555 6643; Passcode: 830022
Dial In 1 (669) 900-6833

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 December 20, 2023 TANC Commission Meeting.

Enclosed are the draft minutes from the December 20, 2023 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. California-Oregon Transmission Project (COTP) Engineering and Operations 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 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 FY 2024 First Quarter Budget Variance Report

Enclosed is a report concerning the Fiscal Year 2024 First Quarter Budget Variance Report.

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.

19. Report on CAISO Matters

The Commission will receive an update on California Independent System Operator related matters including the Energy Imbalance Market and the Extended Data-Ahead Market

ACTION ITEMS

20. Resolution Approving a TANC Cash Distribution Policy

The Commission will receive a report and consider adoption of a resolution approving a TANC Cash Distribution Policy.

21. Resolution Approving a Legal Services Agreement for Al Jahns

The Commission will receive a report and consider adoption of a resolution approving a Legal Services Agreement for the transition from outgoing COTP Counsel - Al Jahns.

22. Resolution Approving the Transfer of Eleventh Collection Agreement Unspent Funds to the Thirteenth Collection Agreement

The Commission will receive a report and consider adoption of a resolution approving the Transfer of Eleventh Collection Agreement Unspent Funds to the Thirteenth Collection Agreement with the United States Forest Service.

CLOSED SESSION

23. Closed Session Pursuant to Government Code Section 54956.9(d)(1), Existing Litigation:

- a. Pacific Gas and Electric Company TO18, TO19, TO20 Offer of Settlement, Docket Nos. ER16-2320, ER17-2154, ER19-13.

END OF CLOSED SESSION

24. Meeting Calendar

The Commission will confirm the date of its next scheduled meeting is February 21, 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
DECEMBER 20, 2023

Chair Gill (Turlock Irrigation District) called the December 20, 2023 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

Chair Gill 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. Zettel (City of Redding) seconded the motion, which was approved by the TANC Commission. The approved agenda for the December 20, 2023 Commission meeting is included as Attachment 2.

PUBLIC COMMENT

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

CONSENT CALENDAR

Chair Gill asked if any Commissioner would like a discussion or removal of any item under the Consent Calendar and there were no requests. Ms. Lewis (Sacramento Municipal Utility District) then made a motion to approve the revised Consent Calendar. Mr. Forsythe (City of Roseville) seconded the motion, which was approved by the Commission. The approved minutes from the November 15, 2023 TANC Commission meeting and the November 29, 2023 Special TANC Commission meeting are included as Attachments 3 and 4.

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.

Meeting Calendar

The next regular TANC Commission meeting was scheduled for January 17, 2024. There being no further business, Chair Gill adjourned the meeting.

ATTENDANCE LIST

TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
COMMISSION MEETING

December 20, 2023

10:00 AM

NAME

ORGANIZATION

Manjot Gill	Turlock Irrigation District
Nick Zettel	City of Redding
Basil Wong	City of Santa Clara
Bill Forsythe	City of Roseville
Brock Costalupes	Modesto Irrigation District
Laura Lewis	Sacramento Municipal Utility District
Randy Howard	Northern California Power Agency
Anish Nand	Northern California Power Agency
Tony Zimmer	Northern California Power Agency
Jarom Zimmerman	TANC General Manager
Steve Gross	TANC General Counsel
Sylwia Dakowicz	Duncan Weinberg
Bhaveeta Mody	Duncan Weinberg
Amy Cuellar	TANC Staff
Larry Riegle	TANC Staff

AGENDA
TANC COMMISSION MEETING
December 20, 2023
10:00 AM

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

Remote Meeting Locations:

Silicon Valley Power 881 Martin Ave Santa Clara, CA 95050	Redding Electric Utility 3611 Avtech Parkway Redding, CA 96002	City of Roseville 2090 Hilltop Circle Roseville, CA 95747
Northern California Power Agency 651 Commerce Drive Roseville, CA 95678-6420	Palo Alto City Hall, North Conference Room, 3 rd Floor 250 Hamilton Ave Palo Alto, CA 94301	Modesto Irrigation District 1231 11th Street, Conference Room 2A Modesto, CA 95354
Turlock Irrigation District 333 East Canal Drive Turlock, CA 95381	Sacramento Municipal Utility District - Headquarters Building, Executive Conference Room (3 rd Floor) 6201 S Street Sacramento, CA 95817	

Any member of the public who desires to address the Commission on any item considered by the Commission at this meeting, before, or during the Commission's consideration of that item shall so advise the General Manager and shall thereupon be given an opportunity to do so or by using the "Raise Hand" feature in Zoom (or pressing *9 while dialed into the telephone/toll-free number) during the meeting at the time public comment is called when the commenter's name is announced.

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 Zoom Meeting

<https://us06web.zoom.us/j/87445185839?pwd=LII1880tcYkaw4zu9gEXWTIVrPubhM.1>

Meeting ID: 874 4518 5839

Passcode: 477827

Dial in: 1 (669) 900-6833

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 November 15, 2023 TANC Commission Meeting and November 29, 2023 Special TANC Commission Meeting.

Enclosed are the draft minutes from the November 15, 2023 TANC Commission Meeting and November 29, 2023 Special TANC Commission Meeting, for approval, subject to any necessary corrections or clarifications.

6. Report on General Manager's Committees

Enclosed are approved meeting minutes from the following committees:

- a. General Manager's Audit Budget Committee
- b. General Manager's Contracts Committee
- c. General Manager's Open Access Transmission Tariff Committee

CLOSED SESSION

7. Closed Session Pursuant to Government Code Section 54956.9(d)14), Existing Litigation:

- a. Pacific Gas and Electric Company TO18, TO19, TO20 Offer of Settlement, Docket Nos. ER16-2320, ER17-2154, ER19-13.

END OF CLOSED SESSION

8. Meeting Calendar

The Commission will confirm the date of its next scheduled meeting is January 17, 2024.

Approved January 17, 2024

Attachment 3

MINUTES
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
COMMISSION MEETING
NOVEMBER 15, 2023

Chair Gill (Turlock Irrigation District) called the November 15, 2023 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

Chair Gill 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. Beans (City of Roseville) seconded the motion, which was approved by the TANC Commission. The approved agenda for the November 15, 2023 Commission meeting is included as Attachment 2.

PUBLIC COMMENT

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

CONSENT CALENDAR

Chair Gill asked if any Commissioner would like a discussion or removal of any item under the Consent Calendar. Mr. Gross (TANC Counsel) requested that Item 5 (Draft Minutes from October 18, 2023 TANC Commission Meeting) be pulled for further discussion and then suggested a modification on page 3 of the draft minutes with the insertion of the word “unanimously” be added in the third line of the last paragraph between the words “Commission” and “approved”. Mr. Caballero (Modesto Irrigation District) then made a motion to approve the revised Consent Calendar. Mr. Zettel (City of Redding) seconded the motion, which was approved by the Commission. The approved minutes from the October 18, 2023 TANC Commission meeting are included as Attachment 3.

INFORMATION ITEMS

Report from the TANC General Manager

Mr. Zimmerman (TANC) reported that the TANC contract with Baker Tilly - to conduct the annual audit of TANCs Financial Statements runs through June 2024. With the TANC Commission generally in favor of amending the contract, Mr. Zimmerman noted that he would be working with the General Manager’s Audit Budget Committee on a three-year extension and that the item would be brought to the TANC Commission for approval before June 2024. Mr. Zimmerman also reported that TANC had received from the Sacramento Municipal Utility District, the annual Balancing Authority services request which identifies a three percent wage increase for 2024. Mr. Zimmerman noted that the TANC Chair would be signing the letter request.

Report on Project Agreement Number 6 Matters

Mr. Zimmer (Northern California Power Agency) reported that they are developing a program that would be implemented when current Project Agreement Number 6 expires at the end of the year.

ACTION ITEMS***Report and Potential Action Regarding the Audit of TANC's Financial Statements for Fiscal Year 2023***

Mr. O'Donnell (Baker Tilly) presented the findings for the draft Fiscal Year 2023 TANC audit. After the presentation and a discussion by the TANC Commission, Ms. Lewis (Sacramento Municipal Utility District) moved to approve the Audit of TANCs Financial Statements for Fiscal Year 2023. This motion was seconded by Mr. Caballero (Modesto Irrigation District). The Audit of TANC's Financial Statements for Fiscal Year 2023 Financial Statements for TANC were approved by roll call vote.

Report and Potential Action on TANC's 2024 Strategic Plan

Mr. Zimmerman provided an update on the status of the 2023 strategic planning tasks and provided an overview of the strategic planning tasks that are proposed for the 2024 TANC Strategic Plan. After a discussion by the TANC Commission, Mr. Beans (City of Roseville) moved to approve the TANC 2024 Strategic Plan. This motion was seconded by Mr. Wong (City of Santa Clara) and approved by roll call vote.

Resolution Approving Amendment No. 3 to the 2009 Long-Term Layoff Agreement

Mr. Zimmerman provided a history of the 2009 Long-Term Layoff Agreement and its multiple amendments including proposed Amendment No. 3 which was negotiated among respective members. After discussion by the TANC Commission, it was determined that since the current amendment expires on January 31, 2024 that the effective date of Amendment No. 3 would be January 30, 2024. The respective agencies also indicated that they would obtain approval from their governing bodies prior to that date. Mr. Caballero (Modesto Irrigation District) moved to approve Amendment No. 3 to the 2009 Long-Term Layoff Agreement. The motion was seconded by Ms. Lewis (Sacramento Municipal Utility District) and approved by the TANC Commission. Resolution 2023-19 is included as Attachment 4.

Resolution Approving the Letter of Agreement between TANC and Western Area Power Administration

Mr. Zimmerman updated the TANC Commission on the status of negotiations with the Western Area Power Administration (WAPA) on a Letter of Agreement under which TANC would use cash on hand to provide upfront funding for WAPAs share of the cost for the series capacitor bank replacement project and bill WAPA monthly until all funds have been repaid. The TANC Commission agreed to schedule a Special Commission Meeting to discuss the Letter of

Agreement during the last week of November. After discussion by the TANC Commission no action was taken on this item.

Resolution Approving a TANC Cash Distribution Policy

Mr. Zimmerman reported that over the past several months, the General Manager's Audit Budget and Finance Committees have collaborated with Treasurer/Controller staff to develop a draft Cash Distribution Policy which would allow Members the option of having cash returned or to maintain the cash at TANC. The TANC Commission discussed options for adding additional flexibility to the policy. No action was taken on this item.

Resolution Approving a Recommendation for COTP Legal Counsel

Mr. Zimmerman noted that TANC had received multiple responses to the Request for Expression of Interest that was issued to replace the outgoing COTP Counsel. Mr. Zimmerman noted that based on the evaluation of responses received and interviews conducted - that Stoel Rives, LLP was being recommended as the replacement for COTP Counsel. After a discussion by the TANC Commission, Ms. Lewis (Sacramento Municipal Utility District) moved to approve Stoel Rives, LLP as the replacement for COTP Counsel. This motion was seconded by Mr. Beans (City of Roseville) and approved by the TANC Commission. Resolution 2023-20 is included as Attachment 5.

Resolution Approving a Request by the WAPA to Use Prior Year Funds for Increased Federal Labor Costs

Mr. Zimmerman noted the COTP Engineering and Operations (E&O) Committee had recommended the approval of a request from WAPA to use available prior year funds of \$192,000 to cover an increase in federal labor costs that resulted from an incorrect rate being used in the Fiscal Year 2024 COTP budget development process. Mr. Zimmerman noted there would be no change in cash calls to participants associated with the request since WAPA has available prior year funds. After a discussion by the TANC Commission, Mr. Beans (City of Roseville) moved to approve WAPA's request to use prior year funds to cover increased federal labor costs. The motion was seconded by Mr. Wong (City of Santa Clara) and approved by the TANC Commission. Resolution 2023-21 is included as Attachment 6.

Resolution Approving a Request by the WAPA to Use Prior Year Funds for a LIDAR Project

Mr. Zimmerman noted the COTP E&O Committee had recommended the approval of a request from WAPA to use available prior year funds of \$725,000 to procure a service contract to perform Light Detection and Ranging (LIDAR) data collection for the entire COTP. Mr. Zimmerman also reported that the LIDAR project was originally planned for Fiscal Year 2025, but that WAPA recommended performing the work sooner due to increased rainfall last year and increased vegetation growth and density. Mr. Zimmerman noted there would be no change in cash calls to participants associated with the request since WAPA has available prior year funds. After a discussion by the TANC Commission, Chair Gill (Turlock Irrigation District) moved to approve

WAPA's request to use prior year funds for the LIDAR project. The motion was seconded by Mr. Caballero (Modesto Irrigation District) and approved by the TANC Commission. Resolution 2023-22 is included as Attachment 7.

Discussion and Potential Action on a Rate Increase for TANC Special Counsel

Mr. Zimmerman noted that he had received a request from TANC Special Counsel – Duncan Weinberg Genzer & Pembroke for a rate increase and that the last increase was two years ago. After a discussion by the TANC Commission, Mr. Beans (City of Roseville) moved to approve the rate increase. This motion was seconded by Ms. Lewis (Sacramento Municipal Utility District) and approved by roll call vote.

Discussion and Potential Action on the Phase 2 - COI Path Rating Study

Mr. Zimmerman updated the TANC Commission on the status of the California-Oregon Intertie (COI) Path Rating Study that the COI owners have been working on since 2021. Mr. Zimmerman noted that the Phase Two Study Report has been completed and is now being approved by the individual COI owners and then may be circulated to RC West for review before being submitted to the Project Review Group and ultimately to the Western Electricity Coordinating Council. Mr. Zimmerman also noted that the COTP E&O Committee had recommended approval of the Phase Two Study Report. After a discussion by the TANC Commission, Mr. Caballero (Modesto Irrigation District) moved to approve the COI Path Rating Phase Two Study Report. The motion was seconded by Mr. Beans (City of Roseville) and approved by roll call vote.

Resolution Approving the Lease Amendments on TANC-Owned Property

Mr. Zimmerman provided an updated on the agricultural lease and shop lease that have been in effect on TANC owned land near the Tracy Substation since 2011. Mr. Zimmerman reported that both leases expire on December 31, 2023 and that a two-year extension of the leases is being proposed. After a discussion by the TANC Commission, Mr. Caballero (Modesto Irrigation District) moved to approve the two-year extensions to the agricultural and shop leases on TANC-owned land. The motion was seconded by Mr. Zettel (City of Redding) and approved by the TANC Commission. Resolution 2023-23 is included as Attachment 8.

CLOSED SESSION

Mr. Zimmerman reported that there were no items to discuss in closed session.

Report and Potential Action on Administrative Items

The TANC Commission discussed the proposed Officers List for 2024, the 2024 TANC Commission Meeting Schedule and a resolution honoring outgoing COTP Counsel Al Jahns. Mr. Wong (City of Santa Clara) moved to approve the administrative items. The motion was seconded by Mr. Zettel (City of Redding) and approved by roll call vote. Resolution 2023-24 is included as Attachment 9.

Meeting Calendar

The next regular TANC Commission meeting was scheduled for December 20, 2023. There being no further business, Chair Gill adjourned the meeting.

Respectfully Submitted,

DocuSigned by:

Jarom Zimmerman

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Jarom Zimmerman

TANC General Manager

Approved January 17, 2024

Attachment 4

MINUTES SPECIAL
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
COMMISSION MEETING
NOVEMBER 29, 2023

Chair Gill (Turlock Irrigation District) called the November 15, 2023 Special Transmission Agency of Northern California (TANC) Commission meeting to order at 12:00 p.m. Mr. Zimmerman (TANC General Manager) took a roll call of Commissioners in attendance. Meeting attendees are listed in Attachment 1.

Approval of Agenda

Chair Gill inquired as to any recommended additions, deletions or modifications to the agenda. With no changes proposed, Mr. Zettel (City of Redding) made a motion to approve the agenda. Mr. Forsythe (City of Roseville) seconded the motion, which was approved by the TANC Commission. The approved agenda for the November 29, 2023 Special TANC Commission meeting is included as Attachment 2.

PUBLIC COMMENT

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

ACTION ITEMS

Resolution Approving the Letter of Agreement between TANC and Western Area Power Administration

Mr. Zimmerman updated the TANC Commission on the status of negotiations with the Western Area Power Administration (WAPA) on a Letter of Agreement under which TANC would use cash on hand to provide upfront funding for WAPAs share of the cost for the series capacitor bank replacement project and bill WAPA monthly until all funds have been paid. Mr. Zimmerman identified the changes to the Letter of Agreement that were made based on discussions at the TANC Commission meeting on November 15, 2023. After discussion by the TANC Commission, Mr. Wong (City of Santa Clara) moved to approve the Letter of Agreement between TANC and WAPA. The motion was seconded by Mr. Forsythe (City of Roseville) and approved by the TANC Commission. Resolution 2023-25 is included as Attachment 4.

Meeting Calendar

Mr. Zimmerman reported that the next regular TANC Commission meeting was scheduled for December 20, 2023 but that the meeting was being considered for cancellation and that a decision

would be made by December 12, 2023. There being no further business, Chair Gill adjourned the meeting.

Respectfully Submitted,

DocuSigned by:

Jarom Zimmerman

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Jarom Zimmerman

TANC General Manager

TAB 6

REPORT ON TANC'S INVESTMENT PURCHASES

Enclosed is a report on TANC's investment purchases.



Dear Commissioners,

RE: MANDATED REPORTS

Attached are the Investment Purchases Reports for the months of October, November and December and the Portfolio Summary as of December 31, 2023. California Government Code Sections 53607 and 53646, respectively, mandate the reports. The investment portfolio complies with TANC's investment policy and the applicable bond indentures.

TANC expects to meet expenditure requirements for the next six months as detailed in the approved and proposed budgets.

Should you have any questions, please let me know.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jon Anderson', is positioned above the printed name.

Jon Anderson

TANC Assistant Treasurer

Attachments

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

Transmission Agency of Northern California

Portfolio Summary As of December 31, 2023

Security Description	Issuer Description	Coupon	Yield	Maturity Date	Par Value	Original Cost	Market Value	Settlement Date
U.S. Treasury Note	U.S. Treasury	3.00%	3.07%	6/30/2024	\$ 10,000,000.00	\$ 9,983,593.75	\$ 9,895,300.00	7/18/2022
U.S. Treasury Note	U.S. Treasury	1.50%	1.59%	11/30/2024	\$ 3,500,000.00	\$ 3,382,968.75	\$ 3,394,720.00	6/10/2022
Federal Agency Coupon Bond	U.S. Treasury	3.00%	3.09%	7/15/2025	\$ 10,000,000.00	\$ 9,967,187.50	\$ 9,781,600.00	7/18/2022
Money Market Funds								
Local Agency Investment Fund	Local Agency Investment Fund	0.0%	3.96%	N/A	\$ 5,715,767.13	\$ 5,715,767.13	\$ 5,715,767.13	N/A
Fidelity Inst MM Gov't Portfolio-Class I	Fidelity Investments	0.0%	5.25%	N/A	525,630.37	525,630.37	525,630.37	N/A
Federated Government Obligations	Federated Investors Funds	0.0%	5.21%	N/A	52,387,252.85	52,387,252.85	52,387,252.85	N/A
First American Government Obligations	First American Investments	0.0%	4.84%	N/A	417,690.00	417,690.00	417,690.00	N/A
TOTAL					\$ 82,546,340.35	\$ 82,380,090.35	\$ 82,117,960.35	

Transmission Agency of Northern California

Investment Purchases Report For Month Ended December 31, 2023

<u>Settlement Date</u>	<u>Maturity Date</u>	<u>Portfolio</u>	<u>Investment Type</u>	<u>Issuer</u>	<u>Par Value</u>
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No purchases in December 2023

Transmission Agency of Northern California

Investment Purchases Report For Month Ended November 30, 2023

Settlement Date	Maturity Date	Portfolio	Investment Type	Issuer	Par Value
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No purchases in November 2023

Transmission Agency of Northern California

Investment Purchases Report For Month Ended October 31, 2023

Settlement Date	Maturity Date	Portfolio	Investment Type	Issuer	Par Value
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No purchases in October 2023

TAB 7

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

Contracts Committee	February 6, 2024
Engineering and Operations Committee	January 10, 2024
Open Access Transmission Tariff Committee	February 6, 2024

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

Engineering and Operations Committee	September 13, 2023
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**MINUTES
GENERAL MANAGER'S
CALIFORNIA-OREGON TRANSMISSION PROJECT/
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
ENGINEERING AND OPERATIONS COMMITTEE MEETING
SEPTEMBER 13, 2023**

The General Manager's California-Oregon Transmission Project (COTP) and Transmission Agency of Northern California (TANC) Engineering and Operations (E&O) Committee met jointly on September 13, 2023. The Agenda and Attendance list for the meeting are provided as Attachment 1 and Attachment 2, respectively.

COTP/TANC E&O COMMITTEE MEETING

AGENDA ITEM 1, 2, AND 3: CALL TO ORDER, ROLL CALL, AND ADMINISTRATION

a. Approval of Agenda

The meeting was called to order by Chair Costalupes (Modesto Irrigation District). Chair Costalupes asked if there were any changes to the meeting agenda. With no changes requested, Mr. Tuggle (Western Area Power Administration (WAPA)) moved to approve the agenda. Mr. Buckingham (Sacramento Municipal Utility District (SMUD)) seconded the motion, and the agenda was approved by the E&O Committee. The approved agenda is included as Attachment 1.

b. Minutes of the July 12, 2023 E&O Committee Meeting

Chair Costalupes asked if there were any changes to the draft minutes from the July 12, 2023 E&O Committee meeting. With no changes proposed, Mr. Buckingham (Sacramento Municipal Utility District (SMUD)) moved to approve the minutes from the July 12, 2023 E&O Committee meeting. Chair Costalupes (Modesto Irrigation District) seconded the motion. The E&O Committee approved the minutes from the July 12, 2023 E&O Committee meeting. The approved minutes are included as Attachment 3.

c. Next Meeting

The next E&O Committee meeting was scheduled for Wednesday, November 8, 2023.

AGENDA ITEM 4: OPERATIONS AND MAINTENANCE ISSUES

a. COTP Operations Update

Ms. Cuellar reported that information on COTP operations and voltage control events for both July and August 2023 was included with the meeting materials and asked if there were any questions from the E&O Committee.

b. Line and Substation Outages – Occurred and Scheduled

Ms. Cuellar noted that recent and planned outages of COTP facilities were provided in the meeting materials and that any questions could be relayed to WAPA staff. The E&O Committee members discussed a series of questions on the data including asking what was included in the real-time outages information that was provided and how far out WAPA coordinates with the California Independent System Operator on scheduling long-term outages (specifically in relation to the upcoming series capacitor replacements). WAPA agreed to provide additional information to the E&O Committee, after the meeting.

c. Update on Environmental and Land Activities

Mr. Wagenet (TANC) provided the E&O Committee with an update on recent environmental and land activities, noting that the Lassen National Forest (LNF) is preparing an appraisal and timber sale contract for trees blocking the microwave signal path near the Manzanita Lake Communication Site. Mr. Wagenet also reported that the Pacific Gas and Electric Company (PG&E) had recently informed TANC that they had cancelled their Bundle-99 gas system upgrades and retirements Project at Palm Tract after determining that it was not critical to their system. Mr. Wagenet also provided an update on wildfire mitigation activities associated with the United States Forest Service's annual report on their Thirteenth Collection Agreement with TANC. The E&O Committee discussed various other wildfire mitigation methods that are being considered. Lastly, Mr. Wagenet provided a status update on the access road repairs at the Sites Communication Site noting that it was anticipated they would be completed by the end of the calendar year – if road conditions are appropriate.

d. Other Operation and Maintenance Issues

Ms. Cuellar (TANC) provided an update of the lease negotiations at the Howard Ranch Communication Site, noting that TANC now has a fully executed 25-year lease. Mr. Tuggle (WAPA) provided the E&O Committee an update on Operation and Maintenance activities completed by WAPA since the last meeting including updates on routine operation and maintenance activities, engineering, capital replacement, and construction projects.

e. Transmission Planning and Technical Study Activities Update

Mr. Schiermeyer (TANC) provided an update on recent transmission planning and technical study activities reporting that the California-Oregon Intertie (COI) Path Rating Study- Phase Two report is expected to be completed and circulated for comment this month. Mr. Schiermeyer also noted that PG&E recently reported that they are working to replace the equipment that is causing the COI derate and they had verbally committed to completing the required work by summer 2024 so that COI rating can operate at 4,800 MWs and at the new proposed limit of 5,100 MW being considered in the COI Path Rating Study process. Mr. Schiermeyer also noted that the Operations Study Subcommittee COI Nomogram for the Winter notes that the COI derate would continue through the Winter season - which will run from November 1, 2023, to March 31, 2024. Finally, Mr. Schiermeyer provides an update on

the 2023 TANC Annual Planning Assessment and noted that a tentative schedule had been provided in the meeting materials.

AGENDA ITEM 5: OTHER ITEMS FOR DISCUSSION

a. California-Oregon Intertie Real-Time Operations Update

Mr. Buckingham (Sacramento Municipal Utility District) provided the highlights on recent COI real-time operations updates and provided the E&O Committee with July and August 2023 Balancing Authority of Northern California reports which included reports of COI flows both South to North and North to South as well as unscheduled flows.

b. Presentation on Olinda-Tracy Right-of-Way Improvement Project

Ms. Smith (WAPA) provided the E&O Committee with a summary of the status of WAPA's Olinda-Tracy Right-of-Way Improvement Project. The E&O Committee discussed the history of the project and steps moving forward.

c. Update on Federal Energy Regulatory Commission Order 881

Mr. Riegle (TANC) reminded the E&O Committee that TANC does not believe the order is applicable to the COTP and that TANC is waiting for WAPA to complete their internal investigation and issue an official position. Mr. Head (WAPA) indicated that the WAPA investigation is still ongoing.

AGENDA ITEM 6: APPROVALS AND RECOMMENDATIONS

a. Third Amendment to Lease Agreement with Pacific Gas and Electric Company

Ms. Cuellar (TANC) reported TANC has a sublease with PG&E at the Manzanita Lake Communication Site under which TANC leases space on the tower and space in the communication site building and the current lease agreement expires on December 31, 2023. Ms. Cuellar noted that PG&E has requested to extend that agreement ten years with an additional 10-year option and that COTP Counsel and PG&E have developed the Third Amendment to Lease Agreement. The E&O Committee discussed the Third Amendment to Lease Agreement and the E&O Committee was requested to provide a recommendation to the TANC Commission and COTP Management Committee regarding approval of the Third Amendment to the Lease Agreement with PG&E for the Manzanita Lake Communication Site. After discussion by the E&O Committee, Mr. Buckingham (Sacramento Municipal Utility District) moved to recommend approval of the Third Amendment to Lease Agreement with PG&E at the Manzanita Lake Communication Site. Mr. Tuggle (WAPA) seconded this motion.

AGENDA ITEM 7: PROJECT COST

b. Status of Operations & Maintenance Costs – Fiscal Year 2023

Ms. Mull (WAPA) provided a detailed status of WAPA's Fiscal Year 2023 budget and expenditures.

*COTP/TANC E&O Committee Meeting
Minutes for September 13, 2023
Approved November 8, 2023*

Attachment 3

AGENDA ITEM 8: COTP/TANC MEETING E&O ADJOURNMENT

There being no further business, Chair Costalupes adjourned the E&O Committee meeting.

Respectfully Submitted,

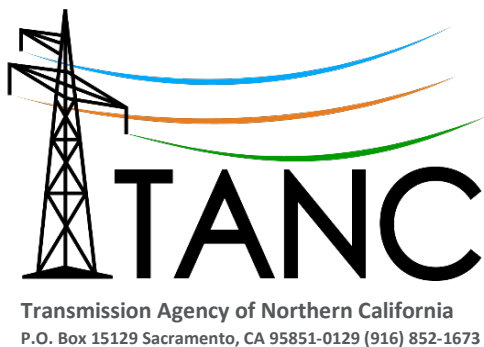
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Jarom Zimmerman

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Jarom Zimmerman

TANC General Manager



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

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 (to comply with the requirements of Federal Energy Regulatory Commission Order 890), which is tasked with coordination of regional and interregional transmission planning. The most recent Planning Subcommittee (PS) meetings were held on November 15, 2023 and December 12, 2023. The most recent Planning Management Committee (PMC) meetings were held on November 15, 2023 and December 13, 2023. The next PS and PMC meetings are both scheduled for January 16 and 17, 2024.

Planning Subcommittee

At their November 15, 2023 meeting, the PS discussed the finalized Scenario Assessment Report (SAR) and Regional Transmission Plan Report (RTPR), the upcoming preparation for the 2024-2025 planning cycle, requested changes to the Transmission Plan Project List (TPPL) data requests and concluded with review of stakeholder comments. After discussion, the PS approved the SAR to move to seek approval from the PMC that met later that day. The same process occurred for the RTPR and approval was given by PS to seek approval from the PMC. With regards to preparing for the 2024-2025 planning cycle, the WestConnect consultant, Energy Strategies, requested that the PS reverse a previous decision that removed required information from the TPPL. The PS approved the reversal so that the TPPL submittals will require project lengths, estimated costs, and states traversed as it was previously thought removing these requirements would make the data gathering more efficient to collect later in the process.

At their December 12, 2023, meeting, the PS discussed the submittal of data for the 2024 study. Submission of data is to be done through the WestConnect TPPL which allows for relevant parties to submit data for their facilities to WestConnect. A demo of the TPPL tool was also provided. The PS also discussed removing the “Transmission Line and Substation” project type from the project types that can be submitted. It was concluded to only include “Substation” as a project type.

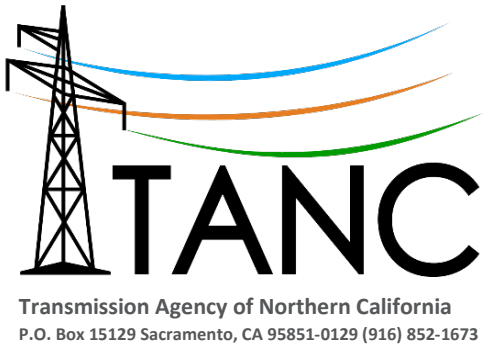
Planning Management Committee

At their November 15, 2023, meeting, the PMC discussed the upcoming meeting calendar for 2024, leadership approvals for 2024-2025 cycle, approval of the SAR and RTPR, the upcoming planning cycle and related tasks, regulatory updates, interregional coordination updates, and received a presentation from Western Transmission Expansion Coalition (WTEC). With completion of the SAR, the discussion moved towards preparing for the next planning cycle and the scenario request window opened December 1, 2023 and closes January 10, 2024. In addition, WestConnect has also opened the submission window for Transmission Plan Project, from December 1, 2023 to January 28, 2024. Submission for both are done through the TPPL portal. The meeting concluded with an update on the North American Electric Reliability Corporation/Western Electricity Coordinating Council (WECC) Interregional Transfer Capability Study (ITCS) and short presentation from the WTEC which included information on the ITCS Study Framework document. The PMC was also reminded that the ITCS in the West has taken on a different approach than looking at transfers between planning regions and instead is looking at studying transfers from source to sink. Currently WECC is developing a list of sinks/loads and asking for feedback from entities that represent load(s).

At their December 13, 2023, meeting, the PMC discussed the finalized Regional Assessment for the current planning process, progress on finalizing the Regional Transmission Plan, an ITCS update, and the formation of the WTEC. After the scenario request window closes on January 10, 2024, the final step is the approval of the transmission plan. The draft study plan is set to be released for stakeholder comments on February 21, 2024. The PMC also discussed the ITCS, and it was noted that larger footprints are being coordinated and combined for the study. The regions include Front Range, Southwest, Southern California and Northern California. Finally, the PMC discussed the formation of the WTEC and reported that a technical task force is being formed to discuss the study scope and that they will identify an independent consultant to perform the studies.

WestConnect Stakeholder Meeting

On November 16, 2023, WestConnect held a stakeholder meeting and presented the Draft 2022-2023 Regional Transmission Plan Report and reviewed the upcoming planning cycle with critical dates for the SAR and TPPL submissions. The stakeholder meeting also included an overview of the ITCS as well as an introduction/overview of WTEC.



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

SUBJECT: REPORT ON COTP MATTERS

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

Environmental and Land Activities

Delta Conveyance Project (DCP) Final Environmental Impact Report (EIR) - Responses to Comments

On December 8, 2023, the California Department of Water Resources (DWR) provided the following notification to public agencies that had commented on the Draft DCP EIR:

“Pursuant to the California Environmental Quality Act (Public Resources Code §21092.5), at least 10 days prior to certifying an environmental impact report (EIR), the lead agency shall provide written proposed responses to public agencies on comments made by those agencies. Therefore, the Department of Water Resources is now providing your agency with written proposed responses to the comments submitted on the Delta Conveyance Project Draft Environmental Impact Report, which are included in Final Environmental Impact Report Volume 2. Depending on the subject matter of your agency’s comments, the proposed responses may refer to common responses, other responses to comments, or to the Final Environmental Impact Report itself; these items have also been provided.”

TANC submitted six comments on the Draft DCP EIR on October 10, 2022, that included a transmittal letter from the TANC General Manager and a letter from the Western Area Power Administration (WAPA). DWR framed the TANC transmittal letter (2), comments (6), and attached WAPA letter (1) as nine comments to which they responded. Those comments and responses are provided in the attached table which is an excerpt from DWR’s Table 4-3.

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

Regarding TANC Comment #1 (TANC's Status as a "Responsible Agency" under CEQA: Review of Final EIR Chapter 1 indicates that DWR has added TANC as a Responsible Agency under the California Environmental Quality Act (CEQA), and identifies the appropriate use of the Final EIR by TANC with respect to its "Permit, Decision, Approval, or Other Actions"¹ as:

"Coordination regarding rights-of-way for the California-Oregon Transmission Project and transmission tower facilities. Coordination regarding fee title or a long-term lease interest for proposed site of the Bethany Reservoir Pumping Plant and Surge Basin."

Regarding TANC Comment #2 (Intended Use of the TANC Property): DWR notes its consultations with WAPA regarding expansion of the Tracy Substation and references a mapbook regarding a slight modification they have made to the Bethany Complex footprint to accommodate future Tracy Substation expansion. The referenced mapbook is not presented at a scale sufficient to ascertain whether that "slight modification" has been made.

Regarding TANC Comment #3 (Consent to Common Use Agreement Required for All COTP Right of Way Crossings), and Comment #4 (DWR and DCP Responsibilities Associated with COTP Tower Relocations): DWR's comment responses commit to consulting with TANC and WAPA as the design process for the Bethany Reservoir Alternative proceeds until final design "as feasible." DWR places heavy emphasis on prior and future consultation and coordination with WAPA; less so with TANC.

Regarding the Remainder of TANC's Comments 5 (Easement Rights Held by WAPA), 6 (No Authorization or Acquiescence), the TANC Transmittal, and the WAPA Letter): DWR provides responses that either reference one or more of their responses that commit to ongoing coordination with WAPA and TANC, or standard language noting the comment, what it contains, and whether it relates to the EIR and/or potentially significant environmental impacts.

Additional excerpts from DWR's Responses to Comments Table 4-3 that apply to TANC's comments are included in the attached table.

Final EIR Approval and Certification

On December 21, 2023, DWR approved the Final EIR for the Delta Conveyance Project. DWR certified the Final EIR with respect to the following requirements in Public Resources Code Sections 21081 and 21082.1 and CEQA Guidelines Section 15090, which state that:

Prior to approving a project, the lead agency shall certify that:

- (1) The final EIR has been completed in compliance with CEQA.
- (2) The final EIR was presented to the decision-making body of the lead agency and that

¹ Final EIR page 1-44.

the decision-making body reviewed and considered the information contained in the final EIR prior to approving the project; and
(3) The final EIR reflects the lead agency's independent judgment and analysis.

Based upon confirmation of the foregoing, the DWR Director found and determined that the Final EIR provides the basis to approve the Project as the Bethany Reservoir Alternative for further design and permitting, and to adopt the corresponding; (1) CEQA Findings; (2) Statement of Overriding Considerations; and (3) Mitigation Monitoring and Reporting Program. Those and related DWR decision documents can be found at the following links:

[03.0 DCP CEQA Findings and SOC ADA.pdf | Powered by Box](#)

[04 DCP MMRP ADA.pdf | Powered by Box](#)

[02.0 Delta Conveyance Project Notice of Determination Signed 21DEC23.pdf | Powered by Box](#)

[01.0 Delta Conveyance Project Final EIR Certification Signed 21DEC23.pdf | Powered by Box](#)

TANC will continue to coordinate with DWR and verify the parties previously agreed-upon design changes to the Bethany Reservoir Alternative preserve the opportunities for expansion of the Tracy Substation on the property owned by TANC at the northeast corner of Mountain House Boulevard and Kelso Road.

Enclosure

Letter-Comment Number	Comment	Response
		State Water Project users to ensure California's water resources are being used efficiently and sustainably.
199-1	<p>TANC is a joint exercise of powers agency organized under Chapter 5, Division 7, Title 1 of the California Government Code, and a Joint Powers Agreement, dated as of December 10, 1984, among the Cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara and Ukiah, the Modesto Irrigation District, the Sacramento Municipal Utility District (SMUD), and the Turlock Irrigation District, as members, and Plumas-Sierra Rural Electric Cooperative, as an associate member.</p> <p>TANC is the Project Manager of the COTP, which is an existing 340-mile long, 1,600-megawatt, 500 Kilovolt (kV) transmission project between the California-Oregon border and Central California. The COTP is critical to the delivery of electricity to the State of California. The Western Area Power Administration (Western) has minority ownership interests in the COTP, transmission entitlement rights, certain lands rights, and provides Operations and Maintenance (O&M) services to TANC for the COTP.</p> <p>TANC is submitting these comments consistent with its status as a public agency and its discretionary approvals associated with the Delta Conveyance Project. We look forward to consulting with DWR regarding the corresponding TANC considerations, discretion, and related decisions as set forth in the attached comments.</p>	<p>This information describes the structure or organization of the comment letter, the background of the organization or individual commenter, clarification on the submittal of the comment letter, or general introductory text. It is not a comment on the contents of the EIR. DWR has reviewed all comments and will consider all comments in its decision-making process.</p>
199-2	Please do not hesitate to call me at (916) 906-2029 to discuss these comments, our consultations, and the development of mutually beneficial approaches with regard to the DCP and TANC interests and public agency responsibilities.	Please refer to response to comment 199-1 regarding the introductory nature of the comment.

Letter-Comment Number	Comment	Response
199-3	<p>ATT 1:</p> <p>Transmission Agency of Northern California Comments on the Delta Conveyance Project Draft Environmental Impact Report</p> <p>Comment 1. TANC’S Status as a "Responsible Agency" under CEQA</p> <p>As a joint powers agency established pursuant to Cal. Gov. Code section 6502, the Transmission Agency of California (TANC) is a "public agency" within the meaning of CEQA (Cal. Pub. Res. Code section 21063; CEQA Guidelines section 15379).¹[footnote] Although not identified as such in the Draft Environmental Impact Report (EIR),² [footnote] TANC is properly considered to be a "Responsible Agency" under CEQA in relation to the proposed Project (Cal. Pub. Res. Code section 21069; CEQA Guidelines section 15381). This status derives from TANC’s ownership of real property (the "TANC Property") that has been identified as the proposed site of the Bethany Reservoir Pumping Plant and Surge Basin under the Dual Conveyance Bethany Reservoir Alignment alternative (Draft EIR Section 3A.3.1.8), as well as TANC’s ownership of rights-of-way (ROWs) for the California-Oregon Transmission Project (COTP) and transmission tower facilities that may also be affected by that alternative and others. If DWR approves the Dual Conveyance Bethany Reservoir Alignment alternative, it will need to acquire the fee title (or a long-term lease interest) from TANC with respect to the TANC Property, and TANC will exercise its discretion in determining whether to transfer title or another property interest to DWR to facilitate implementation of the DCP. Accordingly, TANC requests that it be identified as a "Responsible Agency" in the Final EIR, and</p>	<p>Some of the information in this comment describes the background of the organization or individual commenter, clarification on the submittal of the comment letter, or general introductory text, which is not a comment on the EIR. Revisions to the table titled Summary of Potential Agencies and Review, Approval, or Other Responsibilities, in Addition to Those under CEQA in Chapter 1, Introduction, have been made in the Final EIR to identify Transmission Agency of Northern California (TANC) in this table. None of the revisions in this table described in the EIR resulted in a new significant environmental impact or substantial increase in the severity of an environmental impact or required additional mitigation measures to which DWR was unwilling to commit.</p>

Letter-Comment Number	Comment	Response
	<p>that DWR consider its comments on the Draft EIR appropriately.</p> <p>1. The fifteen local agencies comprising TANC are: Alameda Municipal Power; City of Briggs; City of Gridley; City of Healdsburg; City of Lodi; City of Lompoc; City of Palo Alto; City of Redding; City of Roseville; City of Santa Clara/Silicon Valley Power; City of Ukiah; Modesto Irrigation District; Plumas-Sierra Rural Electric Cooperative; Sacramento Municipal Utility District; and Turlock Irrigation District.</p> <p>2. Agency and responsibilities are described in Section 1.5 of the draft EIR.</p>	
199-4	<p>Att 1:</p> <p>Comment 2. Intended Use of the TANC Property</p> <p>TANC acquired the TANC Property for potential use as a transmission substation site. As is shown in the Draft EIR Figure 3-31, the TANC Property is located adjacent to the Tracy substation owned and operated by the Western Area Power Administration (WAPA). WAPA has recently communicated in writing to TANC its interest in expanding the Tracy substation onto the TANC Property "[t]o accommodate additional interconnections, integrate renewable resources and battery storage, or provide for load growth within the region." [Footnote 3: Letter from Sonja A. Anderson, Senior Vice President and Sierra Nevada Regional Manager, to John Roukema, Interim General Manager, TANC, dated June 13, 2022 (copy attached). [See attachment 2]] TANC will need to consider WAPA's potential competing need for the TANC Property in arriving at a decision as to whether to make the</p>	<p>DWR has been made aware of Western Area Power Administration's (WAPA) proposed expansion of the Tracy substation, which would expand into the TANC right-of-way. Based on meetings with WAPA, DWR has proposed slight modification of the Bethany Complex footprint to accommodate future expansion of the Tracy substation. Please refer to Chapter 3, Description of the Proposed Project and Alternatives, to see a description of the Bethany Complex and the revised mapbook referenced in that section. Common Response 3, Alternatives Development and Description, further describes refinements to the project description, including the Bethany Complex. None of the refinements in Chapter 3 resulted in a new significant environmental impact or substantial increase in the severity of an environmental impact or required additional mitigation measures to which DWR was unwilling to commit.</p>

Letter-Comment Number	Comment	Response
	<p>TANC Property available for the DCP. TANC calls this consideration to DWR's attention in connection with DWR's evaluation of the legal feasibility of the Dual Conveyance Bethany Reservoir Alignment alternative. TANC stands ready to consult with DWR regarding this consideration.</p>	
199-5	<p>Att 1:</p> <p>Comment 3. Consent to Common Use Agreement Required for All COTP Right of Way Crossings</p> <p>Tables 21-3 and 21-4 of the Draft EIR indicate that any temporary and permanent surface impacts of the Project crossing the COTP ROW from intakes, access roads, and other aboveground infrastructure could range from 0.016 to 0.284 miles, depending on the alternative ultimately selected. Notably, the Preferred Alternative 5 would have the greatest impact of 0.284 miles of disturbance to the COTP ROW. Regardless of the alternative ultimately selected for construction, DWR would need to obtain a Consent to Common Use Agreement from TANC for any temporary or permanent Project crossings of the portions of the COTP ROW held by TANC. Please note that the Consent to Common Use Agreement will likely include, but may not be limited to, the following conditions:</p> <p>* Access to the COTP facilities for inspection and maintenance, including access for heavy equipment, shall be required at all times during DCP transmission facilities planning, construction and operation. All COTP ROW access roads must be available at all times for emergency and routine operations and maintenance (O&M) activities.</p> <p>* TANC will require the development of a Compensation</p>	<p>As discussed in Chapter 21, Public Services and Utilities, DWR will continue to consult with appropriate public service and utility owners and operators, including WAPA and TANC, during the design phase regarding any proposed uses within WAPA or TANC's right-of-way to avoid service interruptions. DWR has previously requested and been provided with WAPA's line clearance requirements and encroachment permit process. DWR will observe all clearance requirements during construction and operations and follow WAPA's encroachment permit process when and if access to WAPA's transmission line easements is required. This consultation regarding access to WAPA's facilities would occur for any TANC-owned real property or COTP utilities. DWR will consult with WAPA during the design phase and is committed to maintaining the safety standards and conditions outlined in WAPA's "Consent to Common Use Agreement for temporary or permanent crossings of WAPA's right-of-way." This includes access to TANC facilities and roads, Safety Codes and OSHA requirements, and continued consultation with TANC. Specifically, DWR will work with WAPA to ensure continued access to WAPA facilities during project construction.</p>

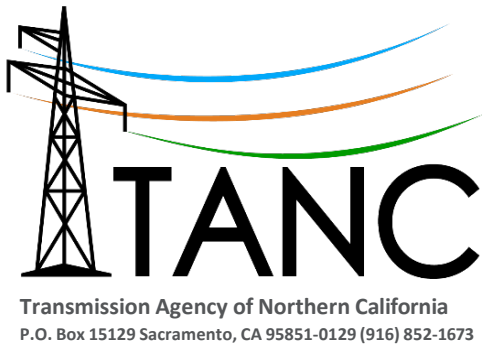
Letter- Comment Number	Comment	Response
	<p>Agreement for the time needed for on-site representation of TANC's interests.</p> <p>* TANC will require that written notification be provided to itself and WAPA of all locations where temporary or permanent DCP transmission lines will be crossing the COTP ROW, to be provided no fewer than 180 days prior to the initiation of construction. WAPA is the operating agent under contract to TANC for O&M of the COTP.</p> <p>* TANC requires that a TANC representative be on site at times when construction work is conducted within or adjacent to the COTP ROW for any and all DCP construction activities.</p> <p>* TANC will require that all communications to TANC be transmitted in both electronic and hard copy formats to the following contacts: Regular Mail: Transmission Agency of Northern California P.O. Box 15129 Sacramento CA 95851-0129 Attention: General Manager Email: info@tanc.us jzimmerman@tanc.us</p> <p>* No transmission line crossings of the COTP ROW will be authorized to be sited in a manner that would place new transmission towers within the COTP ROW.</p> <p>* At all locations where Project transmission or distribution lines deliver power to the DCP cross the COTP ROW, they shall</p>	

Letter-Comment Number	Comment	Response
	<p>be required to cross under the COTP conductors. Further, these crossings shall be required to satisfy National Electricity Safety Code and/or California General Order 95 requirements (whichever is more restrictive) for the COTP line under its maximum sag conditions.</p> <p>* TANC will require an electronic copy of each draft version of any Project safety plan applicable to those construction activities within or adjacent to the COTP ROW be provided to itself and WAPA no fewer than 180 days prior to the approval of the plan for implementation.</p> <p>* TANC will require that DWR provide detailed, site-specific information regarding the construction practices that will be occurring within the COTP ROW, and within 500 feet of the COTP ROW that includes, but is not limited to:</p> <ul style="list-style-type: none"> - Construction equipment; - Construction crew sizes; - The extent to which cranes will be used in installing the conveyance facilities; - Maintenance of clearance distances to COTP conductors; - The duration of all construction activities within the COTP ROW; - Excavation practices within or adjacent to the COTP ROW and transmission towers; and - Excavated materials transport and placement locations. <p>* TANC will require that TANC and WAPA be consulted prior to and during the installation of temporary clearance markers to indicate the closest safe distances from the conductors.</p> <p>* Permanent markers indicating the proximity of energized</p>	

Letter-Comment Number	Comment	Response
	<p>high-voltage power line conductors shall be required to be furnished and installed on DCP electric transmission facilities before the completion of construction according to standard industry practices for such marker installations.</p> <p>* All temporary earthwork within or adjacent to the COTP ROW shall be required to be designed and implemented in a manner that results in drainage away from COTP transmission tower footings.</p> <p>* No cut or fill or cofferdam construction and/or dewatering activities will be authorized that could affect the stability of the COTP transmission tower footings consistent with all applicable government codes. Excavations will not be authorized within 100 feet of COTP transmission tower footings.</p> <p>* Residual Tunnel Material and any and all other excavated soil, spoils, or other materials will not be allowed to be placed within the COTP ROW.</p>	
199-6	<p>Att 2: Comment 4. DWR and DCP Responsibilities Associated with COTP Tower Relocations Draft EIR page 21-39, lines 10-13 states that:</p> <p>"At some locations, electrical distribution and transmission lines would require relocation to maintain utility service. DWR is consulting with SMUD, PG&E, and WAPA, and consultations with other utilities would occur during the design phase to avoid interruption to service."</p> <p>This statement is one of several in the Draft EIR -- either explicit or implied -- that transmission towers may need to be</p>	<p>DWR is committed to continuing to work with WAPA's transmission line planning department regarding the Delta Conveyance Project. DWR is aware of WAPA's concerns and is committed to continuing coordination with them to resolve outstanding concerns, as feasible. This coordination will continue as design develops. Should relocations/acquisitions be necessary, DWR will negotiate these terms, including compensation considerations, with WAPA before final design.</p>

Letter- Comment Number	Comment	Response
	<p>relocated when the alternative ultimately selected is designed and constructed. We understand that this statement may apply to COTP transmission towers as well as those owned and/or operated by SMUD, PG&E, and WAPA. If the alternative ultimately selected for construction requires COTP tower relocations, TANC will require that DWR and the DCP agencies be responsible for the following:</p> <ul style="list-style-type: none"> * Acquiring all additional and/or replacement right of way (ROW) that may be needed to account for lands needed for relocation of the existing COTP towers with rights fully equivalent in all respects to the current rights. Full ownership and transmission entitlements associated with those rights would need to be vested completely in TANC on behalf of the COTP participants. * Incurring all costs for the design and construction of any new transmission towers that will be needed to maintain COTP service levels as the COTP is relocated to new ROW. * Fully funding all environmental studies, permit applications, and all other regulatory compliance requirements needed for relocating any portion of the COTP ROW. * Bearing all costs required for the design, construction and commissioning of the replacement 500-kV line of equal or greater capacity if needed. * Fully compensating for all lost revenues resulting from outages needed for relocation, replacement interconnection, and for all associated litigation costs. 	

Letter-Comment Number	Comment	Response
199-7	<p>Att 1:</p> <p>Comment 5. Easement Rights Held by WAPA</p> <p>Some easements comprising the portions of COTP ROW of concern are held by the United States and administered by WAPA, a federal agency under the Department of Energy, acting as TANC Operations and Maintenance Agent, for the benefit of all of the COTP participants (which include TANC, Western, the Pacific Gas and Electric Company (PG&E), the City of Redding, the Carmichael Water District and the San Juan Water District). Those easements also include provisions to protect against any additional uses affecting the COTP ROW that could interfere with the safe operation and maintenance of the COTP facilities.</p>	<p>The project will not interfere with the safe operation of COTP facilities. Regarding easement rights held by WAPA, these include provisions to protect easements for various agencies and companies. Please see response to comment 199-5 regarding DWR's commitment to continued consultation with utilities and utility owners prior to final design.</p>
199-8	<p>Att 1:</p> <p>Comment 6. No Authorization or Acquiescence</p> <p>TANC's comments herein are not intended, and shall not be construed, as authorization of, or acquiescence in, any particular uses of TANC-owned real property or the COTP ROW for the purposes of implementing the DCP.</p>	<p>The comment does not concern the proposed project or the contents of the EIR. DWR has reviewed all comments and will consider all comments in its decision-making process.</p>
199-9	<p>[Attachment 2: Letter to the Transmission Agency of Northern California from Western Area Power Administration APA regarding expansion of the Tracy substation, dated June 13, 2022</p>	<p>The commenter provided this attachment for reference purposes in support of their comments. Those comments are addressed in these responses to the commenter's letter.</p>
205-1	<p>MS. SCHANEL: Thank you for your comment. I'm going to read the names of the next several commenters, so you'll know when your turn is coming. The next commenters will be Tom Donnelly, David Glowsky and David Armstrong. Tom, you should be receiving a notice to come off mute now.</p> <p>MR. DONNELLY: Thank you. Hopefully, you can hear me well.</p> <p>MS. SCHANEL: Yes.</p>	<p>This information states that name and the background of the commenter. It is not a comment on the contents of the EIR. DWR has reviewed all comments and will consider all comments in its decision-making process.</p>



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

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:

2023 Annual Assessment Process

On December 22, 2023, the draft 2023 TANC Annual Planning Assessment was distributed to the Engineering and Operations Committee members and their planning staff for review. Comments received from the Sacramento Municipal Utility District and considered. The 2023 TANC Annual Planning Assessment was finalized on December 31, 2023 and a copy is attached. In late January, the TANC Annual Planning Assessment will be distributed in accordance with applicable North American Electric Reliability Corporation standards – TPL-0015-5.1 and IRO- 017-1.

California Oregon Intertie Path Rating Process

The California Oregon Intertie (COI) representatives continue to meet every two weeks and the Phase Two COI Path Rating Study report is in the final stages of approval. The Phase Two COI Path Rating Study report was approved by both the TANC Commission and the COTP Management Committee at their respective November meetings.

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

At their last meeting, COI representatives discussed the impacts to the Oregon Export Limit with the proposed COI increase to 5,100 megawatts (MW). At this meeting, there was discussion that the COI rerate is a planning limit and the Oregon export limit is an operating limit, but that there are other limits in the operations timeframe that could take COI below the planning limit of 5,100 MW at certain times. Currently, COI owners are working on a presentation to be made to RC West in mid-January which will include the details of studies and the impacts due to the change in the COI path rating from 4,800 to 5,100 MW.

Operating Studies Subcommittee

The Summer Operating Studies Subcommittee (OSS) studies are underway for Spring/Summer 2024 operations season. The findings will be presented at the next OSS meeting scheduled for late January 2024. Since the derated Pacific Gas and Electric Company (PG&E) equipment is not expected to be upgraded to allow the COI to return to previous ratings until the June-July 2024 timeframe, the initial studies for OSS have the COI limited to less than 4,500 MW as was the case last year. Additional studies will occur as time draws closer to the completion of the PG&E equipment upgrades which is anticipated to allow COI to return to 4,800 or 5,100 MW if the COI Path Rating Process is approved and ready for implementation.

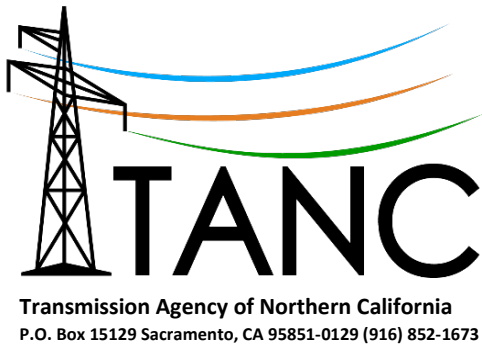
Affected System Studies

Descendant Ranch Project (CAISO Queue-1496)

TANC previously declared itself as an affected system for the proposed Descendent Ranch project that is proposed for interconnection near TANC's Olinda Substation. TANC's affected system study found that this project causes impacts to TANC facilities and TANC requested that the developer modify an existing automatic system that would alleviate the issue(s). The project size was reduced due to issues presented over the use of a Remedial Action Scheme (RAS) by the California Independent Operator (CAISO). The reduced size was restudied and it was determined that the RAS was still required to mitigate issues observed on the Olinda Substation bank. Discussions are ongoing and TANC will coordinate with both the Western Area Power Administration and the Balancing Authority of Northern California to determine if it is possible to develop an operating procedure to address the concerns presented by the project.

CAISO Queue-1691 and 1702

On October 23, 2023, TANC executed Letters of Agreement for two CAISO Cluster 13 project that are proposed for interconnection to the Pacific Gas and Electric 500-kilovolt Tesla Substation. On November 30, 2023, TANC received the deposit to begin the affected system study for project Queue 1702 – proposed as approximately 400 megawatts of wind, solar and battery storage. TANC has 60 calendar days to complete the affected system study.



MEMORANDUM

DATE: January 10, 2024

FROM: Jarom Zimmerman
General Manager

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.

FERC Commissioner Update

On December 19, 2023, FERC Commissioner James Danly (R) reported that he will be stepping down at the end of 2023. Commissioner Danly's term expired on June 30, 2023 but was permitted to serve for the remainder of the calendar year. Following Commissioner Danly's departure, FERC will be down to three commissioners: Chairman Willie Phillips (D), Allison Clements (D), and Mark C. Christie (R). FERC will have two open seats and a 2-1 Democratic majority.

2023 Report on Enforcement

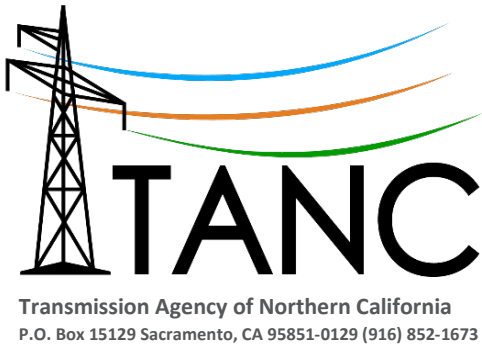
On November 16, 2023, FERC's Office of Enforcement (OE) released its annual report describing activities performed by its Divisions of Investigations, Audits and Accounting, and Analytics and Surveillance (DAS) over the past fiscal year. In its report for fiscal year 2023, the OE prioritized the following enforcement areas: 1) fraud and market manipulation; 2) serious Reliability Standard violations; 3) anticompetitive conduct; 4) threats to the United States' energy infrastructure and associated impacts on the environment and surrounding communities; and 5) conduct that threatens transparency in regulated markets. The report also summarized audit findings and settlements approved by FERC, discussed public litigation filings before federal courts and Administrative Law Judges, provided examples of market monitor referrals, and described how the DAS's surveillance program analyzes transactional and market data to detect potential manipulation, anticompetitive behavior, and other irregular activities in the energy markets.

Pacific Gas and Electric Company - Tax Cuts and Jobs Act of 2017

On June 20, 2023, Pacific Gas and Electric Company (PG&E) requested rehearing of a FERC May 18, 2023 order, which directed PG&E to reflect a decreased federal corporate income tax rate for January and February 2018 due to the implementation of the Tax Cuts and Jobs Act of 2017, which went into effect on January 1, 2018. In its request for rehearing, PG&E argued that the order causes it to violate Internal Revenue Service (IRS) normalization rules, resulting in PG&E's lost ability to use accelerated depreciation for public utility property. On November 2, 2023, FERC issued an order rejecting PG&E's argument. In its order, FERC asserted that its initial directive is not limited to changes in PG&E's current federal corporate income tax expense, and that it does not prohibit PG&E from adjusting its accelerated depreciation or accumulated deferred income taxes to maintain compliance with the IRS's normalization rule. FERC also stated that failing to require a reflected tax rate decrease is unjust and unreasonable, and PG&E can reflect an allowance for federal corporate income taxes at a level that exceeds the tax rate actually applicable to PG&E. On November 22, 2023, PG&E provided notice that it will submit an amended compliance filing in February 2024.

Notice of Inquiry on Investment Interests in Utilities

On December 19, 2023, FERC issued a notice of inquiry (NOI) into its policy on the ownership of electric utilities by financial investment companies. Currently, using a set of defined criteria, FERC permits three-year blanket authorizations for financial investment companies, in accordance with section 203(a)(2) of the Federal Power Act. The NOI, FERC requests input on: 1) whether, and, if so, how it should revise its current blanket authorization policy given the financial services sector's growing prevalence in wholesale electric power markets; 2) whether it should consider the size of a financial investment company in evaluating a blanket authorization request; and 3) what factors it should consider when evaluating a financial investment company's control over public utilities as part of a blanket authorization request.



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

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.

Board of Directors Meeting – Day 1

On December 5, 2023, the WECC Board of Directors (BoD) convened for the first of two day-long meetings. Day 1 featured open meetings held by the WECC Human Resources Compensation Committee (HRCC), Finance and Audit Committee (FAC), Standards Committee (SC), Governance Committee (GC), Member Advisory Committee (MAC) and a technical session regarding inverter-based resource (IBR) risk mitigation.

During the HRCC meeting, committee members approved the WECC 2024 corporate scorecard, which is intended to provide the BoD with transparency into WECC's achievement of delegated responsibilities, sound business practices, positive impact on industry, and effective and efficient processes. The scorecard will measure WECC's impact by: 1) innovating and expanding risk-based focus in all standards, compliance monitoring, and enforcement actions; 2) assessing and initiating actions to mitigate known and emerging risks to the reliability and security of the Western Interconnection (WI); 3) strengthening engagement with the reliability and security community in the WI; 4) seizing opportunities for effectiveness, efficiency, and continuous improvements; and 5) building the capability and culture that enables WECC to deliver on its critical reliability mission. The next HRCC meeting will be held on June 11, 2024.

During the FAC meeting, committee members reviewed WECC's investment performance and adherence to its investment policy statement and discussed WECC's 2025 business plan and budget schedule. The next FAC meeting will be held on March 12, 2024.

During the SC meeting, members approved the five-year review standard authorization request for WECC-0154 VAR-001-5, Voltage and Reactive Control with WECC Regional Variance, as well as agreed to forward WECC-0147 BAL-04-WECC-4, Automatic Time Error Correction to the BoD. The next SC meeting will be held on March 12, 2024.

During the GC meeting, committee members shared the results of the 2023 MAC BoD effectiveness survey. According to survey results, most MAC members believe that BoD decisions are achieved through transparent processes, and that the BoD appropriately considers MAC and stakeholder input in its decision making. However, given that several respondents expressed concern regarding transparency in BoD decision making, the GC briefly discussed how the BoD could potentially improve the frequency and degree of its engagement with the MAC. The next GC meeting will be held on March 12, 2024.

During the MAC meeting, committee members approved a revised charter to modify the off-cycle election process to: 1) provide that, if a seat vacancy arises at the MAC, the vacant seat will be filled by the co-chair or vice chair; and 2) provide that if a seat vacancy arises for an at-large member more than four months from the annual WECC meeting, the Joint Guidance Committee will seek an appointment by MAC member representatives of the respective class, and the appointed at-large member will serve on an interim basis until the next annual WECC meeting, at which time they may seek election to a full, two-year term. The next MAC meeting will be held on February 7, 2024.

During the technical session, a panel of WECC staff experts discussed ongoing IBR risk identification and mitigation activities at WECC, North American Electric Reliability Corporation (NERC), and the Federal Energy Regulatory Commission (FERC) and discussed: 1) the future registration of and outreach to IBRs not currently subject to NERC Reliability Standards; 2) the development of new or modified Reliability Standards to address reliability gaps related to IBRs; 3) compliance oversight planning and monitoring coordination; 4) event analysis and industry recommendations; 5) the potential for improving IBR modeling improvements and conducting regional studies; and 6) strategic outreach and education.

Board of Directors Meeting – Day 2

Day 2 of the BoD meeting on December 6, 2023, included updates from the Anchor Power Flow Task Force (APFTF) and Production Cost Data Subcommittee (PCDS). During the APFTF meeting, task force members reported that the 2034 Heavy Summer 1 base case and 2034 Loads and Resources master spreadsheet are both now complete. Additionally, the APFTF discussed resource placement, reviewed the process, and asked for volunteers to place currently unmapped

resources. During the PCDS meeting, subcommittee members approved: 1) 2032 Anchor Data Set Production Cost Model V2.4.3; 2) non-WECC path updates; and 3) path rating updates Phases II and III. The PCDS also approved motions to model for: 1) forced outage rates; 2) wheeling rates; 3) wind and solar capacitor factors; and 4) phase shifters. The next PCDS meeting will be held on January 3, 2024.

WECC also gave a presentation to provide an update on reliability and security oversight efforts and highlighted an increase in the number of self-reports for CIP-004 (Access Management and Revocation) and PRC-024 (Voltage Protection) in 2023 Quarter 4. WECC also reported three Reliability Standards as “Most Violated”—CIP-004-6 (Personnel & Training), CIP-007-6 (System Security Management), and CIP-010-4 (Configuration Change Management and Vulnerability Assessments)—and three Reliability Standards as “Most Monitored”—CIP-008-6 (Incident Reporting and Response Planning), CIP-009-6 (Recovery Plans for Critical Cyber Assets), and PRC-027-1 (Coordination of Protection Systems for Performance During Faults). The next BoD meetings will be held on March 12 and 13, 2024.

Reliability Risk Committee Steering Committee

On December 11, 2023, the Reliability Risk Committee Steering Committee (RRCSC) met and discussed how to modernize and more efficiently organize the WECC Operating Network’s connection, security, and data use agreements. The WECC Data Exchange and Energy Management System Forum will recommend action items regarding this issue at its next meeting on February 8, 2024. Additionally, the RRCSC reported that it has received and analyzed industry feedback on its draft risk registry and is currently finalizing its list and ranking of risks, along with each risk’s associated mitigation decision of “Accept,” “Reduce,” or “Transfer.” The RRCSC will present its final risk registry for approval at the RRC meeting on February 28, 2024. The next RRC meetings will be held on February 28 and 29, 2024.

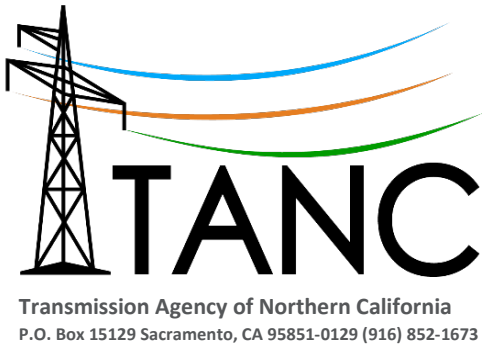
Reliability Assessment Committee Steering Committee

On December 14, 2023, the Reliability Assessment Committee Steering Committee (RACSC) met and discussed how FERC Order No. 881 will impact WECC’s path ratings and long-term planning. Specifically, the RACSC debated if, and to what extent, WECC should revise or abandon its path rating process considering Order No. 881’s requirements. Additionally, the RACSC discussed potential revisions to WECC’s load models, coordination on the risk registry, and upcoming efforts related to nominating and selecting a RAC co-chair. The next RAC meetings will be held on February 27 and 28, 2024.

System Review Subcommittee

On December 14, 2023, the System Review Subcommittee (SRS) discussed adding the Remedial Action Scheme (RAS) into base cases. There was mixed discussion as some members believed it would be beneficial, but others mentioned that WECC had tried to coordinate RAS in base cases previously and the differences in how entities deploy RAS in their cases caused issues. The SRS

also discussed the need to research steps to change the direction of the California-Oregon Intertie (COI) and Pacific Direct Current Intertie flows for summer cases. The SRS discussed the need to get operating information for the COI and the profile of generation for the summer times when the COI is flowing from South to North. The SRS also discussed proposed updates to the Data Preparation Manual. Finally, there was discussion regarding using 12 different ratings in cases. This was debated as some thought different ratings would improve accuracy of cases while others believed it would overcomplicate and confuse certain entities. This issue was left for decision at a future time.



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

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.

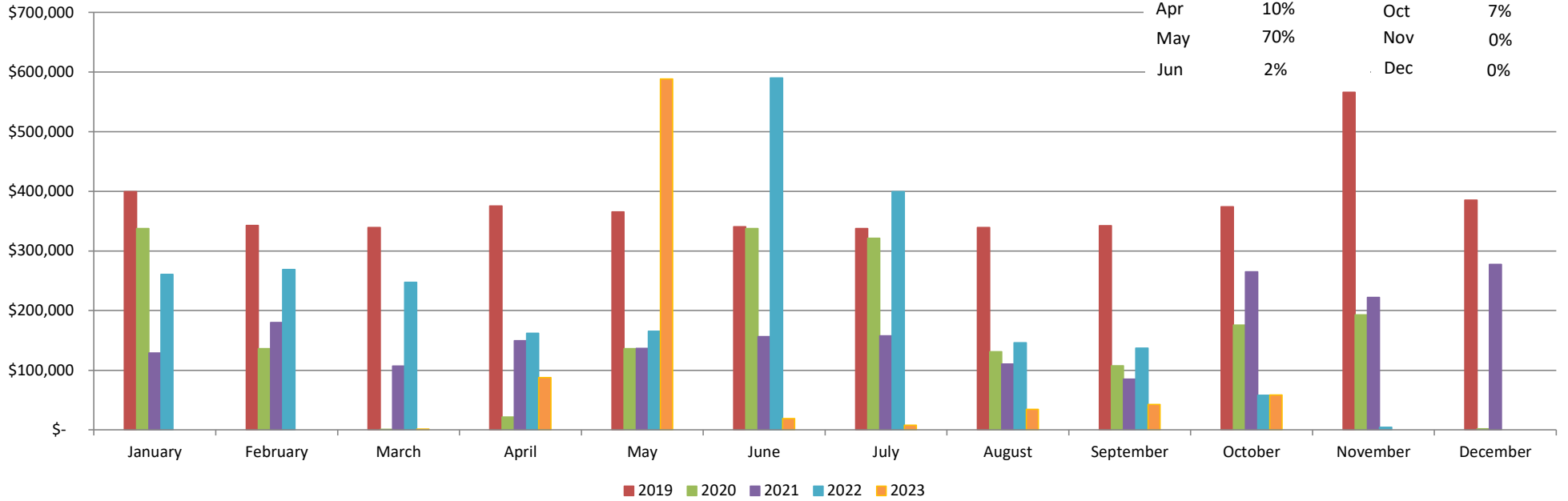
Enclosed is a bar graph indicating PA-5 Member third party OASIS sales on a monthly basis since 2019, in addition there are pie charts indicating monthly sales for October 2023 as well as year-to-date 2023 sales. A second bar graph includes calendar year sales from 2019 through October 2023. Additionally, 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 October totaled \$58,380. The 2023 Year-to-Date sales through October are \$839,640.

Enclosures

2023 TANC OASIS (PA-5) Annual Revenue Third Party Sales*

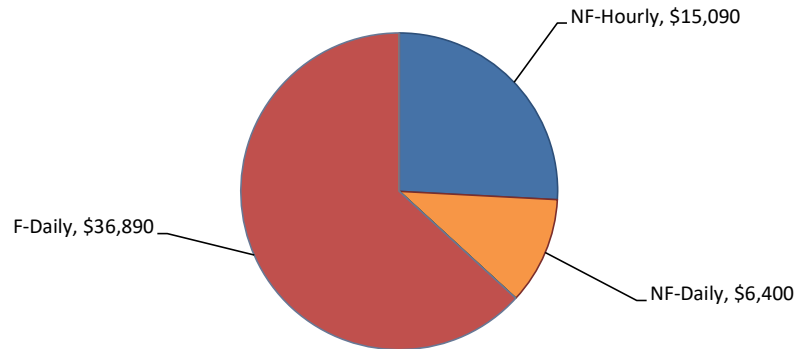
Historical OASIS Sales & Percentages for October 2023 2018-2023



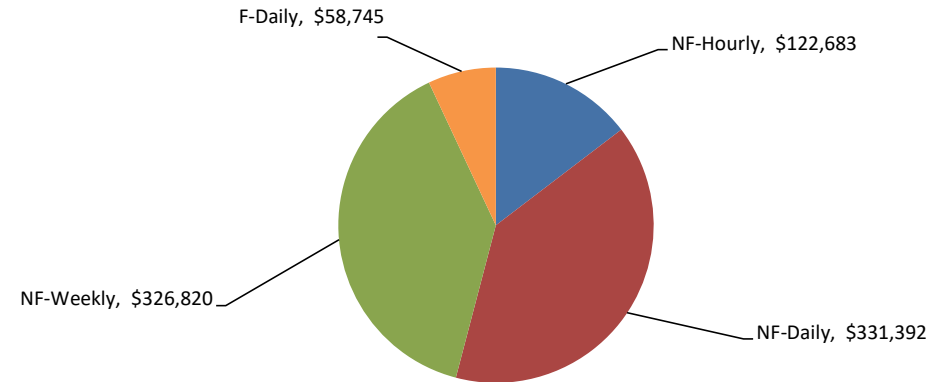
Monthly percentage of the YTD Total Revenue

Jan	0%	Jul	1%
Feb	0%	Aug	4%
Mar	0%	Sep	5%
Apr	10%	Oct	7%
May	70%	Nov	0%
Jun	2%	Dec	0%

2023 Product Sales Total October Sales \$58,380



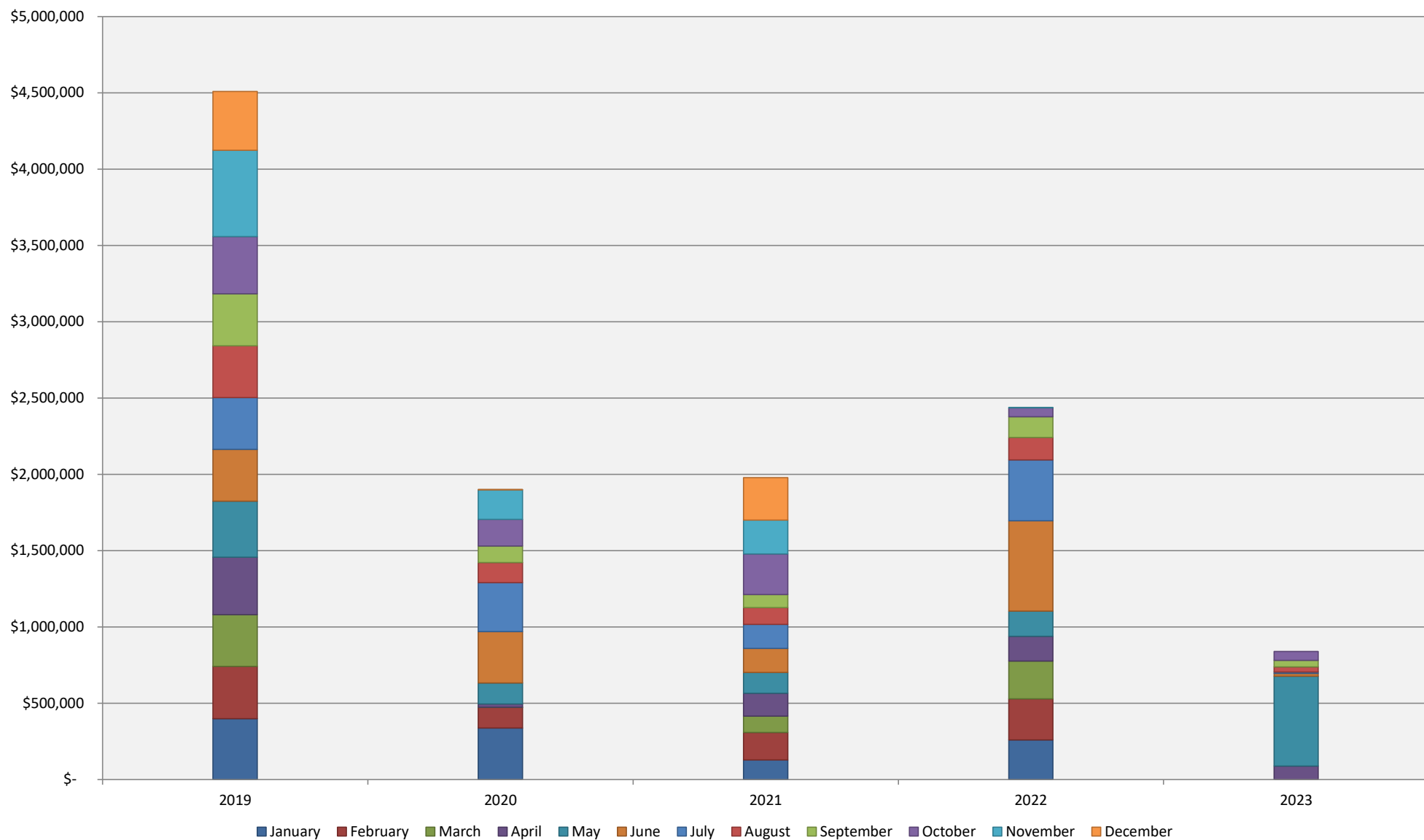
2023 YTD Product Sales Total 2023 Sales \$0.84M



* Includes OASIS sales data through October 2023. Does not include buy-backs or excess capacity purchases by TANC OASIS participants

2023 TANC OASIS (PA-5) Annual Revenue from Third Party Sales*

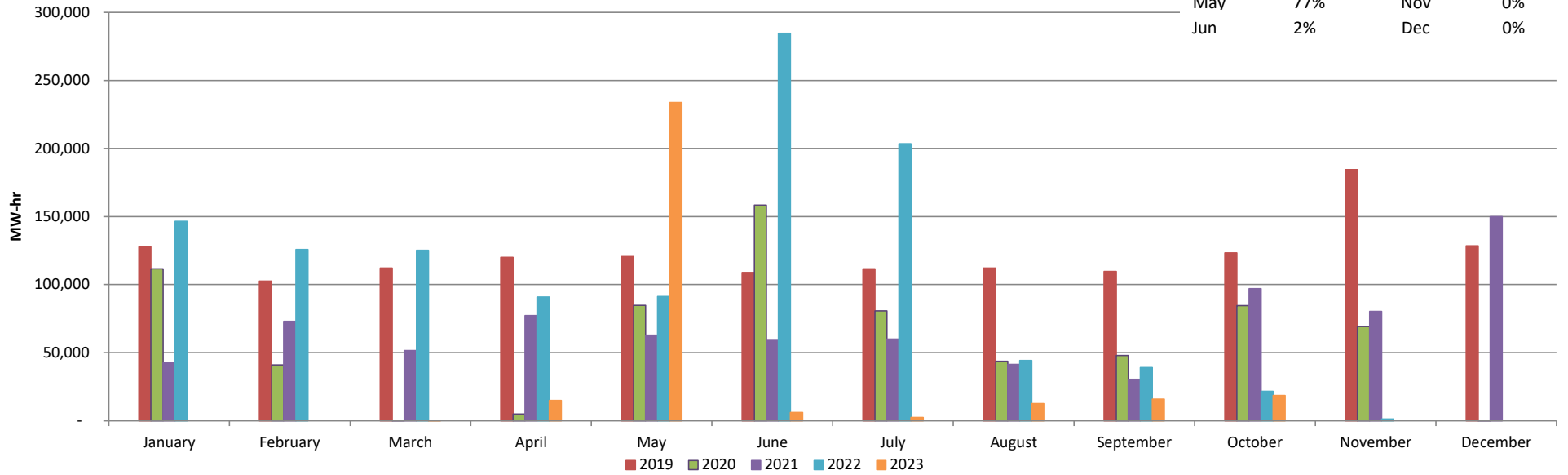
Monthly Historical OASIS Sales
January 2019 - October 2023



* Includes OASIS sales data through October 2023. Does not include buy-backs or excess capacity purchases by TANC OASIS participants

2023 TANC OASIS (PA-5) Annual MWh Third Party Sales*

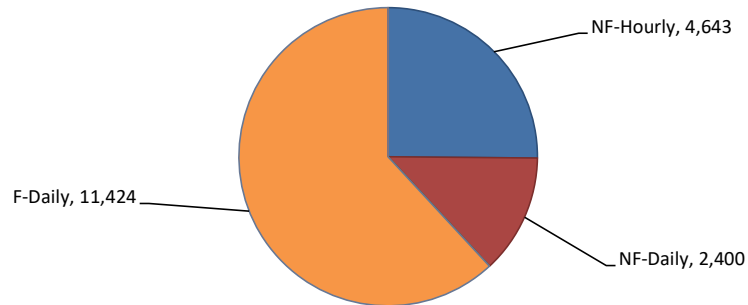
Historical OASIS Sales & Percentages for October 2023 2018-2022



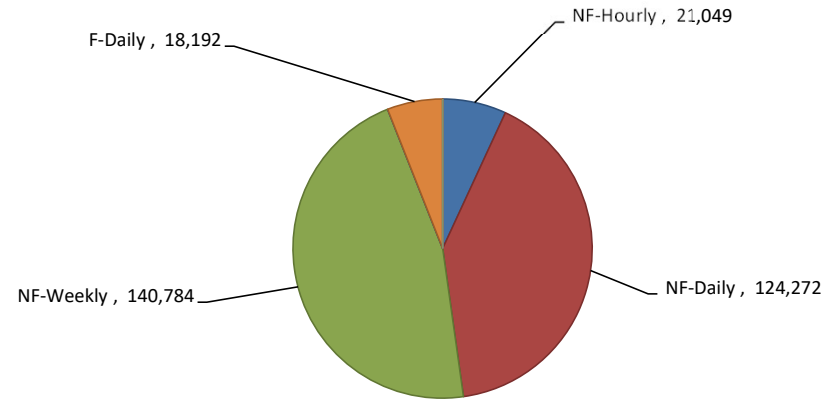
Monthly percentage of the YTD Total MWhr

Jan	0%	Jul	1%
Feb	0%	Aug	4%
Mar	0%	Sep	5%
Apr	5%	Oct	6%
May	77%	Nov	0%
Jun	2%	Dec	0%

2023 MWh Sales Total October Sales 18,467 MWh



2023 YTD MWh Product Sales Total 2023 Sales 304.3 GWh

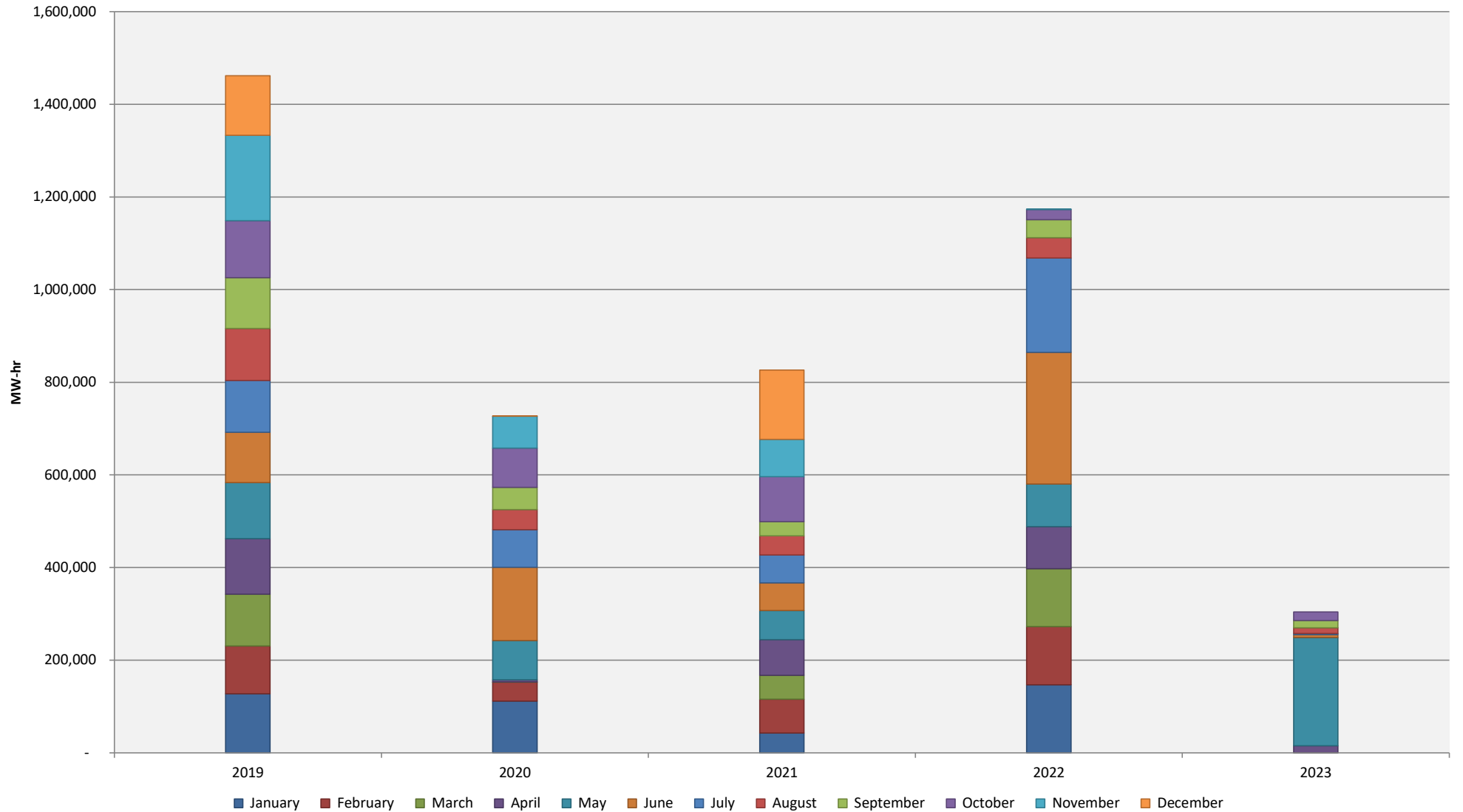


* Includes OASIS sales data through October 2023. Does not include buy-backs or excess capacity purchases by TANC OASIS participants
Includes sales only, does not include actual scheduled energy.

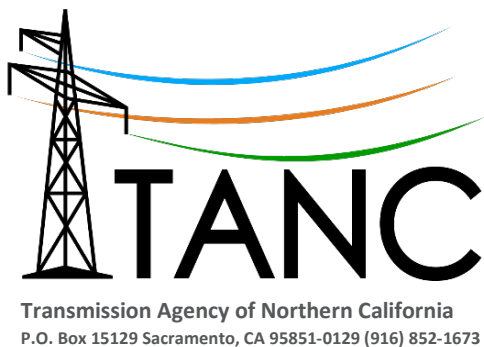
2023 TANC OASIS (PA-5) Annual MWh Third Party Sales*

Monthly Historical OASIS Sales

January 2019 - October 2023



* Includes OASIS sales data through October 2023. Does not include buy-backs or excess capacity purchases by TANC OASIS participants
Includes sales only, does not include actual scheduled energy.



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

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.

Advisory Opinion for the 2024 Wildfire Mitigation Plans of Electric Publicly Owned Utilities and Rural Electrical Cooperatives

Release of Draft for Public Comment

On November 15, 2023, the WSAB notified stakeholders that the draft WSAB Advisory Opinion for the 2024 Wildfire Mitigation Plans (WMPs) of Electric Publicly Owned Utilities (POUs) and Rural Electrical Cooperatives (Draft 2024 POU WMP Advisory Opinion) was available on the E-Filing docket 2024-WSAB-POU-WMP. Written comments were due no later than November 22, 2023. The WSAB also accepted verbal comments at its December 4, 2023 meeting. The Draft 2024 POU WMP Advisory Opinion is ten pages long, which is considerably shorter than prior versions. There were no comments on individual POU WMPs. The California Municipal Utilities Association (CMUA) submitted comments on November 22, 2023, which are attached.

Draft Content and Discussion of the Evolution of the POU WMPs

The Draft 2024 POU WMP Advisory Opinion included a brief introductory section reviewing the statutory history of the WSAB and its responsibilities to review POU WMPs followed by acknowledgement of the positive and collaborative relationship between the WSAB and POUs. A list of the POUs that submitted 2023 WMPs was also included, followed by a List of Statutorily

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

Required for the WMPs Pursuant to Public Utilities Code Section 8387(b)(2)¹.

Opportunities for Improvement to the Current Advisory Approach

The WSAB recognized in this draft opinion that there are limitations with the current approach of primarily one-way communication with the POUs through advisory opinions. The WSAB acknowledged that they aim to more effectively engage with POUs. The WSAB also reevaluated past comments from the POUs and discussed additional opportunities for collaboration, working through various WMP content issues, and identifying useful programs and practices that may be suitable for wider use among California's utilities. Based on these factors, the WSAB has envisioned a new approach which is described in the Recommendations section of the Draft 2024 POU WMP Advisory Opinion and is summarized below.

Recommendations

The WSAB intends to embark on a collaborative approach to improve POU reporting on its wildfire prevention efforts and its ability to comprehend and advise on those reports. The WSAB recommends that POUs and the Joint Associations² participate in meetings or workshops as requested by the WSAB to engage with the WSAB and to exchange information and ideas through discussions on topics including:

1. POU progress and achievements by including more detailed information for each project in the following WMPs;
2. Performance metrics;
3. Quality Assurance/Quality Control program;
4. Independent Evaluator reports;
5. Executive summaries;
6. Late WMP submissions;
7. Revision log;
8. Digital accessibility; and
9. Other items that come up during discussions.

Conclusion

The WSAB also thanked the POUs and Rural Electric Cooperatives for developing and filing their 2023 WMPs pursuant to the direction provided by Assembly Bill 1054. The WSAB noted that they greatly appreciated the engagement from the Joint Associations to date and looks forward to continued collaboration with the POUs to further develop detailed recommendations through

¹ This list is a standard insert in all POU WMPs, where it is used to guide WSAB reviewers regarding where those required contents are discussed therein.

² These Joint Associations consist of the CMUA, the Golden State Power Cooperative, the Northern California Power Association (NCPA), the Southern California Power Pool Association (SCPPA).

TANC Commission

January 10, 2024

Page 3 of 3

upcoming workshops, meetings, communications, and the 2024 WMP updates.

WSAB December 4, 2023 Meeting

The WSAB adopted the Draft 2024 POU WMP Advisory Opinion at its December 4, 2023 meeting.

Enclosures



November 22, 2023

California Wildfire Safety Advisory Board
715 P Street, 20th Floor
Sacramento, CA 95814
WSAB@energysafety.ca.gov

RE: Comments of the Joint Associations on the Draft Guidance Advisory Opinion for the 2024 Wildfire Mitigation Plans of Publicly Owned Electric Utilities and Electrical Cooperatives

Dear Chair Block and Board Members,

The California Municipal Utilities Association (CMUA) and Golden State Power Cooperative (GSPC) (collectively the “Joint Associations”) respectfully submit these comments to the California Wildfire Safety Advisory Board (WSAB or Board) on the *Draft Guidance Advisory Opinion for the 2024 Wildfire Mitigation Plans of Publicly Owned Electric Utilities and Electrical Cooperatives* (Draft Guidance Advisory Opinion), issued on November 15, 2023.

California’s publicly owned electric utilities (POUs) and electric cooperatives (Cooperatives) greatly appreciate the WSAB’s review of the POUs’ and Cooperatives’ wildfire mitigation plans (WMPs). The Joint Associations – individually and on behalf of their members – have strived to work with the WSAB since the Board first began reviewing the POU and Cooperatives WMPs. The Joint Associations appreciate the statement in the Draft Guidance Advisory Opinion that the WSAB “views continued participation by these organizations as essential to allow the WSAB to meet its statutory responsibilities while being comprehensive, efficient, and respectful of the POU community’s unique status as public power providers that are not subject to CPUC or WSAB

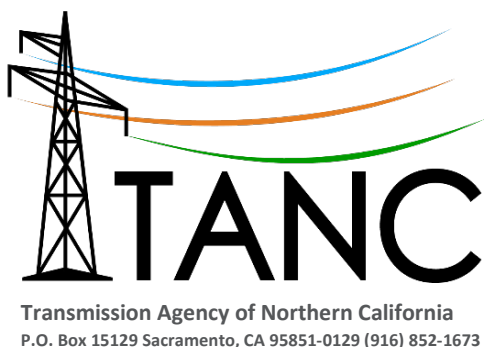
regulation.”¹ The Joint Associations believe that the recommendations set forth in the Draft Guidance Advisory Opinion provide a solid foundation for further collaboration between the WSAB and POU and cooperatives.

The Joint Associations believe that the Draft Guidance Advisory Opinion’s discussion of how the WMP review process has evolved as well as the limitations inherent in the current review and comment process underscores the importance of a collaborative approach moving forward. The recommendation to have the POU, cooperatives, and Joint Associations participate in joint meetings and work groups with the WSAB members and staff will allow the Board and the utilities alike an opportunity to share information, explain approaches taken by individual utilities, discuss recommendations for specific geographic areas, and gain a deeper understanding of the unique and individual elements of each POU and cooperative service territory. The Joint Associations believe that such an approach would optimize the ability of the WSAB to share its considerable expertise with the POU and cooperatives, as appropriate, given each individual utility’s needs and characteristics.

The Joint Associations appreciate the WSAB’s willingness to proactively engage with the POU and cooperatives and look forward to future collaborations and feedback moving forward.

Joint Associations Comments on Draft Guidance Advisory Opinion | Page 2 of 2

¹ Draft Guidance Advisory Opinion at 4.



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

SUBJECT: REPORT ON TANC'S RELIABILITY STANDARDS COMPLIANCE PROGRAM

This memorandum provides the Transmission Agency of Northern California (TANC) Commission with an overview of recent key activities being conducted in support of TANC's Reliability Standards Compliance Program.

Revisions to Rules of Procedure

As previously reported, on September 15, 2023, the North American Electric Reliability Corporation (NERC) submitted a filing to the Federal Energy Regulatory Commission proposing revisions to its Rules of Procedure Section 300, Reliability Standards Development, and Appendix 3A, Standard Process Manual, to expand and accelerate NERC's ability to address urgent reliability needs. NERC's proposed revisions included: 1) as a supplement to NERC's traditional stakeholder-driven standards development process, provide the NERC Board of Trustees with procedural authority to direct the development of new or revised Reliability Standards; 2) implement a tiered comment period structure, with a 45-day comment period for Reliability Standards' initial posting, and comment periods as brief as 30 days for subsequent standards drafts; and 3) enable NERC's standards drafting team to conclude standards action without holding a final ballot, as long as certain requirements are met.

On November 28, 2023, FERC issued an order approving NERC's proposed revisions. The order additionally tasks NERC with submitting an informational filing no later than 18 months after the date of the order's posting. According to FERC, in its informational filing, NERC must describe the improved effectiveness, or lack thereof, of the standards development process since the implementation of the approved revisions.

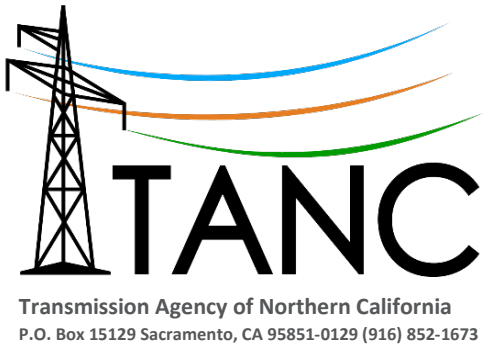
A Public Entity whose Members include:
Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Modesto Irrigation District,
Palo Alto, Plumas-Sierra Rural Electric Cooperative, Redding, Roseville,
Sacramento Municipal Utility District, Santa Clara, Turlock Irrigation District, Ukiah

Notice of Upcoming WECC Audit

As previously reported - on June 29, 2023, TANC received its notice that the next Operations and Planning standards Western Electricity Coordinating Council (WECC) compliance audit is scheduled for April 1, 2024 – April 12, 2024. The Audit Plan and Scope discussion was held with WECC on October 4, 2023. TANC's audit scope includes the following standards and requirements (R):

- MOD-026-1, R1: – Verification of Models and Data for Generator Excitation Control System or Plant Volt/Var Control Functions
- MOD-027-1, R1: Verification of Models and Data for Turbine/Governor and Load Control or Active Power/Frequency Control Functions
- MOD-032 R1: Data for Power System Modeling and Analysis
- TPL-001-5.1 R2 (2.1): Transmission System Planning Performance Requirements

TANC submitted the required Internal Controls Data Collection Template in November 2023. The pre-audit call with WECC was also held on December 13, 2023. TANC is currently working on compiling the required information, reports and evidence for the six-year audit period which is due by February 1, 2024.



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

SUBJECT: REPORT ON FY 2024 FIRST QUARTER BUDGET VARIANCE REPORT

Enclosed for Transmission Agency of Northern California (TANC) Commission review is the Fiscal Year 2024 first quarter budget variance report for the period July 1, 2023, through September 30, 2023. The report details TANC's budgeted line items compared to actual expenditures.

TANC starts Fiscal Year 2024 with expenses of \$7.1 million compared to a budget of \$8.6 million, for an under-budget variance of \$1.5 million, or 17.2 percent. The components that comprise this total variance are described below:

1. California-Oregon Transmission Project (COTP)
COTP expenses are under-budget by approximately \$1.3 million or 31.8 percent. The Western Area Power Administration's (WAPA) Maintenance line item was the largest under budget variance indicator in the first quarter. WAPA needs funding in place before work can be performed, contracts signed, and equipment procured. Due to this funding requirement, there is always a lag between budget and when costs are fully realized.
2. Debt Service
Debt service payments are under budget by \$493.
3. TANC Agency
The TANC Agency budget is under budget by \$94,099 or 24.9 percent. The only item trending over budget is Staff Support.

4. TANC Operations

TANC Operations is over budget by \$7,618 or 2.5 percent. Items currently over budget are General Consultant-Independent System Operator and California Municipal Utilities Association Legislation/Regulation, Special Counsel-Committee Support and TANC Regional Planning-Technical Support.

5. TANC Open Access Same-Time Information System (OASIS)

TANC OASIS is under budget by \$26,816 or 18.4 percent. The only item which is currently over budget is General Consultant-WestConnect.

6. Participating Transmission Owner (PTO) Engagement

PTO Engagement is under budget by \$40,220 or 23.3 percent.

7. South of Tesla (SOT)

SOT expenses are under budget by \$30,076 or 23.8 percent.

Enclosures



TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
First Quarter Budget vs. Expenditure
Fiscal Year 2024

FY'24 Budget		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year to Date	Year to Date	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/23-09/23	Variance	07/22-06/24	Variance
California-Oregon Transmission Project	Budget	\$ 4,125,900	\$ 6,358,200	\$ 7,120,100	\$ 3,975,100	\$ 4,125,900	\$ (1,312,466)	\$ 21,579,300	\$ (18,765,866)
	Expenditure	2,813,434	-	-	-	2,813,434	-31.8%	2,813,434	-87.0%
Debt Service		3,459,852	3,440,148	3,440,148	3,639,354	3,459,852	(493)	13,979,502	(10,520,143)
		3,459,359	-	-	-	3,459,359	0.0%	3,459,359	-75.3%
TANC Agency		377,300	315,700	318,500	317,100	377,300	(94,099)	1,328,600	(1,045,399)
		283,201	-	-	-	283,201	-24.9%	283,201	-78.7%
TANC Operations		307,230	385,430	304,230	312,530	307,230	7,618	1,309,420	(994,572)
		314,848	-	-	-	314,848	2.5%	314,848	-76.0%
TANC OASIS		145,500	143,500	151,500	534,800	145,500	(26,816)	975,300	(856,616)
		118,684	-	-	-	118,684	-18.4%	118,684	-87.8%
PTO Engagement		172,800	171,400	-	-	172,800	(40,220)	344,200	(211,620)
		132,580	-	-	-	132,580	-23.3%	132,580	-61.5%
South of Tesla		126,130	125,234	130,234	133,008	126,130	(30,076)	514,606	(418,552)
		96,054	-	-	-	96,054	-23.8%	96,054	-81.3%
Total Fiscal Year	Budget	8,714,712	10,939,612	11,464,712	8,911,892	8,569,212	(1,469,736)	40,030,928	(32,812,768)
	Expenditure	7,218,160	-	-	-	7,099,476	-17.2%	7,218,160	-82.0%



TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
First Quarter Budget vs. Expenditure
Fiscal Year 2024

COTP Operations		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year to Date	Year to Date	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/23-09/23	Variance	07/22-06/24	Variance
<u>COTP Operations</u>									
Operations	Budget	\$ 316,400	\$ 214,600	\$ 215,200	\$ 214,800	\$ 316,400	\$ (64,485)	\$ 961,000	\$ (709,085)
	Expenditure	251,915	-	-	-	251,915	-20.4%	251,915	-73.8%
Maintenance		1,783,300	1,876,300	2,926,500	431,500	1,783,300	(1,085,847)	7,017,600	(6,320,147)
		697,453	-	-	-	697,453	-60.9%	697,453	-90.1%
Natural Resources		335,100	585,600	904,100	390,900	335,100	(100,488)	2,215,700	(1,981,088)
		234,612	-	-	-	234,612	-30.0%	234,612	-89.4%
Project Support		216,700	256,400	223,900	1,961,300	216,700	(43,406)	2,658,300	(2,485,006)
		173,294	-	-	-	173,294	-20.0%	173,294	-93.5%
Compliance		147,900	177,600	232,600	157,000	147,900	(21,380)	715,100	(588,580)
		126,520	-	-	-	126,520	-14.5%	126,520	-82.3%
Security/Safety		12,500	29,800	356,700	2,400	12,500	(12,500)	401,400	(401,400)
		-	-	-	-	-	-100.0%	-	-100.0%
Subtotal COTP Operations		2,811,900	3,140,300	4,859,000	3,157,900	2,811,900	(1,328,105)	13,969,100	(12,485,305)
		1,483,795	-	-	-	1,483,795	-47.2%	1,483,795	-89.4%
<u>Transmission Balancing</u>									
Sub-Balancing Authority		144,800	142,100	237,500	146,900	144,800	47,501	671,300	(478,999)
		192,301	-	-	-	192,301	32.8%	192,301	-71.4%
Balancing Authority		585,300	585,300	606,600	606,600	585,300	(205)	2,383,800	(1,798,705)
		585,095	-	-	-	585,095	0.0%	585,095	-75.5%
Subtotal Transmission		730,100	727,400	844,100	753,500	730,100	47,297	3,055,100	(2,277,703)
		777,397	-	-	-	777,397	6.5%	777,397	-74.6%
Subtotal COTP Operations and Maintenance		3,542,000	3,867,700	5,703,100	3,911,400	3,542,000	(1,280,809)	17,024,200	(14,763,009)
		2,261,191	-	-	-	2,261,191	-36.2%	2,261,191	-86.7%
Capital Improvements		583,900	2,490,500	1,417,000	63,700	583,900	(31,658)	4,555,100	(4,002,858)
		552,242	-	-	-	552,242	-5.4%	552,242	-87.9%
Total COTP Operations	Budget	4,125,900	6,358,200	7,120,100	3,975,100	4,125,900	(1,312,466)	21,579,300	(18,765,866)
	Expenditure	2,813,434	-	-	-	2,813,434	-31.8%	2,813,434	-87.0%



TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
First Quarter Budget vs. Expenditure
Fiscal Year 2024

Debt Service			1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year to Date	Year to Date	Annual Budget	Annual Budget
Category			07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/23-09/23	Variance	07/22-06/24	Variance
<u>Bond Program</u>										
Principal										
2016 Series A Bonds	Budget	\$	1,461,771	\$ 1,461,771	\$ 1,461,771	\$ 1,709,706	\$ 1,461,771	-	6,095,019	(4,633,248)
	Expenditure		1,461,771				1,461,771	0.0%	1,461,771	-76.0%
Interest/Fees										
2016 Series A Bonds			1,998,081	1,978,377	1,978,377	1,929,648	1,998,081	(493)	7,884,483	(5,886,895)
			1,997,588				1,997,588	0.0%	1,997,588	-74.7%
Total Debt Service	Budget		3,459,852	3,440,148	3,440,148	3,639,354	3,459,852	(493)	13,979,502	(10,520,143)
	Expenditure		3,459,359	-	-	-	3,459,359	0.0%	3,459,359	-75.3%



TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
First Quarter Budget vs. Expenditure
Fiscal Year 2024

TANC Agency		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year to Date	Year to Date	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/23-09/23	Variance	07/22-06/24	Variance
<u>TANC Management</u>									
General Manager	Budget	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	-	268,800	(201,600)
	Expenditure	67,200				67,200	0.0%	67,200	-75.0%
Agency Representation		9,000	9,000	9,000	9,000	9,000	(7,500)	36,000	(34,500)
		1,500				1,500	-83.3%	1,500	-95.8%
Agency Dues		33,000	18,000	18,000	18,000	33,000	(28,550)	87,000	(82,550)
		4,450				4,450	-86.5%	4,450	-94.9%
Outreach/Media		5,000	3,000	3,000	1,000	5,000	(2,000)	12,000	(9,000)
		3,000				3,000	-40.0%	3,000	-75.0%
Miscellaneous Expenses		12,600	12,600	12,600	12,200	12,600	(12,242)	50,000	(49,642)
		358				358	-97.2%	358	-99.3%
Subtotal TANC Management		126,800	109,800	109,800	107,400	126,800	(50,292)	453,800	(377,292)
Audit Services		76,508	-	-	-	76,508	-39.7%	76,508	-83.1%
		2,475				2,475	-94.0%	2,475	-94.0%
General Counsel		20,100	19,700	20,100	20,100	20,100	(13,320)	80,000	(73,220)
		6,780				6,780	-66.3%	6,780	-91.5%
Treasurer/Controller		78,400	78,200	78,600	78,600	78,400	(11,301)	313,800	(246,701)
		67,099				67,099	-14.4%	67,099	-78.6%
Staff Support		111,000	108,000	110,000	111,000	111,000	19,339	440,000	(309,661)
		130,339				130,339	17.4%	130,339	-70.4%
Total TANC Agency	Budget	377,300	315,700	318,500	317,100	377,300	(94,099)	1,328,600	(1,045,399)
	Expenditure	283,201	-	-	-	283,201	-24.9%	283,201	-78.7%



TRANSMISSION AGENCY OF NORTHERN CALIFORNIA

First Quarter Budget vs. Expenditure

Fiscal Year 2024

TANC Operations			1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year to Date	Year to Date	Annual Budget	Annual Budget	
Category			07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/23-09/23	Variance	07/22-06/24	Variance	
<u>General Consultant</u>											
WECC	Budget	\$	14,000	\$	13,000	\$	14,000	\$	(2,398)	\$	(43,398)
	Expenditure		11,603				11,603		-17.1%		-78.9%
CMUA/Legislative/Regulatory			8,100	7,700	8,100	8,100	8,100	4,310	32,000	(19,590)	
			12,410				12,410	53.2%	12,410	-61.2%	
Independent System Operator			43,800	43,600	43,800	43,800	43,800	6,353	175,000	(124,848)	
			50,153				50,153	14.5%	50,153	-71.3%	
Transmission Reliability Standards			21,300	21,300	21,300	21,100	21,300	(6,998)	85,000	(70,698)	
			14,303				14,303	-32.9%	14,303	-83.2%	
Subtotal General Consultant			87,200	85,600	87,200	87,000	87,200	1,268	347,000	(258,533)	
			88,468	-	-	-	88,468	1.5%	88,468	-74.5%	
<u>Special Counsel</u>											
Committee Support			12,600	12,200	12,600	12,600	12,600	6,338	50,000	(31,063)	
			18,938				18,938	50.3%	18,938	-62.1%	
Independent System Operator			5,100	4,700	5,100	5,100	5,100	(5,100)	20,000	(20,000)	
			-				-	-100.0%	-	-100.0%	
Reliability Standards			10,200	9,400	10,200	10,200	10,200	(8,415)	40,000	(38,215)	
			1,785				1,785	-82.5%	1,785	-95.5%	
COTP FERC Matters			25,200	24,400	25,200	25,200	25,200	(9,892)	100,000	(84,692)	
			15,309				15,309	-39.3%	15,309	-84.7%	
Subtotal Special Counsel	Budget		53,100	50,700	53,100	53,100	53,100	(17,069)	210,000	(173,969)	
	Expenditure		36,031	-	-	-	36,031	-32.1%	36,031	-82.8%	
<u>Financing/Advice</u>											
Financial Advisor Support	Budget		-	35,000	-	-	-	3,750	35,000	(31,250)	
	Expenditure		3,750				3,750	n/a	3,750	-89.3%	
Bond Trustee Fees			875	875	875	875	875	(875)	3,500	(3,500)	
			-				-	-100.0%	-	-100.0%	
Subtotal Financing Advice			875	35,875	875	875	875	2,875	38,500	(34,750)	
			3,750	-	-	-	3,750	328.6%	3,750	-90.3%	
<u>Bond Counsel</u>											
Bond Counsel Support			-	50,000	-	-	-	-	50,000	(50,000)	
			-				-		-	-100.0%	
Arbitrage Rebate Calculations			-	2,500	-	-	-	630	2,500	(1,870)	
			630				630	n/a	630	-74.8%	
Subtotal Bond Counsel				52,500	-	-	-	630	52,500	(51,870)	
			630	-	-	-	630	n/a	630	-98.8%	



TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
First Quarter Budget vs. Expenditure
Fiscal Year 2024

TANC Operations		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year to Date	Year to Date	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/23-09/23	Variance	07/22-06/24	Variance
<u>TANC Transmission Agreements</u>									
Path Operator		\$ 50,675	\$ 50,675	\$ 50,675	\$ 50,675	\$ 50,675	\$ (11)	\$ 202,700	\$ (152,036)
		50,664				50,664	0.0%	50,664	-75.0%
PG&E Interconnection		42,930	42,930	42,930	42,930	42,930	(9)	171,720	(128,799)
		42,921				42,921	0.0%	42,921	-75.0%
Land		11,250	8,750	6,250	13,750	11,250	(8,970)	40,000	(37,720)
		2,280				2,280	-79.7%	2,280	-94.3%
Subtotal Transmission Agreements		104,855	102,355	99,855	107,355	104,855	(8,990)	414,420	(318,555)
		95,865	-	-	-	95,865	-8.6%	95,865	-76.9%
<u>TANC Regional Planning</u>									
Technical Support		43,200	42,400	43,200	43,200	43,200	27,405	172,000	(101,395)
		70,605				70,605	63.4%	70,605	-59.0%
COI Rating		18,000	16,000	20,000	21,000	18,000	1,500	75,000	(55,500)
		19,500				19,500	8.3%	19,500	-74.0%
Subtotal Regional Planning		61,200	58,400	63,200	64,200	61,200	28,905	247,000	(156,895)
		90,105	-	-	-	90,105	47.2%	90,105	-63.5%
Subtotal TANC Operations	Budget	307,230	385,430	304,230	312,530	307,230	7,618	1,309,420	(994,572)
	Expenditure	314,848	-	-	-	314,848	2.5%	314,848	-76.0%



TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
First Quarter Budget vs. Expenditure
Fiscal Year 2024

TANC OASIS		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year to Date	Year to Date	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/23-09/23	Variance	07/22-06/24	Variance
General Manager	Budget	\$ 9,600	\$ 9,600	\$ 14,400	\$ 14,400	\$ 9,600	\$ -	\$ 48,000	\$ (38,400)
	Expenditure	9,600				9,600	0.0%	9,600	-80.0%
Treasurer/Controller		-	-	-	8,300	-	-	8,300	(8,300)
		-				-	n/a	-	-100.0%
OASIS Administrator		-	-	-	375,000	-	-	375,000	(375,000)
		-				-	n/a	-	-100.0%
WestTrans OATI		36,900	36,900	38,100	38,100	36,900	671	150,000	(112,429)
		37,571				37,571	1.8%	37,571	-75.0%
<u>General Consultant</u>									
OASIS Coordinator/Committee Support		43,200	42,400	43,200	43,200	43,200	990	172,000	(127,810)
		44,190				44,190	2.3%	44,190	-74.3%
WestConnect		8,100	7,700	8,100	8,100	8,100	1,300	32,000	(22,600)
		9,400				9,400	16.0%	9,400	-70.6%
Subtotal General Consultant		51,300	50,100	51,300	51,300	51,300	2,290	204,000	(150,410)
		53,590	-	-	-	53,590	4.5%	53,590	-73.7%
<u>Special Counsel</u>									
OASIS Legal/Committee Support		40,200	39,400	40,200	40,200	40,200	(29,083)	160,000	(148,883)
		11,117				11,117	-72.3%	11,117	-93.1%
WestConnect		7,500	7,500	7,500	7,500	7,500	(694)	30,000	(23,194)
		6,806				6,806	-9.3%	6,806	-77.3%
Subtotal Special Counsel		47,700	46,900	47,700	47,700	47,700	(29,777)	190,000	(172,077)
		17,923	-	-	-	17,923	-62.4%	17,923	-90.6%
Total TANC OASIS	Budget	145,500	143,500	151,500	534,800	145,500	(26,816)	975,300	(856,616)
	Expenditure	118,684	-	-	-	118,684	-18.4%	118,684	-87.8%



TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
First Quarter Budget vs. Expenditure
Fiscal Year 2024

PTO Engagement		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year to Date	Year to Date	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/23-09/23	Variance	07/22-06/24	Variance
General Manager	Budget	\$ 9,600	\$ 9,600	\$ -	\$ -	\$ 9,600	\$ -	\$ 19,200	\$ (9,600)
	Expenditure	9,600				9,600	0.0%	9,600	-50.0%
Special Counsel		138,000	137,000	-	-	138,000	(21,650)	275,000	(158,650)
		116,350				116,350	-15.7%	116,350	-57.7%
General Consultant		25,200	24,800	-	-	25,200	(18,570)	50,000	(43,370)
		6,630				6,630	-73.7%	6,630	-86.7%
Total PTO Engagement	Budget	172,800	171,400	-	-	172,800	(40,220)	344,200	(211,620)
	Expenditure	132,580	-	-	-	132,580	-23.3%	132,580	-61.5%



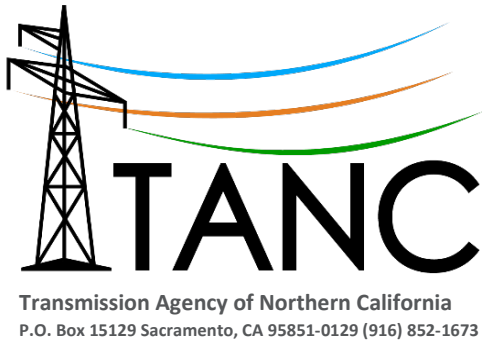
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
First Quarter Budget vs. Expenditure
Fiscal Year 2024

South of Tesla		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year to Date	Year to Date	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/23-09/23	Variance	07/22-06/24	Variance
Transmission									
PG&E Related Operations Costs									
Facility Charges	Budget	\$ 45,255	\$ 45,255	\$ 45,255	\$ 45,235	\$ 45,255	\$ (168)	\$ 181,000	\$ (135,913)
	Expenditure	45,087				45,087	-0.4%	45,087	-75.1%
TANC Management									
General Manager		9,600	9,600	14,400	14,400	9,600	-	48,000	(38,400)
		9,600				9,600	0.0%	9,600	-80.0%
Treasurer and Controller		5,400	4,800	5,100	5,100	5,400	(4,540)	20,400	(19,540)
		860				860	-84.1%	860	-95.8%
General Consultant									
Administration		7,500	7,500	7,500	7,500	7,500	420	30,000	(22,080)
		7,920				7,920	5.6%	7,920	-73.6%
FERC Matters		5,100	5,100	5,000	4,800	5,100	(2,550)	20,000	(17,450)
		2,550				2,550	-50.0%	2,550	-87.3%
Subtotal General Consultant		12,600	12,600	12,500	12,300	12,600	(2,130)	50,000	(39,530)
		10,470	-	-	-	10,470	-16.9%	10,470	-79.1%
Special Counsel- FERC Matters		1,250	1,250	1,250	1,250	1,250	(1,250)	5,000	(5,000)
		-				-	-100.0%	-	-100.0%
Subtotal South of Tesla		74,105	73,505	78,505	78,285	74,105	(8,088)	304,400	(238,383)
		66,017	-	-	-	66,017	-10.9%	66,017	-78.3%
Debt Service		52,025	51,729	51,729	54,723	52,025	(21,988)	210,206	(180,169)
		30,037				30,037	-42.3%	30,037	-85.7%
Total South of Tesla	Budget	126,130	125,234	130,234	133,008	126,130	(30,076)	514,606	(418,552)
	Expenditure	96,054	-	-	-	96,054	-23.8%	96,054	-81.3%

TAB 17

REPORT FROM THE TANC GENERAL MANAGER

The TANC Commission will receive a report from the General Manager



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

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 progress made since the last TANC Commission meeting on the 11 tasks that comprise the 2024 work plan is described in Table 1 below. **Changes from the last update are included 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

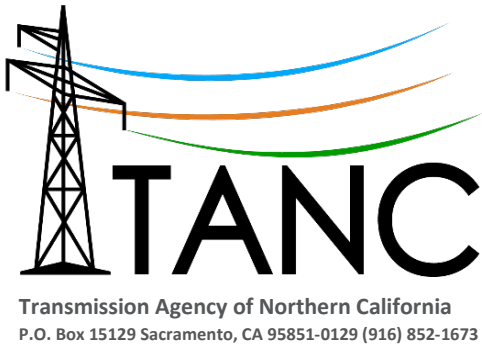
Task No.	<u>Task Name/Progress</u>
1	<u>Finance and Implement COTP Capital Replacement Plan</u> <i>TANC met with Treasurer/Controller staff in early December to developing a financing plan. The General Manager's Finance Committee will meet in January to discuss next steps for issuing and financing bonds.</i>
2	<u>Complete COI Path 66 Rating Process</u> <i>The Phase Two COI Path Rating Study report was approved by the TANC Commission and COTP Management Committee in November 2023. The report will be presented to RC West in late January.</i>
3	<u>Update Key TANC Agreements</u> <i>Updates to the SMUD -TANC COTP Operations Agreement with Amendment #1 are delayed due to personnel changes at SMUD.</i>
4	<u>Prepare for and Complete 2024 WECC Audit</u> <i>TANC submitted the required Internal Controls Data Collection Template in late November 2023 and held the pre-audit call with the Western Electricity Coordinating</i>

Task No.	Task Name/Progress
	<i>Council on December 13, 2023. TANC is preparing audit information for applicable standards and requirements which is due to WECC by February 1, 2024.</i>
5	<u>Continued Evaluation of Wildfire Risk Reduction Activities</u> <i>TANC is considering the draft WSAB Advisory Opinion for the 2024 Wildfire Mitigation Plans which was published by the Wildfire Safety Advisory Board on November 15, 2023 and discussed at its December 4, 2023 meeting.</i>
6	<u>Consider Potential New Transmission Development</u> <i>First step scheduled for late January 2024 will be to compile historic information on the 2007/2008 TANC Transmission Planning efforts and discuss next steps with the General Manager.</i>
7	<u>Explore Options to Increase the Value of the COTP</u> <i>A high-level review of items including new products/pricing and marketing will begin in late January.</i>
8	<u>Explore Enhancements to South of Tesla Asset</u> <i>Initiative will begin in second quarter of 2024.</i>
9	<u>Develop and Adopt Enterprise Risk Plan</u> <i>A draft outline of the Enterprise Risk Plan was discussed on December 12, 2023; additional revisions are being made and an additional staff working session will be held in January. It is currently expected that the draft plan will be presented to the TANC Commission in April 2024.</i>
10	<u>Explore Impacts of Changing Markets on TANC and the COTP</u> <i>Initiative will begin in second quarter of 2024.</i>
11	<u>Consider Revisions to TANC's Open Access Transmission Tariff</u> <i>In January, TANC will begin to review and propose changes in redline to its interconnection requirements.</i>

Project Lead: Jarom Zimmerman

X Indicates one-day milestone

[illegible]



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

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) and its Members.

2023 Interconnection Process Enhancements – Phase 2

On November 2, 2023, the CAISO hosted a working group session for its 2023 Interconnection Process Enhancements (IPE) initiative and announced that the timeline of the 2023 IPE initiative was extended by 90 days to allow for further stakeholder discussion. On December 12, 2023, the CAISO posted a revised 2023 IPE straw proposal and then held a stakeholder meeting on December 19, 2023. Revisions in the 2023 IPE included: 1) updating the indicators for scoring criteria to address project readiness, including introducing a load-serving entity (LSE) point allocation mechanism to incorporate LSE interest earlier in the project study process; 2) modifying the auction administration; 3) further describing the zonal approach methodology in which the CAISO will identify and study 150 percent of the available and planned transmission capacity in its proposed zones; 4) eliminating off-peak and operational deliverability assessments from the study process; 5) updating viability criteria and a time-in-queue requirement; and 6) proposing an implementation deposit for queue management.

To address the overwhelming volume of interconnection requests (IRs) received by the CAISO in Cluster 15, and likely similar volumes in future clusters, the CAISO also proposed: 1) prior to future IR window openings, the CAISO will provide data regarding transmission constraints within zones, available transmission plan deliverability (TPD) by constraint, a list of priority interconnection areas, and an interconnection heatmap, as required by Federal Energy

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

Regulatory Commission (FERC) Order 2023; 2) interconnection customers must submit documentation exhibiting compliance with site control, entry fees, and deposits to proceed through the interconnection process; 3) the CAISO will score IRs based on clear, verifiable criteria to rank projects for progression to the study process; and 4) if excess proposed capacity exists after applying viability criteria, the CAISO will conduct a market-clearing, sealed-bid auction for the right to be prioritized and studied in a specific zone. To address projects currently in the interconnection queue, the CAISO proposed changes to its contract and queue management process to provide projects with the opportunity to either withdraw from the queue or advance to commercial operation by: 1) offering a one-time opportunity to withdraw from the queue and receive any unused portion of financial deposits; 2) extending to nine months from the time to submit a Limited Operation Study request; 3) removing suspension rights for all projects that execute a future Large Generator Interconnection Agreement; 4) imposing TPD transfer limitations to ensure viable projects proceed for legitimate purposes; 5) imposing unavoidable viability criteria and time-in-queue requirements; and 6) modifying requirements for asynchronous generators, project modification requests, shared network financial security postings, modification results timing, and network upgrade timing.

2022-2023 Transmission Planning Process, Phase 3, Competitive Solicitation, Proposed Addendum 1 for SWIP North

On November 7, 2023, the CAISO held a meeting to discuss assuming Great Basin Transmission's (GBT) entitlements on the Southwest Intertie Project North (SWIP North) and One Nevada (ON) transmission lines, in partnership with Idaho Power, as a policy-driven project under the 2022-2023 Transmission Planning Process (TPP). SWIP North is a near shovel-ready project currently being developed by GBT, a subsidiary of LS Power, and ON is an existing, 231-mile line. If the CAISO assumes operational control of entitlements, jointly with Idaho Power, on both SWIP North and ON, it will qualify out-of-state, wind energy resources from Idaho as "pseudo-tied" to the CAISO, helping meet California's clean energy goals. The CAISO recommended the Board of Governors approve Addendum 1 to the 2022-2023 TPP to assume operational control of GBT's entitlements on the SWIP North and ON transmission lines, jointly with Idaho Power, conditioned upon the following: 1) Idaho Power filing and receiving approval from the Idaho Public Utilities Commission for a SWIP-related case by September 30, 2024; 2) the California Public Utilities Commission reaffirming the need for Idaho wind energy resources in its 2024-2025 TPP portfolio decision; 3) GBT declaring its intent to become a Participating Transmission Owner by July 1, 2024, as well as the CAISO submitting its application in accordance with the Tariff and Transmission Control Agreement; and 4) FERC accepting GBT's Transmission Owner Tariff and transmission revenue requirement rate structure. On December 14, 2023, the ISO Board of Governors approved Addendum 1.

2022-2023 Transmission Planning Process, Phase 3, Competitive Solicitation, Validated Project Sponsor Applications

As part of the 2022-2023 TPP, the CAISO identified a policy-driven need for the North Gila-Imperial Valley 500-kilovolt (kV) Transmission Line Project (North Gila-Imperial Valley). The bid window for prospective project sponsors to submit applications to finance, construct, own, operate, and maintain the project closed on September 29, 2023. On November 20, 2023, the CAISO validated the following project sponsor applications: 1) Valley Power Connect (VPC) in association with Citizens Energy; 2) VPC in association with Citizens Energy and the Imperial Irrigation District (IID); 3) Horizon West Transmission; 4) LS Power Grid California; 5) Lotus Infrastructure; and 6) California Grid Holdings.

As part of the 2022-2023 TPP, the CAISO identified a policy-driven need for the North of SONGS-Imperial Valley 500-kv Substation and Transmission Line Project (NSO-IV). The bid window for prospective project sponsors to submit applications to finance, construct, own, operate, and maintain NSO-IV closed on October 13, 2023. On December 5, 2023, the CAISO validated the following project sponsor applications: 1) Horizon West Transmission; 2) San Diego Gas & Electric; 3) Lotus Infrastructure in association with Southern California Edison (SCE); and 4) California Grid Holdings. The CAISO will now consider to what extent these project sponsors are qualified and which qualified project sponsor should finance, construct, own, operate, and maintain the project.

As part of the 2022-2023 TPP, the CAISO identified a policy-driven need for the North of SONGS-Serrano 500-kV Transmission Line Project (NSO-Serrano). The bid window for prospective project sponsors to submit applications to finance, construct, own, operate, and maintain NSO-Serrano closed on October 27, 2023. On December 19, 2023, the CAISO validated the following project sponsor applications for NSO-Serrano: 1) two different applications from Horizon West Transmission; 2) LS Power Grid California; 3) Lotus Infrastructure in association with SCE; and 4) California Grid Holdings.

The CAISO will now consider which qualified project sponsor should finance, construct, own, operate, and maintain each of the respective projects.

2023-2024 Transmission Planning Process - Technical Studies

On November 16, 2023, the CAISO held a stakeholder meeting to review its preliminary policy- and economic-driven assessment results. During the meeting, the CAISO also recommended approval of six reliability-driven projects under \$50 million including: 1) \$11 million to \$22 million Covelo 60-kV Voltage Support; 2) \$20 million to \$40 million Martin-Millbrae 60-kV Area Reinforcement Project; 3) \$20 million to \$40 million Atlantic High-Voltage Mitigation Re-Scope; 4) \$5 million Mira Loma 500-kV Bus Short-Circuit Duty (SCD) Mitigation Project; 5) \$20 million Inyo 230-kV Shunt Reactor Project, superseding the Control 150-kV Shunt Reactor Project approved in the 2022-2023 TPP; and 6) \$40 million Etiwanda 230-kV Bus SCD Mitigation Project.

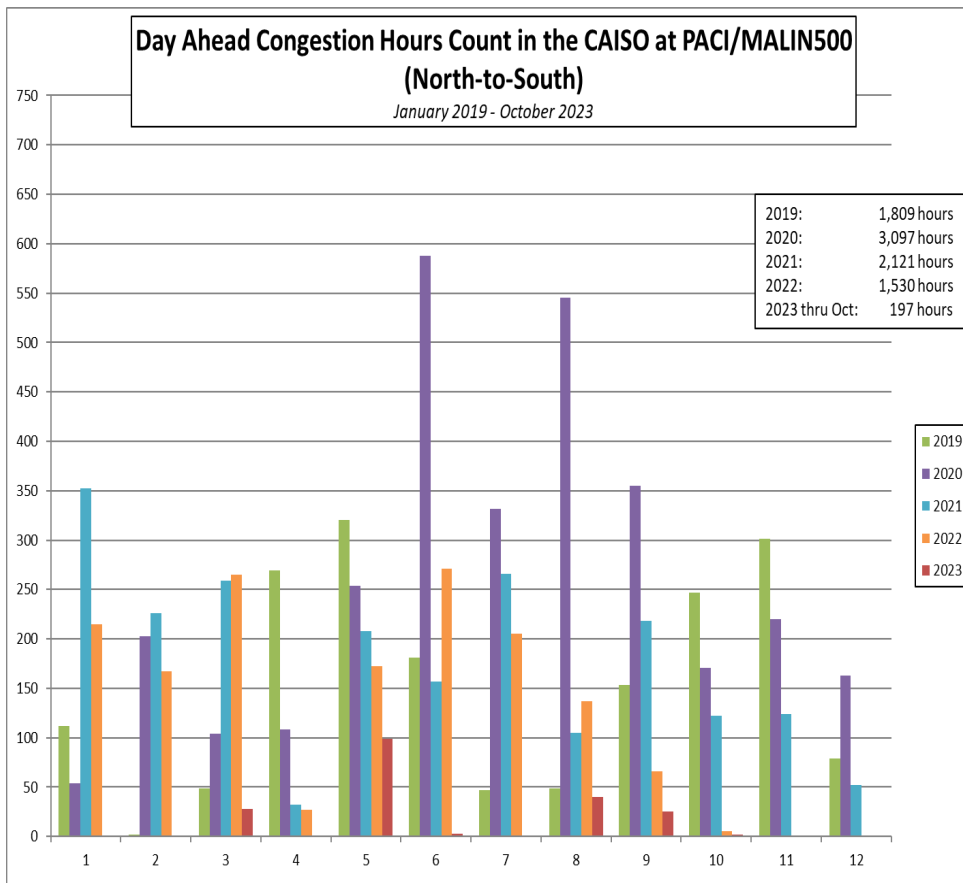
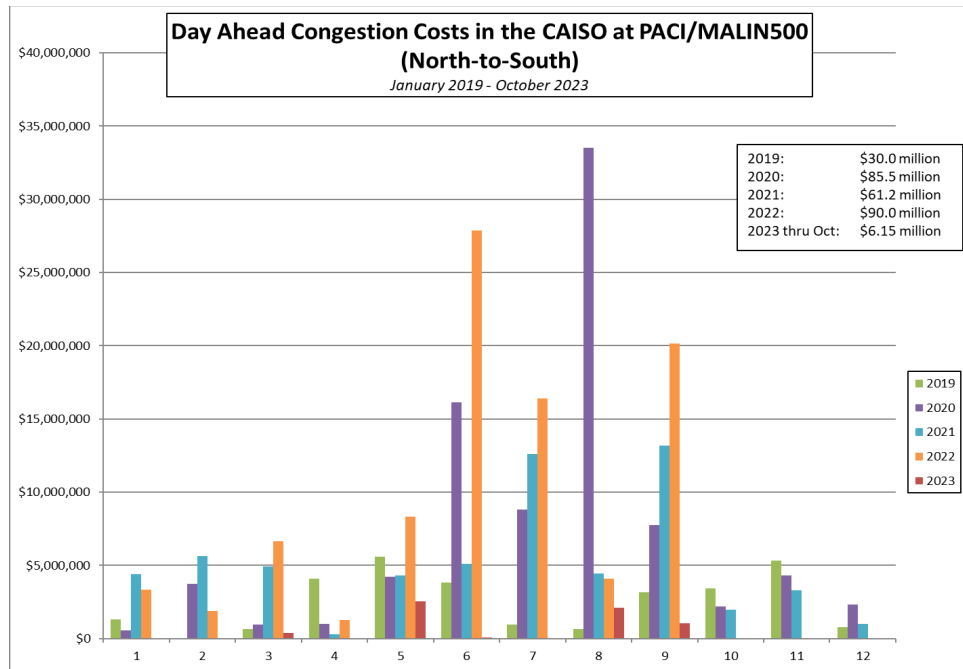
Projects over \$50 million, which must be approved by the Board of Governors, and projects under \$50 million not recommended for management approval will be addressed in the CAISO's draft transmission plan. The CAISO will post its draft transmission plan on March 31, 2024.

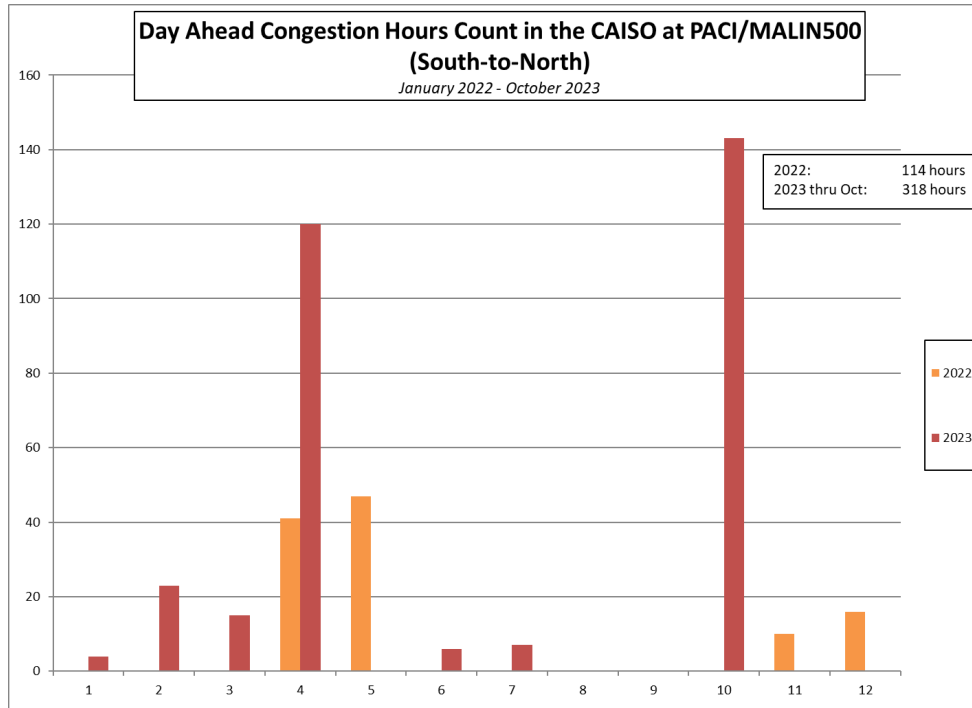
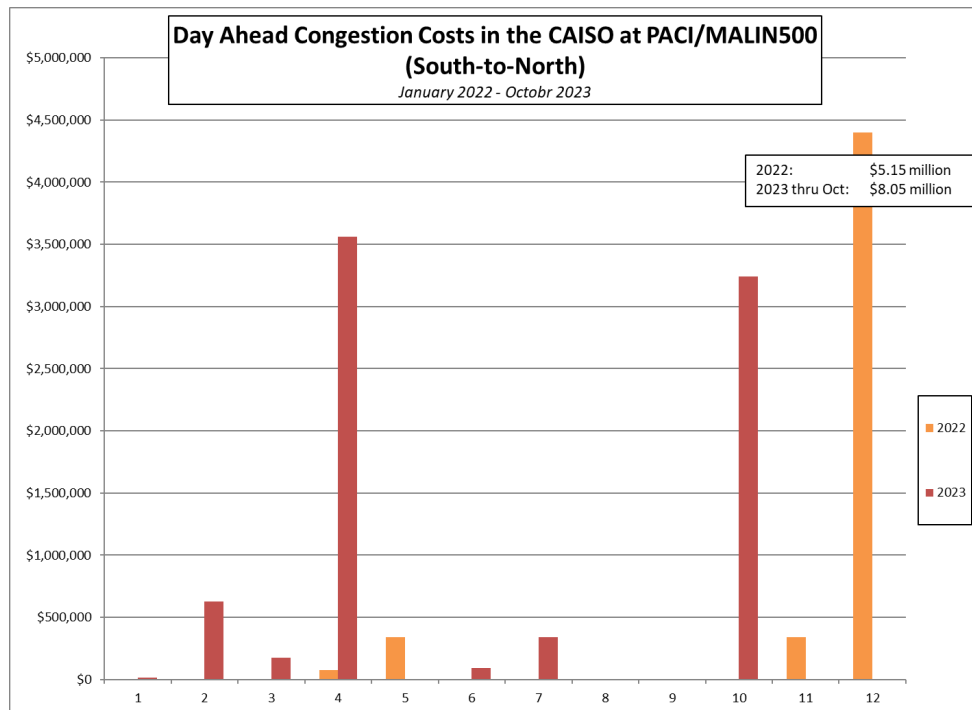
Subscriber Participating Transmission Owner Model - Deficiency Letter,

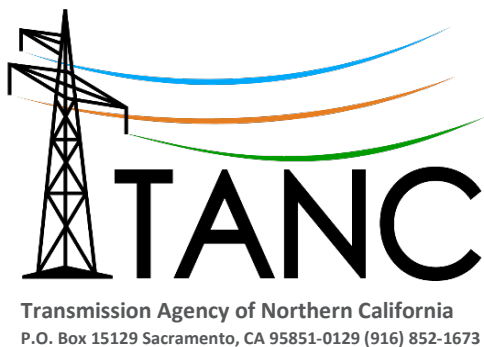
On September 22, 2023, the CAISO filed with FERC revisions to its Open Access Transmission Tariff (OATT) to implement its Subscriber Participating Transmission Owner (PTO) model, which was approved by the Board of Governors on July 20, 2023. On December 14, 2023, FERC issued a letter indicating the CAISO's filing was deficient. FERC is seeking clarification on: 1) if a Subscriber PTO revises its non-subscriber usage rate and FERC has made that rate effective, whether the non-subscriber usage rate is then included in the calculation of the access charge; 2) if Subscriber PTOs will be able to file a revised non-subscriber usage rate if the access charge increases; 3) if Subscriber PTOs will be required to revise the non-subscriber usage rate if the transmission access charge (TAC) falls below the non-subscriber usage rate on file, and if not, how the CAISO will address a scenario in which the TAC falls below the non-subscriber usage rate, resulting in a shortfall; 4) to the extent that the non-subscriber usage payments reflect a shortfall in a given year and the shortfall is funded through TAC revenues that would otherwise flow to Subscriber PTOs, how Subscriber PTOs will recover the shortfall in their transmission revenue requirements (TRRs); 5) how non-subscriber usage payment shortfalls will affect the TAC over time, assuming no change in gross load year to year; 6) what the CAISO's existing OATT permits in terms of assessing the TAC on imports that are not part of a wheeling through transaction; and 7) if a scheduling coordinator's import bid clears the day-ahead market or real-time market at a Subscriber PTO's scheduling point, what the applicable access charge for such a transaction would be. The CAISO must respond to FERC's deficiency letter within 30 days of the letter's issuance by making an amendment filing in accordance with FERC's OATT requirements.

Congestion

Congestion through October 2023 on the Pacific AC Intertie (PACI) is detailed in the charts below, in both Congestion Costs and Hours for North-to-South and South-to-North directions.







MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

SUBJECT: RESOLUTION APPROVING A TANC CASH DISTRIBUTION POLICY

As reported at the November 15, 2023 Transmission Agency of Northern California (TANC) Commission meeting, staff has been working in concert with Controller staff in the development of a TANC Cash Distribution Policy. At that Commission meeting a suggestion was made to include an option for using a potential cash distribution in lieu of a monthly cash call. With this suggestion the General Manager's Audit Budget Committee met at a regularly scheduled meeting on December 7, 2023 to discuss this additional option for use of available cash. Upon conclusion of this meeting, it was recommended that the TANC Commission adopt this new policy as provided herein.

Further, TANC has coordinated with the General Manager's Finance Committee and Treasurer staff for additional input and to elicit further guidance concerning any potential impact on investment strategy that might occur with any distribution of available funds.

For background, the TANC Commission receives two presentations from Controller staff each year related to available cash. These presentations typically occur in February for a mid-year review with data as of December 31, and September for a fiscal year-end review with data as of June 30. The Available Cash presentation reviews beginning cash, less restricted cash, less discretionary funds including "Non-Open Access Transmission Tariff" Contingency cash, less 90-120 days working capital, less a \$1 million regulatory reserve, and finally less a \$4 million floor balance per Resolution 2012-05. The remaining cash can potentially be returned to members at TANC Commission discretion.

Over the last few years this available balance has grown and there has been a recent desire by some Members to have cash returned while other Members have stated a desire to maintain cash at TANC. A unique circumstance this year is that the Western Area Power Administration (WAPA) is seeking assistance from TANC to have their portion of the Series Capacitor Replacement Project initially paid for by TANC with this available cash. If TANC did not have this cash balance WAPA's request could not have transpired. The proposed TANC Cash Distribution Policy attempts to balance the needs of Members as well as accommodate the unique requirements and funding fundamentals that TANC employs with various cost sharing obligations for different revenue requirement funding mechanics, such as Project Agreement (PA) 3 cost sharing obligations, versus debt service cost sharing obligations, versus PA 5 cost sharing, South of Tesla, and PA 6 cost sharing.

As noted above, with certain additional enhancements, the General Manager's Audit Budget Committee recommends adoption of this new Policy.

Approval of the attached resolution will authorize the TANC General Manager to implement this new TANC Cash Distribution Policy and coordinate these efforts with Controller staff.

Enclosure

RESOLUTION 2024-__

A RESOLUTION OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
APPROVING A CASH DISTRIBUTION POLICY

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, bi-annually TANC Controller staff presents updates on available cash as of December 31 (generally at the February Commission meeting) and June 30 (generally at the September Commission meeting) of each fiscal year; and

WHEREAS, historically the Commission may determine after the September presentation a return of certain available cash back to members; and

WHEREAS, a new TANC Cash Distribution Policy will be employed to assist TANC Members in the delivery of available funds back to the individual members as desired, in accordance with the new TANC Cash Distribution Policy, along with other existing TANC resolutions and guidance; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission of the Transmission Agency of Northern California that the TANC General Manager is hereby authorized to implement this TANC Cash Distribution Policy and work with TANC Controller staff in the calculation of available cash as instructed by the policy.

PASSED AND ADOPTED this 17th day of January 17 2024 on a motion by _____,
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

TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
Cash Distribution Policy

Purpose & Scope

The purpose of this Cash Distribution Policy (Policy) is to provide the Transmission Agency of Northern California (TANC) Commission general guidance as to when and how available cash may be distributed back to Members. TANC has previously adopted certain cash retention and distribution protocols, and this new Policy will assist in future deliberations as to when TANC cash should be retained and how cash can periodically be distributed.

Policy Goal

This Policy will be viewed in collaboration with existing policies in which the TANC Commission can determine an amount of money to be distributed back to Members when available cash exceeds a threshold “floor” limit. Commissioners will have the option of directing the General Manager and Controller staff to disburse funds that are above this floor limit. There is no legal requirement for TANC to distribute excess revenue back to members; it is at the discretion of the governing body or the Commission.

Background

Bi-annually, Controller staff prepares a report to the Commission outlining the “available cash” TANC has on hand, and after review by the Audit/Budget Committee, Controller staff presents this information for Commission review. These presentations have traditionally occurred in the February (for December 31 ending data) and September (for June 30 ending data) timeframes. Historically, at the September presentation, the Commission has determined what, if any, available cash could be distributed back and incorporates year-end accounting information.

Beginning in Fiscal Year 2007, the Commission authorized the implementation of a “utility basis” of accounting for revenue requirement determination. This methodology incorporates a “return on rate base” and depreciation versus a traditional “cash basis” revenue requirement method (that method incorporates principal and interest in the revenue requirement). Generally speaking, the utility basis method provides a higher cash call to Members than otherwise would be required and provides for higher available cash balances at the conclusion of a fiscal year, therefore potentially more revenue to distribute back to members.

Per Resolution 2012-05, the Commission determined that a floor cash balance of \$4 million should always be retained. Thus, there was no distribution back to Members if available cash dropped below the \$4 million floor threshold. Anything above this \$4 million floor could potentially be distributed back to members.

Proposed Cash Distribution Policy

The following is a proposed TANC Cash Distribution Policy that incorporates the above referenced floor limit format to calculate how much funding TANC should retain on hand prior to any potential distribution back to its Members. The floor would be the same as currently exists under Resolution 2012-05, or \$4 million.¹

Authorization

There are currently six active Members² who are cash-called monthly using TANC's Revenue Requirement and Open Access Transmission Tariff on the utility basis of accounting. The Northern California Power Agency and its affiliated TANC Members have "laid off" their COTP entitlement rights through 2039 and do not participate in any available cash calculation.³ Authorization for the distribution of funds can exist under two different scenarios.

Under the first scenario, the Commission may agree that all Members receive an amount of available cash as determined by the June 30 available cash balance calculation and presentation to the Commission by Controller staff. This amount could be 100% of available cash identified or some other percentage less than 100% (i.e., 75% or 50% of available cash). Each Member's available cash balance⁴ will be reduced by the percentage of distribution determined.

Under the second scenario, if any one or more Commissioners (less than all Members) desire to receive all or a portion of their respective share of available cash, the Commissioner(s) may do so.

Additional Considerations and Procedures

- 1) To the extent an individual member desires to receive available cash back under scenario two above, and then at some point during the course of a fiscal year a need arises in which that member does not have available cash to pay the Member's share of obligations, that Member will be cash called for additional funds as determined by Controller staff.
- 2) Distribution of funds will be determined once per year stemming from the Available Cash

¹ It should be recognized that the \$4 million floor limit also contemplates an amount held in reserve for 120 days Working Capital and a \$1 million Regulatory Matters withholding.

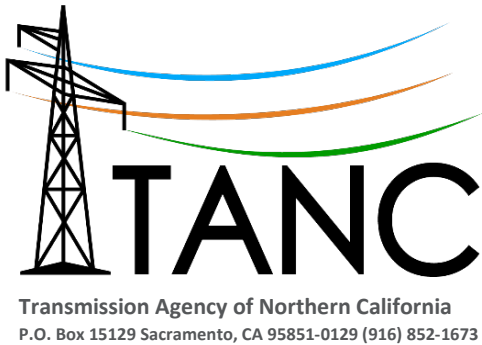
² MID, Redding, Roseville, Santa Clara, SMUD, TID.

³ NCPA is currently cash-called on actuals for any South of Tesla and Project Agreement 6 activity. To the extent Palo Alto returns as an active TANC member this will expand the number of Members to 7 who are cash-called using the utility basis revenue requirement.

⁴ Balance as determined at the most recent fiscal year end (June 30).

Presentation to the Commission using June 30 year-end data and typically occurs in September, but on occasion may be presented later. Depending on the month the Available Cash Presentation is conducted, at the following Commission meeting a determination will be made as to the amount distributed with direction provided to the General Manager and Controller staff. Distributions will generally be conducted in December.

- 3) It is recognized that interest earnings on funds will be reduced whenever a distribution back to Members are realized, and that interest income received will be allocated to Members based on shares of available cash balances at year-end.
- 4) The percentage of available cash by Member will be variable year-to-year based upon individual Member decisions to take back available cash.
- 5) Controller staff will maintain a separate reporting of available cash balances by Member and provide this report annually during the Controller staff presentation at the September Commission meeting.
- 6) Non-OATT Contingency cash will be evaluated and potentially distributed similar to the OATT Contingency available cash as described above.
- 7) If an individual Member (or Members less than the whole TANC Membership), request a distribution that impacts existing TANC investments (i.e., certain penalties or fees due to a particular draw down requirement are necessary to make the cash distribution, or require an investment to be liquidated earlier than anticipated incurring fees), in order to pay a certain cash distribution, that Member, or Members requesting such cash distribution, will be obligated for liquidation or other remuneration and make whole those Members not taking a cash distribution and make whole TANC's particular financial investment.
- 8) Instead of taking a cash distribution, a member may choose to reduce their monthly cash call by their elected available cash distribution return amount. This election may take more than one month's cash call but the process will continue until their available cash distribution is extinguished.



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

SUBJECT: RESOLUTION APPROVING A LEGAL SERVICES AGREEMENT FOR AL JAHNS

In early 2023, California-Oregon Transmission Project (COTP) Counsel Al Jahns informed the Transmission Agency of Northern California (TANC) of his pending retirement at end of 2023. In response to that notification, TANC issued a Request for Expressions of Interest for providing COTP Counsel services. Four responsive bids were received. After reviewing the bids and interviewing qualified candidates, the evaluation committee, comprising the TANC General Manager and COTP staff, recommended the retention of Stoel Rives, LLP (Stoel Rives) to serve as TANC's new COTP counsel. Based on that evaluation and recommendation, on November 15, 2023, the TANC Commission approved Resolution 2023-20 Authorizing an Agreement with Stoel Rives Limited Liability Partnership (LLP) for providing COTP Counsel Services beginning in 2024.

Mr. Jahns has offered to provide continuing legal services on a limited basis to assist and otherwise support the transition of COTP Counsel responsibilities to Stoel Rives. Mr. Jahns has an extensive, longstanding, and irreplaceable institutional knowledge of and experience with the COTP. This is particularly true regarding the complex nature of the relationships across several interrelated agencies and agreements that represent vested real property and environmental interests associated with the COTP. For example, Mr. Jahns can be of assistance in pending matters that include but are not limited to the ultimate land uses and ownership structure of TANC's Tracy Property, as well as other issues that may benefit from his knowledge and experience. Approval of the attached resolution would authorize the TANC General Manager to execute the attached Legal Services Agreement with Al Jahns to provide assistance and support during the transition of COTP Counsel services.

RESOLUTION 2024-__

A RESOLUTION OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
AUTHORIZING A LEGAL SERVICES AGREEMENT WITH
AL JAHNS FOR CALIFORNIA-OREGON TRANSMISSION PROJECT COUNSEL SUPPORT
SERVICES

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 in, and the Project Manager of, the California-Oregon Transmission Project (COTP); and

WHEREAS, TANC has historically retained specific legal counsel to support the COTP and to support TANC in its roles as Project Manager of the COTP; and

WHEREAS, Mr. Al Jahns has generally supported and/or served in this role since the 1990's and retired as COTP Counsel at the end of December 2023; and

WHEREAS, On November 15, 2023, the TANC Commission approved TANC Resolution 2023-20 which authorized the TANC General Manager to vote for the approval of Stoel Rives, LLP to serve as TANC's new COTP Counsel at the November 15, 2023 COTP Management Committee meeting and to and execute an engagement letter with Stoel Rives, LLP subject to COTP Management Committee approval; and

WHEREAS, Mr. Jahns has offered continuing legal services that include his longstanding experience and knowledge of the COTP environmental, lands, and real property interests of over 30 years to support the transition of COTP Counsel services to Stoel Rives LLP:

NOW, THEREFORE, BE IT HEREBY RESOLVED that the TANC Commission authorizes the TANC General Manager to execute a Legal Services Agreement with Al Jahns to provide legal services in support of the transition to TANC's new COTP counsel.

PASSED AND ADOPTED this 17th day of January 2024 on a motion by _____,

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

AGREEMENT FOR LEGAL SERVICES

This Agreement, effective January 1, 2024 is between ALFRED F. JAHNS, Attorney at Law ("ATTORNEY") and the TRANSMISSION AGENCY OF NORTHERN CALIFORNIA, a California Joint Powers Agency, acting in its capacity as the Project Manager for the California-Oregon Transmission Project ("CLIENT"), whose address is P.O. Box 15129, Sacramento, California 95851-0129.

1. Services. CLIENT has requested that ATTORNEY provide legal services to CLIENT to support ongoing operations and management activities of the California-Oregon Transmission Project.

2. Effective Date and Term. This Agreement shall be effective as of the date set forth above and shall continue in force until terminated in accordance with Paragraph 6 hereof.

3. Fees and Expenses.

(a) CLIENT shall compensate ATTORNEY for his services under this agreement at the fee rate of \$505 per hour. ATTORNEY may adjust his fee rate from time to time upon providing written notice to CLIENT at least thirty (30) days prior to such adjustment; *provided*, no such adjustment shall occur before the end of calendar year 2024.

(b) CLIENT shall reimburse ATTORNEY for expenses reasonably incurred by ATTORNEY in connection with rendering services to CLIENT, including, without limitation, costs of reproduction, communications, computer services, special secretarial services, miscellaneous support services, travel, food, lodging, and other miscellaneous expenses reasonably associated with the provision of services hereunder.

4. Billing:

(a) Monthly Statements. ATTORNEY shall submit a monthly billing statement to CLIENT setting forth the total amount due for services, the method of calculation of said amount, and the total expenses incurred and recorded by the ATTORNEY in the course of rendering services. The full amount of such statement is due and payable within thirty (30) days of receipt.

(b) Payment of Costs Incurred. Not all expenses incurred during a month will be recorded during such month and, as a result, expenses incurred during a particular month may not appear on the billing statement for that month. CLIENT shall pay expenses incurred by the ATTORNEY, whenever billed to CLIENT; provided, ATTORNEY shall use ATTORNEY'S reasonable efforts to record expenses as close in time as is feasible to the month during which such expenses are incurred by ATTORNEY.

(c) Late Charge. Any fees and expenses which remain unpaid after thirty (30) days from date of receipt of ATTORNEY'S invoice therefor, and which are not disputed in written form setting forth specific exceptions, may be subject to a late payment charge at the rate (non-compounded) of 0.833 percent per month (10% per year), calculated from the beginning of the month in which such fees and expenses are due.

(d) Payment for Outside Services. ATTORNEY may direct person(s) or entity(s) supplying goods or services to bill CLIENT directly for such goods and services or may submit bills from suppliers directly to CLIENT for payment, upon the prior approval of CLIENT. CLIENT shall pay all such amounts promptly.

(e) Payment by Third Parties. In the event an insurance carrier, surety, guarantor or other person (INSURER) agrees to pay all or a part of CLIENT' monthly statements, CLIENT will remain primarily liable for each such statement and will immediately pay the same upon seven days' notice from ATTORNEY if the statement is not paid in full by such Insurer in accordance with this Paragraph 4. Absent ATTORNEY's agreement in writing, no act or omission by the INSURER or ATTORNEY shall restrict or otherwise reduce or eliminate CLIENT' primary responsibility under this Agreement for all amounts reflected in such statements.

5. Independent Contractor. ATTORNEY, in providing services pursuant to this Agreement, is not an employee of CLIENT, but is an independent contractor with full rights to manage his own employees and to determine the means, methods, and manner of providing services under this Agreement.

6. Termination.

(a) Termination by CLIENT. CLIENT may terminate this Agreement at any time and with or without cause by giving ATTORNEY written notice, which may be effective immediately. From the date of tender or receipt of the notice of termination, ATTORNEY shall limit the provision of services to those services specifically requested by CLIENT to complete the work then underway and/or services required to effect the withdrawal of or substitution for the ATTORNEY as counsel provided that the ATTORNEY has received adequate assurance that all fees and expenses will be paid in full upon termination.

(b) Termination by the ATTORNEY. ATTORNEY may terminate this Agreement with or without cause by tendering written notice duly mailed to CLIENT, at the address noted in Paragraph 7 below, thirty (30) business days prior to the desired termination date. From the date of tender of such notice, ATTORNEY shall limit the provision of services to those services specifically requested by CLIENT to complete work then underway and/or services required to effect the withdrawal of or substitution for the ATTORNEY as counsel. If ATTORNEY terminates this Agreement, ATTORNEY shall bear the expense of any application or motion for permission to withdraw or substitute out as counsel in any matter in which the ATTORNEY is then appearing as counsel for CLIENT, unless CLIENT unreasonably refuses to consent to such application or motion, in which event CLIENT shall pay the fees and expenses for ATTORNEY's services in connection with such application or motion.

(c) Reimbursement on Termination. CLIENT shall reimburse ATTORNEY for fees and expenses arising out of any application for permission to withdraw or substitute out as counsel in any matter in which the ATTORNEY is then appearing as counsel for CLIENT. If permission to withdraw or substitute out is denied, CLIENT shall continue to compensate ATTORNEY for fees and expenses as set forth herein.

(d) Payment of Fees on Termination. CLIENT shall pay for all fees earned and expenses incurred by ATTORNEY pursuant to this Agreement prior to and following the date of termination.

7. Notices. Any notice or other communication to either party hereto shall be personally delivered to the party or sent by first class, registered, or certified mail, with postage fully prepaid, and addressed to CLIENT at the address set forth above, and to ATTORNEY at 2508 Garfield Avenue, Suite C, Carmichael, CA 95608, or to such other address as either party may from time to time designate by notice to the other given in accordance with this paragraph.

8. Waiver. No waiver of any of the provisions of this Agreement shall be effective unless such waiver is in writing and signed by the party or parties to be bound. No notice to or demand on either party shall entitle it to any other or further notice or demand in similar or other circumstances.

9. Amendments and Integration. The parties agree that all changes or modifications hereto, except for rate changes as set forth in Paragraph 3(a) above, shall be in writing and signed by both parties. This Agreement constitutes the entire agreement between the parties.

10. Retention of Documents. In the course of ATTORNEY's legal services to CLIENT, ATTORNEY may come into possession of various papers and materials which California law recognizes are CLIENT's property. Such documents may include correspondence, pleadings, deposition transcripts, exhibits, physical evidence, expert's reports, and other items reasonably necessary to CLIENT's representation. CLIENT acknowledges that ATTORNEY maintains such materials only in digital form. From time to time at the request of CLIENT, ATTORNEY will turn over to CLIENT such materials in digital form if CLIENT requests that ATTORNEY do so. If CLIENT does not make such a request prior to the termination of this Agreement, ATTORNEY may destroy or discard such materials according to ATTORNEY's normal document retention procedure. CLIENT shall compensate ATTORNEY for his time spent and expenses incurred in identifying and organizing CLIENT papers and materials at the request of CLIENT.

11. Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

12. Business & Professions Code. This Agreement is intended to comply with California Business and Professions Code Section 6148 and, in accordance with such section, ATTORNEY hereby discloses that he maintains errors and omissions insurance coverage applicable to the services to be rendered hereunder.

13. Legal Costs. If either party to this Agreement shall take any action to enforce this Agreement or bring any action or commence any arbitration for any relief against any other party, declaratory or otherwise, arising out of this Agreement, the losing party shall pay to the prevailing party a reasonable sum for attorneys' and experts' fees and costs incurred in taking such action, bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorneys' and experts' fees and costs incurred in enforcing such judgment. The amount of attorneys' and experts' fees and costs due

hereunder shall be determined by a court of competent jurisdiction and not by a jury. For the purposes of this Section, attorneys' and experts' fees and costs shall include, without limitation, fees and costs incurred in the following: (a) post-judgment motions; (b) contempt proceedings; (c) garnishment, levy, and debtor and third party examinations; (d) discovery; (e) bankruptcy litigation; and (f) appeals.

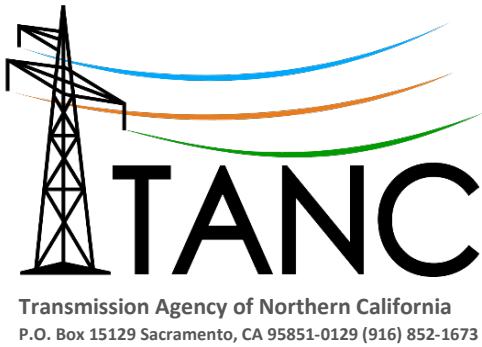
14. Counterparts; Electronic Signatures. This Agreement may be executed in counterparts by the parties. When each party has signed and delivered its counterpart to the other party hereto, each such counterpart shall be deemed an original and, taken together, shall constitute one and the same Agreement. The parties intend to be bound by the signatures on the documents delivered by DocuSign or as a "pdf" file attachment to electronic mail, and hereby waive any defense to the enforcement of the terms of this Agreement based on such form of signature.

ATTORNEY

CLIENT

Alfred F. Jahns
Attorney at Law

By:
Name: Jarom Zimmerman
Its: General Manager



MEMORANDUM

DATE: January 10, 2024

TO: TANC Commission

FROM: Jarom Zimmerman
General Manager

SUBJECT: RESOLUTION APPROVING THE TRANSFER OF ELEVENTH COLLECTION AGREEMENT UNSPENT FUNDS TO THE THIRTEENTH COLLECTION AGREEMENT

The Eleventh and Thirteenth Collection Agreements with the U.S. Forest Service (USFS) are the two most recent agreements funding the Long Bell Fire Station, fuels reduction treatments, access road maintenance and improvements, and related supporting wildfire risk reduction services in the area where the California-Oregon Intertie (COI) transmission lines run in close parallel proximity in northeastern California. The TANC Commission approved entering into these agreements under TANC Resolutions 2017-03 and 2022-02, respectively. TANC fully met its funding obligations for the Eleventh Collection Agreement before it expired. It was succeeded by the Thirteenth Collection Agreement which TANC actively funds consistent with its obligations.

The USFS holds \$141,095.03 in unspent funds from the Eleventh Collection Agreement that were paid by TANC. The reasons for the unspent funds include but are not limited to the following challenges faced by the USFS: 1) Limited staffing and the inability to fill vacated positions used to conduct fuels treatment work as scheduled; 2) Delays in procurement actions owing to Grants and Agreements staffing turnover or workload issues; 3) Efficiencies achieved by the USFS whereby they leverage their ability to share costs by using their own force accounts¹ that result in “stretching” TANC-paid funds further; and 4) other administrative and bureaucratic considerations.

¹ Force account work: Work accomplished by permanent or temporary USFS personnel.

TANC Commission

January 10, 2024

Page Two

Because they hold these funds, the USFS has therefore proposed a modification to the Thirteenth Collection Agreement proposing to move the \$141,095.03 of unspent Eleventh Collection Agreement funds to the Thirteenth Collection Agreement (attached).

Approval of the attached resolution would authorize the TANC General Manager execute the Modification to the Thirteenth Collection Agreement between the USFS and TANC that moves \$141,095.03 of unspent remaining Eleventh Collection Agreement funds to the Thirteenth Collection Agreement.

Enclosure

RESOLUTION 2024-__

A RESOLUTION OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
AUTHORIZING THE TRANSFER OF
UNSPENT FUNDS FROM THE ELEVENTH COLLECTION AGREEMENT
TO THE THIRTEENTH COLLECTION AGREEMENT WITH
THE UNITED STATES FOREST SERVICE

WHEREAS, 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 Project Manager of the California-Oregon Transmission Project (COTP); and

WHEREAS, Portions of the COTP are located within the Modoc National Forest and within the Shasta-Trinity National Forest, pursuant to a Right of Way granted on July 6, 1994 under the Act of October 21, 1976, 43 U.S.C. § 1761 et seq. (the TANC Easement); and

WHEREAS, TANC and the United States Forest Service (USFS) have entered into a series of prior collection agreements providing for TANC's funding of various undertakings by the USFS in connection with the construction, operation and maintenance of the COTP; and

WHEREAS, the TANC Commission authorized the execution of the Eleventh Collection Agreement with TANC Resolution 2017-03 approved March 17, 2017; and

WHEREAS, the USFS invoiced TANC, and TANC paid a total of \$2,881,458 consistent with the agreed-upon financial plan and five-year term of the Eleventh Collection Agreement, which has expired; and

WHEREAS, the USFS spent all but \$141,095 of those funds consistent with the scope of work and operating plan of the Eleventh Collection Agreement and retains those unspent funds; and

WHEREAS, the TANC Commission, under TANC Resolution 2022-02, authorized the TANC Interim General Manager to: 1) vote for approval of the Thirteenth Collection Agreement with the USFS; and 2) execute the Thirteenth Collection Agreement between the USFS and TANC at the COTP Management Committee meeting held January 26, 2022; and

WHEREAS, the USFS has prepared a Modification to the Thirteenth Collection Agreement to move \$141,095.03 of unspent remaining funds from the Eleventh Collection Agreement to the Thirteenth Collection Agreement in accordance with the agreed-upon Thirteenth Collection scope of work and financial plan.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission that the TANC General Manager is authorized to execute the Modification to the Thirteenth Collection Agreement between the USFS and TANC that moves \$141,095.03 of unspent remaining Eleventh Collection Agreement funds to the Thirteenth Collection Agreement.

PASSED AND ADOPTED this 17th day of January 2024 on a motion by _____,
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

**MODIFICATION OF GRANT OR AGREEMENT**PAGE
PAGES

1

2

1. U.S. FOREST SERVICE GRANT/AGREEMENT
NUMBER:

22-CO-11050900-003

2. RECIPIENT/COOPERATOR GRANT or
AGREEMENT NUMBER, IF ANY:

3. MODIFICATION NUMBER:

002

4. NAME/ADDRESS OF U.S. FOREST SERVICE UNIT ADMINISTERING
GRANT/AGREEMENT (unit name, street, city, state, and zip + 4):Grants and Agreements,
Pacific Southwest Region
1323 Club Drive
Vallejo, CA 94592-11105. NAME/ADDRESS OF U.S. FOREST SERVICE UNIT ADMINISTERING
PROJECT/ACTIVITY (unit name, street, city, state, and zip + 4):Modoc National Forest
508 S Main St
Adin, CA 96006-00006. NAME/ADDRESS OF RECIPIENT/COOPERATOR (street, city, state, and zip
+ 4, county):Transmission Agency of Northern California (TANC)
P.O. Box 15129
Sacramento, CA 95851-0129, Sacramento County7. RECIPIENT/COOPERATOR'S HHS SUB ACCOUNT NUMBER (For HHS
payment use only):**8. PURPOSE OF MODIFICATION**CHECK ALL
THAT APPLY:This modification is issued pursuant to the modification provision in the grant/agreement
referenced in item no. 1, above.

CHANGE IN PERFORMANCE PERIOD:



CHANGE IN FUNDING: Move remaining funds of \$141,095.03 from the FY17 Collection Agreement (17-CO-11050900-003) to the FY22 Collection Agreement (22-CO-11050900-003)



ADMINISTRATIVE CHANGES:



OTHER (Specify type of modification):

Except as provided herein, all terms and conditions of the Grant/Agreement referenced in 1, above, remain unchanged and in full force and effect.

9. ADDITIONAL SPACE FOR DESCRIPTION OF MODIFICATION (add additional pages as needed):

This modification moves unspent funds from Agreement 17-CO-11050900-003 to Agreement 22-CO-11050900-003 in accordance to the attached Scope of Work and Financial Plan.

10. ATTACHED DOCUMENTATION (Check all that apply):

Revised Scope of Work



Revised Financial Plan



Other:

11. SIGNATURES**AUTHORIZED REPRESENTATIVE:** BY SIGNATURE BELOW, THE SIGNING PARTIES CERTIFY THAT THEY ARE THE OFFICIAL REPRESENTATIVES OF THEIR RESPECTIVE PARTIES AND AUTHORIZED TO ACT IN THEIR RESPECTIVE AREAS FOR MATTERS RELATED TO THE ABOVE-REFERENCED GRANT/AGREEMENT.

11.A. TANC SIGNATURE

11.B. DATE
SIGNED

11.C. USDA FOREST SERVICE SIGNATURE

11.D. DATE
SIGNED

(Signature of Signatory Official)

(Signature of Signatory Official)

11.E. NAME (type or print): JAROM ZIMMERMAN

11.F. NAME (type or print): CHRIS CHRISTOFFERSON

11.G. TITLE (type or print): General Manager, Transmission
Agency of Northern California11.H. TITLE (type or print): Forest Supervisor, U.S. Forest
Service, R5, Modoc National Forest



11.I. USDA FOREST SERVICE SIGNATURE	11.J. DATE SIGNED
(Signature of Signatory Official)	
11.K. NAME (type or print): KARI OTTO	
11.L. TITLE (type or print): Deputy Forest Supervisor, U.S. Forest Service, R5, Shasta-Trinity National Forest	

12. G&A REVIEW

12.A. The authority and format of this modification have been reviewed and approved for signature by: RACHEL ELLISON <small>Digitally signed by RACHEL ELLISON Date: 2023.12.01 14:16:39 -08'00'</small> RACHEL ELLISON U.S. Forest Service Grants & Agreements Specialist	12.B. DATE SIGNED 12/1/2023
--	---------------------------------------

**INSTRUCTIONS FOR FORM FS-1500-19**

1. Enter the original U.S. Forest Service agreement number.
2. Enter the cooperator's agreement number, if applicable.
3. Enter the number for this Modification, i.e. 01, 02, or 03. The first modification to an instrument is '01', subsequent modifications receive a subsequent modification number (for example, the fourth modification is '04').
4. Enter the address of the G&A Specialist/Signatory Official responsible for this agreement.
5. Enter the address of the U.S. Forest Service Program/Project Manager or Lead Scientist responsible for this agreement.
6. Enter the cooperator's address.
7. Enter the cooperator's HHS Sub-Account numbers, if funding is provided on this modification (for example: G2412345003) (Only used by NA/S&PF and NRS)
8. Select all boxes that apply:
 - Change in Performance = updated performance period agreed to.
 - Change in Funding = obligation OR de-obligation amount and new totals.
 - Administrative = change in pay address, administrator address, correcting typing errors, etc.
 - Other = any other modification not described, such as update new objective to study plan, change the Principle Investigator, etc.
9. Insert changes such as updated provision, tasks, or any other data needed by the modification, add additional pages as needed.
10. Check all boxes that apply and ensure to attach these documents to the modification. Other attachments could include SF-424 forms.
11. A – D, self explanatory.
11. E – H, Type or print the names of signatory officials.
12. G&A Specialist signs and dates before sending to the individuals in block 11, if all modification data are approved for signature.

Burden Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0217. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice). USDA is an equal opportunity provider and employer.

TAB 23

CLOSED SESSION

Closed Session Pursuant to Government Code Section 54956.9(d)(1), Existing Litigation:

- a. Pacific Gas and Electric Company TO18, TO19, TO20 Offer of Settlement, Docket Nos. ER16-2320, ER17-2154, ER19-13.

TAB 24

MEETING CALENDAR

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