



Transmission Agency of Northern California  
P.O. Box 15129 Sacramento, CA 95851-0129 (916) 852-1673

## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: MAY 20, 2026 MEETING OF THE TRANSMISSION AGENCY OF NORTHERN CALIFORNIA

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The Commission of the Transmission Agency of Northern California (TANC) will meet at 10:00 a.m. on Wednesday, May 20, 2026, at 2377 Gold Meadow Way, First Floor, Gold River, California, 95670. The meeting is also accessible by telephone at:

**Join Meeting: 1 (202) 945-4283; Phone conference ID: 255 435 83#**

In addition to the customary reports, enclosed are reports related to WestConnect Activities, California-Oregon Transmission Project (COTP) matters, TANC technical matters, Federal Energy Regulatory Commission and other related regulatory matters, Western Electricity Coordinating Council Matters, Open Access Same-Time Information System matters, wildfire activities, California Independent System Operator matters, a report on reliability standards compliance, and a report on Fiscal Year 2026 Third Quarter Budget Variance Report. The TANC Commission will also receive a report from the TANC General Manager and discuss TANC Strategic Planning items.

The TANC Commission will then also receive a report and potentially take action on the Annual Monitoring Report for Palm Tract and consider a resolution adopting the Fiscal Year 2027 TANC Budget and revised Open Access Transmission Tariff. The TANC Commission will then consider administrative items and schedule its next meeting.

**TAB 1**

**CALL TO ORDER**

The TANC Chair will call the meeting to order.

**TAB 2**

**ROLL CALL**

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

**AGENDA**  
**TANC COMMISSION MEETING**  
**May 20, 2026**  
**10:00 AM**

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

**Remote Locations:**

<b>Northern California Power Agency</b>	<b>Redding Electric Utility</b>
651 Commerce Drive	3611 Avtech Parkway
Roseville, CA 95678-6420	Redding, CA 96002

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

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

**Join Meeting: 1 (202) 945-4283; Phone conference ID: 255 435 83#**

1. Call to Order

The TANC Chair will call the meeting to order.

2. Roll Call

The TANC 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 April 15, 2026 TANC Commission Meeting.

Enclosed are the draft minutes from the April 15, 2026 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. Audit Budget Committee
- b. Contracts Committee
- c. Finance Committee
- d. Open Access Transmission Tariff Committee

8. Report on WestConnect Activities

Enclosed is a report regarding activities related to WestConnect.

9. Report on COTP Matters

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

10. Report on TANC Technical Matters

Enclosed is a report regarding TANC technical matters.

11. Report on FERC and Related Regulatory Matters

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

12. Report on WECC Matters

Enclosed is a report regarding Western Electricity Coordinating Council matters.

13. Report on TANC OASIS Matters

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

14. Report on Wildfire Activities

Enclosed is a report regarding recent wildfire related initiatives.

15. Report on CAISO Matters

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

16. Report on TANC's Reliability Standards Compliance Program

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

17. Report on FY26 Third Quarter Budget Variance Report

Enclosed is a report concerning the Fiscal Year 2026 Third Quarter Budget Variance Report

**INFORMATION ITEMS**

18. Report from the TANC General Manager

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

19. Report on TANC Strategic Planning Efforts

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

**ACTION ITEMS**

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

The Commission will receive a report and may take action on the Annual Monitoring Report – Waterfowl Mitigation Plan Compliance for Palm Tract.

21. Resolution Adopting the FY27 TANC Budget and Revised OATT

The Commission will receive a report and consider a resolution adopting the Fiscal Year 2027 TANC Budget including revisions to the Open Access Transmission Tariff.

**ADMINISTRATIVE ITEMS**

22. Report and Potential Action on Administrative Items

- a. Approval of an Update to Officers List for 2026
- b. Hourly Rate Increase for TANC Staff (Guidehouse)

23. Meeting Calendar

The Commission will confirm the date of its next scheduled meeting is June 17, 2026.

**TAB 4**

**PUBLIC COMMENT**

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

**TAB 5**

**DRAFT MINUTES AND ATTACHMENTS**

MINUTES  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
COMMISSION MEETING  
APRIL 15, 2026

Chair Caballero (Modesto Irrigation District) called the April 15, 2026 Transmission Agency of Northern California (TANC) Commission meeting to order at 10:00 a.m. Mr. Danson (TANC General Manager) took a roll call of the Commissioners in attendance. Meeting attendees are listed in Attachment 1.

*Approval of Agenda*

Chair Caballero asked if there were 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 April 15, 2026 TANC Commission agenda. Mr. Gill (Turlock Irrigation District) seconded the motion, which was approved by the TANC Commission. The approved agenda for the April 15, 2026 TANC Commission meeting is included as Attachment 2.

**PUBLIC COMMENT**

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

**CONSENT CALENDAR**

Chair Caballero asked if any Commissioner would like a discussion or removal of any item under the Consent Calendar. There were no requests. Mr. Gill (Turlock Irrigation District) made a motion to approve the April 15, 2026 TANC Commission agenda. Mr. Zettel (City of Redding) seconded the motion, which was approved by the TANC Commission. The approved minutes from the March 18, 2026 TANC Commission meeting are included as Attachment 3.

## **INFORMATION ITEMS**

### ***Report from the TANC General Manager***

Mr. Danson reported that he has recently met with most Commissioners and that he has also been contacted by a few firms which provide wildfire monitoring software. Mr. Danson also provided a summary of a recent California Energy Commission meeting that included a discussion on transmission interconnection and a discussion about standardizing equipment. Mr. Danson also reported that he had discontinued the recent grant writing effort for spark funding. Mr. Danson reported that he has been contacted recently by a few infrastructure companies. There was also a discussion on outage coordination and coordination on potential Congestion Revenue Requirement pricing hub issues. Mr. Danson then reminded the Commission about the TANC budget workshop on April 23, 2026 and provided an update on the Treasurer/Controller transition. Lastly, the TANC Commission discussed wildfire software and means to connect maintenance to fire risk.

## **ACTION ITEMS**

### ***Resolution Approving Amendment 1 to Project Agreement 3***

Mr. Danson updated the TANC Commission on Amendment 1 to Project Agreement 3 (PA3), which has been reviewed and agreed to by TANC Member legal counsels and includes updated information on individual Members and COTP Participation Percentages, entitlements and scheduling rights on the COTP. Mr. Danson reminded the TANC Commission that the purpose of Amendment 1 to PA3 is to permit future changes in Transfer Capacity without formally amending PA3. Mr. Danson also noted that he will work with the Members to obtain the necessary and requisite approvals to fully execute Amendment Number 1 to PA3. After discussion by TANC Commission, Ms. Lewis (Sacramento Municipal Utility District) moved to approve Amendment 1 to Project Agreement 3 (PA3). This motion was seconded by Mr. Forsythe

(City of Roseville) and approved by the TANC Commission. Resolution 2026-11 is included as Attachment 4.

***Resolution Approving Proceeding with 2016 Series A Bond Refinancing***

Mr. Danson reminded the Commission that at the March 2026 meeting, Resolution 2026-05 was approved which authorized taking the necessary steps to develop a proposal for refunding TANC's 2016 Series A Bonds. Mr. Danson also reported that since that approval, the Treasurer, TANC General Manager's Finance Committee and Financial Team have been working on development of the Preliminary Official Statement (POS) for refunding TANC's 2016 Series A Bonds. Mr. Danson also reported that, at their meeting on April 8, 2026, the TANC General Manager's Finance Committee recommended the Commission authorize the refunding of TANC's 2016 Series A bonds in the aggregate Principal Amount of not to exceed one hundred sixty million dollars on the terms and conditions set forth in the Twelfth Supplemental Indenture. It was noted also that the 2026 Bonds will be dated and bear interest at the rates determined upon completion of the bond sale. Mr. Danson also reported that it is recommended that TANC engage the services of J.P. Morgan Chase Bank, N.A. as senior managing underwriter and RBC Capital Markets as the co-underwriter for the 2026 Bonds. After discussion by TANC Commission, Mr. Gill (Turlock Irrigation District) moved to approve the POS for refunding TANC's 2016 Series A Bonds. This motion was seconded by Mr. Forsythe (City of Roseville) and approved by the TANC Commission. Resolution 2026-12 is included as Attachment 5.

**ADMINISTRATIVE ITEMS**

***Meeting Calendar***

The next regular TANC Commission meeting is scheduled for May 20, 2026. There being no further business, Chair Caballero adjourned the meeting.

ATTENDANCE LIST

TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
COMMISSION MEETING

March 18, 2026

10:00 AM

NAME

ORGANIZATION

Martin Caballero	Modesto Irrigation District
Manjot Gill	Turlock Irrigation District
Nick Zettel	City of Redding
Laura Lewis	Sacramento Municipal Utility District
Jon Anderson	Sacramento Municipal Utility District
Bill Forsythe	City of Roseville
Basil Wong	City of Santa Clara
Anish Nand	Northern California Power Agency
Michelle Williams	Western Area Power Administration
Melinda Jones	Western Area Power Administration
Steve Gross	TANC General Counsel
Cory Danson	TANC General Manager
Amy Cuellar	TANC Staff
Larry Riegle	TANC Staff
John Wang	Orrick
Michael Berwanger	PFM Financial Advisors
Louise Houghton	PFM Financial Advisors
Kyle Bartle	Eide-Bailly
Kamiko Tsuchida	Eide-Bailly

**AGENDA**  
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**10:00 AM**

**LOCATION**  
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**First Floor Conference Room**  
**Gold, River, CA 95670**

**Remote Locations:**

<b>Northern California Power Agency</b>	<b>Silicon Valley Power</b>
651 Commerce Drive	881 Martin Avenue
Roseville, CA 95678-6420	Santa Clara, CA 95050

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**Join Meeting: 1 (202) 945-4283; Phone conference ID: 295 416 051#**

1. Call to Order

The TANC Chair will call the meeting to order.

2. Roll Call

A TANC 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.

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- a. Audit Budget Committee
- b. Engineering and Operations Committee

8. Report on WestConnect Activities

Enclosed is a report regarding activities related to WestConnect.

9. Report on COTP Matters

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**INFORMATION ITEMS**

15. Report from the TANC General Manager

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

**ACTION ITEMS**

16. Resolution Approving Amendment Number 1 to Project Agreement Number 3

The Commission will receive a report and consider a resolution approving Amendment Number 1 to TANC Project Agreement Number 3.

17. Resolution Approving Proceeding with 2016 Series A bond refinancing

The Commission will receive a report and consider a resolution approving proceeding with a refinancing of the 2016 Series A bonds.

**ADMINISTRATIVE ITEMS**

18. Meeting Calendar

The Commission will confirm the date of its next scheduled meeting is May 20, 2026.

MINUTES  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
COMMISSION MEETING  
MARCH 18, 2026

Chair Caballero (Modesto Irrigation District) called the March 18, 2026 Transmission Agency of Northern California (TANC) Commission meeting to order at 10:00 a.m. Mr. Danson (TANC General Manager) took a roll call of the Commissioners in attendance. Meeting attendees are listed in Attachment 1.

***Approval of Agenda***

Chair Caballero asked if there were any recommended additions, deletions or modifications to the agenda. With no changes proposed, Mr. Gill (Turlock Irrigation District) made a motion to approve the March 18, 2026 TANC Commission agenda. Mr. Adair (Sacramento Municipal Utility District) seconded the motion, which was approved by the TANC Commission. The approved agenda for the March 18, 2026 TANC Commission meeting is included as Attachment 2.

**PUBLIC COMMENT**

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

**CONSENT CALENDAR**

Chair Caballero asked if any Commissioner would like a discussion or removal of any item under the Consent Calendar. There were no requests. Mr. Gill (Turlock Irrigation District) made a motion to approve the March 18, 2026 TANC Commission agenda. Mr. Adair (Sacramento Municipal Utility District) seconded the motion, which was approved by the TANC Commission. The approved minutes from the February 18, 2026 TANC Commission meeting are included as Attachment 3.

**INFORMATION ITEMS**

***Report from the TANC General Manager***

Mr. Danson reminded the TANC Commission that Fair Political Practices Commission Form 700s are due by April 1. Mr. Danson provided an update on Project Agreement Number 3, noting that the final draft of the amendment would be circulated and that approval of the amendment would be on the agenda for the April TANC Commission meeting. Mr. Danson also reported that he had coordinated on a request from California Department of Water Resources contractors, who were pursuing developing a network of Delta sites, near TANC's Palm Tract property, as potential storages areas but that based on a recent field meeting, it was generally agreed that the constraints associated with the Palm Tract rendered it infeasible for use as a storage site. Mr. Danson provided an update on the Series Capacitor Procurement process.

**ACTION ITEMS**

***Resolution Identifying Certain Routine COTP E&O Activities as Categorically Exempt from CEQA***

Mr. Danson reported that the annual list of Operation and Maintenance (O&M) activities that have been determined to be categorically exempt from the California Environmental Quality Act (CEQA) was presented in the meeting materials. It was discussed that there was one activity added to the list relating to the application of herbicides around TANC's communication sites. After discussion by TANC Commission, Mr. Gill (Turlock Irrigation District) moved to approve the list of O&M activities determined to be categorically exempt from CEQA. This motion was seconded by Mr. Adair (Sacramento Municipal Utility District) and approved by the TANC Commission. Resolution 2026-04 is included as Attachment 4.

***Resolution Authorizing Actions to Consider Changes to TANC's Financial Program***

Mr. Danson reported that the TANC General Manager's Finance Committee has been discussing TANC's existing bonds and financial program and is recommending that the TANC Commission approve the development of a proposal for refunding TANC's 2016 Series A Bonds. Mr. Danson also noted that, if approved, there were plans to return to the TANC Commission at the April 15, 2026, meeting with a proposal for the TANC Commission to consider regarding authorizing the refinancing of TANC 2016 Series A Bonds. After discussion by TANC Commission, Mr. Adair (Sacramento Municipal Utility District) moved to approve taking the necessary steps to develop a proposal for refunding TANC's 2016 Series A Bonds and to then return to the TANC Commission with a proposal for the Commission to consider regarding authorizing the refinancing of TANC 2016 Series A Bonds. This motion was seconded by Mr. Gill (Turlock Irrigation District) and approved by the TANC Commission. Resolution 2026-05 is included as Attachment 5.

***Resolution Approving the Agreement for a new TANC Treasurer/Controller***

Mr. Danson provided an update on the Request for Proposals for the Treasurer and Controller services that was issued in November 2025, reporting that two bids are received and that based on the review of the bids and the follow-up interviews, the General Manager's Audit-Budget Committee has made a recommendation on a firm to provide TANC Treasurer/Controller Services. After discussion by TANC Commission, Mr. Adair (Sacramento Municipal Utility District) moved to approve authorizing the TANC General Manager to finalize and execute an agreement for Accounting and Treasury Services in coordination with TANC Controller staff and TANC Counsel. This motion was seconded by Mr. Gill (Turlock Irrigation District) and approved by the TANC Commission. Resolution 2026-06 is included as Attachment 6.

***Resolution Authorizing the Placement of the 2026-2027 COTP Insurance Program***

Mr. Danson reported that the Insurance Program for the COTP is set to expire on March 31, 2026, and that TANC has been working with current insurance broker – Gallagher Insurance Services and the Joint TANC/COTP Insurance Task Force on a 2026-2027 COTP Insurance Program. After

discussion by the TANC Commission, Mr. Gill (Turlock Irrigation District) moved to approve the placement of the 2026-2027 COTP insurance Program. This motion was seconded by Mr. Wong (City of Santa Clara) and approved by the TANC Commission. Resolution 2025-07 is included as Attachment 7.

***Resolution Approving a Request from the Western Area Power Administration to Carryover Prior Year Funds for the Treatment of the COTP River Anchor and Crossing Towers***

Mr. Danson noted that the Western Area Power Administration (WAPA) is requesting to carryover \$600,000 in Fiscal Year 2025 prior year funds to use for the treatment of eight California-Oregon Transmission Project (COTP) towers near the Sacramento and San Joaquin rivers. Mr. Danson also indicated that WAPA currently has \$600,000 in the Fiscal Year 2026 budget for this work. Mr. Danson also reminded the TANC Commission that in November 2025, they had approved the WAPA request to use \$3,300,000 of prior year funds for the work and in January 2026, they had approved the WAPA request to proceed with a treatment recommendation which had a cost estimate of \$4,500,000. Mr. Danson also reported that at their meeting on March 11, 2026, the COTP Engineering and Operations Committee recommended approval of WAPA's request to carryover an additional \$600,000 in prior year funds. After discussion by the TANC Commission, Mr. Adair (Sacramento Municipal Utility District) moved to approve WAPAs request to carryover an additional \$600,000 in Fiscal Year 2025 prior year funds to Fiscal Year 2026 for the treatment of the COTP towers near the Sacramento and San Joaquin rivers. This motion was seconded by Mr. Gill (Turlock Irrigation District) and approved by the TANC Commission. Resolution 2026-08 is included as Attachment 8.

***Resolution Approving a Request from the Western Area Power Administration to Carryover Prior Year Funds for Vegetation Management-Orchard Removal***

Mr. Danson reported that WAPA is also requesting use of \$834,570 in Fiscal Year 2018 prior year funds to trim over 1,775 orchard trees in Fiscal Year 2027. Mr. Danson also noted that at their meeting on March 11, 2026, the COTP Engineering and Operations Committee recommended approval of WAPA's request to carryover \$834,570 in Fiscal Year 2018 prior year funds to Fiscal Year 2027 for orchard tree trimming. After discussion by the TANC Commission, Mr. Gill (Turlock Irrigation District) moved to approve WAPAs request to carryover \$834,570 in Fiscal Year 2018 prior year funds to Fiscal Year 2027 for orchard tree trimming. This motion was seconded by Mr. Adair (Sacramento Municipal Utility District) and approved by the TANC Commission. Resolution 2026-09 is included as Attachment 9.

***Resolution Adopting the Fiscal Year 2027 COTP O&M Budget and Workplan***

Mr. Danson presented the Fiscal Year 2027 COTP O&M Budget and Work Plan and provided information on Fiscal Year 2027 budget categories including changes from the current Fiscal Year 2026 budget. After discussion by the TANC Commission, Mr. Adair (Sacramento Municipal Utility District) moved to approve the Fiscal Year 2027 COTP O&M Budget and Work Plan. The

motion was seconded by Mr. Wong (City of Santa Clara) and approved by the TANC Commission. Resolution 2025-10 is included as Attachment 10.

CLOSED SESSION

Pursuant to subsections (a), (b), and (d) of California Code Section 54956.9(d)(1), Existing Litigation, 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.

ADMINISTRATIVE ITEMS

*Meeting Calendar*

The next regular TANC Commission meeting is scheduled for April 15, 2026. There being no further business, Chair Caballero adjourned the meeting.

Respectfully submitted,

Signed by:  
  
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Cory Danson  
TANC General Manager

RESOLUTION 2026-11

A RESOLUTION OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
APPROVING AMENDMENT NUMBER 1  
TO PROJECT AGREEMENT NUMBER 3

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, in 1990 the TANC Commission passed Resolution 1990-18 which approved Project Agreement Number 3 (PA3) which set forth TANC Member rights and obligations with respect to TANC's entitlement to Transfer Capability in the California-Oregon Transmission Project (COTP).

WHEREAS, several recent events including changes to the rating of the California-Oregon Intertie and to several Member requests for increased allocation of TANC's entitlement by transferring non-TANC owned Transfer Capacity to TANC resulted in the identification of efficiencies identified that could be implemented for the transfer process that ensure the rights of non-transferring Members; and

WHEREAS, based on those recent events, TANC Counsel, TANC Special Counsel and the TANC General Manager coordinated on the development of Amendment Number 1 to PA3; and

WHEREAS, the purpose of Amendment 1 to PA3 is to permit changes in Transfer Capacity without formally amending PA3; and

WHEREAS, Amendment Number 1 to PA3 includes updated information on individual Members and COTP Participation Percentages, entitlements and scheduling rights on the COTP; and

WHEREAS, TANC Counsel, TANC Special Counsel and the TANC General Manager have also been working directly with TANC Members and their legal counsels to review and agree to language proposed in the Amendment 1 to PA3 which includes updated information on individual Members and COTP Participation Percentages, entitlements and scheduling rights on the COTP.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission of the Transmission Agency of Northern California that the TANC General Manager will work with the TANC Members to obtain the necessary and requisite approvals to fully execute Amendment Number 1 to PA3.

BE IT FURTHER RESOLVED by the Commission of the Transmission Agency of Northern California that the General Manager is authorized to execute Amendment Number 1 to PA3 as soon as practical, following individual member execution and approval of Amendment Number 1 to PA3 by their respective governing bodies.

PASSED AND ADOPTED this 15<sup>th</sup> day of April 2026 on a motion by Ms. Lewis (Sacramento Municipal Utility District), seconded by Mr. Forsythe (City of Roseville).

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

RESOLUTION 2026-12

RESOLUTION OF THE TRANSMISSION AGENCY OF NORTHERN CALIFORNIA AUTHORIZING AND APPROVING THE ISSUANCE OF NOT TO EXCEED \$160,000,000 AGGREGATE PRINCIPAL AMOUNT OF REVENUE REFUNDING BONDS IN ONE OR MORE SERIES GENERALLY DESIGNATED AS “CALIFORNIA-OREGON TRANSMISSION PROJECT REVENUE REFUNDING BONDS, 2026 SERIES”; APPROVING THE FORM OF SUPPLEMENTAL INDENTURE PURSUANT TO WHICH SUCH BONDS ARE TO BE ISSUED; APPROVING THE FORM OF AND AUTHORIZING CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE AND SALE OF SUCH BONDS; AND AUTHORIZING CERTAIN OTHER MATTERS RELATING THERETO

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

WHEREAS, TANC in its own name, or for the benefit of its Members (capitalized terms used in this Resolution and not otherwise defined shall have the meanings given such terms in the Indenture (as hereinafter defined)), has the power to acquire by purchase or eminent domain, construct, finance, operate and maintain facilities for electric power transmission including, without limitation, the power to purchase, lease, operate, develop, contract for, or own, new or upgraded transmission lines, and facilities for the benefit of its Members; and

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

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

WHEREAS, TANC and the cities of Alameda, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, and Ukiah, the Modesto Irrigation District, the Plumas-Sierra Rural Electric Cooperative, the Sacramento Municipal Utility District and the Turlock Irrigation District (the “Member-Participants”) have entered into an agreement entitled “Transmission Agency of Northern California Project Agreement No. 3 for the California-Oregon Transmission Project” (the “Project Agreement”) to provide for the financing, acquisition, construction, and operation of the California-Oregon Transmission Project (the “Project”), the use of Project transfer capability by the Member-Participants, and the source of payment and security for the bonds, notes and other evidences of indebtedness issued and to be issued to finance or refinance the Project; and

WHEREAS, pursuant to an Indenture of Trust (the “Original Indenture”), dated as of May 1, 1990, by and between TANC and U.S. Bank Trust Company, National Association, as successor to U.S. Bank National Association, successor by merger to U.S. Bank Trust National Association (formerly known as First Trust of California, National Association), successor trustee to Bankers Trust

Company of California, National Association, as Trustee (the “Trustee”), TANC has authorized the issuance of its California-Oregon Transmission Project Revenue Bonds to finance the Cost of the Project and to refund Outstanding Bonds; and

WHEREAS, pursuant to the Original Indenture, TANC has issued its California-Oregon Transmission Project Revenue Bonds, 1990 Series A consisting of 1990 Current Interest Bonds in the aggregate Principal Amount of \$273,830,000 and 1990 Capital Appreciation Bonds in the aggregate Initial Amount of \$9,804,036.30 (collectively, the “1990 Bonds”), for the purpose of financing a portion of the Cost of the Project; and

WHEREAS, pursuant to the Original Indenture and the First Supplemental Indenture of Trust, dated as of February 1, 1992, by and between TANC and the Trustee, TANC has issued \$117,730,000 aggregate Principal Amount of its California-Oregon Transmission Project Revenue Bonds, 1992 Series A (the “1992A Bonds”), for the purpose of financing a portion of the Cost of the Project; and

WHEREAS, pursuant to the Original Indenture and the Second Supplemental Indenture of Trust, dated as of March 1, 1993, by and between TANC and the Trustee, TANC has issued \$240,480,000 aggregate Principal Amount of its California-Oregon Transmission Project Revenue Refunding Bonds, 1993 Series A (the “1993A Bonds”), for the purpose of refunding certain of the 1990 Bonds and to pay a portion of the Costs of the Project; and

WHEREAS, pursuant to the Original Indenture and the Third Supplemental Indenture of Trust, dated as of May 1, 2002, by and between TANC and the Trustee, TANC has issued \$103,825,000 aggregate Principal Amount of its California-Oregon Transmission Project Revenue Refunding Bonds, 2002 Series A (the “2002A Bonds”), for the purpose of refunding certain of the 1992A Bonds; and

WHEREAS, in connection with the 2002A Bonds, TANC entered into an interest rate swap agreement (the “2002A Swap Agreement”) with Goldman Sachs Mitsui Marine Derivatives, L.P. in the original notional amount of \$103,825,000; and

WHEREAS, pursuant to the Original Indenture and the Fourth Supplemental Indenture of Trust, dated as of December 1, 2002, by and between TANC and the Trustee, certain provisions in the Original Indenture relating to Subordinated Indebtedness have been amended, as set forth therein; and

WHEREAS, pursuant to the Original Indenture and the Fifth Supplemental Indenture of Trust, dated as of March 1, 2003, by and between TANC and the Trustee, TANC has issued \$95,775,000 aggregate Principal Amount of its California-Oregon Transmission Project Revenue Refunding Bonds, 2003 Series A (the “2003A Bonds”) and \$95,800,000 aggregate Principal Amount of its California-Oregon Transmission Project Revenue Refunding Bonds, 2003 Series B (the “2003B Bonds”), for the purpose of refunding certain of the 1993A Bonds and \$44,525,000 aggregate Principal Amount of its California-Oregon Transmission Project Revenue Refunding Bonds, 2003 Series C (the “2003C Bonds”) and together with the 2003A Bonds and the 2003B Bonds, the “2003 Bonds”) for the purpose of refunding certain of the California-Oregon Transmission Project Commercial Paper Notes, Series B (Tax-Exempt Notes) (the “Series B Tax-Exempt CP Notes”) previously issued by TANC; and

WHEREAS, in connection with the 2003A Bonds and the 2003B Bonds, TANC entered into an interest rate swap agreement (the “2003 J.P. Morgan Swap Agreement”) with J.P. Morgan Chase Bank, N.A., as successor to Bear Stearns Capital Markets Inc. in an original notional amount of \$114,945,000, and an interest rate swap agreement (the “2003 Citibank Swap Agreement” and, together with the 2003 J.P. Morgan Swap Agreement, the “2003 Swap Agreements” and, together with the 2002A

Swap Agreement, the “Swap Agreements”) with Citigroup Financial Products Inc., formerly known as Salomon Brothers Holding Company Inc in an original notional amount of \$76,630,000; and

WHEREAS, pursuant to the Original Indenture and the Sixth Supplemental Indenture, dated as of May 1, 2009, by and between TANC and the Trustee, upon the Transition Date (as defined in the Sixth Supplemental Indenture) the Sixth Supplemental Indenture would amend and restate the terms of the Original Indenture relating to the California-Oregon Transmission Project Revenue Bonds; and

WHEREAS, pursuant to the Original Indenture and the Seventh Supplemental Indenture, dated as of May 1, 2009, by and between TANC and the Trustee, TANC has issued \$67,005,000 aggregate Principal Amount of its California-Oregon Transmission Project Revenue Refunding Bonds, 2009 Series A (the “2009A Bonds”), for the purpose of refunding all of the outstanding 2003C Bonds and Series B Tax-Exempt CP Notes; and

WHEREAS, pursuant to the Original Indenture and the Eighth Supplemental Indenture, dated as of May 1, 2009, by and between TANC and the Trustee, TANC has issued \$61,810,000 aggregate Principal Amount of its California-Oregon Transmission Project Revenue Refunding Bonds, 2009 Series B (the “2009B Bonds” and, together with the 2009A Bonds, the “2009 Bonds”), for the purpose of refunding certain of the California-Oregon Transmission Project Commercial Paper Notes, Series A Taxable Notes; and

WHEREAS, pursuant to the Original Indenture and the Ninth Supplemental Indenture, dated as of January 1, 2012, by and between TANC and the Trustee, TANC amended certain provisions of the Original Indenture and the Third Supplemental Indenture as it relates to the 2002A Bonds in order to re-issue, sell and deliver the 2002A Bonds pursuant to the Supplemental Bondholder Agreement, dated January 31, 2012, between Citibank, N.A. and TANC; and

WHEREAS, pursuant to the Original Indenture and the Tenth Supplemental Indenture, dated as of September 1, 2014, by and between TANC and the Trustee, certain provisions in the Original Indenture, the Third Supplemental Indenture and the Ninth Supplemental Indenture relating to the Initial Period End Date of the 2002A Bonds have been amended, as set forth therein; and

WHEREAS, the 2002A Swap Agreement has terminated pursuant to the confirmation by Goldman Sachs Mitsui Marine Derivatives, L.P. to TANC, dated February 23, 2016 (the “2002 Termination Agreement”); and

WHEREAS, the 2003 J.P. Swap Agreement has terminated pursuant to the confirmation by JPMorgan Chase Bank, N.A. to TANC, dated February 23, 2016 (the “2003 JPMorgan Termination Agreement”); and

WHEREAS, the 2003 Citibank Swap Agreement has terminated pursuant to the termination agreement by and between Citigroup Financial Products Inc. and TANC, dated as of February 23, 2016 (the “2003 Citigroup Termination Agreement” and, together with the 2002 Termination Agreement and the 2003 JPMorgan Termination Agreement, the “Termination Agreements”); and

WHEREAS, pursuant to the Original Indenture and the Eleventh Supplemental Indenture, dated as of March 1, 2016, by and between TANC and the Trustee, TANC has issued \$173,920,000 aggregate Principal Amount of its California-Oregon Transmission Project Revenue Refunding Bonds, 2016 Series A (the “2016A Bonds”), for the purpose of refunding all of the outstanding 2002A Bonds, 2003A Bonds and 200B Bonds, and a portion of the 2009A Bonds; and

WHEREAS, in connection with the issuance of the 2016A Bonds and pursuant to the Eleventh Supplemental Indenture, the Transition Date has occurred and all of the provisions of the Original Indenture were amended and restated by the Sixth Supplemental Indenture in their entirety; and

WHEREAS, TANC desires to issue one or more series of not to exceed \$160,000,000 aggregate Principal Amount of its California-Oregon Transmission Project Revenue Refunding Bonds, 2026 Series (collectively, the “2026 Bonds”), for the purposes set forth in this Resolution, including the refunding and/or defeasance of all or a portion of the outstanding 2016A Bonds (the “Refunded Obligations”), as shall be specified in the Twelfth Supplemental Indenture as hereinafter authorized; and

WHEREAS, the 2026 Bonds are to be issued under and pursuant to (i) the Original Indenture as amended and restated by the Sixth Supplemental Indenture (the Original Indenture, as amended and restated by the Sixth Supplemental Indenture and as otherwise amended and supplemented, the “Indenture”), and (ii) a Twelfth Supplemental Indenture, dated as of May 1, 2026, by and between TANC and the Trustee, which supplemental indenture shall supplement the Sixth Supplemental Indenture by providing the terms and conditions for the 2026 Bonds and shall also constitute the twelfth supplemental indenture of trust to the Original Indenture (such supplemental indenture, in the form submitted to this meeting and with such changes, insertions and omissions as are made pursuant to this Resolution is referred to herein as the “Twelfth Supplemental Indenture”); and

WHEREAS, the 2026 Bonds issued pursuant to the Indenture and the Twelfth Supplemental Indenture are to be payable from and secured by a pledge and assignment of the Trust Estate on a parity with all other bonds, as and to the extent the same are Outstanding under the Indenture; and

WHEREAS, TANC desires to engage the services of J.P. Morgan Chase Bank, N.A. as senior managing underwriter for the 2026 Bonds (collectively with the other underwriters named in the Purchase Contract, the “Underwriters”), so that the Underwriters will purchase the 2026 Bonds from TANC pursuant to the terms of a Purchase Contract (such Purchase Contract in the form submitted to this meeting and with such changes, insertions and omissions as are made pursuant to this Resolution, is referred to herein as the “Purchase Contract”) by and between TANC and the Underwriters; and

WHEREAS, there have been prepared and submitted to this meeting forms of:

- (1) the Twelfth Supplemental Indenture; and
- (2) the Purchase Contract; and
- (3) the Official Statement to be used in connection with the offering and sale of the 2026 Bonds (such Official Statement in the form submitted to this meeting and with such changes, insertions and omissions as are made pursuant to this Resolution, is referred to herein as the “Official Statement”); and

WHEREAS, after having reviewed and considered the information submitted by the Treasurer of TANC to refinance the Refunded Obligations, as may be determined by the TANC Treasurer at the time of sale of the 2026 Bonds and as shall be specified in the Twelfth Supplemental Indenture and the Purchase Contract, the Commission now desires to authorize the issuance and sale of the 2026 Bonds, including the execution of such documents and the performance of such acts as may be necessary or desirable in connection with such issuance and sale; and

WHEREAS, in compliance with California Government Code Section 5852.1, TANC has obtained from the Underwriters the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto; and

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

Section 1. The issuance of one or more series of 2026 Bonds in the aggregate Principal Amount of not to exceed one hundred sixty million dollars (\$160,000,000) on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture, the Twelfth Supplemental Indenture is hereby authorized and approved. The 2026 Bonds will be dated, will bear interest at the rates, will mature on the dates, will be issued in the forms, will have such Sinking Fund Installments, will be subject to redemption, and will otherwise have the terms provided in the Indenture and the Twelfth Supplemental Indenture as the same are completed, executed and delivered as provided in this Resolution.

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

Section 3. The proceeds of the sale of the 2026 Bonds, together with other available moneys, shall be applied to (i) the refunding of the Refunded Obligations; (ii) the funding of one or more debt service reserve accounts, if any, for the 2026 Bonds; and (iii) the paying of the costs of issuance of the 2026 Bonds, all on the terms set forth in the Twelfth Supplemental Indenture or as otherwise specified by an Authorized TANC Representative.

Section 4. An Authorized TANC Representative is hereby authorized to determine the following: (i) the series designations and the maturity dates of the 2026 Bonds, (ii) the Principal Amount of the 2026 Bonds maturing on each maturity date, (iii) the Sinking Fund Installments, if any, for the 2026 Bonds, (iv) whether all or any portion of the 2026 Bonds shall have credit enhancement (including a letter of credit, bond insurance and a reserve fund surety policy) and, if so, the terms and conditions, including the price thereof, (v) the fixed interest rates to be borne by the 2026 Bonds, which may be tax-exempt and taxable interest rates; provided, however, that the true interest cost for the 2026 Bonds (as calculated by the Treasurer of TANC in consultation with TANC’s financial advisor, which calculation shall be final and conclusive) shall not exceed six percent (6.00%) for the 2026 Bonds; and (vi) the final maturity of the 2026 Bonds which shall not exceed May 1, 2039.

Section 5. The Purchase Contract, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. An Authorized TANC Representative is hereby authorized to execute the Purchase Contract in the form submitted to this meeting with such changes, insertions and omissions as may be approved by the Authorized TANC Representative executing the Purchase Contract and as are consistent with the determinations of the terms of the 2026 Bonds made pursuant to this Resolution, the Twelfth Supplemental Indenture, said execution being conclusive evidence of such approval.

An Authorized TANC Representative is hereby authorized to determine the purchase price to be paid by the Underwriters for the 2026 Bonds under the Purchase Contract. The sale of the 2026 Bonds to the Underwriters on the terms and conditions contained in the Purchase Contract, as the same may be completed in accordance with the provisions of this Resolution, with such changes, insertions and omissions as are authorized hereby, is hereby approved and authorized.

Section 6. The Official Statement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and the use and

distribution of the Official Statement, in preliminary and final form, in connection with the offering and sale of the 2026 Bonds by the Underwriters is hereby authorized and approved. An Authorized TANC Representative is hereby authorized to execute the Official Statement in final form, which shall include such changes, insertions, omissions, supplements and amendments as may be approved by the Authorized TANC Representative executing the Official Statement, said execution being conclusive evidence of such approval. An Authorized TANC Representative is hereby authorized to certify that the preliminary Official Statement is deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Section 7. An Authorized TANC Representative is hereby authorized and directed to send any statement required by Section 53583(c)(2)(B) of the Government Code of the State of California to the California Debt and Investment Advisory Commission. The reasons TANC has determined to sell the 2026 Bonds at a private sale or on a negotiated basis is to take advantage of the debt service schedule to be provided by the Underwriters in marketing the 2026 Bonds, to assure that the 2026 Bonds receive the benefits of the negotiated sale given the volume of other tax-exempt offerings being marketed at the same time, and the other reasons presented to the Commission at this meeting.

Section 8. The refunding and/or defeasance of the Refunded Obligations on the terms and conditions specified in the Twelfth Supplemental Indenture and herein or as otherwise specified by an Authorized TANC Representative, including the application of moneys for such purposes as therein provided, is hereby approved and authorized.

Section 9. The Treasurer and Vice Chairman and Secretary of TANC are authorized to execute any documents, including without limitation a continuing disclosure agreement, one or more escrow agreements, and such other certifications on behalf of TANC, including without limitation a tax certificate or agreement, or taking any other action necessary or convenient in carrying out the transactions contemplated by this Resolution.

Section 10. The Chairman, Vice Chairman and Secretary, the Treasurer, each Assistant Treasurer and any other officer of TANC, acting singly, each is hereby authorized to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or convenient in carrying out the transactions contemplated by the Indenture, the Twelfth Supplemental Indenture, the Purchase Contract, the Official Statement, and this Resolution, including without limitation, the giving of any required notices, any amendments to the Indenture or to a related bondholder agreement in connection with one or more series of the Refunded Obligations relating to the adjustment of interest rate mechanics, the competitive bidding of escrow securities, the contribution and application of funds on hand to one or more escrow funds, the application of any excess moneys released from one or more escrow funds on capital projects, the making of any determinations or the submission of any documents or reports which are required by any rule or regulation of any governmental entity in connection with the issuance and sale of the 2026 Bonds as contemplated by the Indenture, the Twelfth Supplemental Indenture, the Purchase Contract, the Official Statement and this Resolution.

Section 11. All actions heretofore taken by any committee of the Commission, or any officer, representative or agent of TANC, in connection with the issuance and sale of the 2026 Bonds, the refunding of the Refunded Obligations is hereby ratified, approved and confirmed. This Resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED this 15<sup>th</sup> day of April, 2026, on a motion by Mr. Gill (Turlock Irrigation District), seconded by Mr. Forsythe (City of Roseville).

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

**EXHIBIT A**  
**GOOD FAITH ESTIMATES**

The good faith estimates set forth herein are provided with respect to the 2026 Bonds in compliance with Section 5852.1 of the California Government Code. Such good faith estimates have been provided to Transmission Agency of Northern California (“TANC”) by PFM Financial Advisors LLC (the “Municipal Advisor”).

Principal Amount. The Municipal Advisor has informed TANC that, based on TANC’s financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the 2026 Bonds to be sold is \$125,295,000.00 (the “Estimated Principal Amount”).

True Interest Cost of the 2026 Bonds. The Municipal Advisor has informed TANC that, assuming that the Estimated Principal Amount of the 2026 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the 2026 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the 2026 Bonds, is 2.707%.

Finance Charge of the 2026 Bonds. The Municipal Advisor has informed TANC that, assuming that the Estimated Principal Amount of the 2026 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the 2026 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the 2026 Bonds), is \$875,885.00.

Amount of Proceeds to be Received. The Municipal Advisor has informed TANC that, assuming that the Estimated Principal Amount of the 2026 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by TANC for sale of the 2026 Bonds, less the finance charge of the 2026 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the 2026 Bonds, is \$144,064,401.00.

Total Payment Amount. The Municipal Advisor has informed TANC that, assuming that the Estimated Principal Amount of the 2026 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments TANC will make to pay debt service on the 2026 Bonds, plus the finance charge for the 2026 Bonds, as described above, not paid with the proceeds of the 2026 Bonds, calculated to the final maturity of the 2026 Bonds, is \$173,132,077.08.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the 2026 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the 2026 Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of

2026 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the 2026 Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the 2026 Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in TANC's financing plan, or a combination of such factors. The actual date of sale of the 2026 Bonds and the actual principal amount of 2026 Bonds sold will be determined by TANC based on savings and other factors. The actual interest rates borne by the 2026 Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the 2026 Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of TANC. The Board of Directors has approved the issuance of the 2026 Bonds subject to a maximum true interest cost of 6.00%.

**TAB 6**

**REPORT ON TANC'S INVESTMENT PURCHASES**

Enclosed is a report on TANC's investment purchases.

# Transmission Agency of Northern California

## Investment Purchases Report For Month Ended April 30, 2026

<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 April 2026

**TAB 7**

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

Audit Budget Committee	August 27, 2026
Contracts Committee	June 2, 2026
Engineering and Operations Committee	July 8, 2026
Open Access Transmission Tariff Committee	June 2, 2026

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

Audit Budget Committee	April 16, 2026 April 23, 2026
Contracts Committee	April 7, 2026
Finance Committee	April 8, 2026
Open Access Transmission Tariff Committee	April 7, 2026

*Approved April 23, 2026*

MINUTES OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
GENERAL MANAGER'S AUDIT/BUDGET COMMITTEE MEETING  
April 16, 2026

Chair Ainsworth convened the April 16, 2026 meeting of the Transmission Agency of Northern California (TANC or Agency) General Manager's Audit/Budget Committee (Committee) at 10:30 a.m. Mr. Riegle took roll call and participants in the meeting are included as Attachment 1.

Approval of the April 16, 2026 Audit-Budget Committee Agenda

Ms. Ainsworth inquired if the Committee had any revisions to the proposed April 16, 2026 General Manager's Audit-Budget Committee agenda. Upon hearing of no suggested revisions, the agenda was accepted.

Draft Fiscal Year 2027 TANC Budget Review

Ms. Nguyen began discussion of the Draft Fiscal Year 2027 TANC Budget by reviewing Tables I-1 through I-4 Sources of Funds and estimated cash calls. There was discussion on WAPA's payment to TANC and why it was lower than prior years. Controller staff will review the Fiscal Year 2028 Distribution column as to why they are currently showing negative. Mr. Riegle then began discussion of the proposed Uses of Funds Tables II-1 through II-7 with a summary of initial draft budget estimates on Table II-1. Mr. LaPorte briefly discussed the previously approved COTP Budget that is incorporated into the TANC Budget. A focus of discussion was associated with the Maintenance line item as well as the Capital Improvements line item. Controller staff ran through the Debt Service table with debate concerning how the new 2026 Series A Bonds should be portrayed and potentially revised budget estimates when data comes through on this issuance. Mr. Riegle went through Table II-4 with Mr. Danson requesting that Treasurer/Controller be split between Eide Bailly activity and SMUD for transition purposes. On Table II-5 Mr. Danson noted that additional effort will be given to Land Matters in Fiscal Year 2027 as removal of buildings on the Tracy property will commence. For Table II-6 it was discussed that funding should be added to Treasurer/Controller services and that funding should be included for Special Counsel – WestConnect in Fiscal Year 2027. For Table II-7 it was suggested that funding should be included for Treasurer/Controller for cost allocation purposes. Finally, Ms. Nguyen discussed the OATT cash call calculation.

Treasurer / Controller Transition Update

Mr. Bartle mentioned that the transition Treasurer/Controller duties has been progressing well between Eide Bailly staff and SMUD staff, with weekly check-in meetings scheduled along with other special meetings for specific purposes.

Other Matters

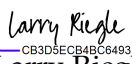
None were heard.

Next Meeting

The next TANC General Manager's Audit/Budget Committee was scheduled for April 23 starting at 10:30 a.m. with the focus being the Fiscal Year 2027 TANC Budget Workshop. It is anticipated this meeting will be "in-person" but with a remote option still available.

*Documents from this meeting will be distributed upon request*

Respectfully Submitted,

Signed by:  
  
CB3D5ECB4BC6493...  
Larry Riegle  
Ex Officio Member and Secretary

*Approved May 6, 2026*

MINUTES OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
GENERAL MANAGER'S AUDIT/BUDGET COMMITTEE MEETING  
April 23, 2026

Ms. Nguyen convened the April 23, 2026 meeting of the Transmission Agency of Northern California (TANC or Agency) General Manager's Audit/Budget Committee (Committee) at 10:30 a.m. Mr. Riegle took roll call and participants in the meeting are included as Attachment 1.

Approval of the April 23, 2026 Audit-Budget Committee Agenda

Ms. Nguyen inquired if the Committee had any revisions to the proposed April 23, 2026 General Manager's Audit-Budget Committee agenda. Upon hearing of no suggested revisions, the agenda was accepted.

Approval of the April 16, 2026 Draft Minutes

Ms. Nguyen asked if there were any suggested revisions to the April 16, 2026 draft Committee minutes. Upon hearing of no suggested edits to the minutes were accepted.

April 15, 2026 Commission Meeting Report

Mr. Riegle noted that the Commission has provided guidance for revision of Project Agreement #3 and that signatures from individual members will be provided back to TANC over the next several months before the General Manager executes the final Agreement. Additionally, it was mentioned that the Commission has provided instruction to proceed with refunding TANC's existing 2016 Series A bonds.

Fiscal Year 2026 Budget Variance Report through March 2026

Ms. Kaur discussed the Fiscal Year 2026 Budget Variance Report through March 2026 for Committee review and mentioned certain over-budget line-item variances. No immediate action was required at this time.

Fiscal Year 2027 TANC Budget Workshop

Mr. Riegle began discussion of the Fiscal Year 2027 TANC Budget Workshop Draft by reviewing the text of the document including general assumptions, graphs and charts, and how the Budget is formatted, which is similar to prior year Budget. Ms. Nguyen then reviewed Tables I-1 through I-4 Sources of Funds and estimated cash calls. Mr. Riegle began discussion of the proposed Uses of Funds Tables II-1 through II-7 with a summary of Workshop Draft Budget estimates on Table II-1. Mr. LaPorte discussed the previously approved COTP Budget that is incorporated into the TANC Budget. Upon review of Table II-2 the Committee concluded that the Budget showed be shown as exists with the 2026 Series A Bonds blank until further information is known on the refunding. Mr. Riegle discussed Agency, Operations, OASIS, and SOT related Budgets for Workshop participants consideration. It was noted that revisions had been made for Treasurer/Controller services in the OASIS and SOT Budget categories. Further that funding was provided for Special Counsel – WestConnect in Fiscal Year 2027 similar to Fiscal Year 2025. Finally, Ms. Nguyen discussed the OATT cash call calculation. The Committee requested that

next year actual values from the prior year should be included in the Budget Tables for comparison purposes. Upon conclusion of discussion the Committee made a recommendation that the Fiscal Year 2027 TANC Budget as presented should be considered and approved by the Commission at their May 20, 2026 meeting.

Treasurer / Controller Transition Update

Ms. Tscushida stated that Treasurer/Controller transition plans continue to progress well between Eide Bailly staff and SMUD staff.

Other Matters

Mr. LaPorte mentioned that WAPA will soon be providing another large payment to refund TANC for its contributions to WAPA associated with the Series Capacitor project. Also, it was noted that appropriate "Market Payments" to those identified COTP layoff entities will be made in May 2026.

Next Meeting

The next TANC General Manager's Audit/Budget Committee was scheduled for August 27, 2026, at 10:30 am.

*Documents from this meeting will be distributed upon request*

Respectfully Submitted,

Signed by:  
  
CB3D5ECB4BC6493...

Larry Riegle  
Ex Officio Member and Secretary

Approved April 21, 2026

MINUTES OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
GENERAL MANAGER'S  
CONTRACTS COMMITTEE MEETING  
April 7, 2026

Chair Wong called the April 7, 2026 Transmission Agency of Northern California (TANC) General Manager's Contracts Committee to order at 11:00 a.m. Mr. Riegle performed a roll call and a list of attendees to the meeting is provided as Attachment 1.

Review and Acceptance of the April 7, 2026 Contracts Committee Agenda

Chair Wong inquired if there were any revisions to the proposed agenda. It was noted under item 10 that "Long-Term Layoff..." should actually reference "Long-Term Participation..." and Mr. Riegle will correct the agenda. Outside of this modification, the April 7, 2026 General Manager's Contracts Committee agenda was accepted.

Approved Minutes from the February 3, 2026 Contracts Committee Meeting

Minutes from the February 3, 2026, General Manager's Contracts Committee meeting were previously approved. Going forward this agenda item will be removed.

Fiscal Year 2026 Budget Versus Expenditure Report through February 2026

Mr. Riegle presented the Fiscal Year 2026 Budget Versus Actual Report through February 2026 reporting on the budget status for various budget line items for Special Counsel, General Counsel and the General Consultant.

Balancing Authority of Northern California Market Report

Mr. Monga provided the highlights on February and March 2026 Northern California and the California Oregon Intertie (COI) real-time operations and unscheduled flow updates. There was discussion concerning the late March COI derates and continued coordination with the CAISO on at least 30-days advance notice of such outages.

Transmission Activities Report

Mr. Persson provided an update on recent California Independent System Operator activities, including Interconnection Process Enhancements 5.0, Western Energy Markets, Extended Day-Ahead Market updates, Financial Planning Initiatives, and Annual Interregional Coordination. Mr. Persson also provided a brief update on recent TANC transmission planning staff activities, including affected system study work and interconnection queue status.

Congestion Revenue Rights Report

Mr. Persson briefly mentioned issues associated with potential incorrect pricing hub references the CASIO is using associated with CRR impacts, and that staff will be coordinating further with the CAISO to assure appropriate pricing nodes are used. Mr. Monga mentioned this may be tied to faulty "shadow-prices" referenced in his BANC market report.

Project Agreement #3 Update

Mr. Riegle and Mr. Danson mentioned to the Committee on the status of the Project Agreement #3 update, and that individual TANC members are now running the Agreement through their respective approval processes before final implementation and effectiveness of the new Agreement.

Long-Term Participation Agreement Update

Mr. Riegle and Mr. Danson stated that initial work has begun on development of the long-Term Participation Agreement as successor to the Interim Participation Agreement which has been in effect since the beginning of the Agency. It is expected that initial roll-out of the LTPA to Members will begin mid-to-late summer. Mr. Wong emphasized the sooner Members and their legal counsels are able to review the document, the better off future coordination efforts will be when a final draft is ultimately provided to the Commission – estimated to be late 2026.

Extended Day-Ahead Market Update

Mr. Riegle and Mr. Danson provided the Committee with an update to issues associated with EDAM implementation for the COTP. It was noted that a report had been prepared by an independent outside party and has been shared with Members, and that further market developments will impact the value of the COTP participating in CAISO EDAM program. Mr. Danson noted that the earliest he envisions COTP participation would be two to three years from now after market maturity issues are known and solved.

Other

No other issues were discussed.

Next Meeting

The next Contracts Committee meeting was scheduled for June 2, 2026 at 11:00 am. It was determined that an “in-person” meeting will be held at the August Contracts Committee meeting.

*Handouts and material from this meeting will be distributed upon request subject to applicable privileges.*

Respectfully submitted,

Signed by:  
  
CC1FE52B9F7842B...  
Cory Danson  
TANC General Manager

MINUTES  
OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
GENERAL MANAGER'S  
FINANCE COMMITTEE MEETING

April 8, 2026

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

Approval of the Agenda

Chair Restivo inquired if there were any modifications to the proposed agenda. It was noted that under Item 4 the date of the prior meetings should read January 7, 2026. Mr. Riegle will make this revision and resend the agenda. Upon hearing of no further revisions, the April 8, 2026 Finance Committee Agenda was approved.

Approval of the January 7, 2026 Draft Minutes

Chair Restivo asked if there were any revisions to the January 7, 2026 draft minutes. The only revision was changing the November 5, 2026 label to 2025. After this revision Chair Restivo considered the minutes approved.

2026 Financing Discussion

Mr. Berwanger provided the Committee with an overview of the latest market trends associated with a potential refunding of TANC's existing 2016 Class A bonds. Mr. Berwanger discussed yield curves, US Treasury rates, tax-exempt rates, interest rate forecasts, and supply versus demand for municipal funds. He concluded the presentation with potential savings for a 2026A Refunding along with a tentative schedule. Ms. Restivo mentioned that SMUD will have their disclosures today and that all appears to be looking good. The Committee discussed the value of co-managers (Underwriters) along with JP Morgan as Senior Underwriter, and that *if* needed, RBC should be identified as co-managers. Similar to the prior Committee meeting, it was determined that it is in the best interest of TANC to continue proceeding with a potential bond issuance. The General Manager will provide this recommendation to the Commission at their April 15, 2026 meeting along with an authorizing resolution to proceed.

Other

Mr. Riegle informed the Committee that the General Manager has recommended a new procedure for approval of minutes at the Committee level. Going forward minutes will be

approved within two weeks of the last Finance Committee meeting with an option for minutes revision if required by Members.

Other

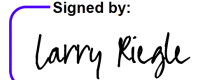
No other discussion was heard.

Next Meeting

The next TANC Finance Committee meeting was not immediately scheduled but it is anticipated one will be required associated with the Series Capacitor project likely in about nine months.

Respectfully Submitted,

Signed by:



Larry Riegler  
CB3D5ECB4BC6493...

Ex Officio Member and Secretary

*Approved April 21, 2026*

MINUTES OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
GENERAL MANAGER'S  
OATT COMMITTEE MEETING  
April 7, 2026

Chair Olivares called the April 7, 2026 Transmission Agency of Northern California (TANC) General Manager's Open Access Transmission Tariff (OATT) Committee meeting to order at 9:00 am. Mr. Riegler took roll call and participants to the meeting are included as Attachment 1.

*Approval of the April 7, 2026 Agenda*

Chair Olivares inquired if there were any suggested changes to the draft agenda. Upon hearing of no suggested revisions the April 7, 2026 General Manager's OATT Committee agenda was accepted.

*Approved Minutes from the February 3, 2026 OATT Committee Meeting*

Chair Olivares stated that the draft minutes from the February 3, 2026 General Manager's OATT Committee Minutes were approved.

*Monthly Open Access Same-Time Information System (OASIS) Activity Report for February 2026*

Mr. Persson presented the February 2026 monthly OASIS Activity Report for the General Manager's OATT Committee review. Discussion focused on outage information and another derate that occurred in late March for which notice was not provided 30-days in advance. There was also discussion on the continued value of CRR'S over nominating more MW's for OASIS sales. This question will be explored further in future Committee meetings.

*Monthly Congestion Revenue Rights (CRR) Program Update*

Mr. Persson updated the General Manager's OATT Committee with the latest CRR Program costs and revenue received in January 2026 with an estimate of the costs and revenues expected for February 2026. Mr. Persson referenced a potential issue where CAISO may have used incorrect price nodes, which may result in TANC having to provide refunds back to the CAISO when use of pricing nodes are corrected.

*Federal Energy Regulatory Commission (FERC) Order 2023 and 2023-A Progress Report*

Mr. Persson reported that TANC's Interconnection Queue suspension remains through November 1, 2026. TANC has recently received questions from potential developers as to when the queue may be opened, indicating interest in the COTP for potential interconnection.

*2025 COTP Utilization Report*

Mr. Persson presented the 2024-2025 COTP Bi-Directional Transmission Utilization Report to the Committee. This Report will be posted on the TANC OASIS for customer review and use as a marketing tool for un-utilized COTP capacity by PA5 Members.

Items for Consideration

Mr. Riegler discussed items of interest for Committee consideration including potential revisions to TANC's Business Practices document, along with potential revisions to TANC's Transmission Planning Process and General Requirements for Interconnection manual. The Committee inquired as to the need and estimated level of effort for pursuing these activities, and staff will get back to the Committee on an approach and seek authorization before undertaking any revisions.

Transmission Service Pricing and Products

Mr. Riegler mentioned that there were no immediate recommendations to change transmission service pricing or products at this time. But, it was suggested that an "off-cycle" OATT Committee meeting be scheduled for the purpose of focused rate review and discussion. There was interest from the Committee in scheduling this event and initial feedback was for mid-to-late July 2026. Mr. Persson provided an Excel file of TANC's OATT rates. The Committee requested this file be distributed to Members.

Other

No other items were discussed.

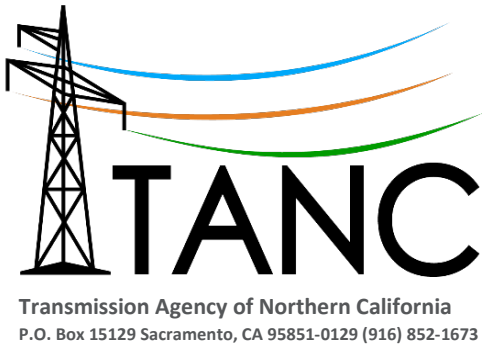
Next Meeting

The next General Manager's OATT Committee meeting was scheduled for June 6, 2026 at 9:00 a.m. It is anticipated that an in-person meeting will be held at the August 2026 meeting.

*Documents from this meeting will be distributed upon request subject to applicable privileges*

Respectfully Submitted,

Signed by:  
  
CC1FE52B9F7842B...  
Cory Danson  
TANC General Manager



## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
TANC General Manager

SUBJECT: WESTCONNECT ACTIVITIES

---

This memo provides a summary of recent WestConnect activities. The Transmission Agency of Northern California (TANC) continues to participate in the activities conducted by WestConnect, which is tasked with coordination of regional and interregional transmission planning. The most recent Planning Subcommittee (PS) meeting was held on April 14, 2026. The most recent Planning Management Committee (PMC) meeting was held on April 15, 2025. The next PS and PMC meetings are scheduled for May 19 and 20, 2026, respectively.

### **Planning Subcommittee**

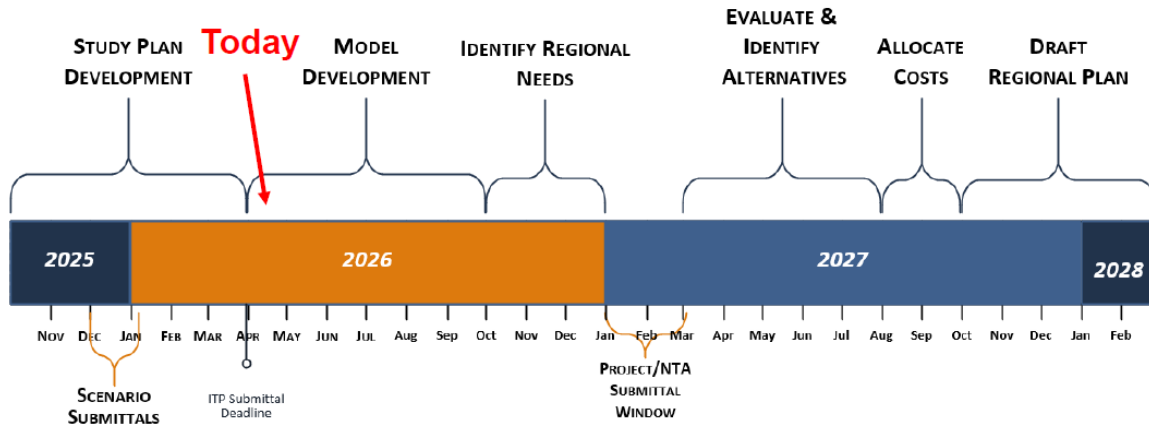
At the PS meeting on April 14, 2026, the model development process and schedule were discussed. During the model development phase, WestConnect will receive input from the members and stakeholders for the development of the study cases. The model development phase is scheduled to be completed by the end of September 2026.

### **Planning Management Committee**

At the PMC meeting on April 15, 2026, several items were discussed including the PMC membership, financial status, and the 2026-2027 Regional Planning Process. The discussion pertaining to the 2026-2027 Regional Planning Process included a discussion of the present status and overview of the study schedule.

Shown below is the 2026-2027 Regional Planning Process study schedule shared at the meeting with the current status.

## 2026-27 Process Timeline



Milestone (2022-23)	Lead	Next <u>PMC</u> Key Date and Action
2026-27 Study Plan	PS	March 18, 2026 (Posted)
Regional Models Finalized	PS	Q3 2026
Model Development Report	PS	Q3 2026
Regional Needs Assessment / Recommendation	PS / PMC	Q3-Q4 2026
Regional Needs Assessment Report	PS / PMC	Q4 2026
Regional Transmission Plan Report	PMC	Q4 2027



Transmission Agency of Northern California  
P.O. Box 15129 Sacramento, CA 95851-0129 (916) 852-1673

## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
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 several vegetation management and access road maintenance activities completed by Western Area Power Administration (WAPA) contractors. The following progress was reported by WAPA to the Engineering and Operations Committee in March 2026.

### **Vegetation Management**

#### *Olinda-Tracy Right of Way Improvement Program (OTRIP)*

Approximately 350 trees have been trimmed by contractor tree crews with another 600 trees remaining on contract for the Olinda-Tracy segment of the COTP. The contractor's period of performance is through September 30, 2026. An additional 370 trees have been trimmed or removed by landowners prior to contractor tree crews needing to address vegetation-conductor clearance issues. WAPA has provided the following progress update regarding the acceptance and/or denial of offers for the acquisition of lands rights and associated tree removals:

- 52 percent of landowners have signed lands rights acquisition offers and removed trees; representing approximately 68 spans;
- 37 percent of landowners continue to consider outstanding offers in process; representing approximately 47 spans; and
- 11 percent of landowners have denied offers; representing approximately 9 spans.

WAPA notes that landowners who deny the offer are being handled on a case-by-case basis, and that WAPA will continue to work towards removals with respect to those orchards/owners that consistently do not meet in-right of way standard tree height maintenance requirements.

TANC Commission

May 13, 2026

Page Two

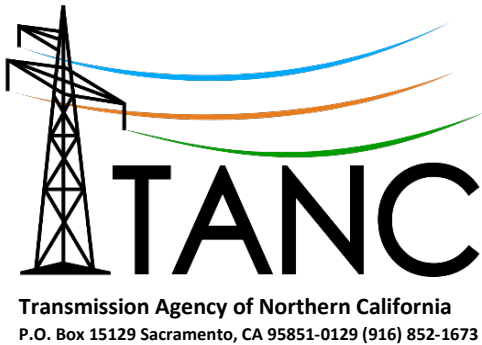
*Fuel Reduction*

WAPA's contracted fuel reduction crews have cleared the area near the base of 50 towers to bare ground to a distance of 50 feet from center and have mowed and/or masticated 164 acres on the Captain Jack-Olinda segment of the COTP. The project has been completed ahead of schedule.

**Access Roads**

*Grizzly Peak Road Improvements*

A work specification for road brushing near Grizzly Peak in Shasta County has been completed. This project will cover approximately 33 miles of road brushing to the full extent of the road prisms to improve access to Captain Jack-Olinda segment of the COTP and to the towers. The anticipated contract award date is August/September 2026. Work on the ground is scheduled to start immediately thereafter and continue until fall/winter weather and ground conditions restrict access. Work would then be anticipated to resume in May/June 2027.



## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON TECHNICAL TANC MATTERS

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This memo provides a summary of the recent seasonal operating studies, transmission planning activities and other technical matters of interest to the Transmission Agency of Northern California (TANC) and relevant to the California-Oregon Transmission Project (COTP).

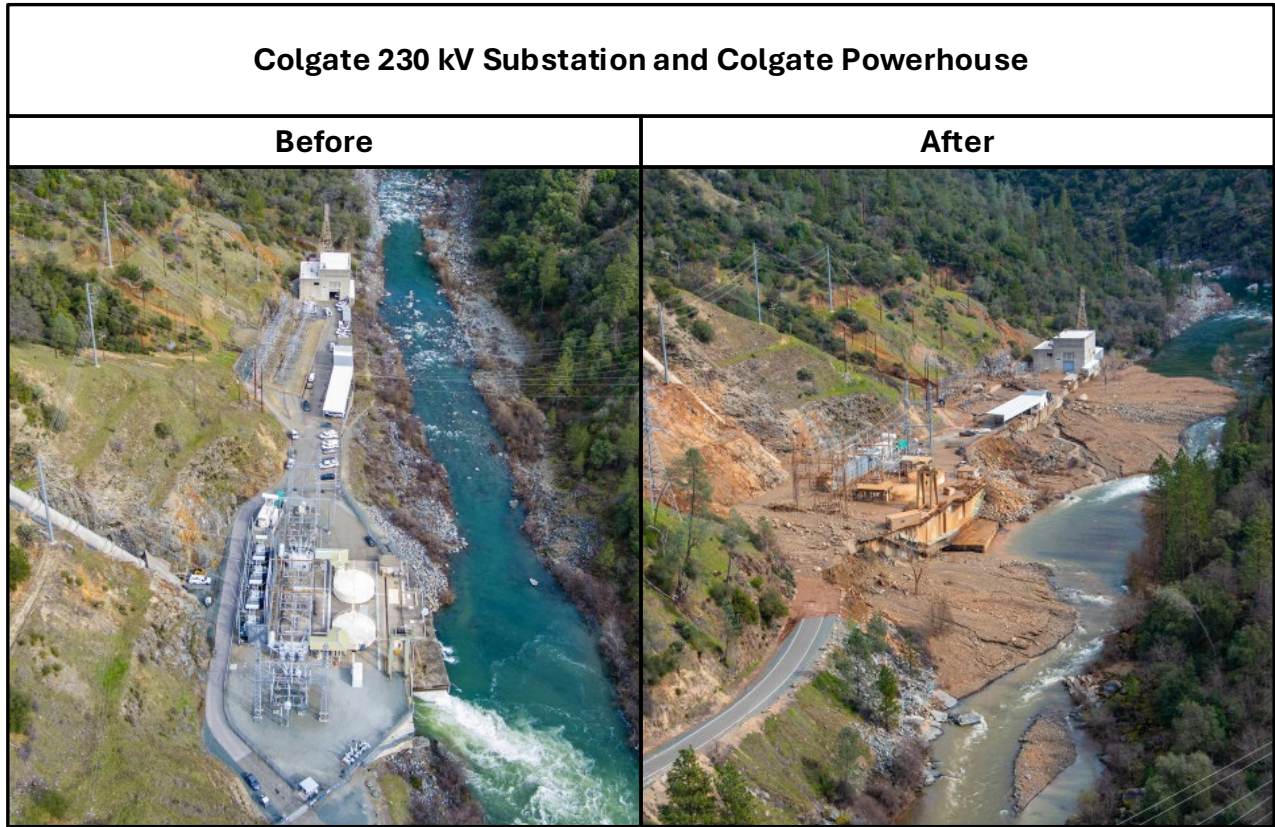
### **California Oregon Intertie Operation Update** 2026-2027 Winter Operating Season

The 2026-2027 Winter Operating Study is currently underway and is in the early phase of the study process. The Operating Study Subcommittee (OSS) members completed their review of the base cases and provided updates, as appropriate, to be included in the study cases. Once the study cases are finalized, the California Independent System Operator will begin the initial power flow studies.

### **Colgate Powerhouse Penstock Failure**

On February 13, 2026, a catastrophic failure of the Colgate Powerhouse penstock pipeline occurred, which moves water from New Bullards Bar Dam and Reservoir to the Colgate Powerhouse on the North Yuba River. The pipe ruptured during a refill and testing process (February 9–13) following the completion of work that was part of a major upgrade project to improve the Colgate tunnel and penstock. The incident triggered a large, uncontrolled water release that flowed down the mountainside towards the Colgate 230 kilovolt (kV) substation. The Yuba Water Agency was able to quickly gain control of the water release, but not before the Colgate 230 kV substation was submerged in mud and debris.

Below are pictures of the Colgate 230 kV substation and Powerhouse publicly released by the Yuba Water Agency.



With the Colgate 230 kV substation inoperable, the California-Oregon Intertie (COI) OSS was notified that the Pacific Gas and Electric Company Palermo-Colgate 230 kV line and Colgate-Rio Oso 230 kV line will be joined by shooflies, creating a Palermo-Rio Oso 230 kV line.

The COI OSS was notified of the change because there will be an impact to the COI North-to-South Nomogram for “Threat” conditions with the limiting Conditionally Credible Multiple Contingency of the Table Mountain-Tesla and Table Mountain-Vaca Dixon 500 kV lines. However, this change will not have any impact on the COI North-to-South Nomogram for “Normal” conditions or the COI Seasonal maximum Total Transfer Capability.

### **Project Coordination Review Group Updates**

TANC’s transmission planning team participates in WECC Project Coordination Review Groups (PRGs) to evaluate if projects may have an adverse impact on COI or the COTP facilities. A status update on PRGs where TANC is actively participating is provided below.

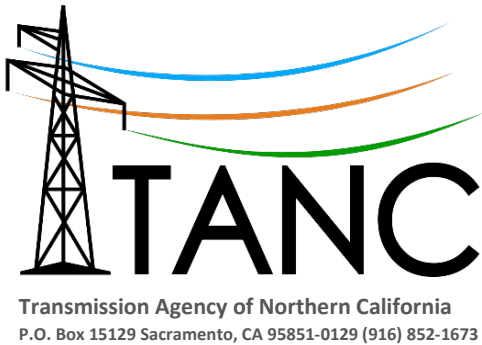
TANC Commission

May 13, 2026

Page 3 of 3

Boardman-Hemmingway 500 kV Line – Idaho Power Sponsored Project

The Boardman-Hemmingway 500 kV Line PRG study is still underway with the study is in the final stages of the study process. Idaho Power is expected to share the draft study report for the PRG for the 30-day review on May 6, 2026. The next meeting will be on May 15, 2026, during which the Idaho Power will be discussing the draft study report with the PRG.



## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON FERC AND OTHER REGULATORY MATTERS

---

This memorandum provides an update on regulatory issues either at the Federal Energy Regulatory Commission (FERC) or other regulatory matters occurring at the federal or state level that are relevant to the Transmission Agency of Northern California (TANC) and its Members.

### **Large Load Growth and Data Center Impacts**

In April, FERC reaffirmed its plan to act by June 2026 on its Advance Notice of Proposed Rulemaking addressing the integration of large electrical loads, including data centers, underscoring a near-term priority on ensuring their timely and orderly interconnection. Ongoing proceedings highlight growing concern over how rapid, geographically concentrated load growth is affecting transmission planning, generator interconnection, and cost allocation. As large-load demand increasingly drives the need for new transmission, FERC is examining whether existing planning frameworks fully capture these impacts and appropriately assign costs for system upgrades. Together, these actions signal that large-load integration - spanning interconnection, planning, and cost allocation - is becoming a central focus of FERC's electric policy agenda.

### **Generator Interconnection Backlogs**

FERC and industry stakeholders continue implementing recent reforms to address generator interconnection queue backlogs and improve processing timelines and project readiness, though interconnection queues remain congested in many regions. These delays continue to affect the timing of new generation and energy storage development. While April brought no major new FERC actions, interconnection reform remains a priority amid accelerating load growth. Ongoing

improvements in queue management are expected to support more efficient project advancement but may also introduce new cost and operational considerations for transmission providers, with implications for long-term planning and the pace of renewable and storage integration.

### **Transmission Formula Rate Oversight**

In April, FERC announced a May 2026 staff workshop on electric transmission formula rate processes, covering rate mechanics, implementation protocols, annual updates, audit practices, compliance issues, and related accounting considerations. While procedural, the workshop signals continued focus on how transmission costs are calculated, documented, and reviewed. For transmission owners, this reinforces the need for transparency, well-supported annual filings, and audit readiness. For transmission customers, it highlights ongoing FERC scrutiny of cost recovery practices and compliance expectations.

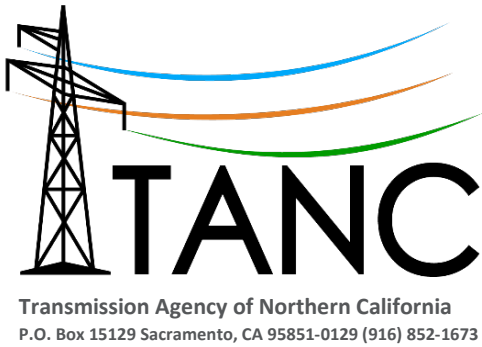
### **Reliability Risks Associated with Evolving Resource Mix**

In April 2026, the North American Electric Reliability Corporation (NERC) emphasized reliability risks tied to the evolving resource mix, including growing reliance on inverter-based resources (IBRs) and battery energy storage systems, which introduced new operational considerations for the bulk power system. NERC is advancing efforts to strengthen IBR performance requirements - such as ride-through expectations - and expanding registration initiatives to bring more resource owners under reliability oversight. As these resources become more prevalent, NERC has highlighted increasing system complexity, particularly in maintaining stability and performance during disturbances. NERC has identified the need for improved modeling, enhanced performance requirements, and greater operational visibility - reinforcing the likelihood of future standards and operational guidance in this area.

### **Western Interconnection Focus on Resource Adequacy and System Performance**

Regional discussions within the Western Interconnection, including WECC-related forums, continue to focus on resource adequacy, extreme weather preparedness, and system performance under stressed operating conditions. These discussions reflect ongoing considerations regarding the ability of the system to reliably meet demand during peak or stressed conditions.

The region continues to experience relatively tight operating conditions during periods of high demand, reinforcing the importance of coordinated planning and resource sharing across balancing areas. Increasing reliance on battery storage and demand-side resources presents both opportunities and operational considerations in maintaining system performance during peak and emergency conditions.



## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
TANC General Manager

SUBJECT: WESTERN ELECTRICITY COORDINATING COUNCIL MATTERS

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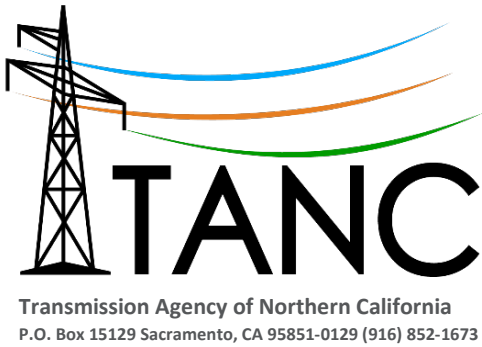
This memorandum provides an update on the relevant matters pertinent to the Western Electricity Coordinating Council (WECC) including its various committees and subcommittees.

### **Reliability Assessment Committee**

At the April 21, 2026, Reliability Assessment Committee (RAC) meeting, WECC staff announced that they intend to retire the Project Coordination, Path Rating, and Progress Report Processes. As part of the announcement, WECC shared that the reasons they are intending to retire the Project Coordination, Path Rating, and Progress Report Processes are that they believe that the processes no longer align with:

- WECC's reliability mission,
- WECC's delegated responsibilities, or,
- Current industry structure.

WECC also stated that they do not intend to retire the process immediately but wanted to share their intentions with RAC to initiate the discussion and to receive input. Following WECC's presentation, multiple RAC members spoke to the value of keeping the process and their concerns if the processes were retired. WECC encouraged the RAC members to send them any additional feedback via email for future discussions. TANC will be providing comments to WECC prior to the next RAC meeting.



## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
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) wesTTrans 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 2022. Further, a pie chart indicates monthly sales for the month of March 2026 as well as year-to-date sales. A second bar graph includes calendar year sales from 2022 through March 2026. 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 March 2026 were \$228,531 and year-to-date sales have totaled \$1,040,570.

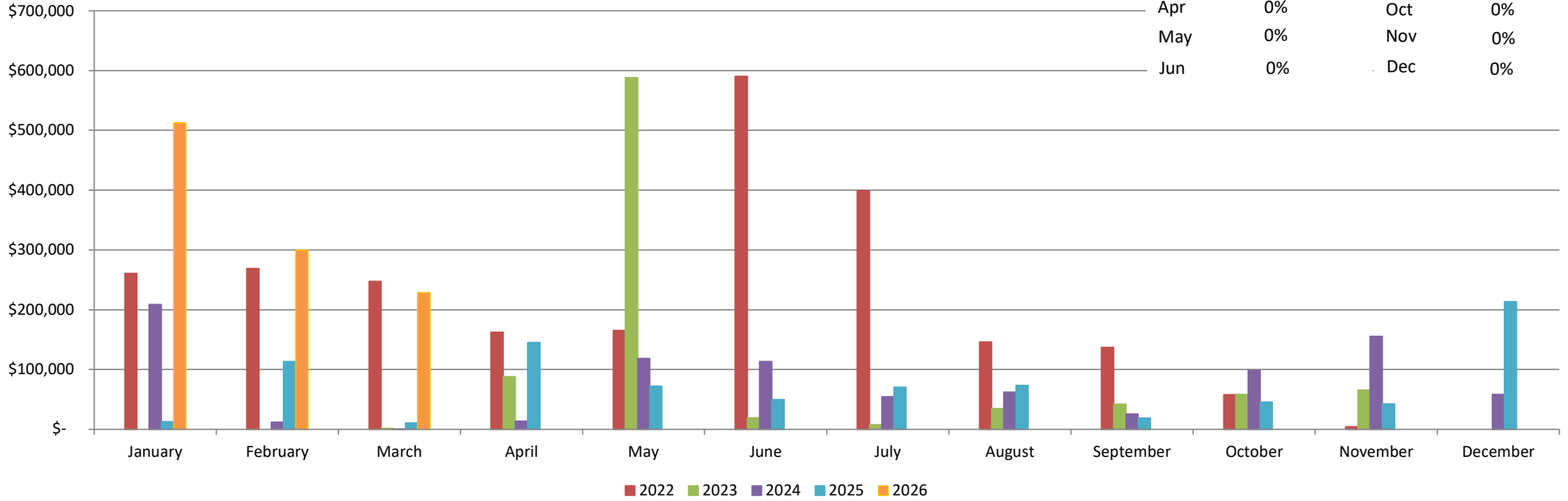
Enclosures

**2026 TANC OASIS (PA-5) Annual Revenue Third Party Sales\***

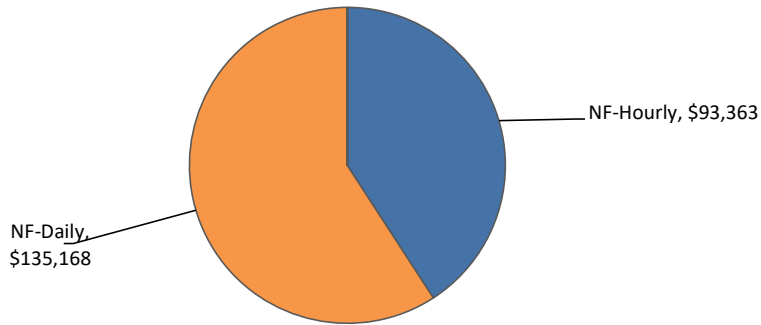
**Monthly percentage of the YTD Total Revenue**

Jan	49%	Jul	0%
Feb	29%	Aug	0%
Mar	22%	Sep	0%
Apr	0%	Oct	0%
May	0%	Nov	0%
Jun	0%	Dec	0%

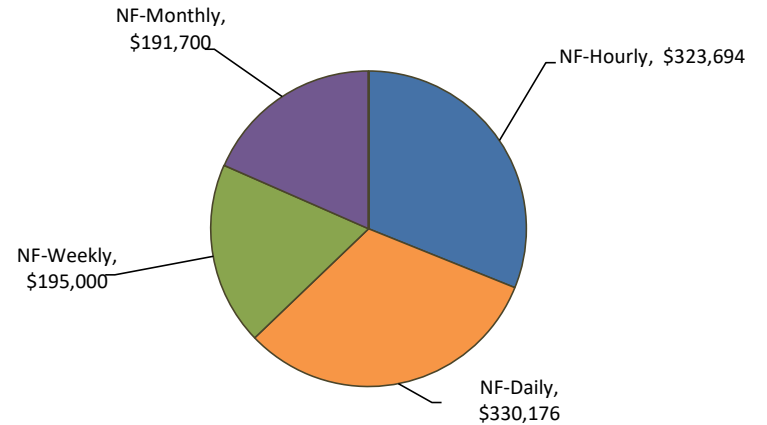
**Historical OASIS Sales & Percentages for March 2026  
2022-2026**



**2026 Product Sales  
Total March Sales \$228,531**



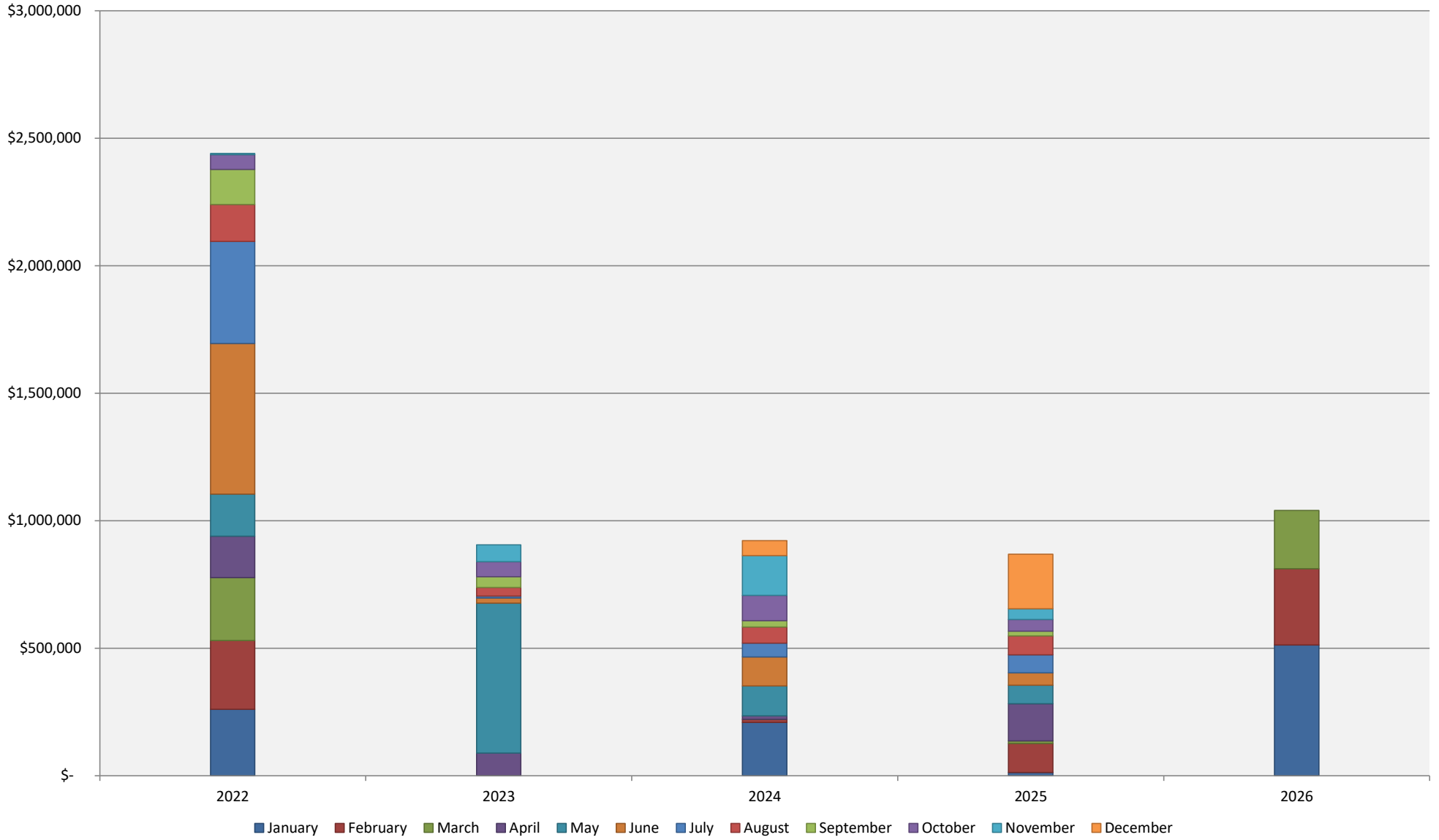
**2026 YTD Product Sales  
Total 2026 Sales \$1.04M**



\* Includes OASIS sales data through March 2026. Does not include buy-backs or excess capacity purchases by TANC OASIS participants

2026 TANC OASIS (PA-5) Annual Revenue from Third Party Sales\*

Monthly Historical OASIS Sales  
January 2022 - March 2026



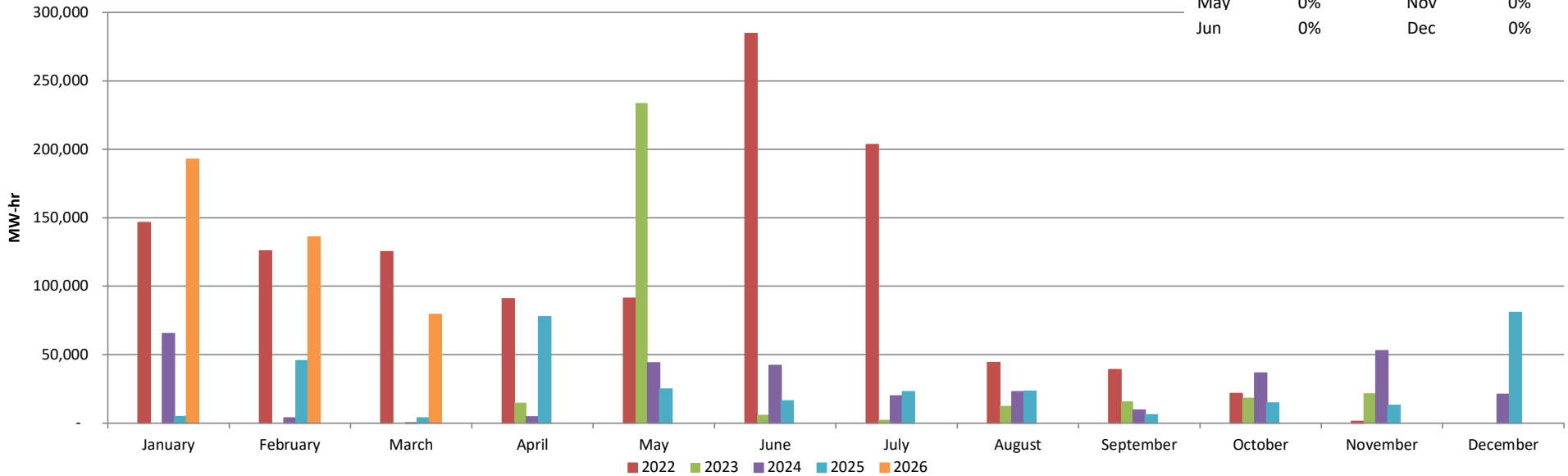
\* Includes OASIS sales data through March 2026. Does not include buy-backs or excess capacity purchases by TANC OASIS participants

2026 TANC OASIS (PA-5) Annual MWh Third Party Sales\*

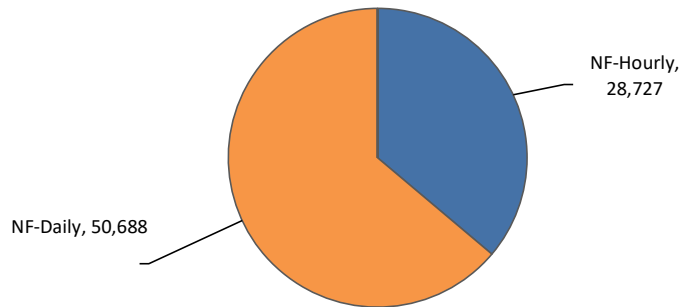
Monthly percentage of the YTD Total MWhr

Jan	47%	Jul	0%
Feb	33%	Aug	0%
Mar	19%	Sep	0%
Apr	0%	Oct	0%
May	0%	Nov	0%
Jun	0%	Dec	0%

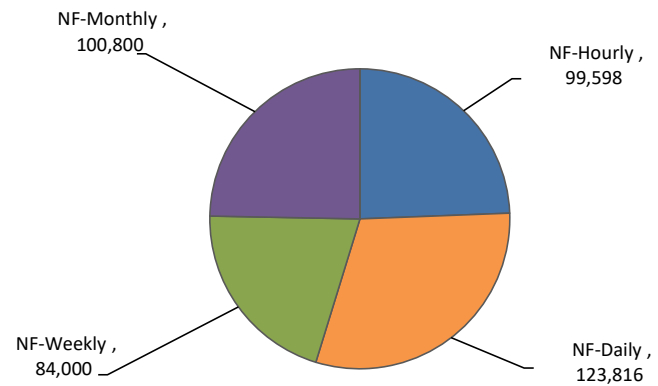
Historical OASIS Sales & Percentages for March 2026  
2022-2026



2026 MWh Sales  
Total March Sales 79,415 MWh



2026 YTD MWh Product Sales  
Total 2026 Sales 408.21 GWh

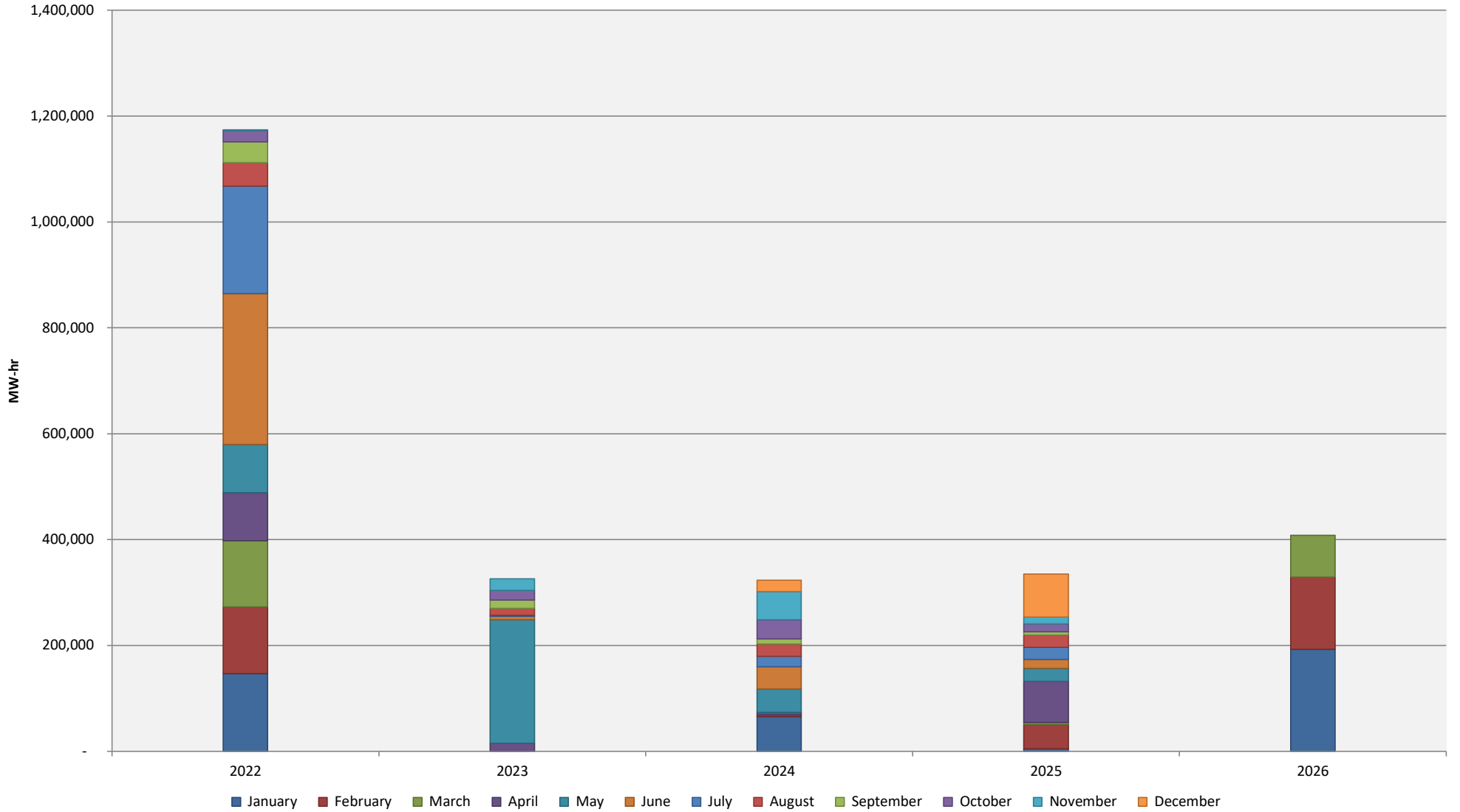


\* Includes OASIS sales data through March 2026. Does not include buy-backs or excess capacity purchases by TANC OASIS participants  
Includes sales only, does not include actual scheduled energy.

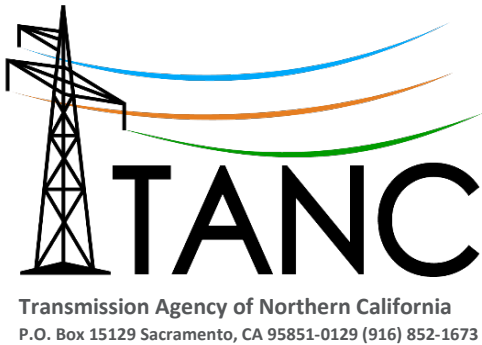
2026 TANC OASIS (PA-5) Annual MWh Third Party Sales\*

Monthly Historical OASIS Sales

January 2022 - March 2026



\* Includes OASIS sales data through March 2026. Does not include buy-backs or excess capacity purchases by TANC OASIS participants  
Includes sales only, does not include actual scheduled energy.



## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON WILDFIRE ACTIVITIES

---

The following provides an update on wildfire mitigation activities for the California-Oregon Transmission Project (COTP) which are being conducted for the Transmission Agency of Northern California (TANC).

### **Legislative & Regulatory Review**

The House Committee on Agriculture recently released House Resolution (H.R.) 7567; The Farm, Food, and National Security Act of 2026 (2026 Farm Bill). The forestry title (Title VIII – Forestry; Subtitle D – Forest Management) contains five sections that expand eligible acreage limitations and/or add new National Environmental Policy Act (NEPA) categorical exclusions (CEs) applicable to the management of hazard trees and fuels, fuel breaks, operations and maintenance work along electric utility rights-of-way, and related wildfire risk reduction activities, as summarized below.

- *Section 8403 - Wildfire Resilience Project Size* - Expands the maximum size of hazardous fuels reduction projects eligible for a CE from 3,000 acres to 10,000 acres.
- *Section 8404 - Fuel Breaks in Forests and Other Wildland Vegetation* - Expands the maximum size of projects to create linear fuel breaks eligible for a CE from 3,000 acres to 10,000 acres.
- *Section 8406 - Categorical Exclusion for Electric Utility Lines Rights-Of-Way* - Establishes a new CE for activities related to electric transmission or distribution facilities' vegetation management, facility inspection, and operation and maintenance plans on public lands and National Forest System lands, with a maximum project size of 10,000 acres.

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

- *Section 8407 - Forest Management Activities on National Forest System Lands* - Establishes a new CE for activities reducing forest fuels on National Forest System land, with a maximum project size of 10,000 acres, including not more than 3,000 acres of mechanical thinning.
- *Section 8417 Permits and Agreements with Electrical Utilities* - Allows electric utility companies with a special use permit or easement on National Forest System lands to cut trees or reduce hazardous fuels near distribution lines without a separate timber sale, with any subsequent sales proceeds going to the United States Forest Service.

In addition to the proposed 2026 Farm Bill, the Fix Our Forests Act (Senate Bill 1462/H.R. 471) increases the acreage limit for CEs—which exempt projects from extensive environmental assessments—from 3,000 acres to 10,000 acres for wildfire resilience, fuel breaks, and insect/disease projects.

These and other federal bills include several provisions to expedite wildfire risk reduction projects on the ground. Those provisions may represent opportunities to expand TANC's ongoing set of project collaborations with the Modoc and Shasta-Trinity National Forests.



Transmission Agency of Northern California  
P.O. Box 15129 Sacramento, CA 95851-0129 (916) 852-1673

## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
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).

### **2026 Market & Infrastructure Policy Catalog and Roadmap Process**

On April 8, 2026, CAISO hosted two meetings for the 2026 Policy Initiative Catalog and Roadmap process. New for 2026, the process has been bifurcated into a Market-focused group and an Infrastructure-focused group. The Market Initiative meeting included a review of a long list of initiatives that will be shortened to a final list via a stakeholder survey, which is open until May 15, 2026. The potential initiatives revolved around 1) Western Market seams, 2) Resource Adequacy (RA) reliability and enhancements, 3) Maximum Import Capability (MIC) enhancements, and 4) various day-ahead market enhancements. The Infrastructure Initiative meeting included a review of a similar long-list of potential initiatives, but a final list will largely be determined by the CAISO rather than an open stakeholder survey. The initiatives revolved around 1) reliability and continued integration of energy storage technologies, 2) MIC enhancements, 3) Transmission Access Charge (TAC) structure enhancements, and 4) aligning developments in Interconnection, Transmission Deliverability, and the Order 1920 Planning processes.

### **2025-2026 Transmission Planning Process**

On April 15, 2026, CAISO presented its Draft Transmission Plan for the 2025-2026 cycle. The plan contains recommended approval for 38 projects at an estimated total cost of \$7 billion. Reliability-driven projects accounted for 33 projects at \$4.4 billion, policy-driven projects accounted for 4 projects at \$2.4 billion, and economic-driven projects accounted for 1 project at \$150 million. The

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

lone economic project is for the Gates-Los Banos #3 500 kilovolt (kV) Series Compensation upgrade, with the Western Area Power Administration-Sierra Nevada as the participating Transmission Owner. The revised Draft Transmission Plan will be presented to the CAISO Board of Governors on May 19, 2026, for approval as the Final Transmission Plan.

### **Extended Day-Ahead Market**

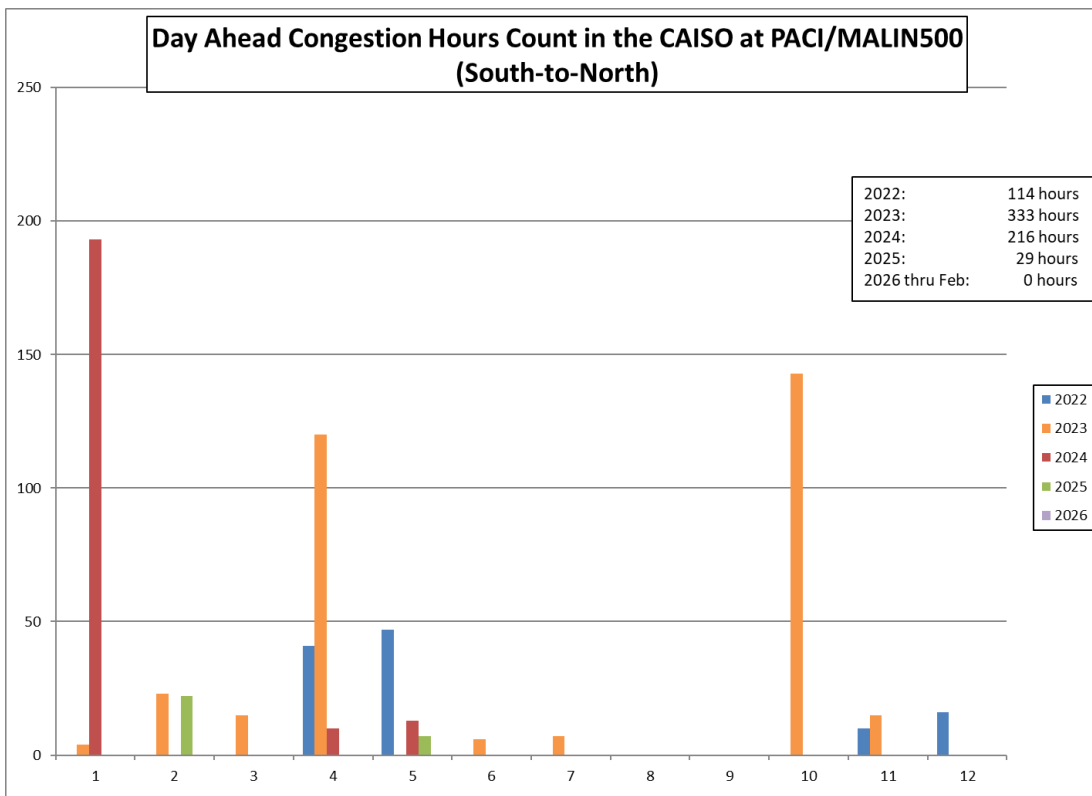
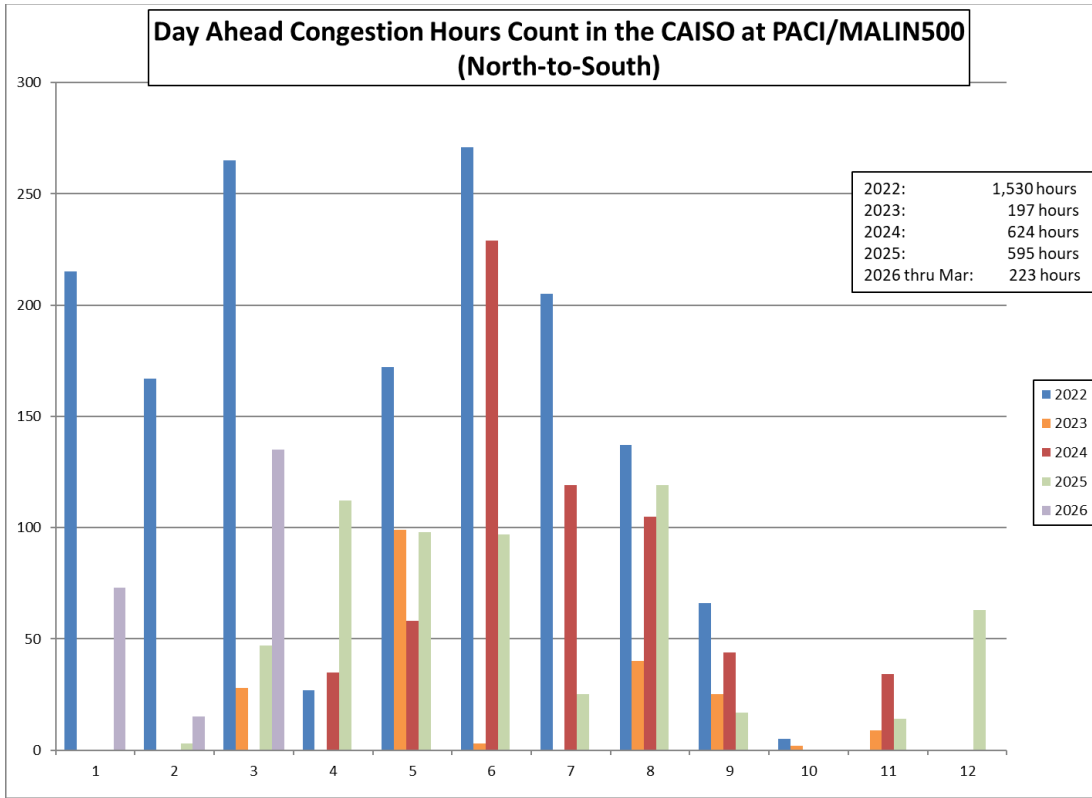
On April 17, 2026, CAISO hosted a working group session on the Extended Day-Ahead Market (EDAM) Congestion Revenue Allocation (CRA) redesign. The session focused on the early stages of developing a long-term, durable CRA design to be implemented in EDAM in 2027 or later. CAISO presented three different general design concepts as potential starting points, all of which will have potentially significant ramifications for participating entities' Open Access Transmission Tariff (OATT) considerations of EDAM. The three designs are broadly summarized as follows:

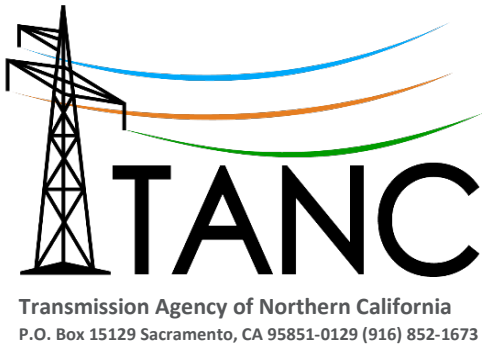
- A detailed enhancement to the current design where congestion revenues are largely remitted back to the Balancing Authority Areas (BAA) where the congestion costs were modeled and paid in the day-ahead schedule.
- Establishment of historical baseline entitlements for Congestion Revenue Requirements (CRRs)-accounting for parallel flows across BAA boundaries-that are based on a common milestone (i.e. year of EDAM entry or similar).
- Establishment of entitlements for CRRs based on a footprint-wide Simultaneous Feasibility Test across each individual Source-Sink pair.

At the working group session, The Energy Authority (TEA) also provided a thorough set of propositions to CRA designs that ranged from minimally to highly disruptive of current mechanisms. Both TEA and CAISO encouraged more stakeholder engagement, idea challenging, and innovative design proposals similar to TEA's presentation.

On April 29, 2026, CAISO hosted another workshop on EDAM Intertie Schedule Modeling, as part of the planned transition to Generation Aggregation Point (GAP)-tie modeling. CAISO reviewed several stakeholder comments, which mostly highlighted the lack of consensus on how to model both internal inerties (between CAISO and other BAAs) and external inerties (between EDAM entities and non-EDAM entities). Subsequently, CAISO reviewed and compared intertie modeling practices of other Regional Transmission Organizations and Independent System Operators including the Southwest Power Pool, Midcontinent Independent Service Operator, Pennsylvania-New Jersey-Maryland Interconnection and others. CAISO stressed it is unlikely that a durable EDAM design would be directly borrowed from any of those entities, and that a solution must be specific to the EDAM and Western Interconnection. Additionally, CAISO presented scenarios and expected changes to the RA process under the GAP-tie modeling methodology. The most notable changes primarily revolve around whether an RA source is within an EDAM BAA or not.







## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON TANC'S RELIABILITY STANDARDS COMPLIANCE PROGRAM

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This memorandum provides the Transmission Agency of Northern California (TANC) Commission with an overview of recent key activities that are related to TANC's compliance with applicable reliability standards.

### **NERC Alert - Computational Load Modeling, Studies, Instrumentation, Commissioning, Operations, Protection, and Control**

On May 4, 2026, the North American Electric Reliability Corporation (NERC) issued a Level 3 Alert for Computational Load Modeling, Studies, Instrumentation, Commissioning, Operations, Protection, and Control. A Level 3 NERC Alert is an **Essential Action alert**, the highest urgency notification issued by the NERC, which mandates that grid operators take immediate actions to mitigate critical risks to the bulk power system and requires formal reporting on compliance. The purpose of this Level 3 NERC Alert is to ensure Essential Actions are taken by registered entities to address the risks posed by existing and new computational loads, interacting with the bulk power system, inclusive of computational load interconnecting with collocated generation.

The Alert includes seven essential actions for registered Transmission Planners (TPs), Planning Coordinators, Transmission Owners (Tos), Balancing Authorities, Reliability Coordinators, and Transmission Operators. The essential actions instruct entities to do the following:

- Determine what data they need from large loads
- Determine what additional considerations are needed for integrating large loads
- Decide how to account for large loads in "qualified changes,"

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

- Establish a commissioning process for large loads
- Study and implement corrective actions on the system-side of interconnection to prevent consequential loss of firm load for computational loads
- Install dynamic fault recording devices to capture and share large load facility electrical performance during system disturbances
- Establish interpersonal communication capabilities with computational loads to improve situational awareness and joint operating procedures

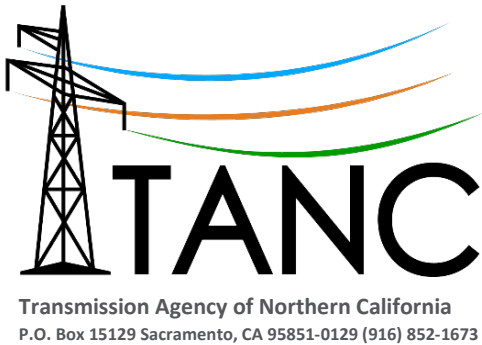
The Level 3 NERC Alert is applicable to TANC's TP and TO NERC functional registrations. TANC acknowledged the NERC Alert on May 4, 2026. A response to the NERC Alert is required by August 3, 2026.

#### **Advancement of Framework for Computational Load Entities**

NERC has initiated a Standards Authorization Request and proposed revisions to its Rules of Procedure to address the reliability impacts of large computational load entities, including hyperscale data centers and other high-density loads. These efforts would support the development of new or modified Reliability Standards - beginning with a near-term bridge standard - focused on improving system visibility, load modeling, and operational coordination. In parallel, NERC is considering updates to its compliance framework to establish a new registered entity category and define criteria for identifying and registering certain large loads, including potential thresholds tied to load size and transmission-level interconnection. These actions reflect a broader recognition that large, rapidly growing loads are playing an increasing role in bulk power system planning and operations. As these efforts advance, they may introduce new registration thresholds, enhanced data-sharing and performance expectations, and additional coordination requirements with transmission operators and TPs.

#### **Advancement of Reliability Standards and Cybersecurity Initiatives**

In April, NERC continued advancing reliability standards with a focus on cybersecurity, including updates to Critical Infrastructure Protection standards, supply chain risk management, and system monitoring capabilities. These efforts reflect an ongoing emphasis on strengthening the security and resilience of the bulk power system amid evolving threats and increasing system complexity. As these standards evolve, entities may see changes to compliance obligations, including requirements applicable to lower-impact systems and distributed assets, building on recent FERC-approved rules strengthening cybersecurity protections across the bulk power system.



## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON FY 2026 THIRD QUARTER BUDGET VARIANCE REPORT

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Enclosed for Transmission Agency of Northern California (TANC) Commission review is the Fiscal Year 2026 third quarter budget variance report for the period July 1, 2025, through March 30, 2026. The report details TANC's budgeted line items compared to actual expenditure.

TANC has expenses of \$23.5 million compared to a budget of \$34.9 million, for an under-budget variance of 11.4 million, or 32.6 percent. The components that comprise this total variance are described below:

1. California-Oregon Transmission Project (COTP)  
COTP expenses are under budget at approximately \$9.5 million or 60.5 percent. Certain activities have been delayed due to changes at the federal level. Several specialty projects under Maintenance and Natural Resources as well as security contracts are behind budget schedules.
2. Debt Service  
Debt service payments are under budget by \$1.0 million or 6.9 percent. Line of Credit interest has been lower than budgeted based on TANC's renewal of the Line of Credit.
3. TANC Agency  
The TANC Agency budget is under budget by \$196,066 or 16.3 percent. Currently, the only item trending over budget is Staff Support.

4. TANC Operations

TANC Operations are under budget by \$314,439 or 26.4 percent. Costs budgeted for Financial Services and Bond Counsel that will be now rolled into TANC's refund of the 2016 Series A bonds is one reason for the under-budget variance.

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

TANC OASIS is under budget by 118,828 or 19.8 percent. Special Counsel Legal Support and WestConnect lead the under-budget variance.

6. South of Tesla (SOT)

SOT expenses are under budget by \$112,598 or 29.3 percent. Treasurer/Controller and SOT Debt make up the largest under budget variance. SOT debt will soon pay the principle and be close to budget by the fourth quarter.

Enclosures



**TRANSMISSION AGENCY OF NORTHERN CALIFORNIA**  
**Third Quarter Budget vs. Expenditure**  
**Fiscal Year 2026**

<b>FY'26 Budget</b>			<b>1st Qtr.</b>	<b>2nd Qtr.</b>	<b>3rd Qtr.</b>	<b>4th Qtr.</b>	<b>Year to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>Annual Budget</b>
<b>Category</b>			<b>07/25-9/25</b>	<b>10/25-12/25</b>	<b>01/26-03/26</b>	<b>04/26-06/26</b>	<b>07/25-03/26</b>	<b>Variance</b>	<b>07/25-06/26</b>	<b>Variance</b>
California-Oregon Transmission Project	Budget	\$	6,103,100	\$ 3,557,300	\$ 6,099,900	\$ 6,176,200	\$ 15,760,300	\$ (9,530,824)	\$ 21,936,500	\$ (15,707,024)
	Expenditure		2,262,266	2,060,272	1,906,938	-	6,229,476	-60.5%	6,229,476	-71.6%
Debt Service			5,258,115	5,238,411	5,238,411	5,238,289	15,734,937	(1,080,558)	20,973,226	(6,318,847)
			4,899,571	4,877,404	4,877,404	-	14,654,379	-6.9%	14,654,379	-30.1%
TANC Agency			478,304	379,404	345,804	338,404	1,203,512	(196,066)	1,541,916	(534,470)
			418,367	307,381	281,698	-	1,007,446	-16.3%	1,007,446	-34.7%
TANC Operations			540,700	355,800	292,400	295,000	1,188,900	(314,439)	1,483,900	(609,439)
			274,353	367,793	232,316	-	874,461	-26.4%	874,461	-41.1%
TANC OASIS			209,432	191,432	199,632	545,932	600,496	(118,828)	1,146,428	(664,760)
			221,954	138,724	120,990	-	481,668	-19.8%	481,668	-58.0%
South of Tesla			128,459	127,963	128,163	128,340	384,585	(112,598)	512,925	(240,938)
			91,261	89,392	91,334	-	271,987	-29.3%	271,987	-47.0%
<b>Total Fiscal Year</b>	Budget		<b>12,718,110</b>	<b>9,850,310</b>	<b>12,304,310</b>	<b>12,722,165</b>	<b>34,872,730</b>	<b>(11,353,312)</b>	<b>47,594,895</b>	<b>(24,075,477)</b>
	Expenditure		<b>8,167,772</b>	<b>7,840,966</b>	<b>7,510,679</b>	<b>-</b>	<b>23,519,418</b>	<b>-32.6%</b>	<b>23,519,418</b>	<b>-50.6%</b>



**TRANSMISSION AGENCY OF NORTHERN CALIFORNIA**  
**Third Quarter Budget vs. Expenditure**  
**Fiscal Year 2026**

<b>COTP Operations</b>		<b>1st Qtr.</b>	<b>2nd Qtr.</b>	<b>3rd Qtr.</b>	<b>4th Qtr.</b>	<b>Year to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>Annual Budget</b>
<b>Category</b>		<b>07/25-9/25</b>	<b>10/25-12/25</b>	<b>01/26-03/26</b>	<b>04/26-06/26</b>	<b>07/25-03/26</b>	<b>Variance</b>	<b>07/25-06/26</b>	<b>Variance</b>
<b><u>COTP Operations</u></b>									
Operations	Budget	\$ 414,300	\$ 385,800	\$ 422,500	\$ 371,500	\$ 1,222,600	\$ (523,306)	\$ 1,594,100	\$ (894,806)
	Expenditure	339,303	197,875	162,115	-	699,294	-42.8%	699,294	-56.1%
Maintenance		3,250,700	1,024,600	2,990,000	186,300	7,265,300	(5,885,657)	7,451,600	(6,071,957)
		567,667	577,186	234,789	-	1,379,643	-81.0%	1,379,643	-81.5%
Natural Resources		713,000	391,300	702,000	674,500	1,806,300	(1,075,108)	2,480,800	(1,749,608)
		294,615	159,649	276,928	-	731,192	-59.5%	731,192	-70.5%
Project Support		256,000	292,900	250,400	3,896,500	799,300	(197,399)	4,695,800	(4,093,899)
		210,085	200,123	191,692	-	601,901	-24.7%	601,901	-87.2%
Compliance		197,300	200,900	224,700	127,800	622,900	(293,838)	750,700	(421,638)
		122,626	104,050	102,387	-	329,062	-47.2%	329,062	-56.2%
Security/Safety		390,500	10,200	900	-	401,600	(401,538)	401,600	(401,538)
		-	62	-	-	62	-100.0%	62	-100.0%
<b>Subtotal COTP Operations</b>		<b>5,221,800</b>	<b>2,305,700</b>	<b>4,590,500</b>	<b>5,256,600</b>	<b>12,118,000</b>	<b>(8,376,847)</b>	<b>17,374,600</b>	<b>(13,633,447)</b>
		<b>1,534,296</b>	<b>1,238,945</b>	<b>967,911</b>	<b>-</b>	<b>3,741,153</b>	<b>-69.1%</b>	<b>3,741,153</b>	<b>-78.5%</b>
<b><u>Transmission Balancing</u></b>									
Sub-Balancing Authority		228,900	202,000	235,200	204,500	666,100	(264,112)	870,600	(468,612)
		175,556	138,752	87,680	-	401,988	-39.7%	401,988	-53.8%
Balancing Authority		615,000	615,000	640,500	640,500	1,870,500	(159,286)	2,511,000	(799,786)
		562,132	562,132	586,949	-	1,711,214	-8.5%	1,711,214	-31.9%
<b>Subtotal Transmission</b>		<b>843,900</b>	<b>817,000</b>	<b>875,700</b>	<b>845,000</b>	<b>2,536,600</b>	<b>(423,398)</b>	<b>3,381,600</b>	<b>(1,268,398)</b>
		<b>737,688</b>	<b>700,884</b>	<b>674,630</b>	<b>-</b>	<b>2,113,202</b>	<b>-16.7%</b>	<b>2,113,202</b>	<b>-37.5%</b>
<b>Subtotal COTP Operations and Maintenance</b>		<b>6,065,700</b>	<b>3,122,700</b>	<b>5,466,200</b>	<b>6,101,600</b>	<b>14,654,600</b>	<b>(8,800,245)</b>	<b>20,756,200</b>	<b>(14,901,845)</b>
		<b>2,271,984</b>	<b>1,939,829</b>	<b>1,642,541</b>	<b>-</b>	<b>5,854,355</b>	<b>-60.1%</b>	<b>5,854,355</b>	<b>-71.8%</b>
Capital Improvements		37,400	434,600	633,700	74,600	1,105,700	(730,579)	1,180,300	(805,179)
		(9,718)	120,443	264,396	-	375,121	-66.1%	375,121	-68.2%
<b>Total COTP Operations</b>	Budget	<b>6,103,100</b>	<b>3,557,300</b>	<b>6,099,900</b>	<b>6,176,200</b>	<b>15,760,300</b>	<b>(9,530,824)</b>	<b>21,936,500</b>	<b>(15,707,024)</b>
	Expenditure	<b>2,262,266</b>	<b>2,060,272</b>	<b>1,906,938</b>	<b>-</b>	<b>6,229,476</b>	<b>-60.5%</b>	<b>6,229,476</b>	<b>-71.6%</b>



**TRANSMISSION AGENCY OF NORTHERN CALIFORNIA**  
**Third Quarter Budget vs. Expenditure**  
**Fiscal Year 2026**

<b>Debt Service</b>			<b>1st Qtr.</b>	<b>2nd Qtr.</b>	<b>3rd Qtr.</b>	<b>4th Qtr.</b>	<b>Year to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>Annual Budget</b>
<b>Category</b>			<b>07/25-9/25</b>	<b>10/25-12/25</b>	<b>01/26-03/26</b>	<b>04/26-06/26</b>	<b>07/25-03/26</b>	<b>Variance</b>	<b>07/25-06/26</b>	<b>Variance</b>
<b>Bond Program</b>										
<b>Principal</b>										
2016 Series A Bonds	Budget	\$	1,924,806	\$ 1,924,806	\$ 1,924,806	\$ 1,988,843	5,774,418	-	7,763,261	(1,988,843)
	Expenditure		1,924,806	1,924,806	1,924,806		5,774,418	0.0%	5,774,418	-25.6%
<b>Interest/Fees</b>										
2016 Series A Bonds			1,833,309	1,813,605	1,813,605	1,749,446	5,460,519	2,461	7,209,965	(1,746,985)
			1,835,771	1,813,604	1,813,604		5,462,980	0.0%	5,462,980	-24.2%
Line of Credit			1,500,000	1,500,000	1,500,000	1,500,000	4,500,000	(1,083,019)	6,000,000	(2,583,019)
			1,138,994	1,138,994	1,138,994		3,416,981	-24.1%	3,416,981	-43.1%
<b>Subtotal Interest/Fees</b>			<b>3,333,309</b>	<b>3,313,605</b>	<b>3,313,605</b>	<b>3,249,446</b>	<b>9,960,519</b>	<b>(1,080,558)</b>	<b>13,209,965</b>	<b>(4,330,004)</b>
			<b>2,974,765</b>	<b>2,952,598</b>	<b>2,952,598</b>	<b>-</b>	<b>8,879,961</b>	<b>-10.8%</b>	<b>8,879,961</b>	<b>-32.8%</b>
<b>Total Debt Service</b>	Budget		<b>5,258,115</b>	<b>5,238,411</b>	<b>5,238,411</b>	<b>5,238,289</b>	<b>15,734,937</b>	<b>(1,080,558)</b>	<b>20,973,226</b>	<b>(6,318,847)</b>
	Expenditure		<b>4,899,571</b>	<b>4,877,404</b>	<b>4,877,404</b>	<b>-</b>	<b>14,654,379</b>	<b>-6.9%</b>	<b>14,654,379</b>	<b>-30.1%</b>



**TRANSMISSION AGENCY OF NORTHERN CALIFORNIA**  
**Third Quarter Budget vs. Expenditure**  
**Fiscal Year 2026**

<b>TANC Agency</b>		<b>1st Qtr.</b>	<b>2nd Qtr.</b>	<b>3rd Qtr.</b>	<b>4th Qtr.</b>	<b>Year to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>Annual Budget</b>
<b>Category</b>		<b>07/25-9/25</b>	<b>10/25-12/25</b>	<b>01/26-03/26</b>	<b>04/26-06/26</b>	<b>07/25-03/26</b>	<b>Variance</b>	<b>07/25-06/26</b>	<b>Variance</b>
<b><u>TANC Management</u></b>									
General Manager	Budget	\$ 79,104	\$ 79,104	\$ 79,104	\$ 79,104	237,312	(14,112)	316,416	(93,216)
	Expenditure	74,400	74,400	74,400		223,200	-5.9%	223,200	-29.5%
Strategic Management Support		60,000	40,000	-	-	100,000	(32,500)	100,000	(32,500)
		22,500	22,500	22,500		67,500	-32.5%	67,500	-32.5%
Agency Dues		33,000	18,000	18,000	18,000	69,000	(36,317)	87,000	(54,317)
		22,013	-	10,670		32,683	-52.6%	32,683	-62.4%
Outreach/Media		5,000	3,000	3,000	1,000	11,000	(8,000)	12,000	(9,000)
		3,000	-	-		3,000	-72.7%	3,000	-75.0%
Miscellaneous Expenses		12,600	12,600	12,600	12,200	37,800	(13,692)	50,000	(25,892)
		10,300	13,315	493		24,108	-36.2%	24,108	-51.8%
<b>Subtotal TANC Management</b>		<b>189,704</b>	<b>152,704</b>	<b>112,704</b>	<b>110,304</b>	<b>455,112</b>	<b>(104,621)</b>	<b>565,416</b>	<b>(214,925)</b>
		<b>132,213</b>	<b>110,215</b>	<b>108,063</b>	<b>-</b>	<b>350,491</b>	<b>-23.0%</b>	<b>350,491</b>	<b>-38.0%</b>
Audit Services		55,500	-	-	-	55,500	(500)	55,500	(500)
		55,000	-	-	-	55,000	-0.9%	55,000	-0.9%
General Counsel		20,100	19,700	20,100	20,100	59,900	(33,394)	80,000	(53,494)
		5,131	7,422	13,954		26,506	-55.7%	26,506	-66.9%
Treasurer/Controller		87,000	87,000	90,000	87,000	264,000	(93,438)	351,000	(180,438)
		71,153	61,464	37,944		170,562	-35.4%	170,562	-51.4%
Staff Support		126,000	120,000	123,000	121,000	369,000	35,886	490,000	(85,114)
		154,870	128,280	121,736		404,886	9.7%	404,886	-17.4%
<b>Total TANC Agency</b>	Budget	<b>478,304</b>	<b>379,404</b>	<b>345,804</b>	<b>338,404</b>	<b>1,203,512</b>	<b>(196,066)</b>	<b>1,541,916</b>	<b>(534,470)</b>
	Expenditure	<b>418,367</b>	<b>307,381</b>	<b>281,698</b>	<b>-</b>	<b>1,007,446</b>	<b>-16.3%</b>	<b>1,007,446</b>	<b>-34.7%</b>



**TRANSMISSION AGENCY OF NORTHERN CALIFORNIA**  
**Third Quarter Budget vs. Expenditure**  
**Fiscal Year 2026**

<b>TANC Operations</b>			<b>1st Qtr.</b>	<b>2nd Qtr.</b>	<b>3rd Qtr.</b>	<b>4th Qtr.</b>	<b>Year to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>Annual Budget</b>
<b>Category</b>			<b>07/25-9/25</b>	<b>10/25-12/25</b>	<b>01/26-03/26</b>	<b>04/26-06/26</b>	<b>07/25-03/26</b>	<b>Variance</b>	<b>07/25-06/26</b>	<b>Variance</b>
<b><u>General Consultant</u></b>										
WECC	Budget	\$	15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 45,000	\$ (13,890)	\$ 60,000	\$ (28,890)
	Expenditure		11,063	10,463	9,585		31,110	-30.9%	31,110	-48.2%
CMUA/Legislative/Regulatory			8,900	8,700	8,700	8,700	26,300	(9,725)	35,000	(18,425)
			8,820	5,280	2,475		16,575	-37.0%	16,575	-52.6%
Independent System Operator			54,000	53,000	54,000	54,000	161,000	(22,389)	215,000	(76,389)
			34,510	61,034	43,068		138,611	-13.9%	138,611	-35.5%
Transmission Reliability Standards			17,000	15,000	29,000	24,000	61,000	(7,340)	85,000	(31,340)
			18,051	12,375	23,234		53,660	-12.0%	53,660	-36.9%
<b>Subtotal General Consultant</b>			<b>94,900</b>	<b>91,700</b>	<b>106,700</b>	<b>101,700</b>	<b>293,300</b>	<b>(53,344)</b>	<b>395,000</b>	<b>(155,044)</b>
			<b>72,444</b>	<b>89,151</b>	<b>78,362</b>	<b>-</b>	<b>239,956</b>	<b>-18.2%</b>	<b>239,956</b>	<b>-39.3%</b>
<b><u>Special Counsel</u></b>										
Committee Support			10,100	9,700	10,100	10,100	29,900	(24,314)	40,000	(34,414)
			2,859	961	1,767		5,587	-81.3%	5,587	-86.0%
Independent System Operator			6,900	6,400	6,800	6,900	20,100	(3,862)	27,000	(10,762)
			11,960	1,825	2,454		16,239	-19.2%	16,239	-39.9%
Reliability Standards			10,200	9,400	10,200	10,200	29,800	(26,398)	40,000	(36,598)
			720	540	2,142		3,402	-88.6%	3,402	-91.5%
FERC Matters			48,000	42,000	45,000	45,000	135,000	(67,360)	180,000	(112,360)
			23,658	14,695	29,288		67,641	-49.9%	67,641	-62.4%
<b>Subtotal Special Counsel</b>	Budget		<b>75,200</b>	<b>67,500</b>	<b>72,100</b>	<b>72,200</b>	<b>214,800</b>	<b>(121,933)</b>	<b>287,000</b>	<b>(194,133)</b>
	Expenditure		<b>39,196</b>	<b>18,021</b>	<b>35,651</b>	<b>-</b>	<b>92,868</b>	<b>-56.8%</b>	<b>92,868</b>	<b>-67.6%</b>
<b><u>Financing/Advice</u></b>										
Financial Advisor Support	Budget		105,000	-	-	-	105,000	(59,338)	105,000	(59,338)
	Expenditure		38,162	-	7,500		45,662	-56.5%	45,662	-56.5%
Bond Trustee Fees			875	875	875	875	2,625	(2,625)	3,500	(3,500)
			-	-	-		-	-100.0%	-	-100.0%
<b>Subtotal Financing Advice</b>			<b>105,875</b>	<b>875</b>	<b>875</b>	<b>875</b>	<b>107,625</b>	<b>(61,963)</b>	<b>108,500</b>	<b>(62,838)</b>
			<b>38,162</b>	<b>-</b>	<b>7,500</b>	<b>-</b>	<b>45,662</b>	<b>-57.6%</b>	<b>45,662</b>	<b>-57.9%</b>
<b><u>Bond Counsel</u></b>										
Bond Counsel Support			75,000	-	-	-	-	-	75,000	(75,000)
			-	-	-	-	-	-	-	-100.0%
Arbitrage Rebate Calculations			-	2,500	-	-	2,500	(2,500)	2,500	(2,500)
			-	-	-	-	-	-100.0%	-	-100.0%
<b>Subtotal Bond Counsel</b>			<b>75,000</b>	<b>2,500</b>	<b>-</b>	<b>-</b>	<b>77,500</b>	<b>(77,500)</b>	<b>77,500</b>	<b>(77,500)</b>
			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-100.0%</b>



**TRANSMISSION AGENCY OF NORTHERN CALIFORNIA**  
**Third Quarter Budget vs. Expenditure**  
**Fiscal Year 2026**

<b>TANC Operations</b>		<b>1st Qtr.</b>	<b>2nd Qtr.</b>	<b>3rd Qtr.</b>	<b>4th Qtr.</b>	<b>Year to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>Annual Budget</b>
<b>Category</b>		<b>07/25-9/25</b>	<b>10/25-12/25</b>	<b>01/26-03/26</b>	<b>04/26-06/26</b>	<b>07/25-03/26</b>	<b>Variance</b>	<b>07/25-06/26</b>	<b>Variance</b>
<b><u>TANC Transmission Agreements</u></b>									
Path Operator	\$	50,675	\$ 50,675	\$ 50,675	\$ 50,675	\$ 152,025	\$ (34)	\$ 202,700	\$ (50,709)
		50,664	50,664	50,664		151,991	0.0%	151,991	-25.0%
PG&E Interconnection		43,800	43,800	43,800	43,800	131,400	4,950	175,200	(38,850)
		45,450	45,450	45,450		136,350	3.8%	136,350	-22.2%
Land		11,250	8,750	6,250	13,750	26,250	(4,095)	40,000	(17,845)
		-	17,655	4,500		22,155	-15.6%	22,155	-44.6%
<b>Subtotal Transmission Agreements</b>		<b>105,725</b>	<b>103,225</b>	<b>100,725</b>	<b>108,225</b>	<b>309,675</b>	<b>821</b>	<b>417,900</b>	<b>(107,404)</b>
		<b>96,114</b>	<b>113,769</b>	<b>100,614</b>	<b>-</b>	<b>310,496</b>	<b>0.3%</b>	<b>310,496</b>	<b>-25.7%</b>
<b>Power System Studies</b>		<b>84,000</b>	<b>90,000</b>	<b>12,000</b>	<b>12,000</b>	<b>186,000</b>	<b>(521)</b>	<b>198,000</b>	<b>(12,521)</b>
		<b>28,438</b>	<b>146,852</b>	<b>10,190</b>		<b>185,480</b>	<b>-0.3%</b>	<b>185,480</b>	<b>-6.3%</b>
<b>Subtotal TANC Operations</b>		<b>540,700</b>	<b>355,800</b>	<b>292,400</b>	<b>295,000</b>	<b>1,188,900</b>	<b>(314,439)</b>	<b>1,483,900</b>	<b>(609,439)</b>
	Budget								
	Expenditure	<b>274,353</b>	<b>367,793</b>	<b>232,316</b>	<b>-</b>	<b>874,461</b>	<b>-26.4%</b>	<b>874,461</b>	<b>-41.1%</b>



**TRANSMISSION AGENCY OF NORTHERN CALIFORNIA**  
**Third Quarter Budget vs. Expenditure**  
**Fiscal Year 2026**

<b>TANC OASIS</b>		<b>1st Qtr.</b>	<b>2nd Qtr.</b>	<b>3rd Qtr.</b>	<b>4th Qtr.</b>	<b>Year to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>Annual Budget</b>
<b>Category</b>		<b>07/25-9/25</b>	<b>10/25-12/25</b>	<b>01/26-03/26</b>	<b>04/26-06/26</b>	<b>07/25-03/26</b>	<b>Variance</b>	<b>07/25-06/26</b>	<b>Variance</b>
<b>General Manager</b>	Budget	\$ 14,832	\$ 14,832	\$ 14,832	\$ 14,832	\$ 44,496	\$ (2,646)	\$ 59,328	\$ (17,478)
	Expenditure	13,950	13,950	13,950		41,850	-5.9%	41,850	-29.5%
<b>Treasurer/Controller</b>		-	-	-	8,300	-	-	8,300	(8,300)
		-	-	-		-	n/a	-	-100.0%
<b>OASIS Administrator</b>		-	-	-	340,000	-	-	340,000	(340,000)
		-	-	-		-	n/a	-	-100.0%
<b>WestTrans OATI</b>		39,600	39,600	40,800	40,800	120,000	(153)	160,800	(40,953)
		39,553	39,553	40,740		119,847	-0.1%	119,847	-25.5%
<b><u>General Consultant</u></b>									
OASIS Coordinator/Committee Support		51,000	46,000	51,000	50,000	148,000	20,060	198,000	(29,940)
		64,710	53,080	50,270		168,060	13.6%	168,060	-15.1%
WestConnect		12,000	10,000	12,000	11,000	34,000	(8,863)	45,000	(19,863)
		11,338	6,950	6,850		25,138	-26.1%	25,138	-44.1%
<b>Subtotal General Consultant</b>		<b>63,000</b>	<b>56,000</b>	<b>63,000</b>	<b>61,000</b>	<b>182,000</b>	<b>11,198</b>	<b>243,000</b>	<b>(49,803)</b>
		<b>76,048</b>	<b>60,030</b>	<b>57,120</b>	<b>-</b>	<b>193,198</b>	<b>6.2%</b>	<b>193,198</b>	<b>-20.5%</b>
<b><u>Special Counsel</u></b>									
OASIS Legal/Committee Support		70,000	60,000	60,000	60,000	190,000	(77,523)	250,000	(137,523)
		83,269	20,142	9,068		112,478	-40.8%	112,478	-55.0%
WestConnect		22,000	21,000	21,000	21,000	64,000	(49,704)	85,000	(70,704)
		9,135	5,049	113		14,297	-77.7%	14,297	-83.2%
<b>Subtotal Special Counsel</b>		<b>92,000</b>	<b>81,000</b>	<b>81,000</b>	<b>81,000</b>	254,000	(127,226)	335,000	(208,226)
		<b>92,404</b>	<b>25,191</b>	<b>9,180</b>	<b>-</b>	126,774	-50.1%	126,774	-62.2%
<b>Total TANC OASIS</b>									
	Budget	<b>209,432</b>	<b>191,432</b>	<b>199,632</b>	<b>545,932</b>	<b>600,496</b>	<b>(118,828)</b>	<b>1,146,428</b>	<b>(664,760)</b>
	Expenditure	<b>221,954</b>	<b>138,724</b>	<b>120,990</b>	<b>-</b>	<b>481,668</b>	<b>-19.8%</b>	<b>481,668</b>	<b>-58.0%</b>



**TRANSMISSION AGENCY OF NORTHERN CALIFORNIA**  
**Third Quarter Budget vs. Expenditure**  
**Fiscal Year 2026**

South of Tesla		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year to Date	Year to Date	Annual Budget	Annual Budget
Category		07/25-9/25	10/25-12/25	01/26-03/26	04/26-06/26	07/25-03/26	Variance	07/25-06/26	Variance
<b>Transmission</b>									
<b>PG&amp;E Related Operations Costs</b>									
Facility Charges	Budget	\$ 45,255	\$ 45,255	\$ 45,255	\$ 45,235	\$ 135,765	\$ (504)	\$ 181,000	\$ (45,739)
	Expenditure	45,087	45,087	45,087		135,261	-0.4%	135,261	-25.3%
<b>TANC Management</b>									
General Manager		4,944	4,944	4,944	4,944	14,832	(882)	19,776	(5,826)
		4,650	4,650	4,650		13,950	-5.9%	13,950	-29.5%
<b>Treasurer and Controller</b>									
		5,500	5,300	5,500	5,700	16,300	(12,028)	22,000	(17,728)
		920	1,874	1,478		4,272	-73.8%	4,272	-80.6%
<b>General Consultant</b>									
Administration		7,500	7,500	7,500	7,500	22,500	(2,250)	30,000	(9,750)
		7,500	6,250	6,500		20,250	-10.0%	20,250	-32.5%
FERC Matters		7,500	7,500	7,500	7,500	22,500	(7,058)	30,000	(14,558)
		5,503	4,260	5,680		15,443	-31.4%	15,443	-48.5%
<b>Subtotal General Consultant</b>									
		15,000	15,000	15,000	15,000	45,000	(9,308)	60,000	(24,308)
		13,003	10,510	12,180	-	35,693	-20.7%	35,693	-40.5%
<b>Special Counsel- FERC Matters</b>									
		1,250	1,250	1,250	1,250	3,750	(3,750)	5,000	(5,000)
		-	-	-		-	-100.0%	-	-100.0%
<b>Subtotal South of Tesla</b>									
		71,949	71,749	71,949	72,129	215,647	(26,472)	287,776	(98,601)
		63,659	62,121	63,395	-	189,175	-12.3%	189,175	-34.3%
<b>Debt Service</b>									
		56,510	56,214	56,214	56,211	168,938	(86,126)	225,149	(142,337)
		27,602	27,271	27,939		82,812	-51.0%	82,812	-63.2%
<b>Total South of Tesla</b>									
	Budget	128,459	127,963	128,163	128,340	384,585	(112,598)	512,925	(240,938)
	Expenditure	91,261	89,392	91,334	-	271,987	-29.3%	271,987	-47.0%

**TAB 18**

**REPORT FROM THE TANC GENERAL MANAGER**

The TANC Commission will receive a report from the TANC General Manager



Transmission Agency of Northern California  
P.O. Box 15129 Sacramento, CA 95851-0129 (916) 852-1673

## MEMORANDUM

DATE: May 13, 2026

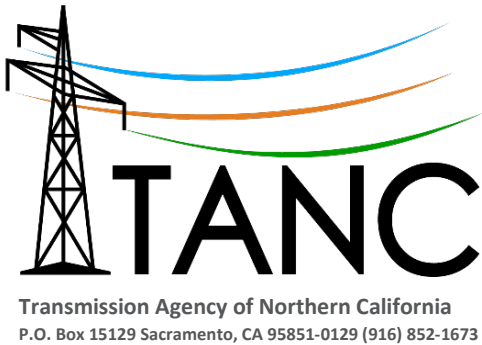
TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON TANC STRATEGIC PLANNING EFFORTS

---

The Transmission Agency of Northern California (TANC) Commission will discuss matters related to the current TANC Strategic Plan.



## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: ANNUAL REPORT AND UPDATE ON PALM TRACT ACTIVITIES

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The Thirty First Annual Monitoring Report – Waterfowl Mitigation Plan Compliance for Palm Tract ‘B’ 2025 is enclosed for the Transmission Agency of Northern California (TANC) Commission. Waterfowl production goals consistent with the Waterfowl Mitigation Plan of 1992 have been fulfilled. Palm Tract ‘B’ continues to be managed in full compliance with the land use and management terms and conditions of the 1994 Conservation Easement with California Department of Fish and Wildlife and the Waterfowl Habitat Management Plan. Farming and waterfowl habitat management practices are well-developed and have a proven record of success on Palm Tract ‘B.’ Residual grain used as a food source by waterfowl totaled over 2 million pounds in 2025.

The condition of the levees, and therefore the flood protection at Palm Tract is excellent. This report also provides an update regarding TANC’s compliance with the Central Valley Regional Water Quality Control Board’s Irrigated Lands Regulatory Program. TANC continues to meet all reporting requirements, which are directed towards working with farmers to improve the implementation of best water quality management practices.

I recommend that the TANC Commission approve the Thirty First Annual Monitoring Report – Waterfowl Mitigation Plan Compliance for Palm Tract ‘B.’

Enclosure

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

**THIRTY FIRST ANNUAL MONITORING REPORT  
WATERFOWL MITIGATION PLAN COMPLIANCE  
FOR PALM TRACT 'B'  
2025**



**Prepared for the  
Transmission Agency of Northern California  
Unpublished Work © May 2026**

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# THIRTY FIRST ANNUAL MONITORING REPORT, 2025

## WATERFOWL MITIGATION PLAN FOR PALM TRACT 'B'

### INTRODUCTION

#### *Background*

The construction of the California-Oregon Transmission Project (COTP) by the Transmission Agency of Northern California (TANC) resulted in a requirement to mitigate for potential impacts to waterfowl (Western Area Power Administration: "Western" 1992). The 1992 Western report determined that mitigation was required for the potential loss of approximately 145 ducks per year<sup>1</sup> resulting from collisions with the COTP transmission line.

Mitigation was also required for potential loss of habitat under and adjacent to the transmission line. To meet these requirements, TANC acquired mitigation land in 1993 on Palm Tract (Palm Tract 'B') in eastern Contra Costa County (Figure 1). In accordance with an April 1993 interagency agreement, the Palm Tract Waterfowl Habitat Management Plan (WHMP) was approved for the site. The WHMP identified "Type 1" mitigation areas that included waterfowl management units 1, 2, and 3 (i.e., brood ponds) and a seasonal wetland. Two annex pond wildlife enhancements totaling about 8 acres have since been added near the northeast corner of the seasonal wetland. The WHMP also identified "Type 2" mitigation areas comprised of areas to be farmed. Type 1 and Type 2 mitigation areas had separate, but similar land use restrictions consistent with WHMP mitigation goals (Figure 2). As part of the agreement, annual reports addressing the progress of the mitigation activities are to be made available to the California Department of Fish and Game (CDFG<sup>2</sup>) and the U.S. Fish and Wildlife Service (USFWS).

In 2002, the Palm Tract WHMP was in its final year of a nine-year monitoring program that began in 1993. Annual reports were required for the first five years of the project (1993-1998). The fifth annual report (TANC 1998) included a comprehensive evaluation of the progress of the mitigation and demonstrated that the five-year monitoring goals had been met. TANC received a letter from the CDFG on June 2, 1999, confirming that compliance with those five-year goals had been achieved. Monitoring continued from 2000 through 2003, including some waterfowl counts requested, but not required by CDFG.

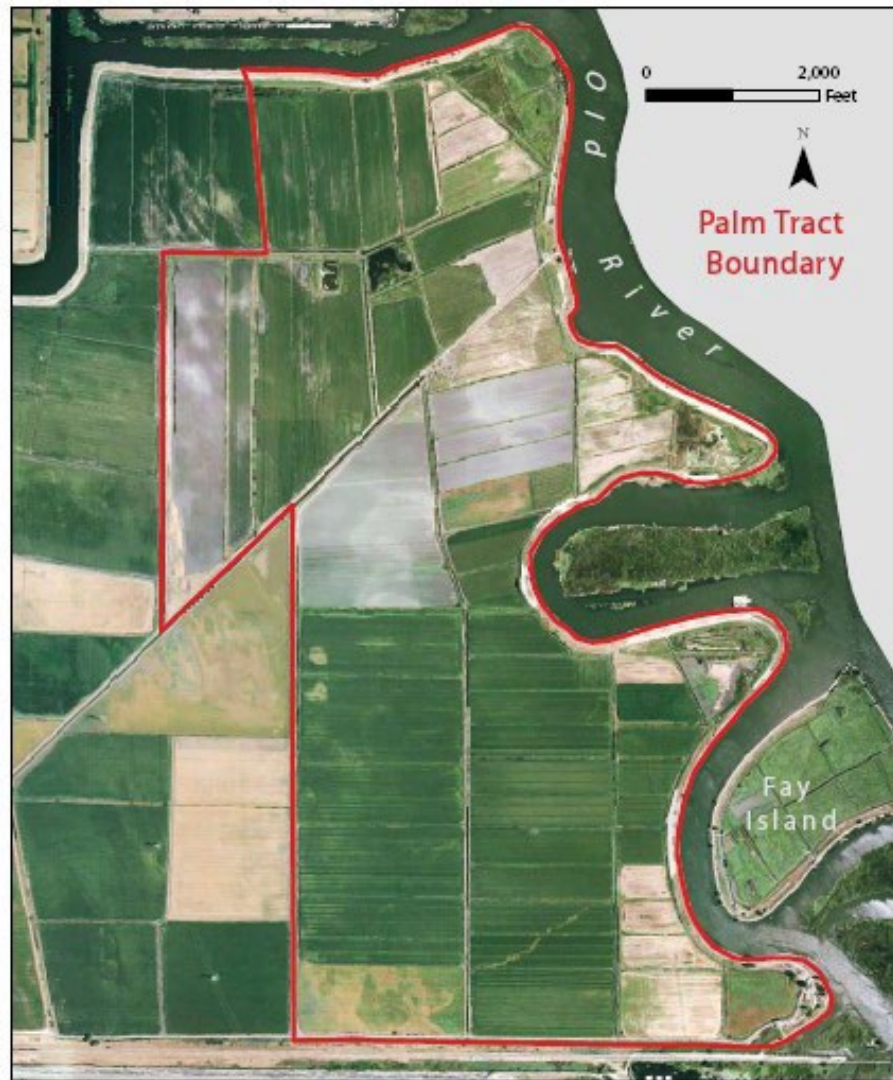
The ninth annual report was the final required waterfowl mitigation monitoring report issued by TANC. In a letter dated August 27, 2003, CDFG agreed that the site had met the waterfowl production goals in its ninth year (Appendix A). The WHMP was most recently updated in 2008 in collaboration with CDFG (TANC 2008).

---

<sup>1</sup> This criterion was adjusted in 1998 by the California Department of Fish and Game to 173 Class II and III ducklings.

<sup>2</sup> The California Department of Fish and Game has been renamed the California Department of Fish & Wildlife.

FIGURE 1 – VICINITY AND SITE MAP




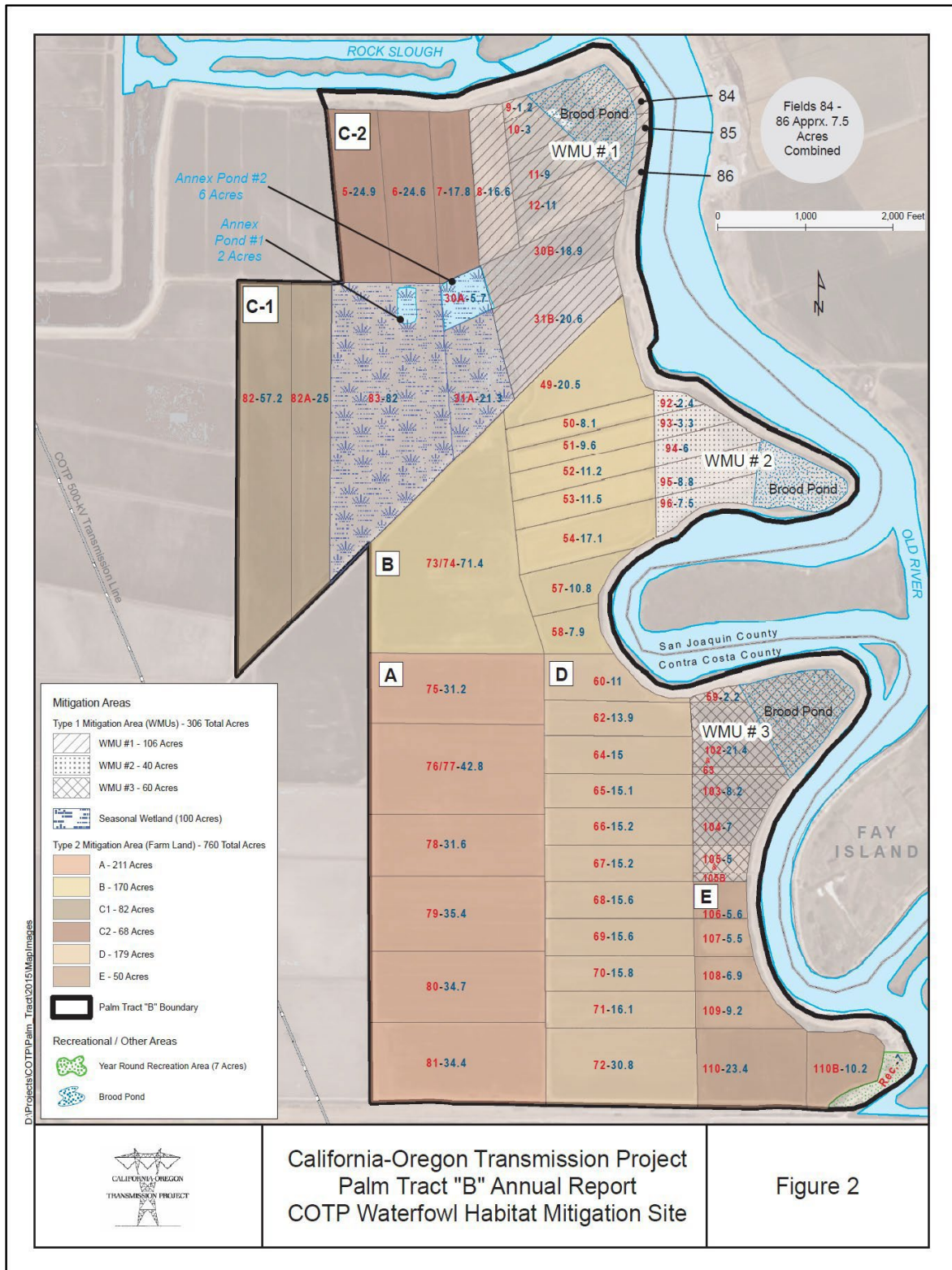
	<p>CALIFORNIA-OREGON TRANSMISSION PROJECT Palm Tract Annual Report Vicinity and Site Map</p>	<p>Figure 1</p>
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FIGURE 2 – PALM TRACT 'B' COTP-WATERFOWL HABITAT MITIGATION SITE



Although waterfowl production monitoring requirements have been fulfilled, TANC's project monitoring responsibilities continue with respect to land use, crop rotation, and associated ongoing compliance with the terms of the 1994 conservation easement between TANC and the CDFG. Those requirements are included in the WHMP, which serves as the guiding document for Palm Tract management compliance.

### ***Report Organization***

This thirty first Annual Report covers 2025 activities on Palm Tract, and addresses several management issues, including compliance with land, water, and waterfowl management guidelines established in the WHMP. These include crop plans and residual grain evaluations, brood pond and seasonal wetland condition and maintenance, post-harvest flooding schedules, ditch maintenance, the annual hunting inspection, and other incidental issues relevant to compliance with the 1994 Conservation Agreement with the CDFG and WHMP. This report also discusses 2025 updates regarding TANC's compliance with the Central Valley Regional Water Quality Control Board's Irrigated Lands Regulatory Program, and other issues of interest that arose in 2025.

### **2025 CROPPING PLAN**

The 2025 crops planted for Palm Tract are presented in Figure 3. Crops included corn (688 acres) and wheat (152 acres).

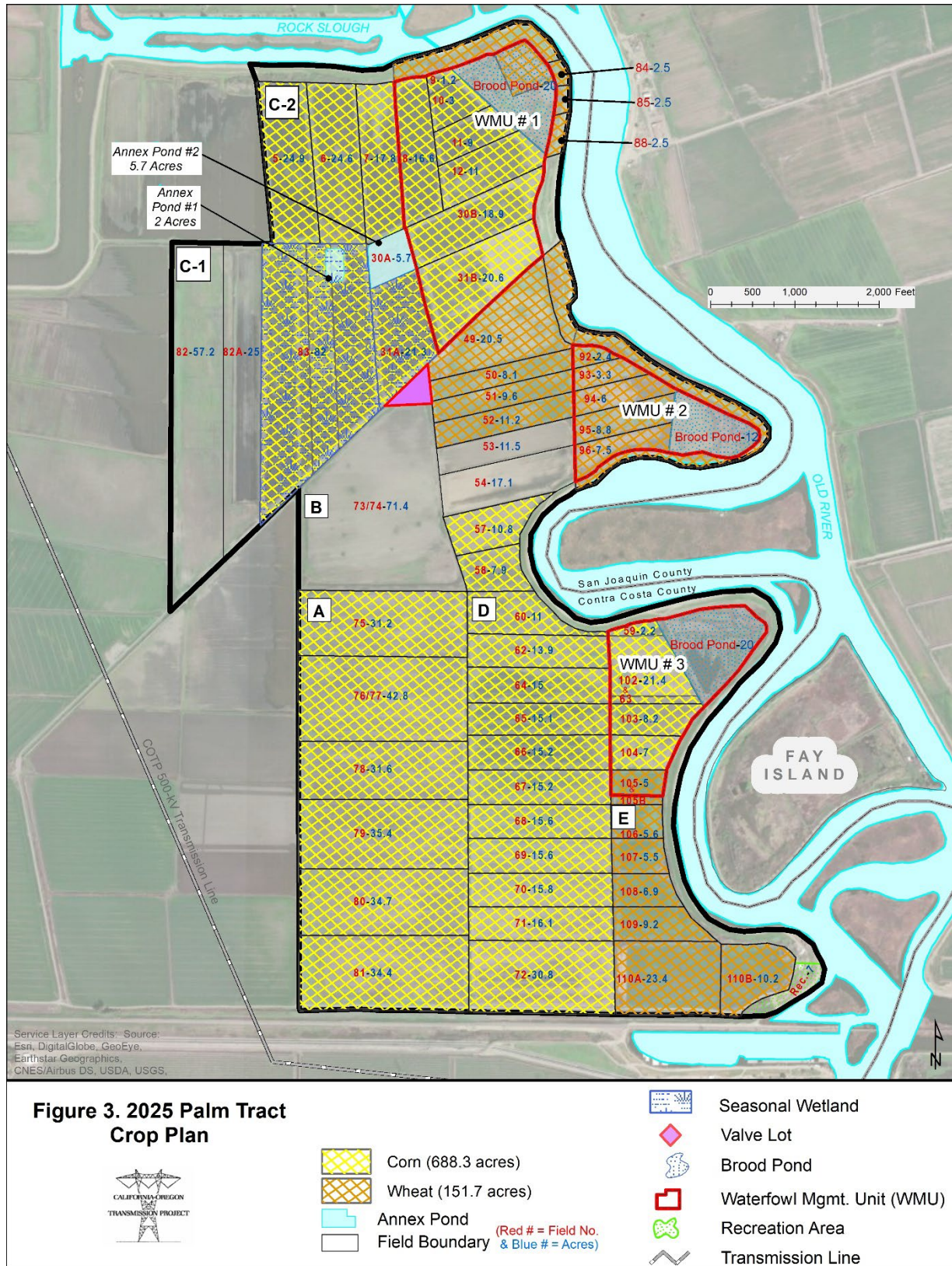
### **RESIDUAL GRAIN EVALUATION**

Use of residual crop resources by waterfowl continues to be very efficient. Most of it is quickly consumed soon after harvest. The residual wheat is usually consumed in less than two weeks. Residual corn resources are flooded in stages during the winter and therefore remain available longer as waterfowl food. The consumption of the residual corn is very efficient. Little residual corn remains by the time the ground is prepared for disking in spring. Because so little remains, no attempts have been made to quantify the remaining unconsumed residual grain.

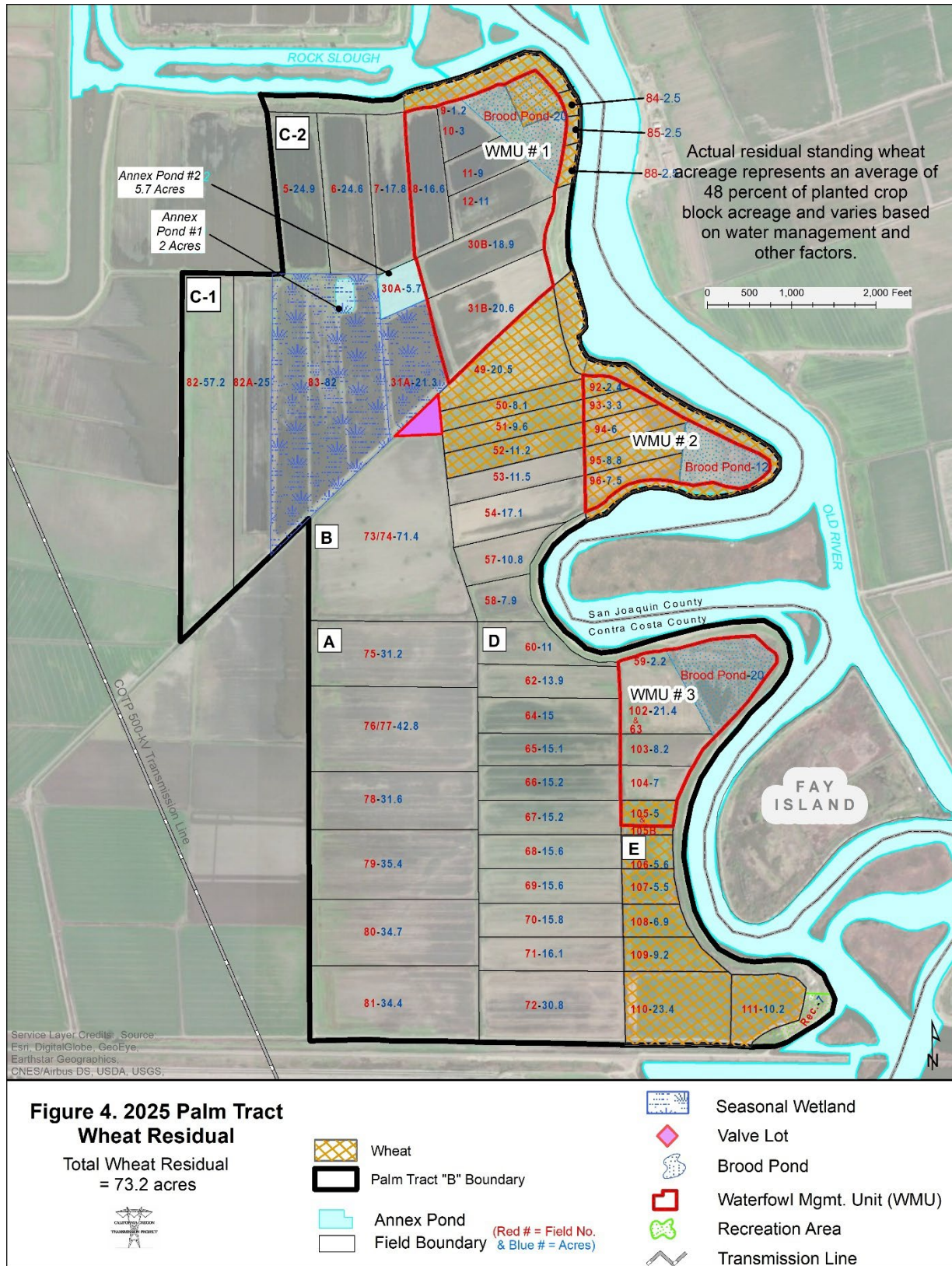
### ***Residual Wheat 2025***

The wheat residual was informally standardized at a minimum of 60 acres during meetings between TANC, CDFG, and the tenant farmer in 2005. It was formally standardized at that same level in the 2008 update of the WHMP. The tenant farmer left a total of 73 acres of residual wheat in 2025 (Figure 4).

**FIGURE 3 – 2025 PALM TRACT CROP PLAN**



**FIGURE 4 – 2025 PALM TRACT WHEAT RESIDUAL**



### *Residual Corn 2025*

The ongoing harvest pattern for residual corn is to cut 32 rows and leave eight rows standing. This method has been in use since 1999 and is well-suited to an efficient harvest. It also opens up the flooded corn for more use by the larger swans and geese. The residual corn was standardized at no less than 98 acres at the 1997 interagency meeting. The tenant farmer left 116 acres of residual corn in 2025 or 18 acres more than required residual corn resources (Figure 5). Table 1 summarizes the residual waterfowl food resources for 2025. These conservative estimates are based, in part, on values from Fredrickson and Taylor (1982).

<b>Table 1 Total Estimated Waterfowl Food Resources on the Palm Tract for 2025</b>	
<b>Food Source</b>	<b>Amount (pounds)</b>
Moist soil foods on 100 acres of seasonal wetland (1,800 lbs./acre) and 55 acres of brood ponds (2,000 lbs./acre)	290,000
Post-harvest flooding of 612 acres of corn (75 percent of 816 planted acres at 1,000 lbs./acre)	612,000
Corn residual at 116 acres (Average yield 8,000 lbs./acre)	928,000
Residual Wheat at 73 acres (Average yield 3,000 lbs./acre)	219,000
<b>Total</b>	<b>2,049,000</b>

### **POST-HARVEST FLOODING, SEASONAL WETLANDS, AND BROOD PONDS**

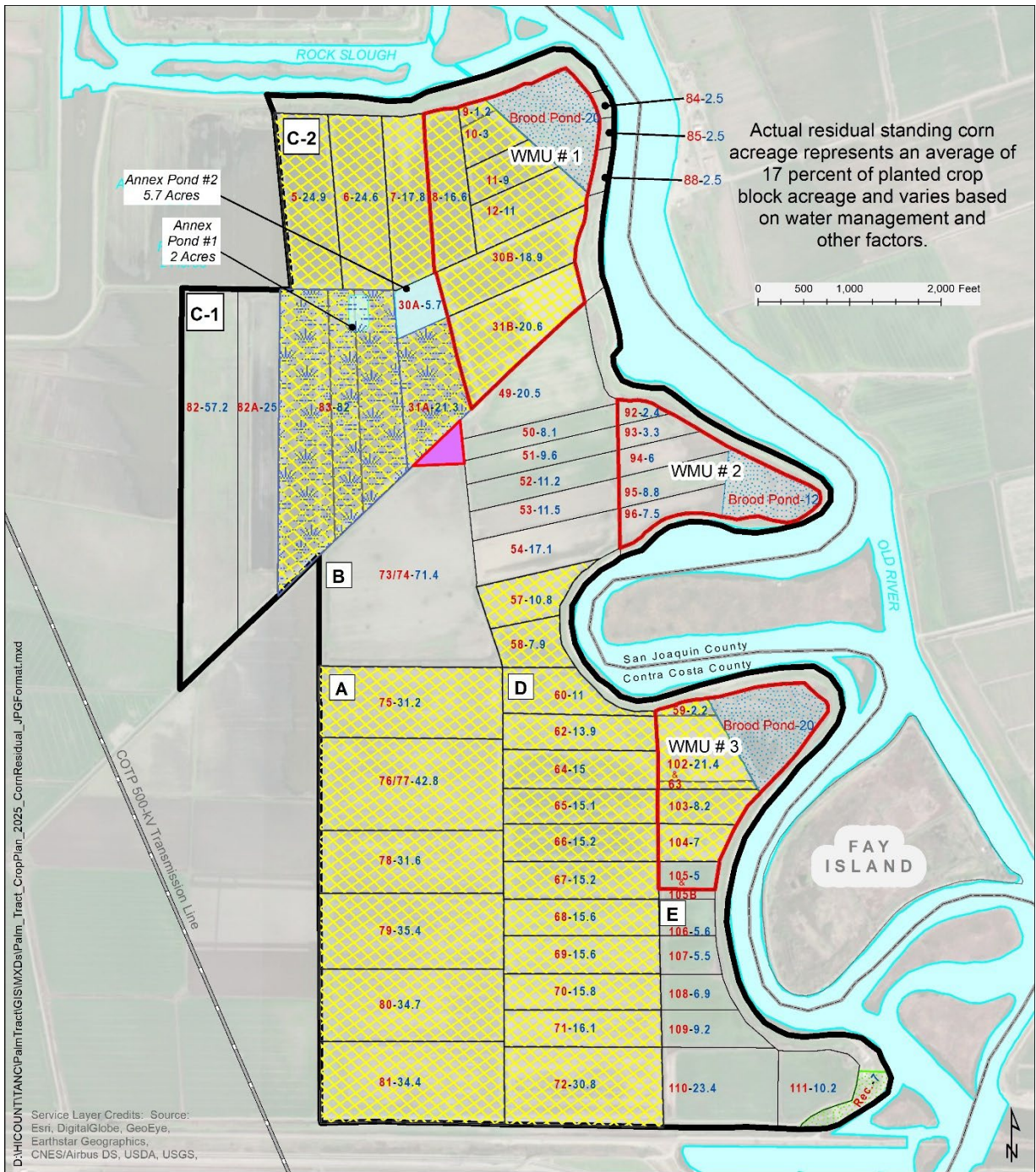
#### *Wheat*

Flooding of the residual wheat began during the third week of July. Early flooding of the wheat has been the normal practice since 1996 and works very well. Moving the water around the residual wheat fields on a 7 to 10-day flooding cycle has continued to keep mosquito problems to a minimum.

#### *Seasonal Wetland*

The seasonal wetland was completely drained and disked by the first week of May. The percentage of use of the seasonal wetland has stabilized at about 45 to 50 percent of the total use recorded on the Palm Tract. In late September, the seasonal wetland is drained annually to reduce decomposing vegetation and to help flood the harvested cornfields to the north.

**FIGURE 5 – 2025 PALM TRACT CORN RESIDUAL**



**Figure 5. 2025 Palm Tract Corn Residual**

Total Corn Residual = 116 acres



- Corn
- Palm Tract "B" Boundary
- Annex Pond
- Field Boundary

(Red # = Field No. & Blue # = Acres)

- Seasonal Wetland
- Valve Lot
- Brood Pond
- Waterfowl Mgmt. Unit (WMU)
- Recreation Area
- Transmission Line

Water remains on the Annex Pond through July because it serves as attractive habitat for waterfowl broods. The seasonal wetland remains flooded until drawdown in March, with re-flooding by November 1. Re-flooding is done late in the fall to discourage mosquito breeding until temperatures are sufficiently low.

The post-harvest flooding of the corn crop was started in October and was drawn down the following January, prior to pre-crop soil preparation activities.

### ***Brood Ponds***

The brood ponds were all well-maintained throughout 2025. These ponds, ditches, and the main levee in the North Pond were disked under and burned off or cleaned out by the end of January. Two of the three ponds were flooded by the third week of February. Brood Pond drawdown occurred in August, and all three ponds were drawn down by mid-September. The ponds clearly require annual maintenance to maintain sufficient open-water habitat. In general, the ditches throughout Palm Tract are now in excellent condition and well-maintained. Water moves very well throughout the entire farm, allowing quick drainage and irrigation when and where they are needed.

## **RECREATIONAL HUNTING**

The hunting inspection report and take counts for the 2024-2025 hunting season are provided in Appendix B. Palm Tract 'B' is being managed in conformance with applicable hunting restrictions, and thousands of waterfowl are using the flooded exclusion area.

## **MOSQUITO CONTROL ISSUES**

The tenant farmer has an excellent relationship with the Contra Costa Mosquito and Vector Control District (CCMVCD). The CCMVCD is concerned with West Nile Virus, and exercises a high level of diligence in trying to prevent its spread. Mosquito and vector treatment visits and costs are minimal at Palm Tract 'B,' because the tenant farmer continues to employ proper water management practices that avoid standing water conditions while providing adequate habitat conditions for waterfowl production. The tenant farmer has continued to work cooperatively with the CCMVCD.

## **TANC COMPLIANCE WITH THE IRRIGATED LANDS REGULATORY PROGRAM**

This section provides an update TANC's compliance with the Irrigated Lands Regulatory Program (ILRP) directed towards improving best management practices for water quality in the Central Valley.

### ***Background and Introduction***

The Central Valley Regional Water Quality Control Board (CVRWQCB) has administered the Irrigated Lands Regulatory Program since 2005 under a series of General Waste Discharge Orders (General Orders) that are applicable to agricultural water discharges from irrigated lands. The Order serves as general waste discharge requirements for those discharges from irrigated lands (discharges) that could affect ground and/or surface waters

of the state. The discharges result from runoff or leaching of irrigation water and/or stormwater from irrigated lands. The most recent version of the General Order was last revised on October 2021<sup>3</sup>. TANC, as the owner of Palm Tract “B” qualifies as a “Discharger” according to CVRWQCB definitions and needs to comply with the conditions of the waiver.

The General Order applies to owners and operators of irrigated lands within the San Joaquin County and Delta Area. Either the owner or operator may enroll an irrigated lands parcel under this Order. The owners or operators that enroll irrigated lands parcels are considered members of a third-party representing all or a portion of this area (i.e., “Members”). The General Order therefore allows growers to either comply with its requirements as individuals, or to be represented by a third-party coalition that represents several grower Members.

Because of the benefits of joining a third-party coalition, TANC joined the San Joaquin County & Delta Water Quality Coalition (Coalition) in 2005 and maintains that membership. Annual dues for 2025 were \$7,284. Membership in the Coalition allows TANC to waive the requirement for a Report of Waste Discharge and to waive the need to obtain a Waste Discharge Requirement consistent with applicable provisions of the California Water Code.

The Coalition assists its Members in complying with the relevant terms and provisions of the General Order, including required monitoring and reporting across the entire Coalition’s boundaries. The Coalition oversees representative water quality sampling, reporting, and monitoring efforts required by the General Order and conditional waiver. However, individual Members of the third-party group continue to bear ultimate responsibility for complying with the General Order. General Order compliance requires both TANC, as an individual Member, and the Coalition to each meet their respective reporting requirements. Figure 6 shows the boundaries of the Coalition.

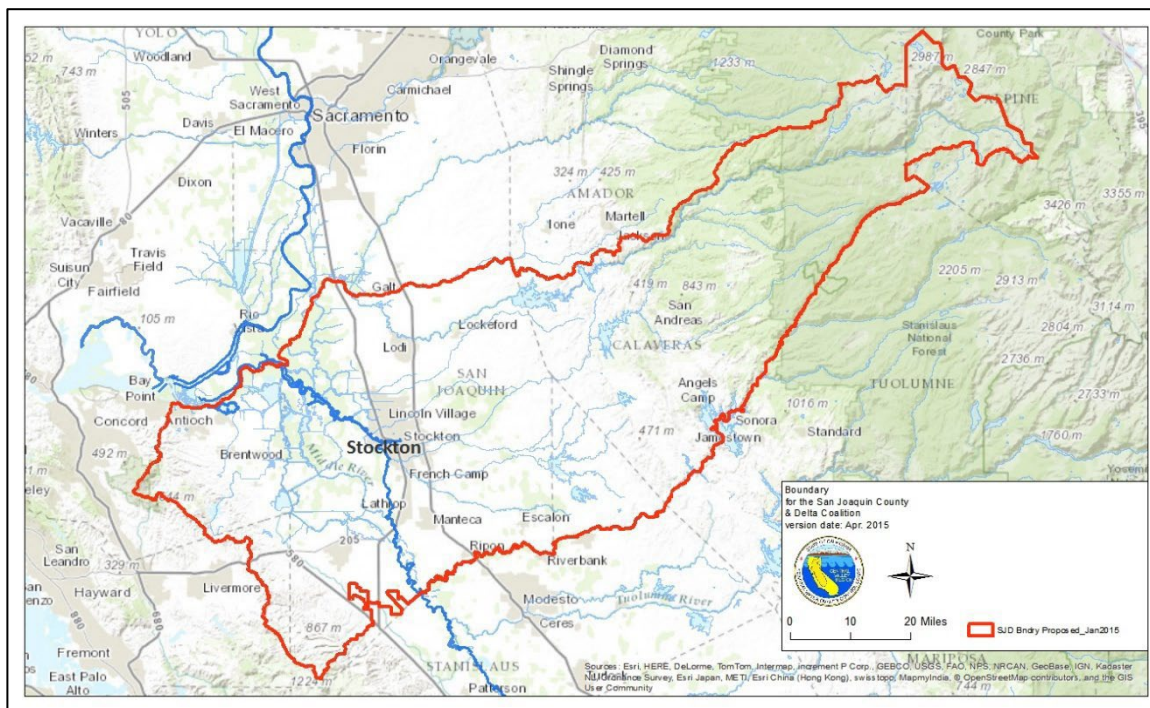
The Executive Officer of the CVRWQCB provides templates to the Coalition to distribute to its Members<sup>4</sup>. The templates must be used to comply with the requirements of this Order, where applicable. TANC’s Member reporting requirements are reviewed below, followed by the reporting obligations of the Coalition as the third-party representative of the Coalitions’ membership.

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<sup>3</sup> California Regional Water Quality Control Board Central Valley Region Order R5-2014-0029-07 as amended per Revisions per Order R5—2021-0053; October 15, 2021.

<sup>4</sup> The purposes of the templates are to collect information consistently across irrigated agricultural areas and commodities, and to minimize the costs for growers to provide that information. Consistent information collection will facilitate analysis within a geographic area and across the Central Valley.

**FIGURE 6 – SAN JOAQUIN COUNTY & DELTA WATER QUALITY COALITION BOUNDARIES**



***Required Reports, Monitoring and Notices – TANC as an Individual Member***

The General Order prioritizes Member completion and updating of required plans and reports based on whether the irrigated lands are within a high or low groundwater vulnerability area. Palm Tract is formally designated as being within a low vulnerability area. There were two 2025 reporting requirements for TANC. These included the following:

- 2024 Irrigation and Nitrogen Management Plan (INMP) Summary Report; and
- 2025 INMP Worksheet.

Detailed reporting requirements for each of those submittals are summarized below.

*Irrigation and Nitrogen Management Plan Summary Report (INMP Summary Report):* The INMP Summary Report summarizes actual prior year information pertaining to:

- Crop acreages, and yields;
- Irrigation methods and efficiency practices; and
- Nitrogen applications and efficiency practices.

The INMP Summary Report was completed and submitted to the Coalition by the required April 1, 2025 due date.

*INMP Worksheet*: The INMP Worksheet projected planned and applied irrigation and nitrogen management practices for the 2025 farming year. It requires growers to plan their irrigation and nitrogen applications and management in direct relation to anticipated crops and yields. The planning considerations include several items that will also be included on the following years' INMP Summary Report (*italicized* below):

- Anticipated irrigation amounts by crop, *irrigation methods, irrigation efficiencies*, and estimated crop evapotranspiration;
- Irrigation water nitrogen concentration; planned nitrogen applications; *nitrogen efficiency practices, nitrogen concentration in the irrigation water, organic amendments, dry and liquid fertilizer applications, foliar fertilizer applications*, and actual nitrogen applied (post-harvest); and
- *Crops, harvested yields, and production unit (s)*.

The INMP Worksheet for Palm Tract was completed by the required due date of June 15, 2025 and maintained at the Palm Tract headquarters; available upon request by the CVRWQCB. The data generated by the INMP worksheets and subsequent INMP Summary Reports allow the Coalition and CVRWQCB to identify areas where nitrogen management needs improvement.

### ***Managed Wetlands***

Palm Tract 'B' includes brood ponds and a seasonal wetland that are managed for waterfowl habitat purposes. Some of these lands likely qualify as managed wetlands. Since fertilizers are not used on managed wetlands, and wetlands generally act as a sedimentation basin and do not contribute to excess sediment, the General Order does not require the preparation of NMPs and summary reports, or SECPs for parcels that are solely operated as managed wetlands.

### ***ILRP Summary***

Members are required to implement practices to meet the above performance standards, periodically review the effectiveness of implemented practices and make improvements where necessary. Members in both high and low vulnerability areas will identify the practices they are implementing to achieve water quality protection requirements as part of farm evaluation surveys and nitrogen management reporting. The General Order requires water quality monitoring and assessments aimed to identify trends, evaluate effectiveness of management practices, and detect exceedances of water quality objectives.

### **SUMMARY**

Palm Tract 'B' continues to be managed in full compliance with the land use and management terms and conditions of the 1994 Conservation Easement with CDFG, the most recent version of the WHMP, and the obligations and responsibilities created by the agreements, easements, and plans mentioned in this report. Farming, waterfowl habitat management, and all associated compliance and best management practices are well-developed and have a proven record of success on Palm Tract 'B.'

## LITERATURE CITED

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- TANC 2008. California-Oregon Transmission Project Waterfowl Habitat Management Plan – Palm Tract "B." July 2008.
- Western 1992. Western Area Power Administration. COTP Waterfowl Mitigation Plan. Unpublished report prepared for TANC. February 1992.

## ACKNOWLEDGMENTS

A number of people have contributed to the Palm Tract mitigation project over the past several years. TANC would like to thank all of these participants for their time and efforts in making this project a success:

- Ron Morris, Palm Tract Farms
- Brad Burkholder, California Department of Fish and Wildlife
- Don Wagenet, California-Oregon Transmission Project

## APPENDIX A

Letter from California Department of Fish and Game  
Confirming Fulfillment of Waterfowl Production Goals in Year Nine



DEPARTMENT OF FISH AND GAME

http://www.dfg.ca.gov  
Central Valley Bay-Delta Branch  
4001 North Wilson Way  
Stockton, California 95205-2486  
(209) 948-7800



August 27, 2003

Mr. Don Wagenet  
Transmission Agency of Northern California  
P.O. Box 15129  
Sacramento, California 95851-0129

RECEIVED  
SEP 05 2003  
NCI - Sacramento

Dear Mr. Wagenet:

This letter is a follow-up to the annual meeting on May 2, 2003 during which we discussed the progress and status of the mitigation efforts on Palm Tract. After reviewing the 2003 Annual Report and discussing the results of the project, we agree that the site has met the waterfowl production goals in this ninth year. Congratulations on the success of the project.

We would also like to take this opportunity to address the temporary modifications and amendments made to the Habitat Management Plan which will need to be addressed and evaluated next year. One such issue is the temporary modifications associated with the seasonal wetland management (vegetation, configuration, and water management). My staff is currently researching alternative strategies for the seasonal wetland and vector control issues. We look forward to working with the Contra Costa Mosquito and Vector Control District to develop collaborative approaches to maintain the ecological values and functions of the site while reducing the risk of nuisance mosquitoes. We will share that information with you as it is developed.

We look forward to working with you to ensure that the Palm Tract Mitigation Project continues to successfully meet TANC's mitigation obligations. If you have any questions, please feel free to contact Mr. Brad Burkholder of my staff at (209) 948-7800.

Sincerely,

Frank Wernette  
Environmental Program Manager

*Conserving California's Wildlife Since 1870*



## **APPENDIX B**

### **Palm Tract Monitoring, Waterfowl Hunting Inspection Report and Take Counts by Species 2024 to 2025 Season**

## MEMORANDUM

DATE: January 27, 2025

TO: Don Wagenet

FROM: Chuck Williams

SUBJECT: Palm Tract Monitoring, Waterfowl Inspection Report – 2024-2025

---

Consistent with the Waterfowl Habitat Management Plan and associated monitoring requirements, I inspected the waterfowl hunting blinds and their locations on Palm Tract on January 18, 2025. Under terms of the farming lease agreement and the Grant of Conservation Easement from the California Department of Fish and Game, the tenant farmer is subject to several requirements and restrictions concerning the maintenance of wildlife habitat and food supply, plus recreational bird hunting on the property, as listed below.

### PALM TACT HUNTING RESTRICTIONS

Hunting activity and the construction, operation and maintenance of related facilities are subject to the following restrictions, and one compliance inspection per year:

- 1) Hunting will be limited to the southern half of the site on approximately 500 acres in management cells A, D, E, and Waterfowl Management Unit (WMU) #3.
- 2) A shooting exclusion zone, 200 yards wide, will be located at the northern end of the open hunt area.
- 3) No hunting of any kind will be allowed in the exclusion zone.
- 4) Seven blinds will be allowed, spaced at least 200 yards apart and placed at least 200 yards from the southern end of the shooting exclusion zone.
- 5) Hunting will be limited to two shoot days per week, Saturdays and Sundays, and the opening day of dove season.
- 6) Shooting will be restricted to within a ten-foot radius of the blind except for retrieval of crippled waterfowl.
- 7) Membership will be limited to 14 adult members and six junior members (a maximum of 14 adult and six junior hunters per day).
- 8) Waterfowl and pheasant hunting will be allowed during their respective regular seasons. Dove hunting will be allowed during the first half of the dove season, which is typically during the first two weeks of September. Quail hunting will not be allowed.
- 9) Pheasant hunting will be allowed throughout the open hunting area and in WMU #3.
- 10) Retrieval of downed or crippled waterfowl and doves by dogs will be limited to the open hunting areas.

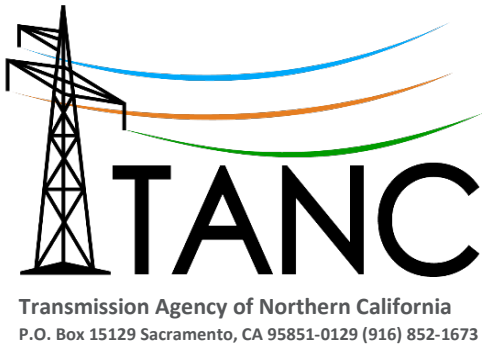
- 11) The construction, operation, and maintenance of any hunting related facilities shall be the responsibility of the tenant farmer. All proposed construction shall be in accordance with the conservation easement and will be subject to prior review and approval by TANC.
- 12) If Christmas Day falls on a weekend, an additional hunt day will be allowed on the first Wednesday following Christmas Day.
- 13) Snipe hunting will be allowed after the beginning of waterfowl season in Units A, D, and E, but will be restricted to within 100 feet of an established blind.
- 14) During pheasant season, Snipe can be hunted anywhere in Units A, D, E, and WMU #3.

### HUNTING INSPECTION RESULTS

On Saturday, January 18th, I visited the Palm Tract property and spent the morning hunting with the club manager and members, after which I toured the site with the manager. Conformance with the applicable sections of the foregoing restrictions was verified. There was still a substantial amount of the unharvested corn, which had not yet been eaten by waterfowl. There were a large number of ducks, geese, and swans throughout the entire property. All blinds harvested waterfowl with a few full limits of geese taken.

**Palm Tract Waterfowl Hunting Report  
2024-2025 Season**

Species/ Date	9/1	10/26	11/2	11/9	11/16	11/23	11/30	12/7	12/14	12/21	12/28	1/4	1/11	1/18	1/25	Total
White-Fronted Goose				2	5	3	52	17	14	12	11	5	6	5	9	141
Snow Goose									7	4	7	5	35	15	6	79
Green-Winged Teal				4	2	1	9	3	5	10	23	15	3	9	7	91
Mallard		83	72	45	22	21	14	8	6	6	9	12	5	8	5	316
Northern Pintail				2	4	3	1	5	6	5	3	7	4	7	8	55
Northern Shoveler					2							2		1	3	8
Gadwall						3				2			4			9
American Widgeon											1	2	4	6	5	18
Mourning Dove	75															75
Ring-Necked Pheasant				2	3	2	4	1	1	2	3					18
Common Snipe																0
<b>Total</b>	<b>75</b>	<b>83</b>	<b>72</b>	<b>55</b>	<b>38</b>	<b>33</b>	<b>80</b>	<b>34</b>	<b>39</b>	<b>41</b>	<b>57</b>	<b>48</b>	<b>61</b>	<b>51</b>	<b>43</b>	<b>810</b>



## MEMORANDUM

DATE: May 13, 2026

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: RESOLUTION ADOPTING THE FY27 TANC BUDGET AND REVISED OATT

---

The Transmission Agency of Northern California (TANC) Commission is asked to consider the attached proposed Fiscal Year 2027 (FY27) Budget and revised Open Access Transmission Tariff (OATT). The FY27 Budget was reviewed and discussed at the General Manager's Audit/Budget Committee meeting and Budget Workshop on April 23, 2026. Upon conclusion of this meeting, it was determined that the TANC Commission should approve the FY27 TANC Budget.

The FY27 Budget for TANC is proposed with a total use of funds in the amount of \$49,986,028 which reflects a decrease of approximately \$2.3 million or 4.4 percent compared to the current Fiscal Year 2026 (FY26) budget.

The FY27 Budget incorporates the FY27 COTP Operation and Maintenance Budget, which was approved at the March 18, 2026 TANC Commission meeting. In addition, the FY27 Budget continues to support identified TANC functions including Debt Service, Agency Administration, Operations, Open Access Same-Time Information System (OASIS), South of Tesla (SOT). In addition, TANC offers services to its members under SOT Transmission and California Independent System Operator Congestion Revenue Rights.

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

**Budget Summary**

The following table summarizes the proposed FY27 Budget in comparison to the FY26 Budget, including the proposed percentage difference year over year.

<b>Budget Category</b>	<b>FY'26 Adjusted Budget</b>	<b>FY'27 Proposed Budget</b>	<b>Dollar Difference</b>	<b>Percent Change</b>
California-Oregon Transmission Project	21,936,500	20,049,800	(1,886,700)	-8.6%
Debt Service	20,973,226	20,976,510	3,284	0.0%
Agency Administration	1,541,916	1,578,316	36,400	2.4%
Operations	1,483,900	1,630,900	147,000	9.9%
OASIS	1,146,428	1,132,528	(13,900)	-1.2%
South of Tesla	512,925	512,974	49	0.0%

SOT Operations are billed to members based upon actual monthly expenses and are not included in the OATT cash call calculation. Member Services, SOT Transmission Service and CAISO Congestion Revenue Rights Program, are included for a comprehensive showing of the FY27 TANC Budget, but these two-line items are billed only to Members that participate in these programs, as noted in Table II-1 of the FY27 TANC Budget.

**Recommendations**

I recommend the TANC Commission’s adoption of the proposed FY27 Budget for TANC as presented in the amount of \$49,986,028. When approving the FY27 TANC Budget, the TANC Commission will be authorizing new OATT rates that reflect TANC’s FY27 cost-of-service (base transmission rates).

Approval of the enclosed resolution will authorize execution of the FY27 Budget for TANC as provided and authorize the proposed revisions to TANC’s OATT. Approval of the enclosed resolution will also authorize the TANC General Manager to enter into any new agreements or amendments to existing agreements for contractor services as outlined within the budget document up to the funding levels provided for in the TANC FY27 Budget.

Enclosures

RESOLUTION 2026-\_\_

A RESOLUTION OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
APPROVING THE FISCAL YEAR 2027 BUDGET AND  
REVISED OPEN ACCESS TRANSMISSION TARIFF

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

WHEREAS, the Fiscal Year 2027 (FY27) Budget for TANC has been developed by the TANC General Manager, with input received from the General Manager's Audit/Budget Committee, and discussion of funding obligations during the FY27 TANC Budget Workshop held April 23, 2026; and

WHEREAS, the proposed FY27 Budget provides TANC's share of the FY26 California-Oregon Transmission Project (COTP) Operations and Maintenance Budget and Work Plan, which was previously approved by the TANC Commission on March 18, 2026 meeting and by the COTP Management Committee by email vote on March 18, 2026; and

WHEREAS, the FY27 Budget also provides funding obligations for Debt Service, TANC Agency, TANC Operations, TANC Open Access Same-Time Information System, South of Tesla (SOT) functions, and the Congestion Revenue Rights (CRR) program comprising a total TANC financial commitment; and

WHEREAS, the proposed sources of funds in the FY27 Budget are estimated at \$52,119,106 including \$47,875,296 in Open Access Transmission Tariff (OATT) payments; and the proposed uses of funds in the FY27 Budget are estimated at \$49,986,028;

WHEREAS, the Commission will also be approving and authorizing new OATT rates in tandem and in conjunction with the FY27 TANC Budget; and

WHEREAS, the rate of \$3.44 per kilowatt-month will fully recover TANC's FY27 revenue requirement excluding those costs associated with SOT commitments and the CRR program; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission of the Transmission Agency of Northern California that the Fiscal Year 2027 Uses of Funds Budget is approved in the amount of \$49,986,028.

BE IT FURTHER RESOLVED that the TANC Commission is authorizing the filing of a new OATT rate in the amount of \$3.44 per kilowatt-month; and

BE IT ADDITIONALLY RESOLVED that the TANC General Manager is authorized to enter into any new agreements or amendments to existing agreements for contractor services as outlined within the budget document up to the funding levels provided for in the TANC FY27 Budget.

PASSED AND ADOPTED this 20th day of May 2026 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



## **FISCAL YEAR 2027 Budget**

**Approval Draft**  
**May 20, 2026**

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APPENDIX A - SOURCES OF FUNDS TABLES

APPENDIX B - USES OF FUNDS TABLES

## **I. OVERVIEW**

The Transmission Agency of Northern California (TANC or Agency) is a Joint Powers Agency (JPA) created in 1984 pursuant to California law. TANC is comprised of 15 municipally owned utilities and districts, each of which appoints a representative to the TANC Commission, the governing body of the Agency. The Agency is the Project Manager for the California-Oregon Transmission Project (COTP or Project) and has an entitlement of 1505.5624 MW and scheduling rights up to 1,477 MW (north-to-south) of the overall rating of 1,700 MW.

TANC Members are charged (cash called) based upon TANC's Open Access Transmission Tariff (OATT). Monthly cash calls to Members are based upon TANC's OATT rate, which comprises the total annual revenue requirement for the Agency divided by an identified average twelve (12) coincident peak value for COTP usage. This methodology complies with the Federal Energy Regulatory Commission's (FERC) Order 888. TANC also participates in an Open Access Same-Time Information System (OASIS) in accordance with FERC Order 889. In order to participate in this OASIS, TANC has an agreement with Open Access Technology International, Inc. (OATI) and is a member of their westTTrans management and marketing system.

TANC incorporates multiple cost allocation methods in establishment of its revenue requirement. Project Agreement No. 3 (PA 3) is used to pay for COTP Operations and Maintenance (O&M), Debt Service, Agency Administration and Operations. OASIS activities are allocated under (Project Agreement No. 5) associated. SOT activities are allocated under the South of Tesla Agreement (SOTA).

Finally, Members can participate in South of Tesla Transmission or California Independent System Operator Congestion Revenue Rights (CAISO CRR) program explained under Member Services. Members that participate under these two programs are billed directly as part of their cash calls.

## **II. ASSUMPTIONS**

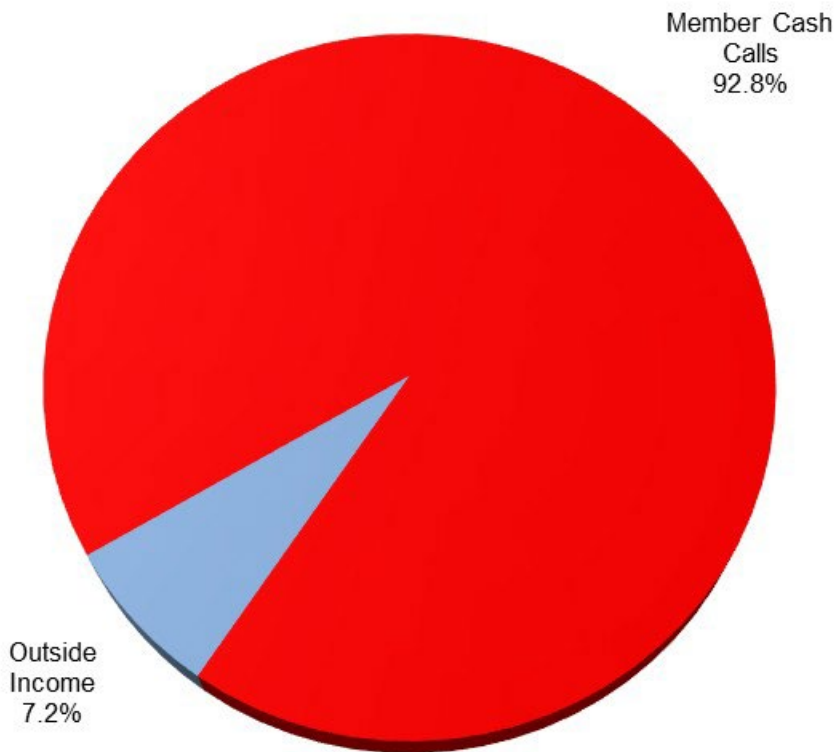
Presented herein is the Fiscal Year 2027 (FY27) TANC Budget. The Budget structure will continue incorporating funding categories for COTP Operations, Debt Service, Agency, Operations, OASIS and South of Tesla (SOT).

This Budget funds operating and restricted reserves as required by TANC bond indentures and other operating requirements. During the budget year, it is anticipated the Commission will meet on a regular basis, and the General Manager's Committees and working groups will meet as needed. The Commission will continue to provide guidance and direction for Agency

administration, set goals, and receive updates and reports concerning various matters related to Agency functions and strategies.

In addition to the FY27 Budget, also presented for informational purposes is the projected FY28 Budget estimates, along with historical values for FY25 and FY26 for comparison purposes.

**III. SOURCES OF FUNDS** **\$52,119,106**



TANC's revenue requirement is recovered via several mechanisms including:

- OATT cash calls
- Cash calls for SOT activities
- The Western Area Power Administration (WAPA) 29 MW entitlement payment
- Interest earned
- A WAPA administrative fee associated with repayment of funds forwarded to them by TANC for the Series Capacitor project
- Rental income

In October 2024 TANC opened a line of credit to offset costs related to the purchase of Series Capacitor equipment. It is anticipated that the line of credit will be refunded when TANC issues bonds in the winter of 2027.

For the SOT portion of the TANC Budget, cash calls are made separate and distinct from all other categories of the budget and not rolled into the TANC OATT. Charges for administrative and general expenses, operational expenses, and SOT debt service costs are calculated through the SOT Agreement TANC has with its members and related cost allocation percentages.

Similarly, costs associated with the SOT Transmission and the CAISO CRR Program are not included in OATT cash call calculations and are billed only to those members who utilize these services.

The FY27 Budget includes interest income at existing and assumed rates for investments (average of 3.0 percent). It is anticipated that all interest earnings, except for Fidelity Fund interest, will be added to the contingency balance (i.e., a carry forward of collected, but unspent funds).

This Budget does not include funding for arbitrage expenses.

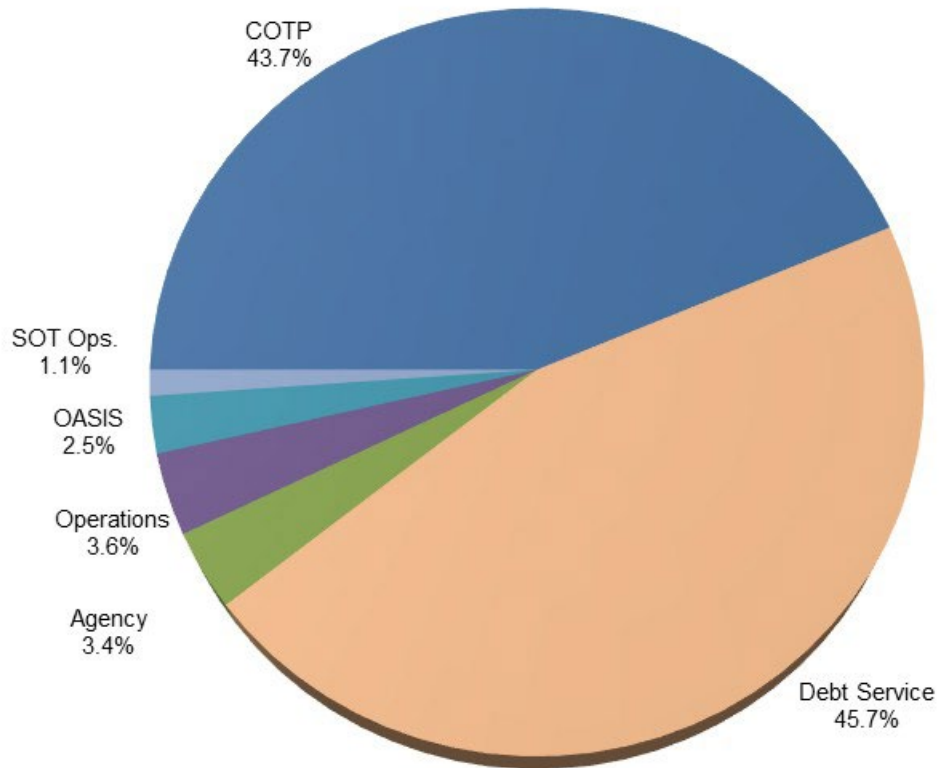
TANC's Treasurer manages the Agency's funds in order to maximize returns on the Agency within the parameters of existing legislation and TANC's bond indentures.

Pursuant to an agreement between TANC and WAPA, (Contract No. 93-SAO-00009), TANC has agreed to provide WAPA with a 29 MW assignment of TANC's share of COTP capacity for the life of the COTP. WAPA compensates TANC for these costs.

Table I-1 provides a summary of TANC's Sources of Funds for FY25 through FY28.

**IV. USES OF FUNDS**

**\$45,881,028**



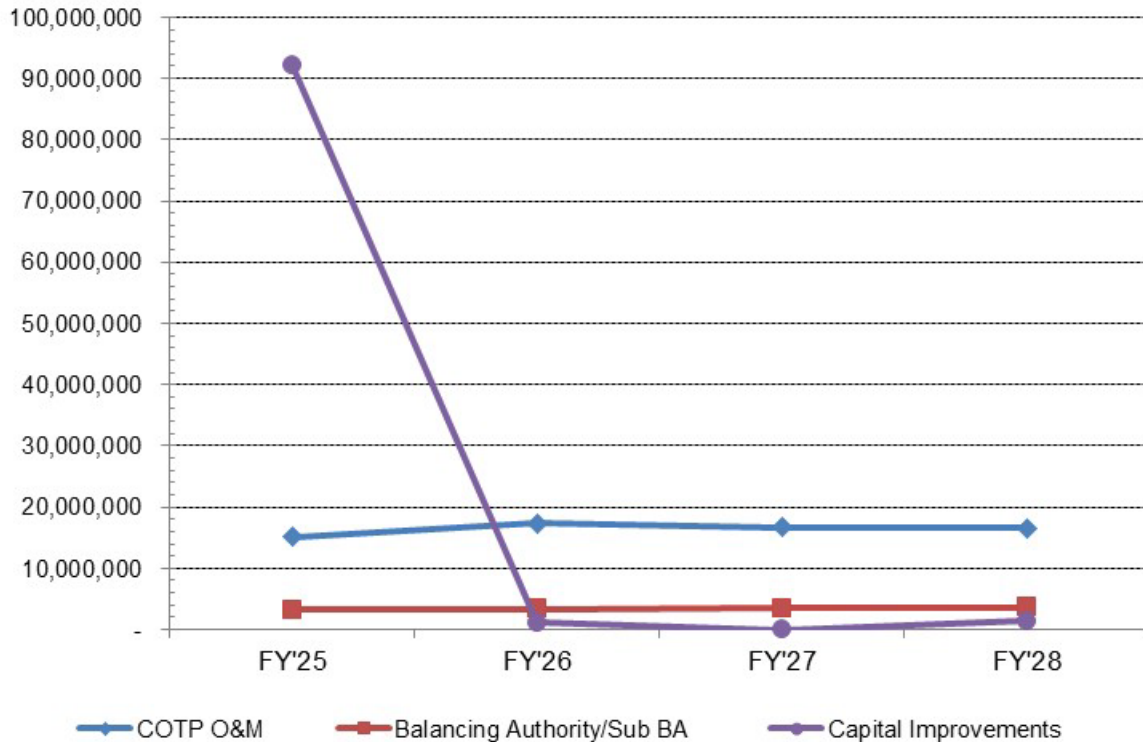
TANC's uses of funds are divided into the following categories:

**Member Responsibility**

- A. California-Oregon Transmission Project Operations
- B. Debt Service
- C. Agency
- D. Operations
- E. TANC OASIS
- F. South of Tesla Operations

Table II-1 provides a summary of TANC's Uses of Funds for FY25 through FY28.

**A. CALIFORNIA-OREGON TRANSMISSION PROJECT \$20,049,800**



The COTP is an approximately 340-mile-long, 500-kV AC transmission line stretching from just north of the California-Oregon border to central California. The COTP began commercial operation on March 17, 1993, after nearly 10 years of planning and development. COTP’s original cost of construction was approximately \$430 million, and it is shared between TANC, WAPA, and the Pacific Gas and Electric Company (PG&E).

TANC is the Manager of the Project since it has the largest share of entitlement. Operation of the COTP is coordinated with the Pacific AC Intertie (PACI) in order to optimize the 5,100 MW transfer capability of the three-line California-Oregon Intertie (COI). Of the 5,100 MW transfer capability at COI, COTP is allocated 1,700 MW.

Before 1998, PG&E coordinated COI operation in California with the Bonneville Power Administration (BPA) in the northwest and Southern California Edison Company (SCE) in the south. Beginning in 1998, the California Independent System Operator (CAISO) began carrying out these functions. In December 2005, operational control of the COTP was transferred to the SMUD-WAPA Balancing Authority (BA) and Sub-BA. TANC has an operational agreement with SMUD to perform BA functions, and SMUD functionally separates itself from these duties through a joint power authority, which is known as the

Balancing Authority of Northern California (BANC). Further, TANC coordinates with WAPA in their Sub-BA duties.

This section of the Budget discusses TANC’s share of expenses incurred for Operations and Maintenance (O&M) of the Project. In March 2026, The TANC Commission in conjunction with the COTP Management Committee considered and approved the FY27 COTP O&M Budget.

In this portion of the TANC Budget, there are three sections: COTP Operations, Balancing Authority Service, and Capital Improvements.

**1. COTP Operations** **\$16,630,600**

The Interim Participation Agreement (IPA), the Project Operations and Maintenance Agreement (POMA), the TANC/WAPA O&M Agreement (TWOMA), and the approved COTP Budget govern the responsibilities, costs, and sources of funds associated with the operations and maintenance of the COTP. TANC will continue to be responsible for the management and administration of activities related to the Project. This role is separate from any similar role TANC may assume on its own behalf, as an individual COTP Participant. The following describes in further detail the various cost elements under COTP Operations:

- a. **Operations** - There are four principal sub-groups involved in support of Operations for WAPA’s efforts in this budget category. They include supervision and dispatch, computer system maintenance, operations studies, and administrative and financial tracking.
- b. **Maintenance** - The services provided under the maintenance umbrella for the COTP include the maintenance of transmission lines, substations, communication systems, and vegetation management.
- c. **Natural Resources** - This budget includes services associated with environmental and land related activities. Environmental services include compliance with all environmental permits and requirements for the Project. Land services are those associated with Project right-of-way (ROW), leases, and related land matters including access roads, fire suppression, and fuels management.
- d. **Project Management** - Project Management encompasses many functional areas of COTP management such as insurance requirements, overall Project Management, and System Studies.
- e. **Compliance Standards** - With continued North American Electric Reliability Council (NERC) and Western Electricity Coordinating Council (WECC) requirements for reporting system reliability mandates, there remains a significant amount of work placed upon WAPA and the Project Manager associated with COTP management and operations. WAPA will provide comprehensive evidence of compliance for each identified and delegated standard related to TANC as a Transmission Owner (TO), Transmission Service Provider (TSP), and Transmission Planner (TP). These

requirements are in addition to the reporting requirements TANC as an Agency will have unto itself. The discussion on TANC related reliability standards is reported in the TANC Operations section of this Budget. In addition, there is funding in the compliance section for the compilation of an annual wildfire mitigation plan for the COTP as required by Senate Bill 901 and Assembly Bill 1054. Wildfire plans are submitted to the California Wildfire Safety Advisor Board and meet the requirements of Public Utilities Code section 8387.

- f. **Security/Safety** - Security funding provides 24-hour surveillance from WAPA's Folsom office, using security cameras, of the Olinda and Tracy Substations along with the Maxwell Compensation Station. In addition, funding is provided for an on-site around-the-clock armed guard for the Tracy Substation. The funding for safety, provides specialist in support of maintenance work to cover Occupational Safety and Health Administration standards and other federal regulations to insure a safe workplace during maintenance activities.

## **2. Balancing Authority Service**

**\$3,419,200**

Balancing Authority and /Sub-Balancing Authority duties for the COTP were authorized under Resolution 2005-14, with the formal transfer of COTP control occurring in December 2005. This allowed SMUD and WAPA to jointly administer balancing authority functions of the COTP. These entities work closely and coordinate with the CAISO on a daily basis regarding scheduling and congestion issues.

- a. **Sub-Balancing Authority** - Under this category, costs are associated with COTP joining WAPA BA. Funding covers the costs for WAPA personnel to perform scheduling, settlements, automatic generation control, computer and engineering support, and maintenance of control equipment.
- b. **Balancing Authority** - Under this category, functions are those provided by BANC administrated by SMUD. Funding includes costs for power system operators, settlements personnel, outage coordination, operations engineering, and reliability/critical infrastructure protection and administration.

## **3. Capital Improvements**

**\$0**

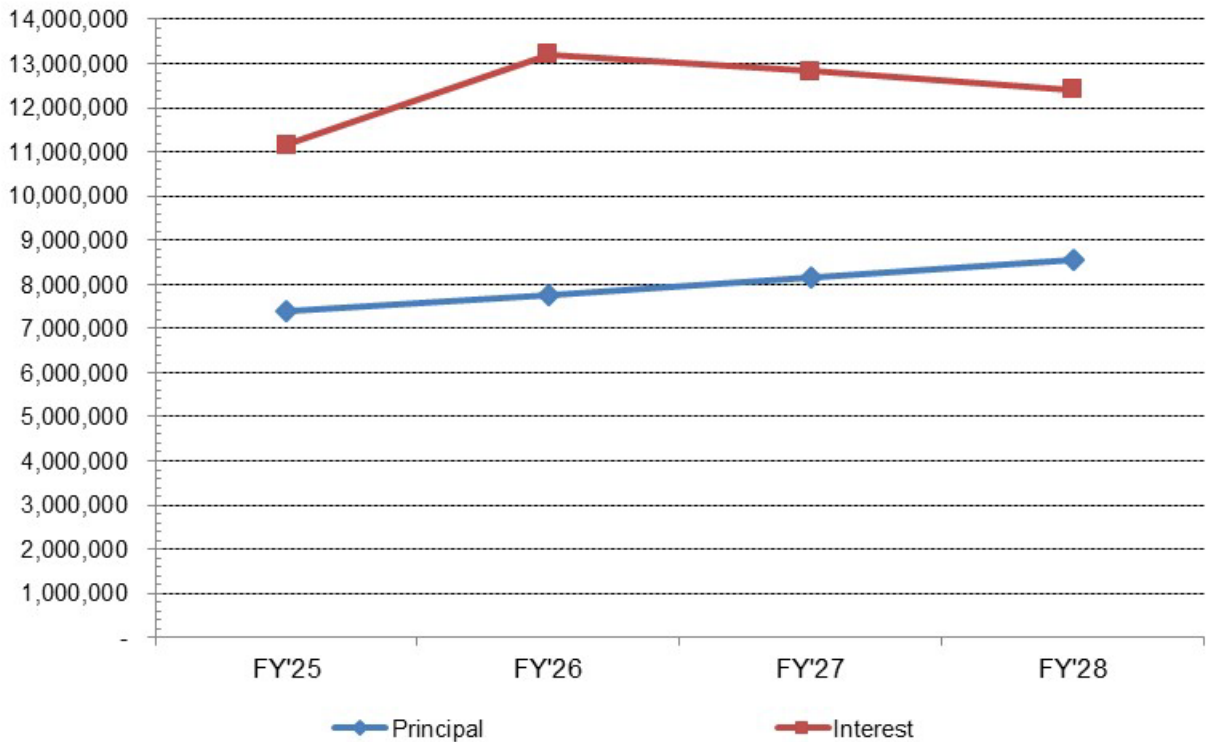
The COTP Management Committee, in conjunction with the Joint COTP and General Manager's Engineering and Operations (E&O) Committee overview, has prepared a five-year capital improvement program from FY27 through FY31. Within these five years, it is anticipated that several projects will be funded. It should be noted that for FY27 a decision has been made to use existing funds on hand at WAPA for on-going capital improvements and thus, no additional funds, or cash calls, are required for this coming fiscal year.

The following chart indicates TANC's share of the current projected five-year capital improvement estimate discussed with the COTP Management Committee.

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Total
D20 TO RTU SCADA	-	223,800	269,200	266,200	-	759,200
Series Cap Bank	-	555,700	608,600	512,400	512,400	2,189,100
SONET Network	-	643,700	901,700	329,600	18,700	1,893,700
<b>Total</b>	-	<b>1,423,200</b>	<b>1,779,500</b>	<b>1,108,200</b>	<b>531,100</b>	<b>4,842,000</b>

**B. DEBT SERVICE**

**\$20,976,510**



The following discussion pertains to a debt service program that currently exists for TANC. It is expected that a refunding of TANC’s 2016 Series A bonds will occur in late May 2026. Thus the 2016 bonds will be retired, and a new Series will be implemented. It has been determined that the same termination date of 2039 will remain. At this time, it is uncertain what the new principal and interest costs will be except that the expectation is interest payments will be lowered than currently exists.

**1. Principal Payments**

**\$8,150,772**

Over the years, TANC has refinanced and refunded several different original bond issuances. Each issuance had its own unique set of requirements and shaped timetable for payment. TANC incurs debts because of its changing needs for financing and refinancing programs. Currently TANC only has one outstanding bond obligation and that is the 2016 Series A

Bonds. It is expected that TANC will issue bonds in the Summer of 2026 which will require a principal payment.

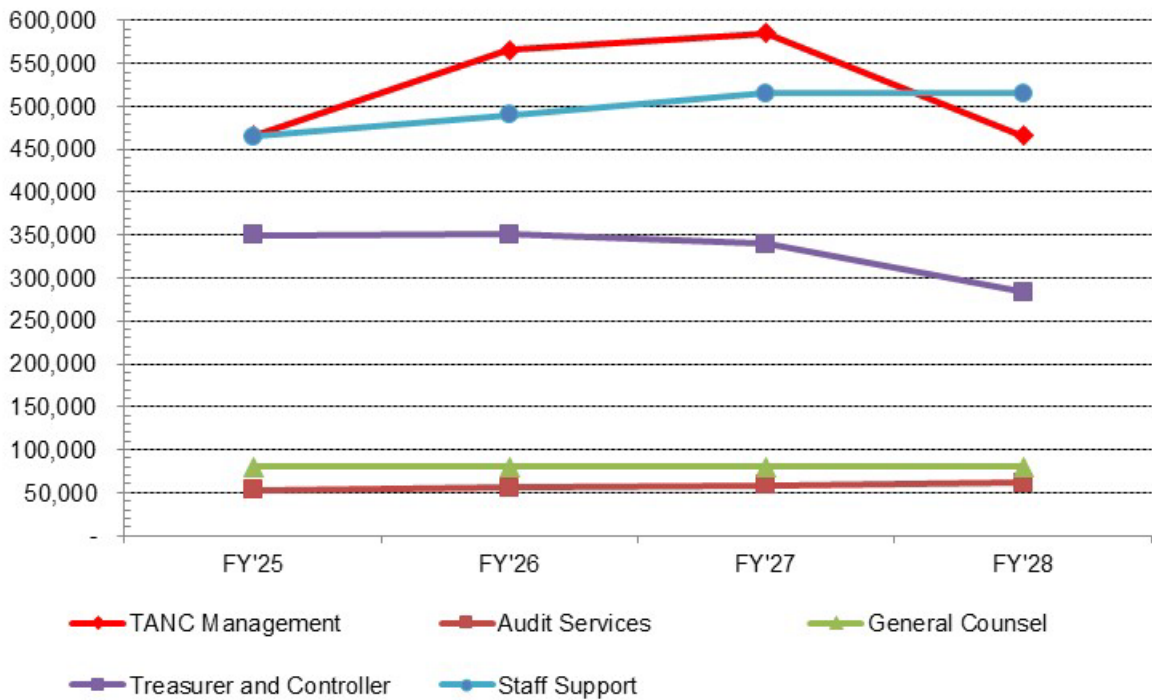
**2. Interest/Fees Payments**

**\$12,825,738**

In addition to the existing principal payments identified above, TANC will also make related interest payments and pay bond fees. TANC will also make interest payments for the previously mentioned line of credit for funds that will be used to offset cash calls related to the Series Capacitor project.

**C. AGENCY**

**\$1,578,316**



The concept behind the TANC Agency budget is to articulate general overhead costs associated with managing the Agency. The TANC Agency budget consists of five funding categories and descriptions for which are provided below.

**1. TANC Management**

**\$585,416**

TANC incurs certain administrative expenses pursuant to contractor agreements which have been entered into at various times throughout the past several years. This section also provides for dues, travel by TANC representatives, and other miscellaneous items.

- a. **General Manager** – The duties and responsibilities of the TANC General Manager are varied. However, the overall role of the General Manager will be to guide the Agency in all aspects of production, strategic planning, communication with outside parties and TANC Commissioners, directing project assignments, and daily management activities. For budget allocation purposes, 80 percent of the total General Manager cost is reflected here.
- b. **Strategic Management Support** – At the discretion of the Chair and General Manager, a contract for Strategic Management Support may be required in FY27 as deemed necessary.
- c. **Agency Dues** – Agency Dues fund those costs incurred by TANC being a member in an organization. These organizations include the California Municipal Utility Association (CMUA), WestConnect, and American Public Power Association (APPA).
- d. **Media and Outreach Services** – This line item pays for annual costs related to hosting the TANC website as well as any potential upgrades to the site. This line item also funds the storage of TANC files on a cloud-based service.
- e. **Miscellaneous Expenses** – These costs pertain to bank charges associated with maintenance of TANC accounts, certain periodic legal expenses outside of those mentioned elsewhere within this budget document, fees imposed by the State of California to maintain TANC as an entity, expenses related to various presentations, public notices for special meetings, miscellaneous insurance costs, and travel for the TANC Chair, Officers, Commissioners, General Manager, and other Members as they may be deemed appropriate.

**2. Audit Services** **\$58,300**

At the May 22, 2024 meeting, the Commission approved the first amendment to the original agreement for audit services. The total timeframe for contracted audit services is now through the 2027-28 fiscal year.

The Audit Services category provides a budget for an annual independent audit of TANC’s financial statements. It is the goal of each audit that it will ultimately consummate in an unqualified opinion stating that the Agency’s records and financial statements are in conformance with the appropriate Generally Accepted Accounting Principles.

**3. General Counsel Services** **\$80,000**

General Counsel provides general legal assistance to TANC. Assistance will be provided regarding requirements under state law, legal review of TANC documents and resolutions, legal requirements for the Commission and Committee meetings, and advice on TANC’s legal responsibilities. General Counsel will also advise TANC with respect to contracts relating to TANC’s business and will provide legal review of other contracts in regard to their specific impact on TANC. Assistance will be provided in review of agreements between TANC

Members and specifying obligations under the Joint Powers Agreement (JPA), as well as other various agreements in support of general TANC arrangements.

**4. Treasurer and Controller Services** **\$339,600**

The TANC JPA established the positions of Treasurer and Controller for TANC. Expenses incurred by Treasurer and Controller duties are reimbursable. It has been determined that a new Treasurer and Controller will be performing these duties beginning June 1, 2026 and into the new fiscal year. It is anticipated that all activities undertaken by the prior Treasurer and Controller will continue uninterrupted by the new contracted party.

The duties and responsibilities of the Treasurer and Controller are highlighted in the TANC Organization, Authorizations, Policies, and Procedures Manual. Also pertinent are the provisions of the California Government Code pertaining to the Treasurer and Controller of a joint-powers agency. Essential responsibilities include repository of financial books and records of TANC, management of TANC investments, disbursement of funds, support to TANC's auditor, assistance with preparation of the annual budget, and performance of other related duties.

**5. General Consultant Staff Support** **\$515,000**

The General Consultant assists with general administrative and technical duties necessary to accomplish work assigned by the Commission and the General Manager. TANC Resolutions 85-1, 85-3, 87-22, 90-64, 90-76, 91-03, 91-07, 93-37, and 94-29 relate to the responsibilities of the General Consultant, as well as roles outlined in the TANC Organization, Authorizations, Policies, and Procedures Manual.

The General Consultant provides comprehensive general staff support to TANC. Staff support is mainly associated with support to the TANC Commission, the General Manager, and various General Manager authorized Committees as deemed appropriate.

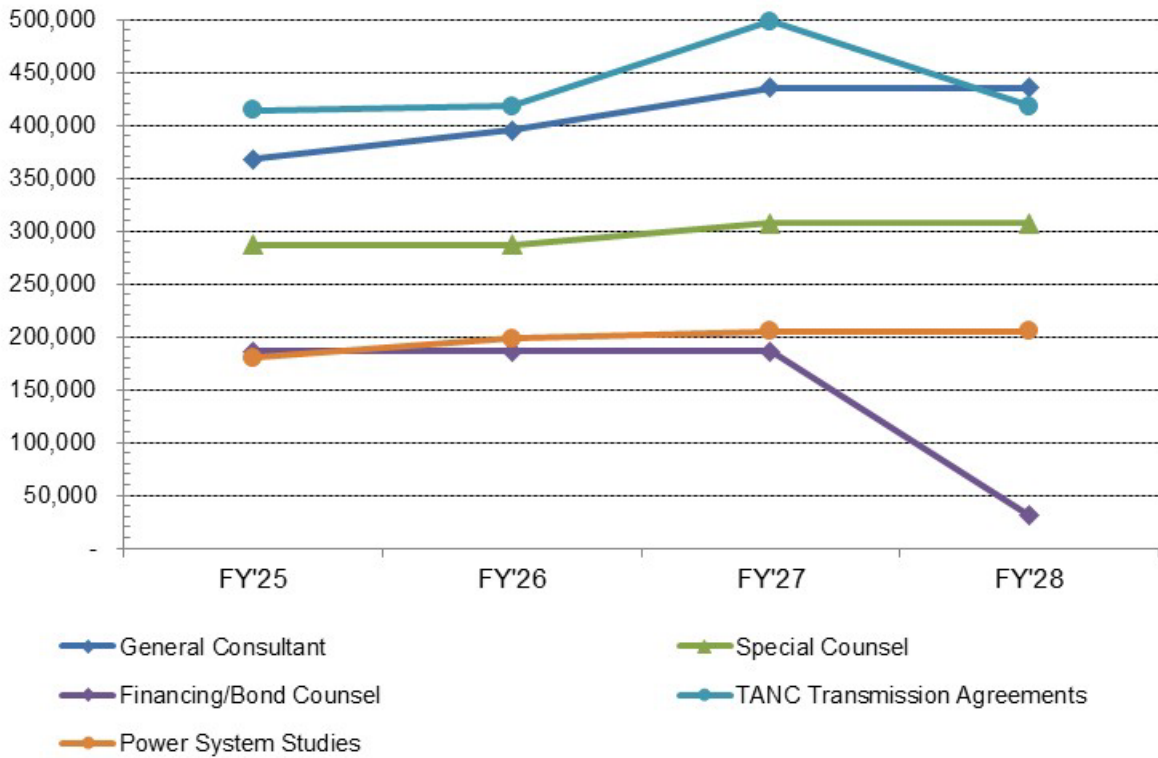
Staff Support includes preparation for and participation in various meetings held by TANC. In addition, the General Consultant prepares for, and participates in workshops and special meetings, as they may be called by Members, the Commission, and General Manager. As the need arises, other working groups or committees may be formed, thereby requiring additional support from the General Consultant.

The General Consultant provides support in preparing and presenting various briefing binders and materials, including the binders for TANC Commission and GM authorized Committees. The General Consultant also serves as liaison to Members regarding TANC activities, prepares and reviews TANC invoices, monitors TANC budget versus actual expenses, and assists in the preparation of the TANC budget.

Further, the General Consultant supports the Agency in a variety of public forums and prepares material on behalf of the TANC Chair and General Manager. Finally, the General Consultant reviews all contracts each year which assist in the administration of the Agency.

**D. OPERATIONS**

**\$1,630,900**



**1. General Consultant Services**

**\$435,000**

The authorization for General Consultant Services in this category is similar to that found in the TANC Agency category of the budget document and pertains to this section as well. In this section of the budget for General Consultant Services, additional operational functions are provided to TANC.

- a. **WECC** – TANC staff regularly monitors activity in Western Electric Coordinating Council (WECC) proceedings to protect TANC’s interests. The General Consultant works in coordination with WECC representatives and other TANC members related to this line item.
- b. **Legislative/Regulatory/CMUA** - Legislative and regulatory activities at the local, state, and federal levels arise from time to time that may impact TANC and its interests in the COTP. Staff provide regular updates to the Commission on matters deemed important to TANC interests.

- c. **Independent System Operator** - The CAISO remains an agency of continued interest for TANC and many other municipal electric utilities within California. CAISO-related policies, procedures, and other issues have potential to dramatically influence how the COTP and other municipally owned transmission lines conduct business in California. Costs associated with the grid management charge and the transmission access charge (TAC) are also important to TANC Members. Various CAISO filings and proceedings at FERC are expected to continue during FY24. TANC will remain vigilant in review of CAISO's Transmission Planning Process and provide comments as appropriate in coordination with other members. Finally, TANC will monitor CAISO Governing Board proceedings. Additionally, as the CAISO prepares to implement its Extended Day-Ahead Market there may be a need to review how the COTP may be employed by members as this market unfolds.
- d. **Transmission Reliability Standards** - In 2007, FERC acted on the Notice of Proposed Rulemaking on Reliability Standards (RM06-16) and ordered the enactment and implementation of certain reliability standards in compliance with prudent transmission utility practices. The standards include numerous requirements such as: personnel training, operating standards, and transmission planning requirements. These standards apply to all users, owners, and operators of the bulk electric system. TANC is responsible for complying with standards applicable to Transmission Owners, Transmission Planners, and Transmission Service Providers. It is anticipated TANC will review various compliance procedures in FY27 including new Critical Infrastructure Procedure requirements in conjunction with WAPA.

**2. Special Counsel Services \$307,000**

Special Counsel Services are divided into the following categories:

- a. **Contracts Committee Support** - Special Counsel support consists of the review of various TANC agreements between COTP Participants and TANC Members. Special Counsel will also assist in developing negotiating strategies and review contract drafts for legal sufficiency. This budget category also includes the support of the Contracts Committee for various issues as they arise in providing updates to current case management activity.
- b. **FERC Matters** - Special Counsel will remain diligent and involved in various negotiation and litigation activities related to protecting TANC's interests before FERC. These activities will involve case management, coordination of proceedings, and providing reports to TANC management. Finally, it is expected that Special Counsel will assist in review of various TANC governing agreements that will be updated in FY27 including a potential new Long-Term Participation Agreement to replace the Interim Participation Agreement.
- c. **Independent System Operator** - This work effort by Special Counsel generally assists activity undertaken by the General Consultant. The two contractors have a long

history of working together on CAISO and other related issues of concern for the Agency.

- d. **Transmission Reliability Standards** - As NERC and FERC continue to address on-going reliability standard issues, this line item will fund activities related to review of compliance requirements for TANC as project manager for the 500-kV COTP. Special Counsel may from time to time recommend compliance filings to amend certain regulations. Further, vigilance in monitoring changes to old, and any proposed new, reliability standards will remain important to TANC, and Special Counsel will be prepared to assist in reliability compliance matters.

**3. Financing Advice Services** **\$108,500**

On a periodic basis, TANC reviews financial advisor services. Upon completion of these reviews, the Finance Committee makes a recommendation to the Commission for approval of a contract for said services.

The duties of the Financial Advisor are described in the Financial Advisory Services Agreement between TANC and PFM. In addition, this budget category includes trustee fees associated with TANC's bond programs. The budget assumes TANC will continue to receive general financial advice and services from the Financial Advisor as required. If portions of TANC's financial program are restructured, costs for Financing Advice Services will be revised; however, most of the associated cost would be incorporated into any new issuance that is placed for the Agency. For FY26 it is expected that the Financial Advisor will be called upon to provide guidance associated with the Series Capacitor Line of Credit and ultimately the related bond financing.

**4. Bond Counsel Services** **\$77,500**

The contract for Bond Counsel Services is renewed on an annual basis through the TANC Treasurer. The budget includes funding for arbitrage rebate calculations for TANC's bond program. For FY27 it is expected that Bond Counsel will be called upon to provide guidance associated with the Series Capacitor Line of Credit and ultimately the related bond financing.

**5. TANC Transmission Agreements** **\$497,900**

TANC continues to coordinate regularly with the several parties on a daily basis regarding scheduling and congestion issues on the COTP and COI. TANC Resolution 2004-34 authorized a Path Operator Agreement with the CAISO. Associated PG&E related costs are included in the TANC Budget to pay for interconnection of the COTP to PG&E's electric system.

- a. **Path Operator** - In addition to activities associated with Balancing Authority services, TANC incurs obligations associated with the COTP being operated as part of the

three-line COI. The Owner's Coordinated Operating Agreement (OCA) provides for the coordinated operation of the COTP and the existing PACI. The COI Path Operating Agreement (CPOA) provides for services described in the OCA.

- b. **PG&E Facilities and Coordinated Integrated Rate Schedule** - The COTP Facilities and CIRS provide for the interconnection of the COTP to PG&E's transmission system. TANC pays this cost separately to PG&E which is not reflected separately in the COTP O&M Budget.
- c. **Land Matters** - These costs reflect the association of land acquired by TANC near the Tracy Substation where the COTP terminates. Costs in this line-item includes certain property taxes that must be paid as well as some management support of the land. For FY27, it is expected that certain buildings at this site will be removed and additional work activity is anticipated this coming fiscal year. This budget item will be used to begin the process of addressing several deferred maintenance and site upkeep activities needed at TANC's 60-acre Tracy property located at the northeast corner of Mt. House Boulevard and Kelso Road near the Tracy Substation. TANC is the lessor for: 1) 55 acres for agricultural purposes, and 2) two to three acres at the southwest corner of the property for a maintenance shop and outbuildings.

**6. Technical Support**

**\$205,000**

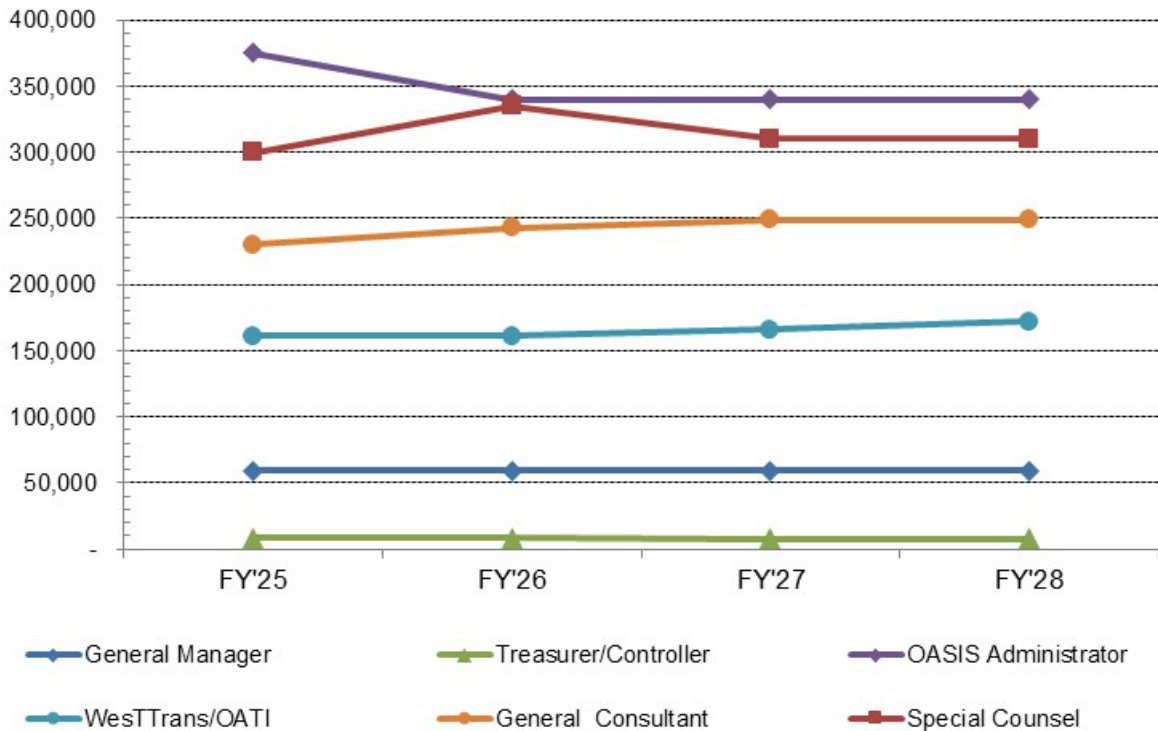
TANC regularly provides certain technical and analytical support to TANC members. Directions are provided by the TANC Commission, General Manager, and the General Manager's E&O Committee on a regular basis associated with Power System Studies (PSS) activities.

Staff provide technical engineering support to the General Manager and Commission as requested. Support provided will consist of performing technical studies including power flow and stability analysis in order to:

- Identify potential problems with the existing system under certain operating conditions and assess both near-term and long-term options for mitigating such problems.
- Evaluate potential long-term transmission expansion options.
- Provide other technical support as directed such as preparing the annual TANC Ten-Year Study Plan to demonstrate compliance with NERC reliability standards, and participating in the Operating Studies Subcommittee (OSS), which conducts studies related to the seasonal Operational Transfer Capability values for COI facilities.

**E. OASIS Services**

**\$1,132,528**



The OASIS Service category includes activities conducted on behalf of TANC Members as a transmission owner and service provider. TANC incorporates a FERC Pro-Forma OATT and attempts to comply with FERC Order 1000 obligations by participating in WestConnect meetings, although TANC (and all related non-participating publicly owned utilities are not formal members of WestConnect.

In FY07, the TANC Commission authorized TANC to participate in an Open Access Same-Time Information System (OASIS) transmission market with an approved OATT. Although not FERC jurisdictional, TANC’s OATT remains in compliance with FERC standards for both tariff language and rate development. Additionally, the TANC Commission has authorized both the General Consultant and Special Counsel to become involved in work associated with WestConnect and FERC Order 1000 Implementation activities. Since this Order relates to any organization that has an OATT and specific funding obligations are aligned with OATT related costs (i.e., TANC Project Agreement 5 (PA-5)), all associated costs for OASIS Services and FERC Order 1000 Implementation are included in this funding category. TANC participates in regional and inter-regional planning efforts that follow FERC Order 1000. It is envisioned that this category of the budget will include five separate line items including:

**1. General Manager** **\$59,328**

The main duties and responsibilities of the TANC General Manager are explained in the Agency section of this budget document. For OASIS Services the General Manager will continue to provide those basic functions but with a focus on activity related to TANC's OATT and OASIS matters. For budget allocation purposes, 15 percent of the total General Manager cost is reflected in this line item.

**2. Treasurer and Controller Services** **\$8,000**

In this new line-item, Controller staff will provide invoice services for PA5 Member transmission sold to 3<sup>rd</sup> parties, and forward proceeds to Members who made transmission available during any particular month.

**3. OASIS Administrator Service** **\$340,000**

This work includes aggregation and posting of available transmission as well as applying transmission service requests from customers and financial settlements. Currently, operation of TANC's OASIS and associated work with Open Access Technology International (OATI) is performed and administered by Western Area Power Administration

**4. WestTTrans OATI Service** **\$166,200**

TANC has an agreement with OATI to participate in the WestTTrans OASIS modelling program. The WestTTrans OASIS has computer controls and data entry protocols in order for participating Members to post their schedules onto the OASIS, and for 3<sup>rd</sup>-party acquisition of available transfer capability.

**5. General Consultant**

**\$249,000**

- a. Coordination/Committee Support** - TANC has an established OATI OASIS website. This website offers benefits to TANC Members via the ability to sell excess COTP capacity, while following existing FERC doctrine in Orders 888 and 889. It is anticipated that the General Consultant will continue monitoring this website and will work with WAPA as the TANC OASIS Administrator, its Members and OATI to ensure smooth functioning and flow of information on the OASIS. The General Consultant will monitor the TANC OATT and how the OATT rate is calculated. Additionally, the General Consultant will conform the TANC OATT with the TANC Business Practices Manual, which provides additional detail, instruction, and insight as to how TANC follows precepts from FERC Orders 888 and 889. It is anticipated in FY26 that there will be several modifications to the TANC OATT to follow new FERC orders and deviate from FERC Pro-Forma Tariff when it is deemed practical for TANC business purposes.
- b. WestConnect** – The General Consultant will continue to be involved in identified FERC market reform activities, with specific focus on entities such as WestConnect and other regional transmission support activities. TANC is a member of WestConnect. This line-item supports participation since TANC is a member of WestConnect and participates in WestConnect’s Planning Management Committee. TANC is a participating Non-Jurisdictional Transmission Owner (TO) in WestConnect and is identified as a Coordinating TO.

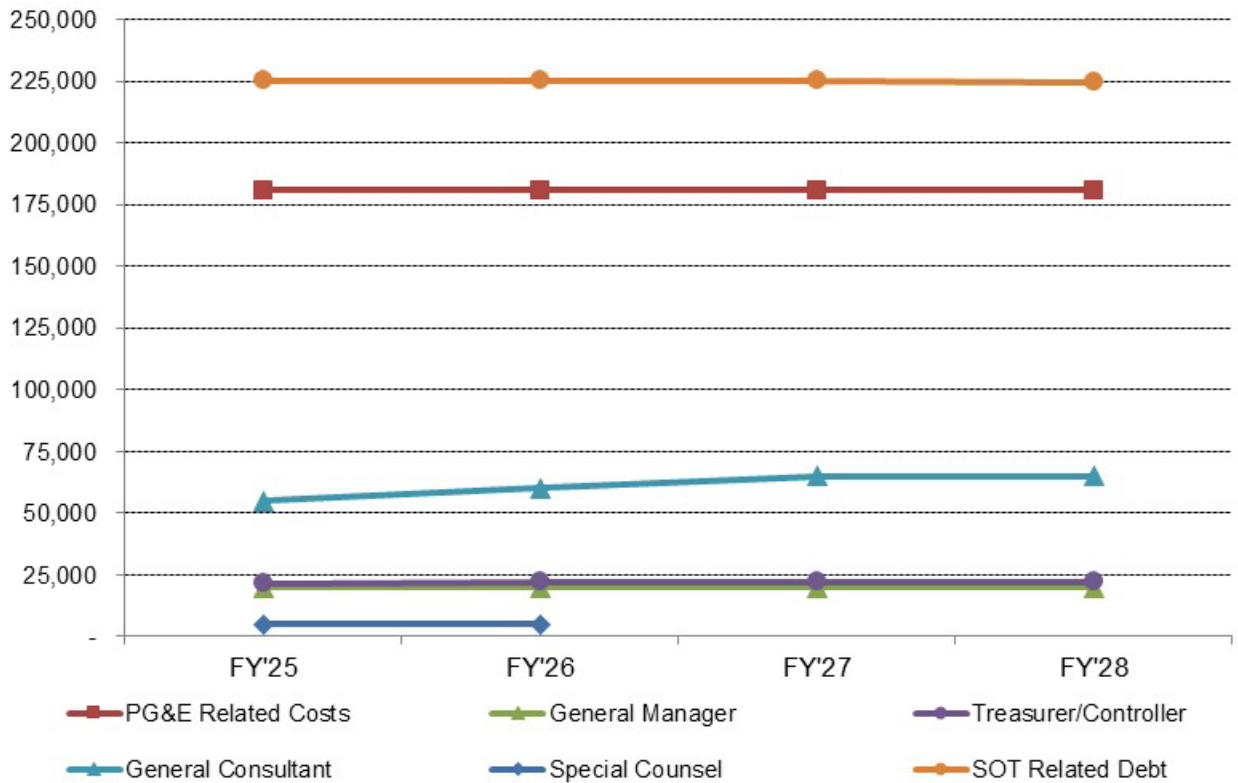
**6. Special Counsel**

**\$310,000**

- a. Legal Support** – Special Counsel will support TANC as required and work closely with the General Consultant as needed associated with review of documents for PA5 participants as well as review of TANC’s OATT for reciprocity in accordance with FERC Pro-Forma protocols including rates, terms, and conditions for all appendices to the TANC OATT. It is anticipated Special Counsel will assist staff in development of certain revisions to TANC’s OATT.
- b. WestConnect** – Counsel will continue to be involved in identified FERC market reform activities, with specific focus on entities such as WestConnect and other regional transmission support activities. Although TANC is no longer a formal member of WestConnect, this line-item supports participation as a Non-Jurisdictional Transmission Owner (NJTO)

**G. SOUTH OF TESLA (SOT) TRANSMISSION SERVICE**

**\$512,974**



SOT Transmission Service is provided by PG&E to TANC pursuant to a FERC Order implementing the South of Tesla Principles (SOTP). This service provides 300 MW of firm, bi-directional transmission capability south of PG&E’s Tesla Substation to the Midway Substation. TANC’s SOT Transmission Service costs are budgeted separately from COTP costs pursuant to the TANC SOT Agreement. Only those Members who use PG&E’s transmission south of the Tesla Substation are responsible for repayment of PG&E’s transmission-related costs. Members receive a cash call separate from the TANC OATT cash call for obligations funded within this budget category.

**1. SOT Reinforcements**

**\$181,000**

On February 26, 1992, FERC ordered PG&E to provide SOT Transmission Service pursuant to the SOTP executed between TANC and PG&E in 1989. TANC Members pay PG&E for certain costs for facilities which PG&E owns and maintains at the Tesla Substation to enable Members to receive SOT service.

**2. General Manager**

**\$19,776**

The main duties and responsibilities of the TANC General Manager are explained in the Agency section of this budget document. For SOT related TANC Management, the General Manager will continue to provide those basic functions but with a focus on activity related to SOT FERC Matters, particularly associated with any potential PG&E filing on TANC's SOT rights. For budget allocation purposes, 5 percent of the total General Manager cost is placed here.

**3. Treasurer and Controller Services**

**\$22,000**

In addition to providing Treasurer and Controller services for TANC Operations, SMUD also provides these services to TANC for SOT related functions. Treasurer/Controller splits its costs and duties for services rendered between the SOT Transmission Service budget category and TANC Operations budget category. Typical work includes coordinating with PG&E on billing and contractual issues regarding this service, coordinating with TANC staff, and performing related Controller functions.

**4. General Consultant Services**

**\$65,000**

The authorization for General Consultant Services was provided in the TANC Agency category of the budget document and pertains to this section as well. Line items identifying the level of work activity for the General Consultant include:

- a. **PG&E Transmission Administration** – This line item pertains to work required to process PG&E invoices for use of TANC's SOT rights. Activity mainly includes coordination with Controller staff for activities as mentioned above.
- b. **SOT** – This line item will continue to address issues any potential filing against TANC's 300 MW of SOT rights. This line item will also fund work associated with the value of SOT service. Further, this line item funds work staff to undertake pertaining to SOT arrangements including short-term layoffs.

**6. South of Tesla Debt Service**

**\$225,198**

TANC's debt service is paid on an aggregate basis. The portion associated with SOT transmission service is allocated based on the percentage stated in the SOT Agreement applied to the total amount of TANC's debt. The SOT Agreement, dated February 14, 1993, provides for the respective allocations and cost sharing responsibilities related to SOT Transmission Service.

TANC has capitalized expenses related to SOT Initial Reinforcements and previous work related to SOT FERC Matters. Pursuant to TANC Commission direction, these capitalized costs are to be repaid pursuant to the SOT Agreement. TANC's existing debt programs have

been provided for SOT debt service to date, and as such, there is not a specific bond or commercial paper program related to the repayment of SOT debt.

## **MEMBER SERVICES**

### **South of Tesla Transmission**

South of Tesla transmission service is provided by PG&E to TANC pursuant to a FERC Order implementing the South of Tesla Principles (SOTP). This service provides 300 MW of firm, bi-directional transmission between Tesla and Midway substations. Only those TANC Members who use SOT are responsible for repayment of PG&E's transmission bills.

### **CAISO CRR Program**

The Congestion Revenue Rights (CRR) Program began in October 2020 and allows TANC members who choose to participate in providing entitlement capacity each month to the CAISO. In return members may earn revenue based upon a formula the CAISO has established depending on the amount of congestion in the system.

Costs for the CRR program are billed only to those TANC Members who participate in this program. Participating Members receive a cash call separate from the TANC OATT cash call for obligations funded within this budget category



**Table 1-1**  
**TANC Sources/Uses** (on a modified accrual basis)

Sources	FY'25 Adjusted Budget	FY'26 Adjusted Budget	FY'27 Proposed Budget	FY'28 Projected Budget
<b>Member Calls</b>				
Open Access Transmission Tariff	45,099,108	48,808,800	47,875,296	47,917,956
PTO Engagement	2,100	-	-	-
South of Tesla	507,552	512,925	512,974	512,909
<b>Outside Income</b>				
29 MW Layoff	2,203,874	485,227	448,180	470,188
Line of Credit	90,000,000	-	-	-
Interest Earned on Funds (net of arbitrage)	1,460,612	1,801,824	2,815,096	2,815,096
Western Administration Fee	1,500,000	1,500,000	466,160	435,950
Rental	1,400	1,400	1,400	1,400
<b>Total Revenue</b>	<b>140,774,646</b>	<b>53,110,176</b>	<b>52,119,106</b>	<b>52,153,499</b>
<b>Member Services</b>				
South of Tesla Transmission	4,600,000	4,600,000	4,000,000	4,000,000
CAISO CRR Program	103,000	105,000	105,000	105,000
<b>Total</b>	<b>145,477,646</b>	<b>57,815,176</b>	<b>56,224,106</b>	<b>56,258,499</b>
<b>Uses</b>				
<b>Open Access Transmission Tariff</b>				
<b>California-Oregon Transmission Project</b>				
COTP Operations	15,120,000	17,374,600	16,630,600	16,610,700
Balancing Authority Service	3,265,100	3,381,600	3,419,200	3,566,000
Capital Improvements	92,143,500	1,180,300	-	1,423,200
<b>subtotal COTP</b>	<b>110,528,600</b>	<b>21,936,500</b>	<b>20,049,800</b>	<b>21,599,900</b>
<b>Debt Service</b>				
Principal	7,395,465	7,763,261	8,150,772	8,557,983
Interest/Fees	11,157,234	13,209,965	12,825,738	12,414,588
<b>subtotal debt</b>	<b>18,552,699</b>	<b>20,973,226</b>	<b>20,976,510</b>	<b>20,972,571</b>
<b>Agency</b>				
TANC Management	465,416	565,416	585,416	465,416
Audit Services	52,900	55,500	58,300	61,200
General Counsel	80,000	80,000	80,000	80,000
Treasurer/Controller	349,800	351,000	339,600	284,000
Staff Support	465,000	490,000	515,000	515,000
<b>subtotal Agency</b>	<b>1,413,116</b>	<b>1,541,916</b>	<b>1,578,316</b>	<b>1,405,616</b>
<b>Operations</b>				
General Consultant	368,000	395,000	435,000	435,000
Special Counsel	287,000	287,000	307,000	307,000
Financing/Advice	108,500	108,500	108,500	18,500
Bond Counsel	77,500	77,500	77,500	12,500
TANC Transmission Agreements	414,420	417,900	497,900	417,900
Power System Studies	180,000	198,000	205,000	205,000
<b>subtotal Operations</b>	<b>1,435,420</b>	<b>1,483,900</b>	<b>1,630,900</b>	<b>1,395,900</b>
<b>OASIS</b>				
General Manager	59,328	59,328	59,328	59,328
Treasurer/Controller	8,300	8,300	8,000	8,000
OASIS Administrator	375,000	340,000	340,000	340,000
WesTTrans/OATI	160,800	160,800	166,200	172,200
General Consultant	230,000	243,000	249,000	249,000
Special Counsel	300,000	335,000	310,000	310,000
<b>subtotal OASIS</b>	<b>1,133,428</b>	<b>1,146,428</b>	<b>1,132,528</b>	<b>1,138,528</b>
<b>PTO Engagement</b>	<b>10,000</b>			
<b>Subtotal -OATT</b>	<b>133,073,263</b>	<b>47,081,970</b>	<b>45,368,054</b>	<b>46,512,515</b>
<b>South of Tesla</b>				
PG&E Facilities Charge	181,000	181,000	181,000	181,000
TANC Management	19,776	19,776	19,776	19,776
Treasurer/Controller	21,600	22,000	22,000	22,000
General Consultant	55,000	60,000	65,000	65,000
Special Counsel	5,000	5,000	-	-
Debt Service	225,176	225,149	225,198	225,133
<b>Subtotal -South of Tesla Operations</b>	<b>507,552</b>	<b>512,925</b>	<b>512,974</b>	<b>512,909</b>
<b>Total Member Budget</b>	<b>133,580,815</b>	<b>47,594,895</b>	<b>45,881,028</b>	<b>47,025,424</b>
<b>Member Services</b>				
South of Tesla Transmission	4,600,000	4,600,000	4,000,000	4,000,000
CAISO CRR Program	103,000	105,000	105,000	105,000
<b>Total</b>	<b>138,283,815</b>	<b>52,299,895</b>	<b>49,986,028</b>	<b>51,130,424</b>
<b>Net Sources/Uses of Funds</b>	<b>7,193,831</b>	<b>5,515,281</b>	<b>6,238,078</b>	<b>5,128,075</b>



**Table 1-2  
OATT Revenue by Member  
Proposed Fiscal Year 2027**

<b>TANC Members</b>	<b>OATT Billings</b>	<b>COTP Operations/ Maintenance</b>	<b>Agency, Operations</b>	<b>Bonds Series 2016</b>	<b>Line of Credit</b>	<b>OASIS/ WestConnect</b>	<b>Total</b>	<b>Available for Owner Distribution</b>
Modesto Irrigation District	11,037,456	4,533,332	725,615	3,545,898	1,410,522	357,822	<b>10,573,189</b>	<b>464,267</b>
City of Redding	4,806,588	1,974,172	315,990	1,251,827	504,714	155,825	<b>4,202,528</b>	<b>604,060</b>
Sacramento Municipal Utility District	18,100,404	7,434,242	1,189,942	5,860,893	2,313,120	167,259	<b>16,965,456</b>	<b>1,134,948</b>
City of Santa Clara	4,696,944	1,929,143	308,783	1,406,339	600,240	152,270	<b>4,396,775</b>	<b>300,169</b>
Turlock Irrigation District	8,208,600	3,371,457	539,643	2,564,637	1,044,690	266,114	<b>7,786,541</b>	<b>422,059</b>
City of Roseville	1,025,304	421,113	67,404	346,916	126,714	33,240	<b>995,387</b>	<b>29,917</b>
<b>TOTAL</b>	<b>47,875,296</b>	<b>19,663,459</b>	<b>3,147,377</b>	<b>14,976,510</b>	<b>6,000,000</b>	<b>1,132,530</b>	<b>44,919,876</b>	<b>2,955,420</b>

**Projected Fiscal Year 2028**

<b>TANC Members</b>	<b>OATT Billings</b>	<b>COTP Operations/ Maintenance</b>	<b>Agency, Operations</b>	<b>Bonds Series 2016</b>	<b>Line of Credit</b>	<b>OASIS/ WestConnect</b>	<b>Total</b>	<b>Available for Owner Distribution</b>
Modesto Irrigation District	11,047,296	4,883,816	633,433	3,544,966	1,410,522	359,718	<b>10,832,455</b>	<b>214,841</b>
City of Redding	4,810,872	2,126,801	275,847	1,251,497	504,714	156,650	<b>4,315,509</b>	<b>495,363</b>
Sacramento Municipal Utility District	18,116,532	8,009,003	1,038,771	5,859,351	2,313,120	168,145	<b>17,388,390</b>	<b>728,142</b>
City of Santa Clara	4,701,132	2,078,290	269,555	1,405,969	600,240	153,076	<b>4,507,130</b>	<b>194,002</b>
Turlock Irrigation District	8,215,908	3,632,114	471,087	2,563,963	1,044,690	267,523	<b>7,979,377</b>	<b>236,531</b>
City of Roseville	1,026,216	453,670	58,841	346,825	126,714	33,416	<b>1,019,466</b>	<b>6,750</b>
<b>TOTAL</b>	<b>47,917,956</b>	<b>19,663,459</b>	<b>3,147,377</b>	<b>14,976,510</b>	<b>6,000,000</b>	<b>1,132,530</b>	<b>46,042,327</b>	<b>1,875,629</b>

**TANC Member Cost Responsibility Percentages**

<b>TANC Members</b>	<b>COTP Operations/ Maintenance</b>	<b>Agency, Operations</b>	<b>Bonds Series 2016</b>	<b>Line of Credit/ Bond Series 2025</b>	<b>OASIS/ WestConnect</b>
Modesto irrigation District	23.0546%	23.0546%	23.6764%	23.5087%	32.4538%
City of Redding	10.0398%	10.0398%	8.3586%	8.4119%	11.6130%
Sacramento Municipal Utility District	37.8074%	37.8074%	39.1339%	38.5520%	15.1701%
City of Santa Clara	9.8108%	9.8108%	9.3903%	10.0040%	13.8102%
Turlock Irrigation District	17.1458%	17.1458%	17.1244%	17.4115%	24.0369%
City of Roseville	2.1416%	2.1416%	2.3164%	2.1119%	2.9160%
<b>TOTAL</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>



**Table I-3  
South of Tesla Revenue by Member**

TANC Members	Proposed Fiscal Year 2027			Projected Fiscal Year 2028		
	Operations	Debt Service	Total	Operations	Debt Service	Total
Modesto Irrigation District	97,842	76,568	174,410	97,844	76,545	174,389
City of Redding	29,736	23,270	53,006	29,736	23,263	52,999
Sacramento Municipal Utility District	46,041	36,029	82,070	46,039	36,018	82,057
City of Santa Clara	77,700	60,803	138,503	77,700	60,786	138,486
Turlock Irrigation District	21,454	16,789	38,243	21,454	16,784	38,238
City of Roseville	-	-	-	-	-	-
<b>Subtotal</b>	<b>272,773</b>	<b>213,459</b>	<b>486,232</b>	<b>272,773</b>	<b>213,396</b>	<b>486,169</b>
<b>Northern California Power Authority</b>						
City of Alameda	6,055	4,738	10,793	6,055	4,737	10,792
City of Healdsburg	682	534	1,216	682	534	1,216
City of Lodi	5,954	4,659	10,613	5,954	4,658	10,612
City of Lompoc	768	601	1,369	768	601	1,369
City of Palo Alto	-	-	-	-	-	-
Plumas Sierra Rural Electric Co-Op	671	525	1,196	671	525	1,196
City of Ukiah	872	682	1,554	872	682	1,554
<b>Subtotal</b>	<b>15,002</b>	<b>11,739</b>	<b>26,741</b>	<b>15,002</b>	<b>11,737</b>	<b>26,739</b>
<b>TOTAL</b>	<b>287,775</b>	<b>225,198</b>	<b>512,973</b>	<b>287,775</b>	<b>225,133</b>	<b>512,908</b>

**TANC Member Cost Responsibility Percentages**

TANC Members	South of Tesla Percentage
Modesto Irrigation District	34.0000%
City of Redding	10.3330%
Sacramento Municipal Utility District	15.9990%
City of Santa Clara	27.0000%
Turlock Irrigation District	7.4550%
City of Roseville	0.0000%
<b>Subtotal</b>	<b>94.7870%</b>
<b>Northern California Power Agency</b>	
City of Alameda	2.1040%
City of Healdsburg	0.2370%
City of Lodi	2.0690%
City of Lompoc	0.2670%
City of Palo Alto	0.0000%
Plumas Sierra Rural Electric Co-Op	0.2330%
City of Ukiah	0.3030%
<b>Subtotal</b>	<b>5.2130%</b>
<b>TOTAL</b>	<b>100.0000%</b>
<b>TOTAL</b>	<b>194.7870%</b>



Table I-4

**Total Revenue by Member**

**Proposed Fiscal Year 2027**

**Projected Fiscal Year 2028**

	OATT	South of Tesla	Total	OATT	South of Tesla	Total
Modesto Irrigation District	11,037,456	174,410	<b>11,211,866</b>	11,047,296	174,389	<b>11,221,685</b>
City of Redding	4,806,588	53,006	<b>4,859,594</b>	4,810,872	52,999	<b>4,863,871</b>
Sacramento Municipal Utility District	18,100,404	82,070	<b>18,182,474</b>	18,116,532	82,057	<b>18,198,589</b>
City of Santa Clara	4,696,944	138,503	<b>4,835,447</b>	4,701,132	138,486	<b>4,839,618</b>
Turlock Irrigation District	8,208,600	38,243	<b>8,246,843</b>	8,215,908	38,238	<b>8,254,146</b>
City of Roseville	1,025,304	-	<b>1,025,304</b>	1,026,216	-	<b>1,026,216</b>
<b>Subtotal</b>	<b>47,875,296</b>	<b>486,232</b>	<b>48,361,528</b>	<b>47,917,956</b>	<b>486,169</b>	<b>48,404,125</b>
<b>Northern California Power Agency</b>						
City of Alameda	-	10,793	<b>10,793</b>	-	10,792	<b>10,792</b>
City of Healdsburg	-	1,216	<b>1,216</b>	-	1,216	<b>1,216</b>
City of Lodi	-	10,613	<b>10,613</b>	-	10,612	<b>10,612</b>
City of Lompoc	-	1,369	<b>1,369</b>	-	1,369	<b>1,369</b>
City of Palo Alto	-	-	-	-	-	-
Plumas Sierra Rural Electric Co-Op	-	1,196	<b>1,196</b>	-	1,196	<b>1,196</b>
City of Ukiah	-	1,554	<b>1,554</b>	-	1,554	<b>1,554</b>
<b>Subtotal</b>	<b>-</b>	<b>26,741</b>	<b>26,741</b>	<b>-</b>	<b>26,739</b>	<b>26,739</b>
<b>TOTAL</b>	<b>47,875,296</b>	<b>512,973</b>	<b>48,388,269</b>	<b>47,917,956</b>	<b>512,908</b>	<b>48,430,864</b>



Table II-1  
**Summary of TANC's Uses of Funds**  
 FY 2025 thru FY 2028

	<b>FY'25 Adjusted Budget</b>	<b>FY'26 Adjusted Budget</b>	<b>FY'27 Proposed Budget</b>	<b>FY'28 Projected Budget <sup>3</sup></b>
<b>Open Access Transmission Tariff <sup>1</sup></b>				
California-Oregon Transmission Project	110,528,600	21,936,500	20,049,800	21,599,900
Debt Service	18,552,699	20,973,226	20,976,510	20,972,571
Agency	1,413,116	1,541,916	1,578,316	1,405,616
Operations	1,435,420	1,483,900	1,630,900	1,395,900
OASIS	1,133,428	1,146,428	1,132,528	1,138,528
PTO Engagement	10,000	-	-	-
<b>Subtotal</b>	<b>133,073,263</b>	<b>47,081,970</b>	<b>45,368,054</b>	<b>46,512,515</b>
<b>South of Tesla</b>	<u>507,552</u>	<u>512,925</u>	<u>512,974</u>	<u>512,909</u>
<b>Total Member Budget</b>	<b>133,580,815</b>	<b>47,594,895</b>	<b>45,881,028</b>	<b>47,025,424</b>
<b>Member Services <sup>2</sup></b>				
South Of Tesla Transmission	4,600,000	4,600,000	4,000,000	4,000,000
CAISO CRR Program	<u>103,000</u>	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>
<b>Total</b>	<b>138,283,815</b>	<b>52,299,895</b>	<b>49,986,028</b>	<b>51,130,424</b>

1) Categories are included in the OATT Calculation

2) Individual Members are Cash Called directly by TANC if they use these services

3) Advisory only



Table II-2  
**California-Oregon Transmission Project**  
 FY 2025 thru FY 2028

	<b>FY'25 Adjusted Budget</b>	<b>FY'26 Adjusted Budget</b>	<b>FY'27 Proposed Budget</b>	<b>FY'28 Projected Budget</b>
<b>1. COTP Operations</b>	<b>15,120,000</b>	<b>17,374,600</b>	<b>16,630,600</b>	<b>16,610,700</b>
a. Operations	935,800	1,594,100	1,947,600	1,839,600
b. Maintenance	6,728,400	7,451,600	6,256,800	6,150,600
c. Natural Resources	2,259,000	2,480,800	2,541,100	2,682,000
d. Project Management	4,159,300	4,695,800	4,720,100	4,825,500
e. Compliance	685,000	750,700	752,800	690,700
f. Security/Safety	352,500	401,600	412,200	422,300
<b>2. Balancing Authority Service</b>	<b>3,265,100</b>	<b>3,381,600</b>	<b>3,419,200</b>	<b>3,566,000</b>
a. Sub-Balancing Authority	802,700	870,600	961,000	1,015,400
b. Balancing Authority	2,462,400	2,511,000	2,458,200	2,550,600
<b>3. Capital Improvements</b>	<b>92,143,500</b>	<b>1,180,300</b>	<b>-</b>	<b>1,423,200</b>
<b>Total</b>	<b>110,528,600</b>	<b>21,936,500</b>	<b>20,049,800</b>	<b>21,599,900</b>



Table II-3  
**Debt Service**  
 FY 2025 thru FY 2028

	<b>FY'25 Adjusted Budget</b>	<b>FY'26 Adjusted Budget</b>	<b>FY'27 Proposed Budget</b>	<b>FY'28 Projected Budget</b>
<b>1. Principal</b>	<b>7,395,465</b>	<b>7,763,261</b>	<b>8,150,772</b>	<b>8,557,983</b>
2016 Series A	7,395,465	7,763,261	8,150,772	8,557,983
2026 Series A	-	-	-	-
<b>2. Interest/Fees</b>	<b>11,157,234</b>	<b>13,209,965</b>	<b>12,825,738</b>	<b>12,414,588</b>
2016 Series A	7,579,734	7,209,965	6,825,738	6,414,588
Line of Credit	3,577,500	6,000,000	6,000,000	6,000,000
2026 Series A	-	-	-	-
<b>Total</b>	<b>18,552,699</b>	<b>20,973,226</b>	<b>20,976,510</b>	<b>20,972,571</b>



Table II-4  
**Agency**  
 FY 2025 thru FY 2028

	<b>FY'25 Adjusted Budget</b>	<b>FY'26 Adjusted Budget</b>	<b>FY'27 Proposed Budget</b>	<b>FY'28 Projected Budget</b>
<b>1. TANC Management</b>	<b>465,416</b>	<b>565,416</b>	<b>585,416</b>	<b>465,416</b>
a. General Manager	316,416	316,416	316,416	316,416
b. Strategic Management Support	-	100,000	120,000	-
c. Agency Dues	87,000	87,000	87,000	87,000
d. Media and Outreach	12,000	12,000	12,000	12,000
e. Miscellaneous Expenses	50,000	50,000	50,000	50,000
<b>2. Audit Services</b>	<b>52,900</b>	<b>55,500</b>	<b>58,300</b>	<b>61,200</b>
<b>3. General Counsel</b>	<b>80,000</b>	<b>80,000</b>	<b>80,000</b>	<b>80,000</b>
<b>4. Treasurer/Controller</b>	<b>349,800</b>	<b>351,000</b>	<b>339,600</b>	<b>284,000</b>
a. SMUD	349,800	351,000	67,000	-
b. Eide Bailly			272,600	284,000
<b>5. Staff Support</b>	<b>465,000</b>	<b>490,000</b>	<b>515,000</b>	<b>515,000</b>
<b>Total</b>	<b>1,413,116</b>	<b>1,541,916</b>	<b>1,578,316</b>	<b>1,405,616</b>



Table II-5  
**Operations**  
 FY 2025 thru FY 2028

	<b>FY'25 Adjusted Budget</b>	<b>FY'26 Adjusted Budget</b>	<b>FY'27 Proposed Budget</b>	<b>FY'28 Projected Budget</b>
<b>1. General Consultant</b>	<b>368,000</b>	<b>395,000</b>	<b>435,000</b>	<b>435,000</b>
a. WECC	58,000	60,000	60,000	60,000
b. Legislative/Regulatory/CMUA	35,000	35,000	35,000	35,000
c. Independent System Operator	190,000	215,000	225,000	225,000
d. Transmission Reliability Standards	85,000	85,000	115,000	115,000
<b>2. Special Counsel</b>	<b>287,000</b>	<b>287,000</b>	<b>307,000</b>	<b>307,000</b>
a. Committee Support	40,000	40,000	40,000	40,000
b. FERC Matters	180,000	180,000	200,000	200,000
c. Independent System Operator	27,000	27,000	27,000	27,000
d. Transmission Reliability Standards	40,000	40,000	40,000	40,000
<b>3. Financing /Advice</b>	<b>108,500</b>	<b>108,500</b>	<b>108,500</b>	<b>18,500</b>
a. Financial Advisor Support	105,000	105,000	105,000	15,000
b. Bond Trustee Fees	3,500	3,500	3,500	3,500
<b>4. Bond Counsel</b>	<b>77,500</b>	<b>77,500</b>	<b>77,500</b>	<b>12,500</b>
a. Bond Counsel Support	75,000	75,000	75,000	10,000
b. Arbitrage Rebate Calculations	2,500	2,500	2,500	2,500
<b>5. TANC Transmission Agreements</b>	<b>414,420</b>	<b>417,900</b>	<b>497,900</b>	<b>417,900</b>
a. Path Operator	202,700	202,700	202,700	202,700
b. PG&E Operations	171,720	175,200	175,200	175,200
c. Land Matter	40,000	40,000	120,000	40,000
<b>6. Power System Studies</b>	<b>180,000</b>	<b>198,000</b>	<b>205,000</b>	<b>205,000</b>
<b>Total</b>	<b>1,435,420</b>	<b>1,483,900</b>	<b>1,630,900</b>	<b>1,395,900</b>



Table II-6  
**OASIS**  
 FY 2025 thru FY 2028

	<b>FY'25 Adjusted Budget</b>	<b>FY'26 Adjusted Budget</b>	<b>FY'27 Proposed Budget</b>	<b>FY'28 Projected Budget</b>
<b>1. General Manager</b>	<b>59,328</b>	<b>59,328</b>	<b>59,328</b>	<b>59,328</b>
<b>2. Treasurer/Controller</b>	<b>8,300</b>	<b>8,300</b>	<b>8,000</b>	<b>8,000</b>
<b>3. OASIS Administrator</b>	<b>375,000</b>	<b>340,000</b>	<b>340,000</b>	<b>340,000</b>
<b>4. WestTrans OATI</b>	<b>160,800</b>	<b>160,800</b>	<b>166,200</b>	<b>172,200</b>
<b>5. General Consultant</b>	<b>230,000</b>	<b>243,000</b>	<b>249,000</b>	<b>249,000</b>
a. Coordinator/Committee Support	190,000	198,000	204,000	204,000
b. WestConnect	40,000	45,000	45,000	45,000
<b>6. Special Counsel</b>	<b>300,000</b>	<b>335,000</b>	<b>310,000</b>	<b>310,000</b>
a. Legal/Committee Support	240,000	250,000	250,000	250,000
b. WestConnect	60,000	85,000	60,000	60,000
<b>Total</b>	<b>1,133,428</b>	<b>1,146,428</b>	<b>1,132,528</b>	<b>1,138,528</b>



Table II-7  
**South of Tesla**  
 FY 2025 thru FY 2028

	<b>FY'25 Adjusted Budget</b>	<b>FY'26 Adjusted Budget</b>	<b>FY'27 Proposed Budget</b>	<b>FY'28 Projected Budget</b>
<b>1. SOT Reinforcements</b>	<b>181,000</b>	<b>181,000</b>	<b>181,000</b>	<b>181,000</b>
<b>2. General Manager</b>	<b>19,776</b>	<b>19,776</b>	<b>19,776</b>	<b>19,776</b>
<b>3. Treasurer/Controller</b>	<b>21,600</b>	<b>22,000</b>	<b>22,000</b>	<b>22,000</b>
<b>4. General Consultant</b>	<b>55,000</b>	<b>60,000</b>	<b>65,000</b>	<b>65,000</b>
a. PG&E Transmission Administration	30,000	30,000	32,000	32,000
b. SOT	25,000	30,000	33,000	33,000
<b>5. Special Counsel</b>	<b>5,000</b>	<b>5,000</b>	<b>-</b>	<b>-</b>
<b>6. SOT Related Debt Service</b>	<b>225,176</b>	<b>225,149</b>	<b>225,198</b>	<b>225,133</b>
<b>Total</b>	<b>507,552</b>	<b>512,925</b>	<b>512,974</b>	<b>512,909</b>

**TAB 22**

**REPORT AND POTENTIAL ACTION ON ADMINISTRATIVE ITEMS**

The Commission will discuss and may take action as necessary on the following administrative matters.

- a. Approval of an Update to the Officers List for 2026
- b. Hourly Rate Increase for TANC Staff (Guidehouse)

## Updated Proposed TANC Officers Calendar Year 2026

<b><u>TANC Officers</u></b>	
Chair	Martin Caballero
Vice Chair and Secretary	Bill Forsythe
Contract Executive/General Manager	Cory Danson
Treasurer	<i>James Ramsey</i>
Controller	<i>Kyle Bartle</i>
Assistant Controller	<i>Kamiko Tsuchida</i>
<b><u>General Manager's Committee Representatives</u></b>	
Audit/Budget Chair	Sondra Ainsworth
Audit/Budget -Ex Officio Member and Secretary	Larry Riegler
Contracts Chair	Basil Wong
Contracts-Ex Officio Member and Secretary	Cory Danson
Finance Chair	Jennifer Restivo
Finance -Ex Officio Member and Secretary	Larry Riegler
Engineering & Operations (E&O) Chair	Cory Danson
E&O -Ex Officio Member and Secretary	Amy Cuellar
Open Access Transmission Tariff (OATT) Chair	David Olivares
OATT -Ex Officio Member and Secretary	Cory Danson
<b><u>TANC/COTP Representatives</u></b>	
COTP Management Committee (MC) Chair	Cory Danson
COTP MC Ex Officio Member and Secretary	Amy Cuellar
COTP E&O Committee Chair	Steve Tuggle
COTP E&O Ex Officio Member and Secretary	Cory Danson
Administrative Representative (Owners Coordinated Operating Agreement)	Cory Danson
E&O Representative (Owners Coordinated Operating Agreement)	Saurabh Monga
Reclamation District 2024 Trustee	Don Wagenet

*\*New appointments noted in bold italics; Effective Date – June 1, 2026*



2333 Gold Meadow Way, Suite 280  
Gold River, CA 95670  
Guidehouse.com

**Memorandum**

**To:** Cory Danson , TANC - General Manager  
**From:** Matt Arenchild, Guidehouse  
**Date:** May 7, 2026  
**Re:** STAFF CLASSIFICATIONS AND RATE CHANGES

Pursuant to the existing Agreement for Operation, Maintenance, and Management between the Transmission Agency of Northern California (TANC) and Guidehouse Inc. (Guidehouse), dated November 8, 1993 (Agreement), Guidehouse semiannually notifies TANC of the billing classifications of Guidehouse personnel who are working or may work on California Oregon Transmission Project (COTP) related or TANC related activities.

Enclosure 1 contains a directory of staff that may be assigned to these work efforts and provides the billing classifications of Guidehouse personnel who are currently working or may work on COTP and TANC assignments. Identified staff that are in italics are generally classified as backup and are not primary staff working on a day-to-day basis for TANC. In addition, we may occasionally require additional Guidehouse staff to support a specific task or activity beyond those identified herein. In this instance, we would advise you of the additional staffing request prior to the engagement.

In the aforementioned Agreement, Guidehouse may request changes to rates charged for TANC and COTP work activities on an annual basis. Guidehouse is requesting a rate increase on TANC and COTP related work starting July 1, 2026. The rates in the attached Enclosure 1 reflect increases of between \$0 and \$10 an hour depending on the billing classifications, an average increase of 2.9 percent from the existing hourly rates (which were increased in 2025 by an average of 2.7 percent).

Your signature below will signify your approval of these billing classifications, rate changes, and changes in staffing.

---

Cory Danson  
TANC General Manager

Enclosure



# GUIDEHOUSE INC.

## BILLING RATES AND STAFF CLASSIFICATIONS

### Billing Rates (effective 7/1/2026)

<b>Billing Classification</b>	<b>Rates (\$/Hour)</b>
Managing Director	\$395
Director	\$365
Managing Executive	\$340
Principal Executive	\$305
Executive Consultant	\$280
Principal Consultant	\$255
Supervising Consultant	\$225
Senior Consultant	\$210
Associate	\$175
Analyst	\$145
Research Assistant	\$105
Office Services	\$75

**MANAGING DIRECTOR**

Requires a Bachelor's degree, or equivalent, with a minimum of 15 years of experience, including at least 10 years in a senior management position. The incumbent exercises complete oversight and management of major projects and is responsible for a business unit. Incumbents are usually principals of the firm and have significant recognition in the industry.

Matt Arenchild

*Chris Luras (Risk and Compliance)*

*Chris Rogers\**

\* New employee

\*\* Billing classification adjustment

**DIRECTOR**

Requires a Bachelor's degree, or equivalent, with a minimum of 15 years of professional experience, including increasing levels of experience within the firm. Incumbents are usually responsible for one or more large, complex projects and may have staff management responsibilities within the firm. The incumbent exercises complete latitude in determining goals and objectives and utilization of staff on specified projects. Incumbent's qualifications and achievements have significant industry recognition.

Larry Riegler  
Irina Green (Transmission-Contractor)  
*Keshav Sarin (Risk and Compliance)*

\* New employee

\*\* Billing classification adjustment

**MANAGING EXECUTIVE**

Requires a Bachelor's degree, or equivalent, with a minimum of 15 years of professional utility industry experience or at least 10 years of experience after receiving an engineering or advanced degree. Incumbent's qualifications and achievements have significant industry recognition.

Amy Cuellar

Don Wagenet

DJ McCarty (Risk and Compliance)\*\*

*Jennifer Glazer\**

*Tim Schierrmeyer (Transmission-Contractor)*

*Sean Larson (Transmission-Contractor- Toth and Associates)\**

\* New employee

\*\* Billing classification adjustment

**PRINCIPAL EXECUTIVE**

Requires a Bachelor's degree, or equivalent, with a minimum of 10 years of professional experience, including at least 2 years of management experience, or completion of an MBA or higher degree. High level of proven management and technical experience required. The incumbent must be able to define and solve complex problems by his or her own expertise and evaluate the work of technical specialists. Those in this position will have wide latitude for the overall responsibility and conduct of large projects.

Gary Farmer

\* New employee

\*\* Billing classification adjustment

**EXECUTIVE CONSULTANTS**

Requires a Bachelor's degree, or equivalent, with a minimum of 8 years of professional experience, or completion of an MBA or higher degree. The incumbent must be able to define and solve complex problems with minimal supervision. This position will assess and/or establish the feasibility and soundness of proposed concepts and designs, some of which require complex or unique solutions.

Jacquie Smith (Risk and Compliance--*Contractor*)

*Joseph Baugh (Risk and Compliance)*

*Warren Hess (Transmission)*

\* New employee

\*\* Billing classification adjustment

**PRINCIPAL CONSULTANTS**

Requires a Bachelor's degree, or equivalent, with a minimum of 6 years of professional experience. The incumbent is generally a project manager on medium-size projects and is expected to develop and write major sections of technical reports within his/her area of responsibility and expertise. This position will provide comprehensive support on planning and project management.

David La Porte

David Persson\*\*

*Adam Daly (Risk and Compliance)*

*Sie Toure (Modeling)*

\* New employee

\*\* Billing classification adjustment

### **SUPERVISING CONSULTANTS**

Requires a Bachelor's degree, or equivalent, with a minimum of 5 years of professional experience. The incumbent may serve as a project manager on small- to medium-size projects or a major element of a large project. The incumbent may supervise the work and training of others assigned to each project. This individual will have an expert level of competence within a specific field and general knowledge of other related fields of expertise.

Kyle Chan\*

*Gary Vienna (Risk and Compliance)*

\* New employee

\*\* Billing classification adjustment

### **SENIOR CONSULTANTS**

Requires a Bachelor's degree, or equivalent, with a minimum of 4 years of professional experience. Incumbent works as part of a matrix team on medium-size projects or may be in charge of a specific element of a large project. Incumbent accomplishes assigned projects with a high degree of professional competence. Completed work is reviewed for desired end results.

Hani Mavalizadeh (Transmission)\*\*

*Lynna Ohanian (Energy markets)*

Brett (Emma) Bishop (*Risk and Compliance*)\*

\* New employee

\*\* Billing classification adjustment

**ASSOCIATE**

Requires a Bachelor's degree, or equivalent, with a minimum of 2 years of professional experience. Incumbents are working-level professionals, supervised by and under the guidance of an experienced consultant. Work is performed within general guidelines and procedures. Requires application of principles, theories, and concepts in field of specialization.

Fonda Trimble\*

Connor Kuhl\*

Annika Gaglani\*

*Juan Jimenez (Transmission)*

\* New employee

\*\* Billing classification adjustment

**ANALYST**

Requires a Bachelor's degree, or equivalent, with no prior experience. Accomplishes assigned tasks, which may involve research, calculation, analyses, or minor report writing. The incumbent may also work on assignments pertaining to multiple projects.

*Revanasiddayya Swamy, Sameep\**  
*Sravanthi, Kommoju\**

\* New employee

\*\* Billing classification adjustment

**RESEARCH ASSISTANT**

Requires a Bachelor's degree, or equivalent, with no prior experience. Accomplishes assigned tasks, which may involve research, calculation, analyses, or minor report writing. The incumbent may also work on assignments pertaining to multiple projects.

No applicable staff

\* New employee

\*\* Billing classification adjustment

**OFFICE SERVICES**

No prior experience is required. Accomplishes assigned tasks, which may involve research, calculation, analyses, or minor report writing. The incumbent may also work on assignments pertaining to multiple projects.

No applicable staff

\* New employee

\*\* Billing classification adjustment

**TAB 23**

**MEETING CALENDAR**

The TANC Commission will confirm the date of its next scheduled meeting is June 17, 2026.