



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

## MEMORANDUM

DATE: October 15, 2025

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: OCTOBER 22, 2025 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, October 22, 2025, 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: 317 380 058#**

In addition to the customary reports, enclosed are reports related to WestConnect Activities, California-Oregon Transmission Project matters, TANC technical matters, Western Electricity Coordinating Council matters, Federal Energy Regulatory Commission and other related regulatory matters, Open Access Same-Time Information System matters, wildfire activities, TANCs reliability standards compliance activities and California Independent System Operator matters. The TANC Commission will also receive a report from TANC's General Manager and discuss proposed amendments to Project Agreement Number 3. The TANC Commission will also consider resolution relating to TANC's Treasure/Controller Services and also a resolution approving an agreement for Insurance Broker Services. The TANC Commission will also consider an administrative item and then 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.

## **TAB 4**

### **PUBLIC COMMENT**

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

**TAB 5**

**DRAFT MINUTES AND ATTACHMENTS**

**AGENDA**  
**TANC COMMISSION MEETING**  
**October 22, 2025**  
**10:00 AM**

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

**Remote Locations:**

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

**Redding Electric Utility**  
3611 Avtech Parkway  
Redding, CA 96002

**City of Santa Clara**  
881 Martin Avenue Santa  
Clara, CA 95050

**City of Palo Alto Utilities**  
250 Hamilton Avenue  
Palo Alto, CA, 94301

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 [lrriegle@tanc.us](mailto:lrriegle@tanc.us) in advance of the meeting to arrange for such accommodations.

**Join Meeting: 1 (202) 945-4283; Phone Conference ID: 317 380 058#**

**1. Call to Order**

The TANC Chair will call the meeting to order.

**2. Roll Call**

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

3. Approval of Agenda

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

**PUBLIC COMMENT**

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

**CONSENT CALENDAR**

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

5. Approval of the Draft Minutes from the September 17, 2025 TANC Commission Meeting.

Enclosed are the draft minutes from the September 17, 2025 TANC Commission meetings, for approval, subject to any necessary corrections or clarifications.

6. Report on TANC's Investment Purchases

Enclosed are reports on TANC's investment purchases.

7. Report on General Manager's Committees

Enclosed are approved meeting minutes from the following committees:

- a. Contracts Committee
- b. 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 Technical TANC Matters

Enclosed is a report regarding TANC technical matters.

11. Report on WECC Matters

Enclosed is a report regarding Western Electricity Coordinating Council matters.

12. Report on FERC and Related Regulatory Matters

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

13. Report on TANC OASIS Matters

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

14. Report on Wildfire Activities

Enclosed is a report regarding recent wildfire related initiatives.

15. Report on TANC's Reliability Standards Compliance Activities

Enclosed is a report regarding TANC's reliability standards compliance activities.

16. Report on CAISO Matters

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

**INFORMATION ITEMS**

17. Report from the TANC General Manager

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

18. Discussion Regarding Proposed Amendments to Project Agreement Number 3

The Commission will discuss the status of the proposed amendments to Project Agreement Number 3.

**ACTION ITEMS**

19. Resolution on TANC's Treasure/Controller Services

The Commission will consider a resolution taking action on the future of TANC's Treasurer/Controller services.

20. Resolution Approving an Agreement for Insurance Broker Services

The Commission will consider a resolution approving an agreement for Insurance Broker Services for the COTP.

## **ADMINISTRATIVE ITEMS**

### 21. Report and Potential Action on Administrative Items

- a. Proposed rates increase for TANC Special Counsel-Duncan, Weinberg, Genzer & Pembroke, P.C to be effective for work performed on and after January 1, 2026

### 22. Meeting Calendar

The Commission will confirm the date of its next scheduled meeting, October 22, 2025.

MINUTES  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
COMMISSION MEETING  
SEPTEMBER 17, 2025

Chair Zettel (City of Redding) called the September 17, 2025 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 Zettel 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 September 17, 2025 TANC Commission agenda. Mr. Caballero (Modesto Irrigation District) seconded the motion, which was approved by the TANC Commission. The approved agenda for the September 17, 2025 TANC Commission meeting is included as Attachment 2.

**PUBLIC COMMENT**

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

**CONSENT CALENDAR**

Chair Zettel asked if any Commissioner would like a discussion or removal of any item under the Consent Calendar. There were no requests. Mr. Caballero (Modesto Irrigation District) made a motion to approve the consent calendar. Mr. Wong (City of Santa Clara) seconded the motion, which was approved by the TANC Commission. The approved minutes from the August 20, 2025 TANC Commission meeting are included as Attachment 3.

## **INFORMATION ITEMS**

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

Mr. Danson reported that he is working with staff, the tenant farmer, and Pacific Gas and Electric Company (PG&E) to find a long-term solution regarding PG&E's obligation to provide gas service at Palm Tract. The Commission also discussed the additional criteria on pre-emptive de energization that was added during the last update of the TANC Wildfire Mitigation Plan for the California-Oregon Transmission Project (COTP) and determined that the additional criteria is sufficient and no additional criteria is recommended at this time to address Public Safety Power Shutoffs. Mr. Danson also reported that the Western Area Power Administration (WAPA) has prioritized the Series Capacitor Procurement project for their Fiscal Year 2026 and expected to re-engage on the procurement in October 2025. Chair Zettel requested a high-level schedule and financial obligations of the project to track progress moving forward. Mr. Danson also noted that WAPA had also prioritized the procurement of the painting of the COTP river crossing towers for their Fiscal Year 2026 and the COTP Engineering and Operations Committee will be considering the mitigation options and making a recommendation for approval to the TANC Commission at their meeting in November. The TANC Commission also discussed options for reconfirming and memorializing the TANC-WAPA relationship. Mr. Danson also noted that an Owners' Coordinated Operations Agreement meeting is being held on September 22, 2025, and that agenda items include outage coordination and total transfer capability issues. Mr. Danson reported that he is working with TANC Special Counsel on updates to Project Agreement Number 3 and that it is not a full re-write but redline updates would be submitted to the Commission for their internal discussions before the Commission is asked to take an action. Lastly, Mr. Danson noted that, to date, he has met with all Members except the City of Roseville and that he intends to schedule at least quarterly meetings going forward.

## **ACTION ITEMS**

### ***Discussion Regarding the Series Capacitor Procurement Project***

As discussed under the General Managers update, Mr. Danson again reiterated that WAPA has prioritized the Series Capacitor Procurement project for their Fiscal Year 2026 and expected to re-engage on the procurement in October 2025.

### ***Discussion Regarding TANC's Treasurer/Controller***

The TANC Commission discussed the Sacramento Municipal Utility Districts' request to cease providing Treasurer/Controller services to TANC in 2026. Mr. Danson agreed to send the Commissioners a list of the activities necessary to provide Treasurer/Controller services to TANC and requested that any Member interested in potentially taking some or all the duties to please let him know by October 1, 2025. The TANC Commission also advised staff to begin developing a Request for Proposals in the event that a Member could not take on some or all duties.

### ***Report and Potential Action on TANC's Available Cash Balances***

Ms. Nguyen (Sacramento Municipal Utility District) provided the TANC Commission with an overview of the TANC available cash balances through June 30, 2025. After discussion by the TANC Commission, Ms. Lewis (Sacramento Municipal Utility District) moved to approve the report on TANC available cash balances. The motion was seconded by Mr. Wong (City of Santa Clara) and approved by the TANC Commission by roll call vote, with the City of Roseville absent.

### ***Resolution Approving a Revised TANC OATT***

Mr. Danson and TANC Special Counsel provided a summary of the proposed updates to TANC's Open Access Transmission Tariff (OATT) (including the Large Generator Interconnection Procedures and Large Generator Interconnection Agreement) that were developed in accordance with Federal Energy Regulatory Commission Orders 2023 and 2023-A. Mr. Danson also noted that at their meeting on September 4, 2025, the General Manager's OATT Committee

recommended approval of the revised TANC OATT. After discussion by TANC Commission, Mr. Caballero (Modesto Irrigation District) moved to approve the revised TANC OATT and to authorize the TANC Open Access Same-time Information System (OASIS) service provider to post a clean version of the revised TANC OATT on TANC's OASIS webpage at a future date 30 days before TANC is prepared to open its TANC Interconnection Queue (which is subject to the approval of the TANC Commission). This motion was seconded by Mr. Wong (City of Santa Clara) and approved by the TANC Commission, with the City of Roseville being absent and the Sacramento Municipal Utility District abstaining. Resolution 2025-13 is included as Attachment 4.

### *Meeting Calendar*

The next regular TANC Commission meeting is scheduled for October 22, 2025. There being no further business, Chair Zettel adjourned the meeting.

ATTENDANCE LIST

TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
COMMISSION MEETING

September 17, 2025

10:00 AM

NAME

ORGANIZATION

|                  |                                       |
|------------------|---------------------------------------|
| Nick Zettel      | City of Redding                       |
| Joe Bowers       | City of Redding                       |
| Martin Caballero | Modesto Irrigation District           |
| Manjot Gill      | Turlock Irrigation District           |
| Laura Lewis      | Sacramento Municipal Utility District |
| Chris Hoffman    | Sacramento Municipal Utility District |
| Hieu Nguyen      | Sacramento Municipal Utility District |
| Lisa Limcaco     | Sacramento Municipal Utility District |
| Basil Wong       | City of Santa Clara                   |
| Kathleen Hughes  | City of Santa Clara                   |
| Anish Nand       | Northern California Power Agency      |
| Melinda Jones    | Western Area Power Administration     |
| Steve Gross      | TANC General Counsel                  |
| Bhaveeta Mody    | TANC Special Counsel                  |
| Sylwia Dakowicz  | TANC Special Counsel                  |
| Cory Danson      | TANC General Manager                  |
| John Roukema     | TANC Advisor                          |
| Amy Cuellar      | TANC Staff                            |
| Larry Riegle     | TANC Staff                            |

**AGENDA**  
**TANC COMMISSION MEETING**  
**August 20, 2025**  
**10:00 AM**

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

**Remote Locations:**

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

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 [lrriegle@tanc.us](mailto:lrriegle@tanc.us) in advance of the meeting to arrange for such accommodations.

**Join Meeting: 1 (202) 945-4283; Phone conference ID: 693 520 898#**

**1. Call to Order**

The TANC Chair will call the meeting to order.

**2. Roll Call**

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

**3. Approval of Agenda**

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

## PUBLIC COMMENT

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

## CONSENT CALENDAR

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

5. Approval of the Draft Minutes from the July 16, 2025 TANC Commission Meeting.

Enclosed are the draft minutes from the July 16, 2025 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. Open Access Transmission Tariff Committee

8. Report on COTP Matters

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

9. Report on Technical TANC Matters

Enclosed is a report regarding TANC technical matters.

10. Report on FERC and Related Regulatory Matters

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

11. Report on WECC Matters

Enclosed is a report regarding Western Electricity Coordinating Council matters.

12. Report on TANC OASIS Matters

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

13. Report on Wildfire Activities

Enclosed is a report regarding recent wildfire related initiatives.

14. Report on TANC's Reliability Standards Compliance Program

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

15. Report on CAISO Matters

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

**INFORMATION ITEMS**

16. Report from the TANC General Manager

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

**ACTION ITEMS**

17. Resolution Approving TANC's Reliability Standards Compliance Program

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

18. Discussion and Potential Action Regarding the Series Capacitor Procurement Project

The Commission will discuss and potentially consider an action on the Series Capacitor Procurement Project.

19. Report and Potential Action on Administrative Items

- a. Approval of an Update to Officers List for 2025

20. Meeting Calendar

The Commission will confirm the date of its next scheduled meeting is September 17, 2025.

MINUTES  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
COMMISSION MEETING  
AUGUST 20, 2025

Chair Zettel (City of Redding) called the August 20, 2025 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 Zettel 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 August 20, 2025 TANC Commission agenda. Mr. Olson (Sacramento Municipal Utility District) seconded the motion, which was approved by the TANC Commission. The approved agenda for the August 20, 2025 TANC Commission meeting is included as Attachment 2.

**PUBLIC COMMENT**

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

**CONSENT CALENDAR**

Chair Zettel asked if any Commissioner would like a discussion or removal of any item under the Consent Calendar. There were no requests. Mr. Gill (Turlock Irrigation District) made a motion to approve the consent calendar. Mr. Olson (Sacramento Municipal Utility District) seconded the motion, which was approved by the TANC Commission. The approved minutes from the July 16, 2025 TANC Commission meeting are included as Attachment 3.

**INFORMATION ITEMS**

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

Mr. Danson reported that he was working with the Western Area Power Administration to schedule an Owners' Coordinated Operations Agreement meeting and that the TANC Directory is in the process of being updated. Mr. Danson also that he will be working with TANC Special Counsel on updates to Project Agreement Number 3 and to develop a Long-Term Participation Agreement. The TANC Commission also discussed the status of the Series Capacitor Procurement Project and that the Sacramento Municipal Utility District would be withdrawing as the Treasurer/Controller for TANC.

**ACTION ITEMS*****Resolution Approving TANCS Reliability Standards Compliance Program***

Mr. Danson reported that Version 26 of the TANC Compliance Program has been presented for consideration and the modification are relatively minor to make sure that TANC remain aligned with the requirements of the Western Electricity Coordinating Council. After discussion by TANC Commission, Mr. Gill (Turlock Irrigation District) moved to approve Version 26 of the TANC Compliance Program. This motion was seconded by Mr. Costalupes (Modesto Irrigation District) and approved by the TANC Commission. Resolution 2025-12 is included as Attachment 4.

***Report and Potential Action on Administrative Items***

The TANC Commission considered an update to 2025 Officers List. After discussion by the TANC Commission, Mr. Costalupes (Modesto Irrigation District) moved to approve the administrative items. Chair Zettel (City of Redding) seconded the motion which was then approved by the TANC Commission by roll call vote.

***Meeting Calendar***

The next regular TANC Commission meeting is scheduled for September 17, 2025. There being no further business, Chair Zettel adjourned the meeting.

Respectfully submitted,

Signed by:

Cory Danson

CC1FE52B9F7842B...

Cory Danson  
TANC General Manager

RESOLUTION 2025-13

A RESOLUTION OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
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, TANC, as a non-jurisdictional transmission provider, while not required to maintain an Open Access Transmission Tariff (OATT) in accordance with the requirements of the Federal Energy Regulatory Commission (FERC) does so to maintain reciprocal compliance with FERC standards; and

WHEREAS, in July 2023 and April 2024, respectively, FERC issued Order 2023 and 2023-A and provided a new *pro forma* OATT (including the Large Generator Interconnection Procedures (LGIP) and Large Generator Interconnection Agreement (LGIA)) that transformed how transmission providers should process and study interconnection requests; and

WHEREAS, the General Manager's OATT Committee in coordination with TANC Special Counsel have revised TANC's OATT (including the LGIP and LGIA) to be generally consistent with the Order 2023 and Order 2023-A *pro forma* FERC OATT to the extent feasible and with minimal deviations that accommodate TANC's unique organizational structure, resource capabilities, and transmission assets relative to most FERC-jurisdictional transmission providers; and

WHEREAS at their meeting on September 4, 2025, the General Manager's OATT Committee recommended approval of the revised TANC OATT (including the LGIP and LGIA), in accordance with FERC Order 2023 and 2023-A.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission of the Transmission Agency of Northern California that the revised TANC OATT (including the LGIP and LGIA), in accordance with FERC Order 2023 and 2023-A is approved.

BE IT FURTHER RESOLVED that the TANC OASIS Provider (Western Area Power Administration – Sierra Nevada Region) is authorized to post a clean version of the revised TANC OATT on TANC's OASIS webpage at a future date 30 days before TANC is prepared to open its TANC Interconnection Queue (which is subject to the approval of the TANC Commission).

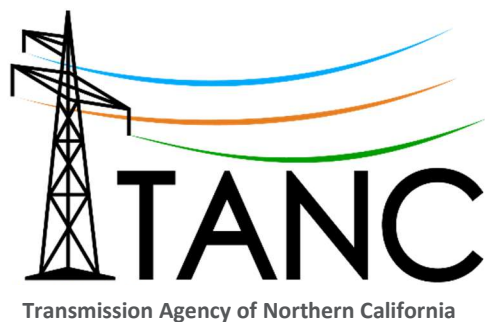
PASSED AND ADOPTED this 17<sup>th</sup> day of September 2025 on a motion by Mr. Caballero (Modesto Irrigation District) and seconded by Mr. Wong (City of Santa Clara).

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

**TAB 6**

**REPORT ON TANC'S INVESTMENT PURCHASES**

Enclosed is a report on TANC's investment purchases.



Dear Commissioners,

RE: MANDATED REPORTS

Attached are the Investment Purchases Reports for the months of July, August and September and the Portfolio Summary as of September 30, 2025. California Government Code Sections 53607 and 53646, respectively, mandate the reports. The investment portfolio complies with TANC's investment policy and the applicable bond indentures.

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

Should you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jon Anderson', is written over a light blue horizontal line.

Jon Anderson

TANC Assistant Treasurer

Attachments

Transmission Agency of Northern California

Portfolio Summary  
As of  
September 30, 2025

| Security Description                     | Issuer Description           | Coupon | Yield | Maturity Date | Par Value        | Original Cost    | Market Value     | Settlement Date |
|------------------------------------------|------------------------------|--------|-------|---------------|------------------|------------------|------------------|-----------------|
| Money Market Funds                       |                              |        |       |               |                  |                  |                  |                 |
| Local Agency Investment Fund             | Local Agency Investment Fund | 0.0%   | 4.19% | N/A           | \$ 42,796,523.22 | \$ 42,796,523.22 | \$ 42,796,523.22 | N/A             |
| Fidelity Inst MM Gov't Portfolio-Class I | Fidelity Investments         | 0.0%   | 4.00% | N/A           | 570,447.54       | 570,447.54       | 570,447.54       | N/A             |
| Federated Government Obligations         | Federated Investors Funds    | 0.0%   | 4.00% | N/A           | 43,264,598.97    | 43,264,598.97    | 43,264,598.97    | N/A             |
| First American Government Obligations    | First American Investments   | 0.0%   | 3.70% | N/A           | 3,795,750.00     | 3,795,750.00     | 3,795,750.00     | N/A             |
| TOTAL                                    |                              |        |       |               | \$ 90,427,319.73 | \$ 90,427,319.73 | \$ 90,427,319.73 |                 |

# Transmission Agency of Northern California

## Investment Purchases Report For Month Ended July 31, 2025

| Settlement<br>Date | Maturity<br>Date | Portfolio | Investment Type | Issuer | Par<br>Value |
|--------------------|------------------|-----------|-----------------|--------|--------------|
|--------------------|------------------|-----------|-----------------|--------|--------------|

No purchases in July 2025

Transmission Agency of Northern California

Investment Purchases Report  
For Month Ended  
August 31, 2025

| Settlement<br>Date | Maturity<br>Date | Portfolio | Investment Type | Issuer | Par<br>Value |
|--------------------|------------------|-----------|-----------------|--------|--------------|
|--------------------|------------------|-----------|-----------------|--------|--------------|

No purchases in August 2025

# Transmission Agency of Northern California

## Investment Purchases Report For Month Ended September 30, 2025

| Settlement<br>Date | Maturity<br>Date | Portfolio | Investment Type | Issuer | Par<br>Value |
|--------------------|------------------|-----------|-----------------|--------|--------------|
|--------------------|------------------|-----------|-----------------|--------|--------------|

No purchases in September 2025

**TAB 7**

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

|                                           |                   |
|-------------------------------------------|-------------------|
| Audit Budget Committee                    | October 23, 2025  |
| Contracts Committee                       | December 2, 2025  |
| Engineering and Operations Committee      | November 12, 2025 |
| Finance Committee                         | November 5, 2025  |
| Open Access Transmission Tariff Committee | December 2, 2025  |

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

|                                           |              |
|-------------------------------------------|--------------|
| Contracts Committee                       | June 3, 2025 |
| Open Access Transmission Tariff Committee | June 3, 2025 |

*Approved October 7, 2025*

MINUTES OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
GENERAL MANAGER'S  
CONTRACTS COMMITTEE MEETING  
June 3, 2025

Chair Wong called the June 3, 2025 Transmission Agency of Northern California (TANC) General Manager's Contracts Committee (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 June 3, 2025 Contracts Committee Agenda

Chair Wong inquired if there were any revisions to the proposed agenda. Upon hearing of no edits, the June 3, 2025 General Manager's Contracts Committee agenda was accepted.

Review and Approval of Minutes from the April 1, 2025 Contracts Committee Meeting

Minutes from the April 1, 2025 General Manager's Contracts Committee meeting were reviewed. Upon hearing of no objections the Minutes were accepted by Chair Wong.

FY25 Budget Versus Expenditure Report through April 2025

Mr. Riegle reviewed the FY25 Budget Versus Actual Report with the Committee through April 2025.

Incorporation of new 5100 MW COI Rating (WAPA 27 MW Request)

At the April 1, 2025 Committee meeting Mr. Riegle mentioned that the new California-Oregon Intertie ("COI") rating of 5100 MW in the North-South direction went live as of April 1, 2025 with the COTP now being rated at 1700 MW from the previous 1600 MW rating. Staff will continue to work with the Bonneville Power Administration in attempting to rectify constraints on their system limiting total capability at COI. Mr. Riegle also mentioned that TANC and staff will coordinate with the Commission in determination of the appropriateness of a capacity increase requested by a COTP Participant.

BANC Market Reports

Mr. Buckingham presented a series of charts associated with Balancing Authority of Northern California (BANC) data points for Committee review for March and April 2025.

Transmission Activities Report

Mr. Persson provided the Committee with an update on transmission activities including a report on the CAISO's EDAM implementation particularly related to congestion revenue allocation proposals, and FERC Order 881 status with the CAISO. Mr. Persson also provided an update on transmission planning activities by staff. Finally, Mr. Persson reviewed the announced Bonneville Power Administration NWACI summer season limits.

Semi-Annual Transmission Access Charge Report

Ms. Choi presented the latest TANC Forecast of the CAISO High Voltage TAC for Committee review and comment.

Extended Day-Ahead Market 101 Initial Presentation and Potential Impacts on COTP Usage

As a follow-up to the prior Committee meeting staff discussed a series of initial questions for guidance and direction by members associated with EDAM implementation. There was robust conversation about the role of TANC and the COTP in an EDAM world, and the potential impacts on the line and COTP participants (TANC members). Upon conclusion of discussion, it was suggested that a subcommittee on EDAM be contemplated, and that as the new TANC General Manager comes on board, further direction would be provided to staff.

Existing and Anticipated Litigation

Ms. Mody provided the Committee with an update on Regional Planning Matters, WestConnect, and FERC Order 1920-B.

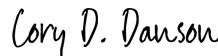
Next Meeting

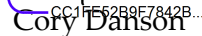
The next Contracts Committee meeting was scheduled for August 5, 2025 at 11:00 am.

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

Respectfully Submitted,

Signed by:

Cory D. Danson

Cory Danson

TANC General Manager

*Approved October 7, 2025*

MINUTES OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
GENERAL MANAGER'S  
OATT COMMITTEE MEETING  
June 3, 2025

Chair Olivares called the June 3, 2025 Transmission Agency of Northern California (TANC or Agency) General Manager's Open Access Transmission Tariff (OATT) Committee meeting to order at 1:20 p.m. Mr. Riegle took roll call and participants to the meeting are included as Attachment 1.

Approval of the June 3, 2025 Agenda

Chair Olivares inquired if there were any suggested changes to the draft agenda. Upon hearing of no suggested revisions the June 3, 2025 General Manager's OATT Committee Agenda was accepted.

Approval of Draft Minutes from the April 1, 2025 OATT Committee Meeting

Minutes from the April 1, 2025 OATT Committee meeting were reviewed by the Committee. Upon hearing of no suggested edits, the minutes were accepted by Chair Olivares.

Monthly OASIS Activity Report for April '25

Mr. Persson presented the April '25 Monthly OASIS Activity Report. It was noted that as the Extended Day-Ahead Market becomes effective there may be revisions and edits to the report to accommodate this new data set in addition to Energy Imbalance Market data.

Monthly CRR Program Update

Mr. Persson updated the Committee on the latest actual Congestion Revenue Rights program costs and revenue received in March '25 with estimates for April '25. SMUD continues to shown some interest in possible participation.

FERC Order 2023 and 2023-A Progress Report

As a follow-up from the prior meeting, Mr. Persson and Ms. Dakowicz updated the Committee with a PowerPoint presentation associated with proposed revisions in the TANC OATT to accommodate FERC Orders 2023 and 2023A (cluster versus serial process). Additionally, a redline of proposed Large Generating Interconnection Procedure (LGIP) revisions was sent as additional material. After review and discussion by Committee members, it was determined that the generator interconnection queue may be suspended as TANC Staff prepares implementation of these new interconnection procedures.

Transmission Service Pricing and Products

No action was taken by the Committee associated with rate revisions at this time.

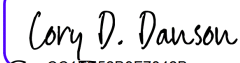
Next Meeting

A "Special" General Manager's OATT Committee meeting was scheduled for July 10, 2025 at 10:00 a.m. with the next regularly scheduled meeting slated for August 5, 2025 at 9:00 a.m.

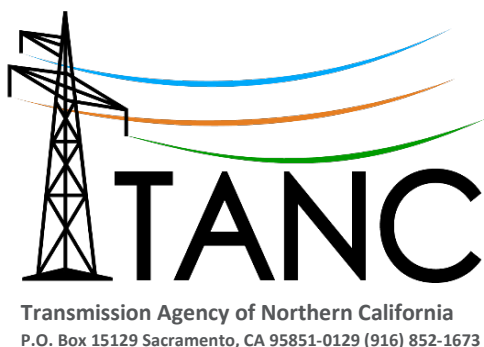
*Documents from this meeting will be distributed upon request subject to applicable privileges.*

Respectfully Submitted,

Signed by:

  
Cory Danson

TANC General Manager



## MEMORANDUM

DATE: October 15, 2025

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 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 September 16, 2025. The most recent Planning Management Committee (PMC) meeting was held on September 17, 2025. The next PS and PMC meetings are scheduled for October 16 and 17, 2025.

### **Planning Subcommittee**

At their meeting on September 16, 2025, the PS met briefly and discussed the 2024-2025 Transmission Plan Report. The first draft of the report will be sent out to members in October for initial review. The plan is then for the second draft 2 of the report to be sent in November and the third draft 3 in December. The goal is to have the Transmission Plan Report completed in time for approval at the December 17, 2025 PMC meeting. The PS also discussed the timeline for the 2026-2027 study plan. The plan will be shared in December for discussion at the subsequent PS meetings. The goal is to have the study plan approved at the March 2026 PMC meeting.

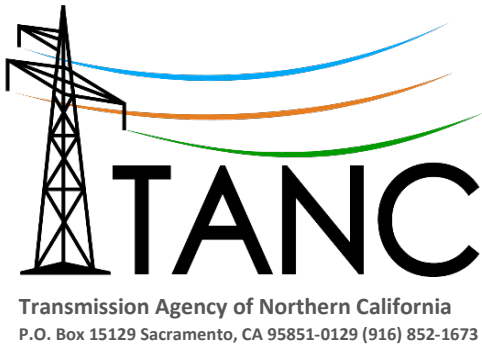
### **Planning Management Committee**

At their meeting on September 16, 2025, the PMC shared the financial report which stated that member invoices were sent out and budget details were distributed to members in September. Next, the PMC shared the details for those seeking to become members via the Planning Participation Agreement (PPA). After this, the planning consultant shared the details of their

report. This included updates on the 2024-2025 Regional Plan Report and the 2026-2027 Study plan. A summary of key dates shared during the call is below:

| Milestone (2022-23)                | Lead     | Next <u>PMC</u> Key Date and Action |
|------------------------------------|----------|-------------------------------------|
| 2024-25 Study Plan                 | PS       | Approved on March 20, 2024          |
| Model Development Report           | PS       | Approved on December 18, 2024       |
| Regional Needs Assessment Report   | PS / PMC | Approved on January 15, 2023        |
| 5Regional Transmission Plan Report | PMC      | Approval December 17,2025           |
| 2026-27 Study Plan                 | PS       | Approval March 2026                 |

Following this discussion, the Contract and Compliance Committee shared that Basin Electric is withdrawing from WestConnect based on recent Federal Energy Regulatory Commission filings. The PMC also reviewed the Business Practice Manual which is scheduled to be considered for approval by the end of the year.



## MEMORANDUM

DATE: October 15, 2025

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON COTP MATTERS

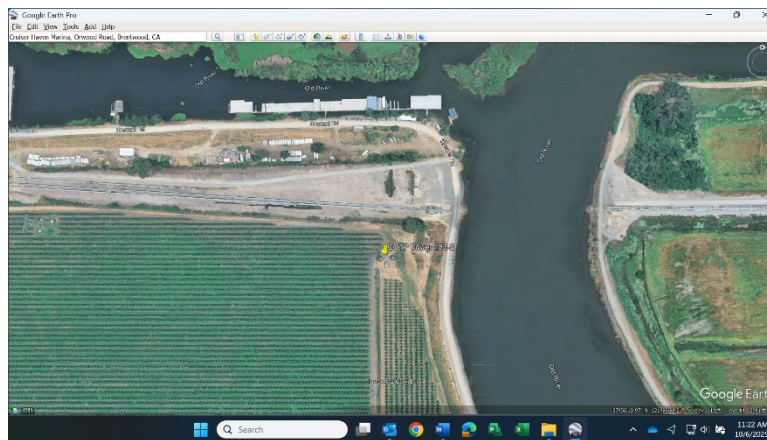
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Recent California-Oregon Transmission Project (COTP) environmental and land matters and permit and land transmission line activities pertaining to the Transmission Agency of Northern California (TANC) have included:

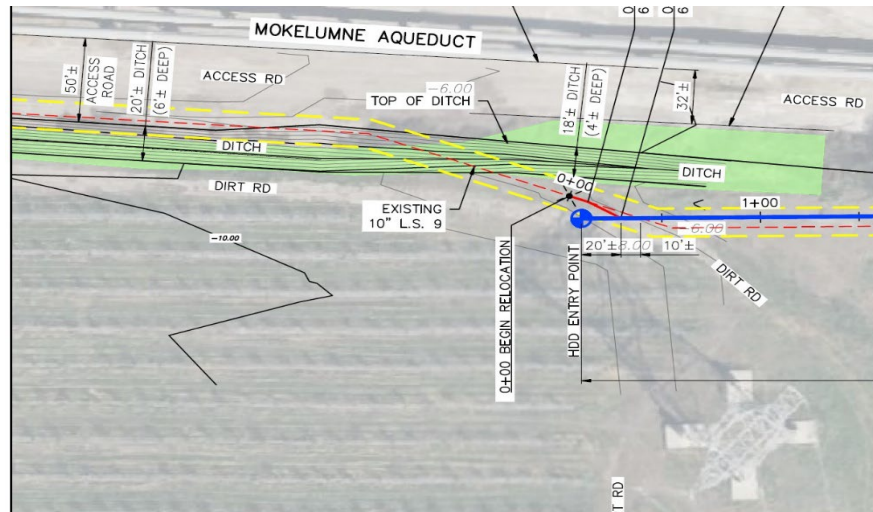
### **Palm Tract**

#### *Planned Relocation of the Kinder Morgan Fuel Pipeline Near COTP Tower 183-2*

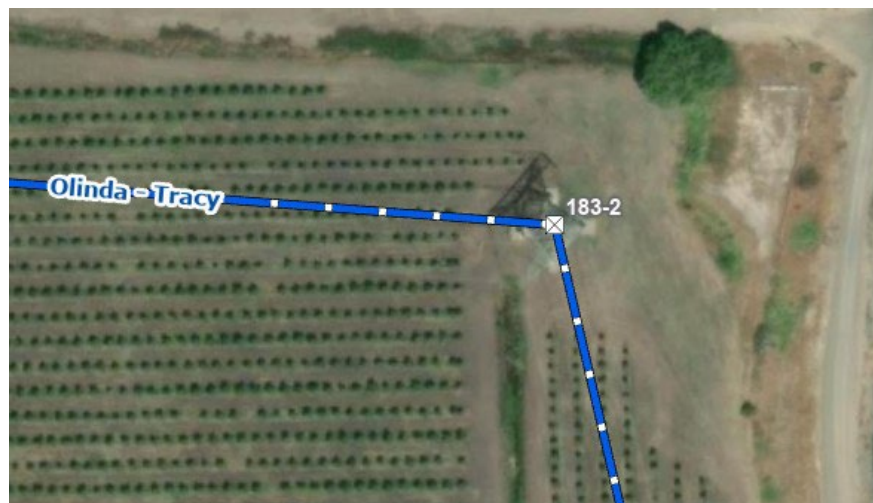
Kinder Morgan is planning to relocate one of its fuel pipelines in the Sacramento-San Joaquin Delta. The relocation is planned to cross Old River near COTP Tower 183-2, which is shown in the center of Figure 1, just south of Cruiser Haven Marina on the north side of Orwood Tract, which is immediately south of Palm Tract. Figures 2 and 3 provide information on the alignment of the pipeline planned for relocation, and Tower 183-2 and adjacent COTP right of way.



**Figure 1. COTP Tower 183-2 (yellow marker - center of photo)**

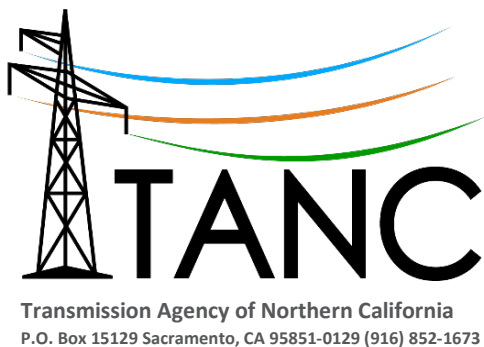


**Figure 2. Pipeline Relocation Alignment & COTP Tower**



**Figure 3. COTP Olinda-Tracy Right of Way and Tower 183-2 Location**

The Secretary/Counsel and District Engineer for Reclamation District 2024 (RD 2024) are coordinating with Kinder Morgan representatives. RD 2024 will require the appropriate levee encroachment and crossing permits and has expressed concerns regarding potential levee impacts associated with horizontal directional drilling bore hole locations, maximum allowable fluid pressures, pipeline depth, grouting, and quality assurance provisions. RD 2024 is requesting the use of appropriate casings, full coordination of staging and logistics with the landowners, and other precautions. TANC staff have been assured that concerns regarding similar issues associated with soil and hydraulic stability near the COTP tower footings, COTP right of way encroachments, and tower access issues will be addressed during ongoing permitting discussions. Construction is scheduled to start in January 2026 with a duration of two months.



## MEMORANDUM

DATE: October 15, 2025

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON TECHNICAL MATTERS

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

### **California-Oregon Intertie (COI) 2025-2026 Winter Operating Season**

The COI 6110 Operating Procedure (OP) will be updated for the 2025-2026 winter operating season to reflect the updated COI Nomogram determined in the COI seasonal study. The updated 6110 OP will become effective on November 1, 2025, at the start of the 2025-2026 winter operating season. The COI seasonal maximum Total Transfer Capability (TTC) for the COI 2025-2026 winter operating season is shown in the table below. However, the actual COI TTC is not expected to reach these levels during the winter operating season due to the planned 500 kilovolt outages.

**COI Seasonal Max TTC for the 2025-2026 Winter Operating Season**

| Path                 | Seasonal Max TTC (MW) | Limitation  |
|----------------------|-----------------------|-------------|
| COI (North-to-South) | 5,100                 | Path Rating |
| COI (South-to-North) | 3,675                 | Path Rating |

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

TANC transmission planning staff participate in Western Electricity Coordinating Council (WECC) Project Coordination Review Groups (PCRGs) to evaluate if projects may have an adverse impact on the COI or the COTP facilities. A status update on PCRGs where TANC is actively participating is provided below.

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

*Boardman-Hemmingway Transmission Line – Idaho Power Sponsored Project (B2H)*

TANC continues to participate in the B2H Phase 3 Path Rating evaluation which is still in progress. Idaho Power completed an initial draft report for the PCRG for review, but Bonneville Power Administration (BPA) and several California entities still have outstanding concerns related to conditions when COI flows are in the South-to-North direction. At the request of BPA and the California entities, the study process was extended so that the appropriate studies can be completed to address the outstanding concerns. BPA and the California entities have been actively reviewing and modifying the base cases that will be used for additional studies.

**2025 Annual Planning Assessment**

The 2025 TANC Planning Assessment study process is currently underway. TANC staff are currently in the later stages of the study cases development and preparation. The draft study cases, and preliminary power flow results will be shared with the TANC members for review by October 17, 2025. A tentative study schedule is shown in the tables below.

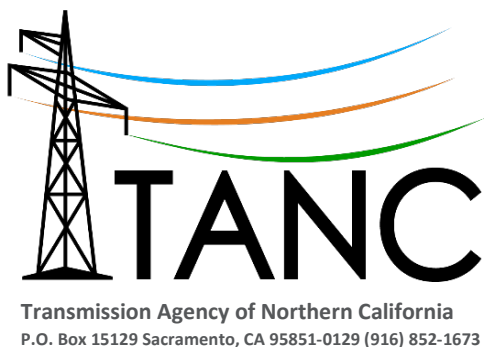
| Step  | Description                                                                                  | Tentative Date |
|-------|----------------------------------------------------------------------------------------------|----------------|
| 1     | Distribute the Draft Study Plan for Comment                                                  | Completed      |
| 2     | Address Comments and Finalize the Study Plan                                                 | Completed      |
| 3     | Distribute Draft Study Cases and Preliminary Power Flow Study Results for Review and Comment | 10/17/2025     |
| 4     | Review and Address Comments                                                                  | 10/24/2025     |
| 5     | Distribute the Draft Report for Comment                                                      | 11/24/2025     |
| 6     | Review and Address Comments                                                                  | 12/07/2025     |
| 7     | Finalize Report                                                                              | 12/31/2025     |
| Note: | TANC's TPL-001-5 Compliance Deadline                                                         | 12/31/2025     |

**TANC Active Affected System Studies**

TANC routinely monitors proposed projects to identify those where the COTP may be impacted by a proposed interconnection or addition of facilities or upgrades to another transmission system. Those projects where TANC is currently actively involved as an affected system and that have had status changes since the last TANC Commission meeting are discussed below.

*CAISO Cluster 13*

TANC is currently an identified Affected System to the Queue 1702 Project that was part of the CAISO Cluster 13 study. TANC has completed the Affected System Impact Study (ASIS) and the supplemental studies requested by the developer. The ASIS final report was shared with the developer, CAISO, and the TANC Planning Coordinator (Western Area Power Administration) in September. The study indicated that the Project would have an adverse impact on the COTP facilities and provided two alternative mitigation solutions.



## MEMORANDUM

DATE: October 15, 2025

TO: TANC Commission

FROM: Cory Danson  
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 Risk Committee Steering Committee**

At the September 8, 2025 Reliability Risk Committee Steering Committee (RRCSC) meeting, the RRCSC discussed the schedule for the October Reliability Risk Committee (RRC) and Reliability Assessment Committee (RAC) meetings. Potential topics for the combined RRC and RAC session were discussed including joint discussions of risk, standards updates and efforts relating to report writing. The Protection and Control Subcommittee, which is involved in developing and reviewing reliability standards, shared that they are developing guidance for reliability standards PRC-025 for hybrid resources interconnecting to the grid. Another key item discussed was the evaluation of the WECC-1 Remedial Action Scheme (RAS). The RRCSC stated that Bonneville Power Administration is taking the lead in performing the evaluation of this RAS.

### **Member Advisory Committee**

At the September 18, 2025 Member Advisory Committee (MAC) meeting, the MAC passed a resolution which updated the leadership of the committee. Next, the MAC shared a paper in which WECC requests engagement on how to enhance the Reliability Risk Management Program to gain further stakeholder input. The process evolution for the Risk Management Program was shared and key points include increasing stakeholder engagement, prioritizing risks based on

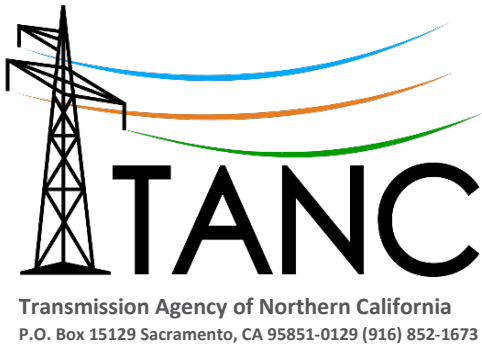
A Public Entity whose Members include:

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

WECC's role and risk tracking. Finally, it was noted that key needs for the Risk Management Program include analytically backed selection and ranking of risks and stakeholder input – particularly for those with specific technical expertise.

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## MEMORANDUM

DATE: October 15, 2025

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON FERC AND OTHER REGULATORY MATTERS

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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.

### **Actions to Enhance Grid Reliability**

On September 18, 2025, FERC voted unanimously to approve actions focused on modernizing reliability and security of the Bulk Power System from threats related to cybersecurity, supply chain risk management, and extreme cold weather. These actions include:

Supply Chain Risk Management – adopted a previous proposal to direct the North American Electric Reliability Corporation (NERC) to develop new or modified Reliability Standards to address identified gaps in the current Supply Chain Risk Management Reliability Standards. NERC is required to provide modifications within 18 months.

Virtualization – proposed four new and 18 modified definitions in the NERC Glossary of Terms and 11 modified Critical Infrastructure Protection (CIP) Reliability Standards to enable compliant virtualization. The modifications are designed to protect virtual and cloud-based technologies applied with the Bulk Power System, enabling cost-saving efficiencies through technological modernization.

CIP Reliability Standard CIP-003-11 – proposed revised Reliability Standards CIP-003 (Cyber Security – Security Management Controls) to enhance the cybersecurity of low-impact Bulk

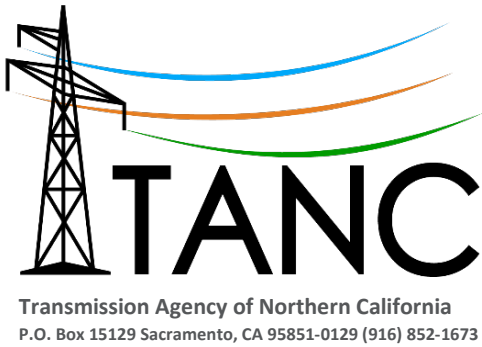
A Public Entity whose Members include:  
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Palo Alto, Plumas-Sierra Rural Electric Cooperative, Redding, Roseville,  
Sacramento Municipal Utility District, Santa Clara, Turlock Irrigation District, Ukiah

Electric System Cyber Systems against the threat of coordinated cyber-attack by establishing new security requirements for communications and system management.

Extreme Cold Weather Reliability Standard – approved NERC’s proposed revisions to Reliability Standard EOP-012 (Extreme Cold Weather Preparedness and Operations) to improve clarity in communications requirements and helps ensure that needed power is available for the people and businesses which rely on it during extreme cold weather events. The revised standard was effective October 1, 2025.

### **Funds for Coal Plant Projects**

On September 29, 2025, the US Department of Energy announced a \$625 million investment to expand America’s coal industry and to boost energy production. The Department of Energy committed to providing \$350 million for coal recommissioning and retrofits for projects to demonstrate readiness to recommission or modernize coal power units and provide near-term electric power reliability and capacity.



## MEMORANDUM

DATE: October 15, 2025

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.

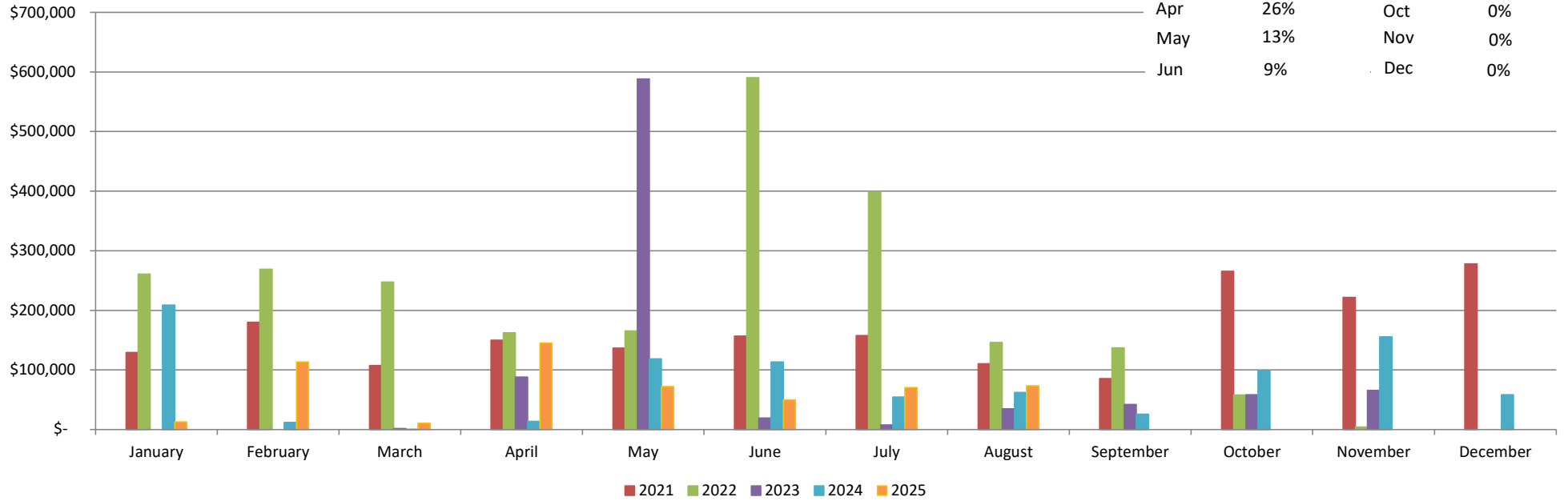
Enclosed is a bar graph indicating PA-5 Member third party OASIS sales on a monthly basis since 2021, in addition there are pie charts indicating monthly sales through August 2025 as well as year-to-date 2025 sales. A second bar graph includes calendar year sales from 2021 through August 2025. Additionally, 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 August totaled \$73,572. The 2025 Year-to-Date sales through August were \$548,317.

Enclosures

# 2025 TANC OASIS (PA-5) Annual Revenue Third Party Sales\*

## Historical OASIS Sales & Percentages for August 2025 2021-2025

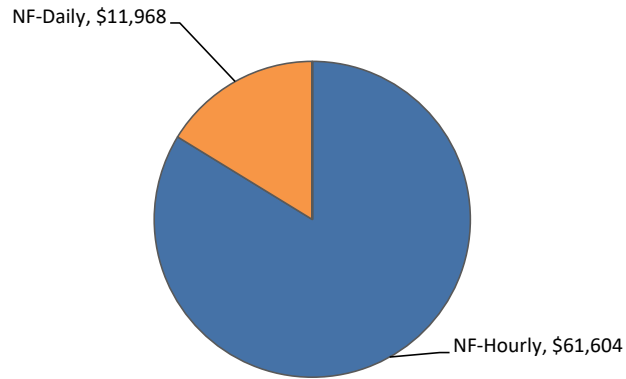


### Monthly percentage of the YTD Total Revenue

|     |     |     |     |
|-----|-----|-----|-----|
| Jan | 2%  | Jul | 13% |
| Feb | 21% | Aug | 13% |
| Mar | 2%  | Sep | 0%  |
| Apr | 26% | Oct | 0%  |
| May | 13% | Nov | 0%  |
| Jun | 9%  | Dec | 0%  |

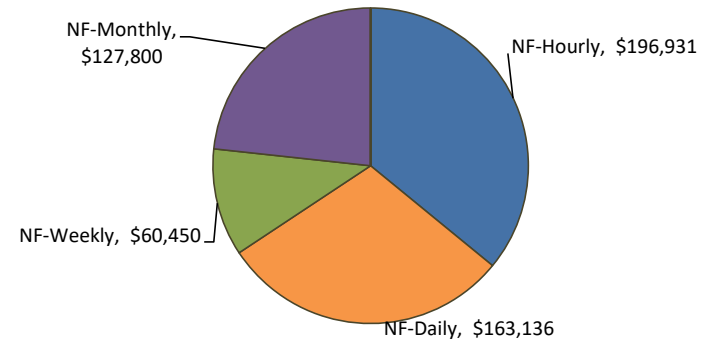
## 2025 Product Sales

Total August Sales \$73,572



## 2025 YTD Product Sales

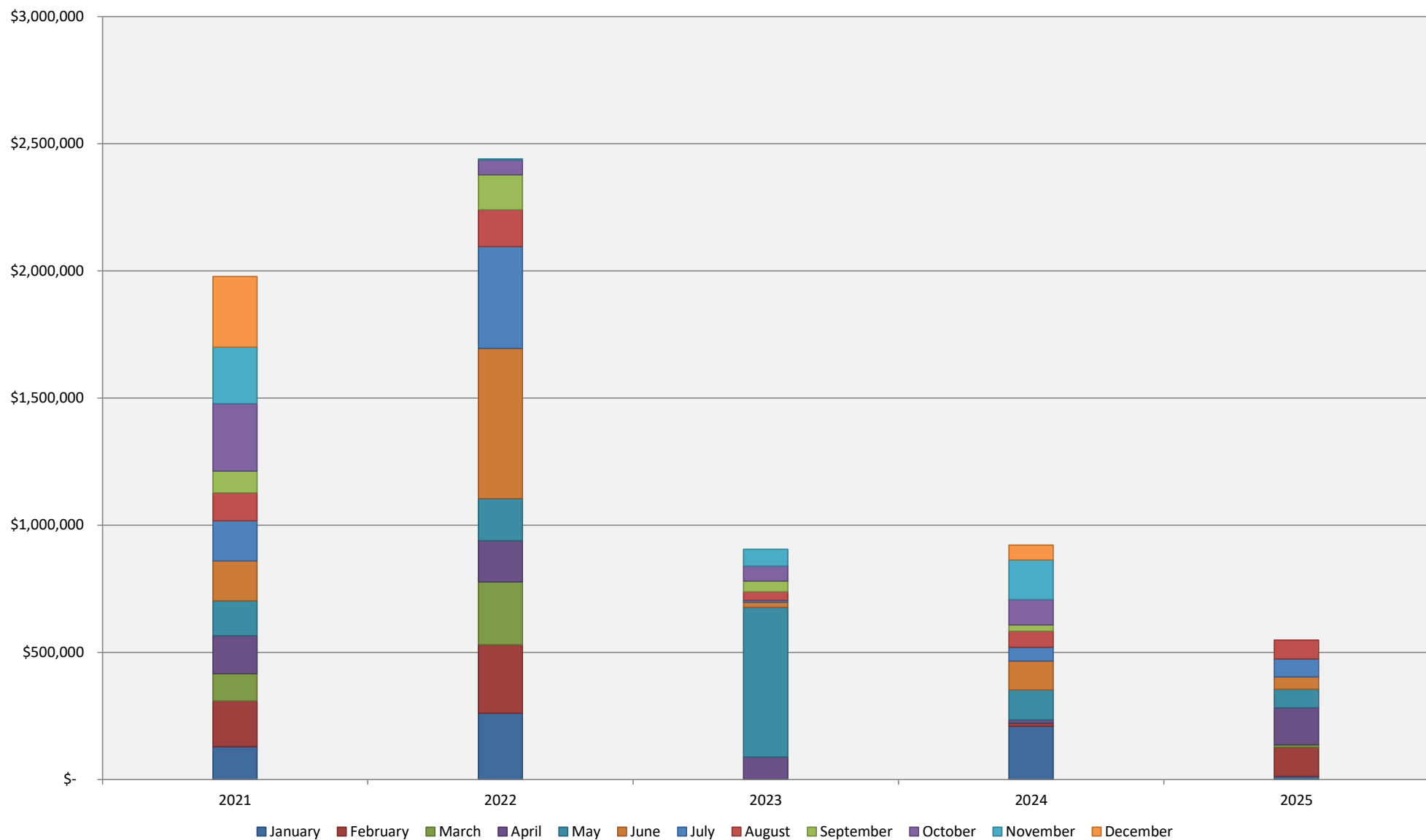
Total 2025 Sales \$0.55M



\* Includes OASIS sales data through August 2025. Does not include buy-backs or excess capacity purchases by TANC OASIS participants

2025 TANC OASIS (PA-5) Annual Revenue from Third Party Sales\*

Monthly Historical OASIS Sales  
January 2021 - August 2025



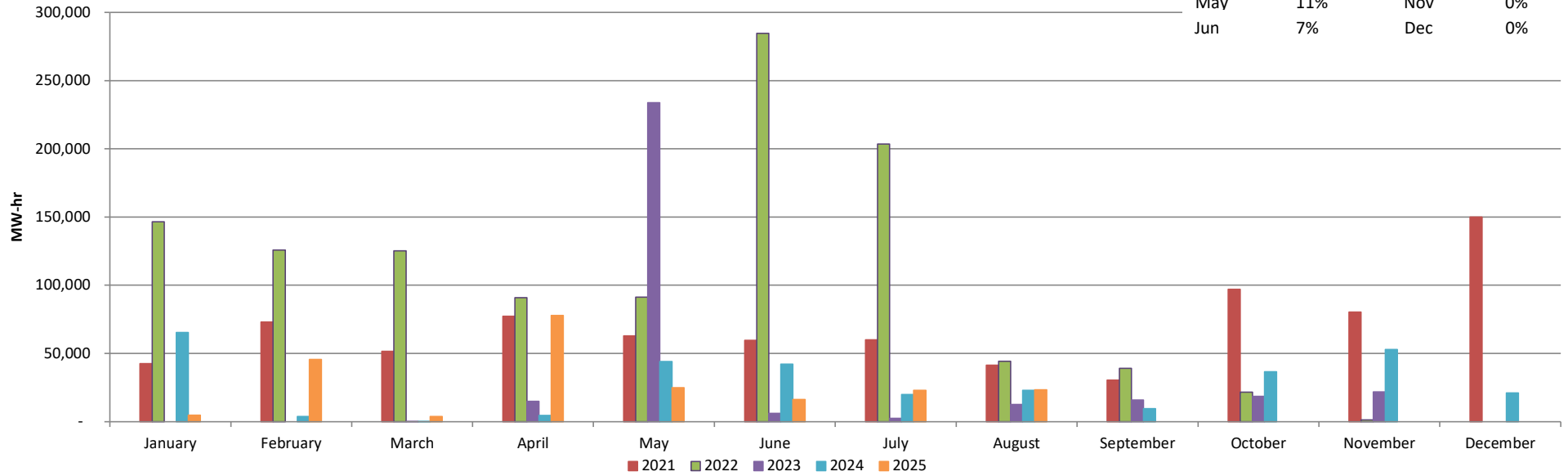
\* Includes OASIS sales data through August 2025. Does not include buy-backs or excess capacity purchases by TANC OASIS participants

# 2025 TANC OASIS (PA-5) Annual MWh Third Party Sales\*

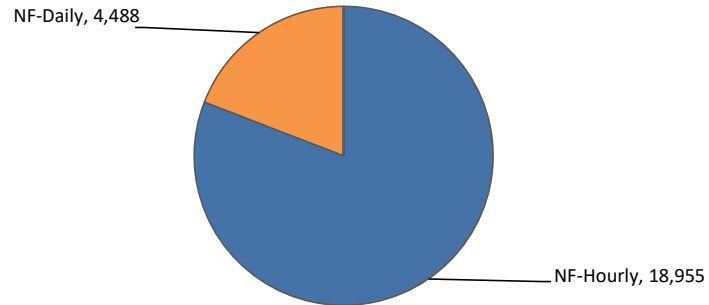
## Historical OASIS Sales & Percentages for August 2025 2021-2025

### Monthly percentage of the YTD Total MWhr

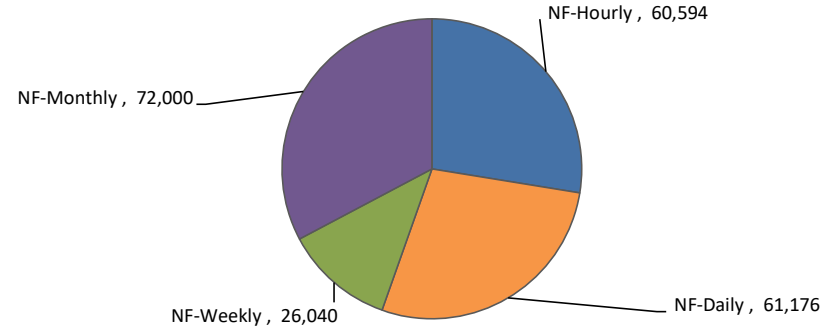
|     |     |     |     |
|-----|-----|-----|-----|
| Jan | 2%  | Jul | 10% |
| Feb | 21% | Aug | 11% |
| Mar | 2%  | Sep | 0%  |
| Apr | 35% | Oct | 0%  |
| May | 11% | Nov | 0%  |
| Jun | 7%  | Dec | 0%  |



### 2025 MWh Sales Total August Sales 23,443 MWh



### 2025 YTD MWh Product Sales Total 2025 Sales 219.81 GWh

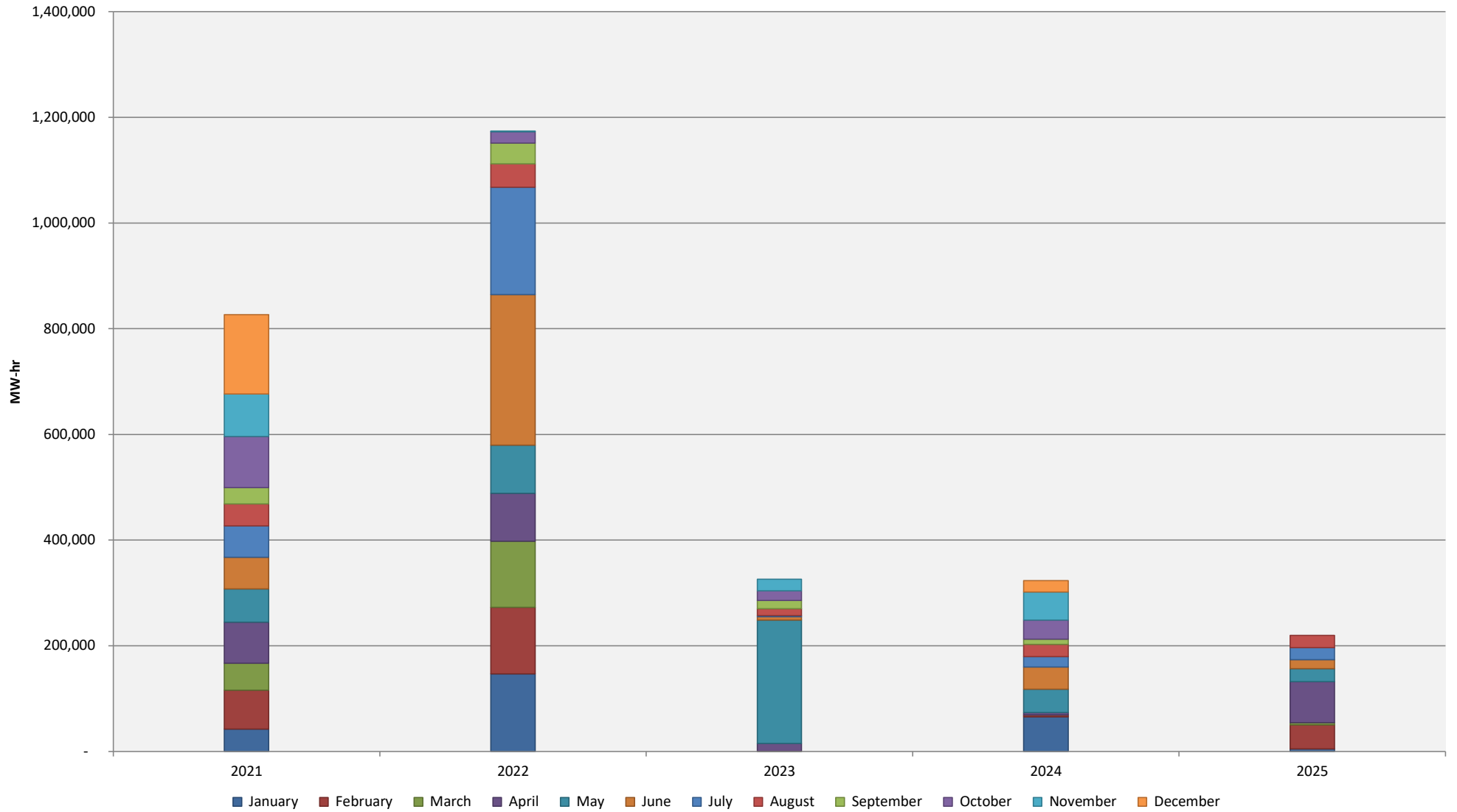


\* Includes OASIS sales data through August 2025. Does not include buy-backs or excess capacity purchases by TANC OASIS participants  
Includes sales only, does not include actual scheduled energy.

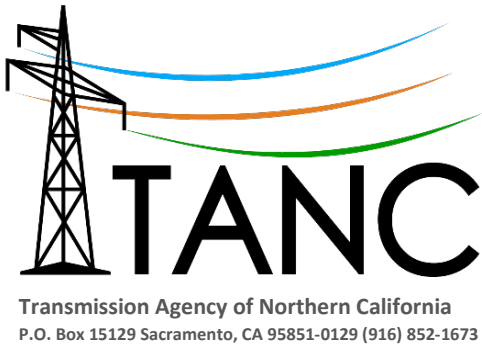
## 2025 TANC OASIS (PA-5) Annual MWh Third Party Sales\*

### Monthly Historical OASIS Sales

January 2021 - August 2025



\* Includes OASIS sales data through August 2025. Does not include buy-backs or excess capacity purchases by TANC OASIS participants  
Includes sales only, does not include actual scheduled energy.



## MEMORANDUM

DATE: October 15, 2025

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON WILDFIRE ACTIVITIES

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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).

### Wildfire Mitigation

Senate Bill (SB) 254 (Becker, Energy) was signed into law by California on September 19, 2025. The bill includes several chapters. This update provides information on SB 254 changes to Public Utilities Code (PUC) section 8387, which sets forth publicly-owned-utilities (POUs) compliance requirements for preparing and submitting wildfire mitigation plans (WMPs). There have been three substantive changes to POU WMP requirements, as follows:

1. The requirements for annual submittals and comprehensive revisions of POU WMPs every three years have been eliminated. Instead (PUC § 8387 (b)(1)) now reads as follows:  
  
*(b) (1) The local publicly owned electric utility or electrical cooperative shall, before January 1, 2020, prepare a wildfire mitigation plan. After January 1, 2026, a local publicly owned electric utility or electrical cooperative shall prepare a wildfire mitigation plan and shall submit the plan to the California Wildfire Safety Advisory Board at least once every four years on a schedule determined by the California Wildfire Safety Advisory Board.*
2. The appropriate and feasible procedures for notifying customers who may be impacted by the deenergizing of electrical lines now requires direct notification to a wider spectrum

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

of potentially affected emergency response agencies instead of requiring that the notifications need to be considered to a narrower spectrum. The operative text within PUC § 8387 (b)(2) (G) has changed as indicated below:

*From: The procedures shall consider the need to notify, as a priority, critical first responders, health care facilities, and operators of telecommunications infrastructure.*

*To: The procedures shall direct notification to all public safety offices, critical first responders, health care facilities, and operators of telecommunications infrastructure with premises within the footprint of potential deenergization for a given event.*

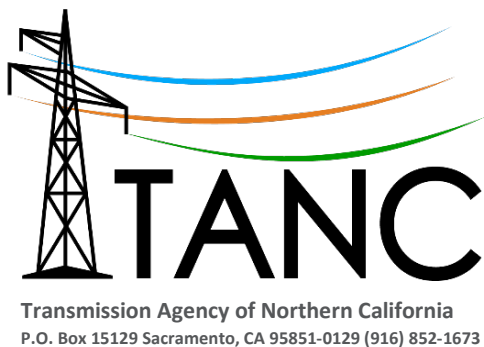
and;

3. PUC § 8387 (3) regarding the public meeting presentation, acceptance of comments, and compliance requirements verifications on the WMP now apply only to those years when that plan is required to be submitted.

The new requirement that: “After January 1, 2026, a local publicly owned electric utility or electrical cooperative shall prepare a wildfire mitigation plan and shall submit the plan to the California Wildfire Safety Advisory Board at least once every four years on a schedule determined by the California Wildfire Safety Advisory Board” raises several questions regarding how this new requirement will be interpreted by the California Wildfire Safety Advisory Board (WSAB), including, but not limited to:

- What administrative procedures will the WSAB need to follow to determine a schedule for POU WMP submittals?;
- What is the extent of discretion that the WSAB will be afforded to change the schedule to require submittals from one or more POUs to more frequently than annually, or on other schedules based on the nature of the WSAB’s advisory recommendations or other WSAB wildfire risk reduction priorities?;
- Will POUs with no overhead facilities be required to submit WMPs less frequently than other POUs?; and
- How frequently will the WSAB want POUs to schedule comprehensive revisions for their WMPs, or will the POUs have discretion in determining when such revisions are needed?

TANC staff will continue to participate in CMUA wildfire working group calls and track the status of discussions between CMUA representatives and the WSAB regarding these and other issues related to the recent revisions to PUC § 8387.



## MEMORANDUM

DATE: October 15, 2025

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.

### **North American Electric Reliability Corporation (NERC) Alert**

On September 9, 2025, NERC issued a Level 2 alert - *"Industry Recommendation Large Load Interconnection, Study, Commissioning, and Operations"*. The purpose of the alert is to address the risks observed from the analyzed large load behavior and to assess the status of industry preparedness in relation to large loads. The NERC alert addresses the risks that large, emerging electricity loads, such as data centers and cryptocurrency mining, pose to the Bulk Power System and could result in widespread and unexpected customer-initiated load reduction of large loads. The alert is intended to assess the current state of large load dynamic modeling and simulation practices of interconnection requirements, study process, and commissioning procedures in industry. Entities were required to acknowledge receipt by September 16, 2025, and to submit comprehensive responses by January 28, 2026.

The alert was issued to Distribution Providers, Transmission Owners (TOs), Transmission Operators, Transmission Planners (TPs), Planning Coordinators, Balancing Authorities, Reliability Coordinators and Resource Planners and is applicable to TANC as a TO and TP. There are 101 questions contained in the NERC alert – 67 of which are applicable to TANC's TO and TP functions. TANC acknowledged the alert on September 9, 2025 and will be working between now

and the January 28, 2026 deadline to draft responses to the applicable questions and develop any required Business Practices or process documents.

### **Modernization of Standards Processes and Procedures Task Force**

The Modernization of Standards Processes and Procedures Task Force (MSPPTF) was established in February 2025 to address rapidly evolving risks to the Bulk Power System. The task force aims to improve efficiency and effectiveness while maintaining principles of openness, stakeholder balance, and due process. MSPPTF will post draft recommendations for transforming the standards development process in October and November. The draft recommendations will be informed by stakeholder input received on the *Potential Options for Transforming the Reliability Standards Development Framework* white paper and input received at an October stakeholder meeting.

### **Proposed Standard Revisions**

The NERC Modeling, Data, and Analysis (MOD) standards are a category of requirements that ensure accurate modeling and data reporting for the Bulk Electric System (BES). These standards are critical for system planners to perform reliable and accurate studies to prevent outages and maintain grid stability. MOD standards ensure that system models used for reliability assessments accurately represent the performance and capabilities of grid components like generators, transmission lines, and transformers. A few of the MOD standards that are considered for revision are applicable to TANC:

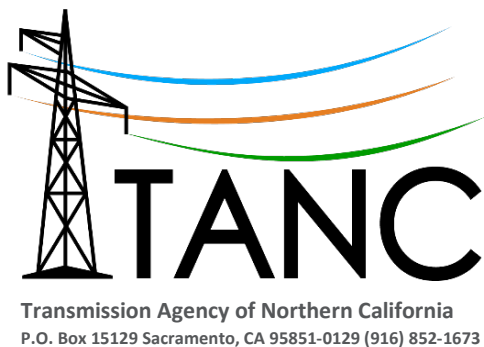
#### *MOD-026-2 (Verification of Models and Data for Generator Excitation Control System or Plant Volt/Var Control Functions)*

The purpose of MOD-026 is to ensure that the dynamic models used by system planners and operators accurately reflect the real-world performance of generating units and other BES-connected equipment. By improving model accuracy, the standard helps ensure the reliability and resilience of the grid, preventing issues like those observed during past disturbances where inaccurate models contributed to system instability. Proposed changes include MOD-026-2 combining MOD-026 and MOD-027 (Verification of Models and Data for Turbine/Governor and Load Control or Active Power/Frequency Control Functions) into a single standard and the expansion of the standards scope and modeling requirements for generators to include Inverter Based Resources (IBRs). MOD-26 will be out for re-ballot in October, failing to have passed the first round. Before the standards becomes effective – TANC will need to update its current procedure.

#### *MOD-032-2 (Data for Power System Modeling and Analysis)*

The proposed updates to MOD-032-2 focus on enhancing the accuracy of power system modeling to account for the growing integration of Distributed Energy Resources. The changes reflect directives from October 2023 Federal Energy Regulatory Commission Order which directed NERC to develop new and revised reliability standards for IBRs, such as solar, wind, and battery

storage) and include additional model submission criteria for Planning Coordinators and TPs to include in their requirements for model submissions. The NERC Board of Trustees is expected to adopt the new standards in October 2025. A 24-month implementation period will follow approval. Before the standards becomes effective – TANC will need to update its current procedure.



## MEMORANDUM

DATE: October 15, 2025

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: REPORT ON CAISO MATTERS

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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).

### **Extended Day-Ahead Market (EDAM)**

On August 29, 2025, the Federal Energy Regulatory Commission formally accepted CAISO's revised tariff provisions regarding EDAM Congestion Revenue Allocation. The revised provisions were mainly focused on congestion costs incurred in a day-ahead schedule and would be returned to the Balancing Authority (BA) where the congestion was modeled. Previously, congestion costs incurred would be allocated to BAs where physical, flow-based constraints occurred in real-time, regardless of which BA the congestion was paid for in the day-ahead market. The CAISO expects the new EDAM Congestion Revenue Allocation format to impact ongoing stakeholder initiatives revolving around Congestion Revenue Rights (CRR) auction revenue insufficiency and hedging efficacy.

### **2025-2026 Transmission Planning Process (TPP)**

On September 24 and 25, 2025, the CAISO hosted two days of TPP meetings, which included several presentations by Participating Transmission Owners (PTO) in addition to initial reliability study results from CAISO, originally posted on August 15, 2025. The Serrano-Del Amo-Mesa 500 kilovolt (kV) transmission project was removed from the August 15 reliability mitigations. The CAISO indicated that replacement projects or mitigations would be evaluated on their expected benefits to Path 15 and Path 26. During the meetings, several stakeholders also asked about the estimated impact of point-source large loads (i.e. datacenters) on forecasted overloads. CAISO did not directly identify overload causes within California Energy Commission (CEC) load data

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

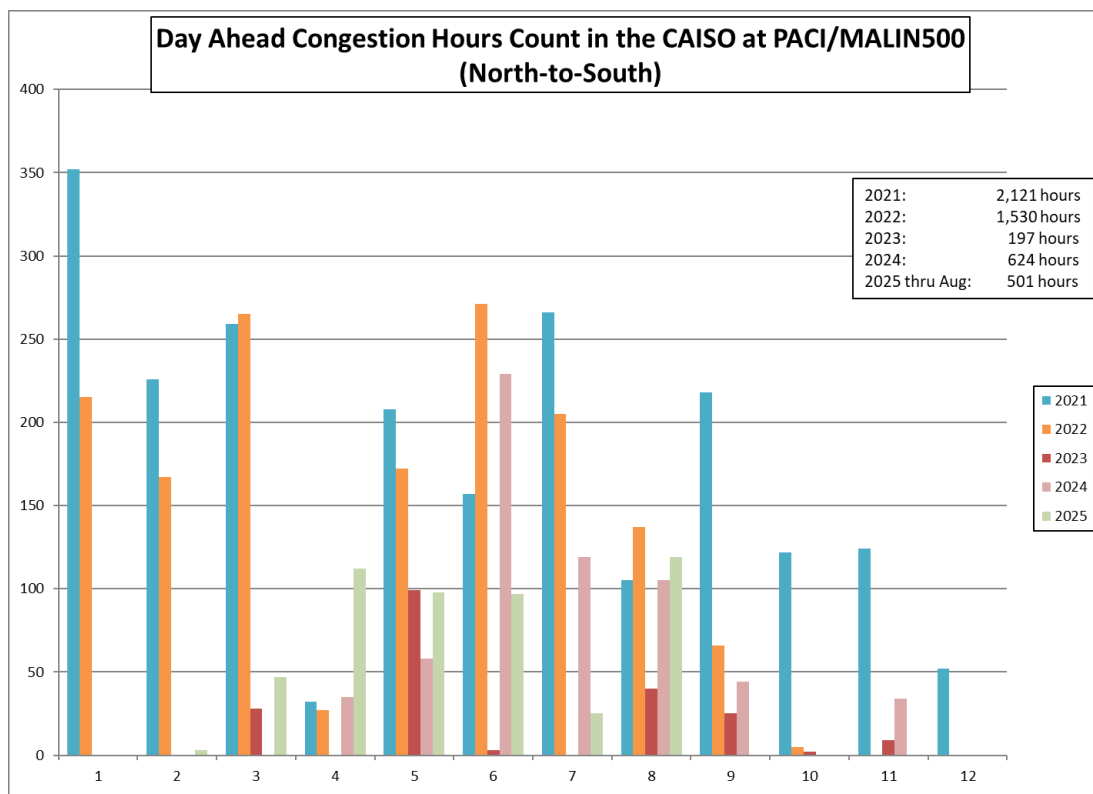
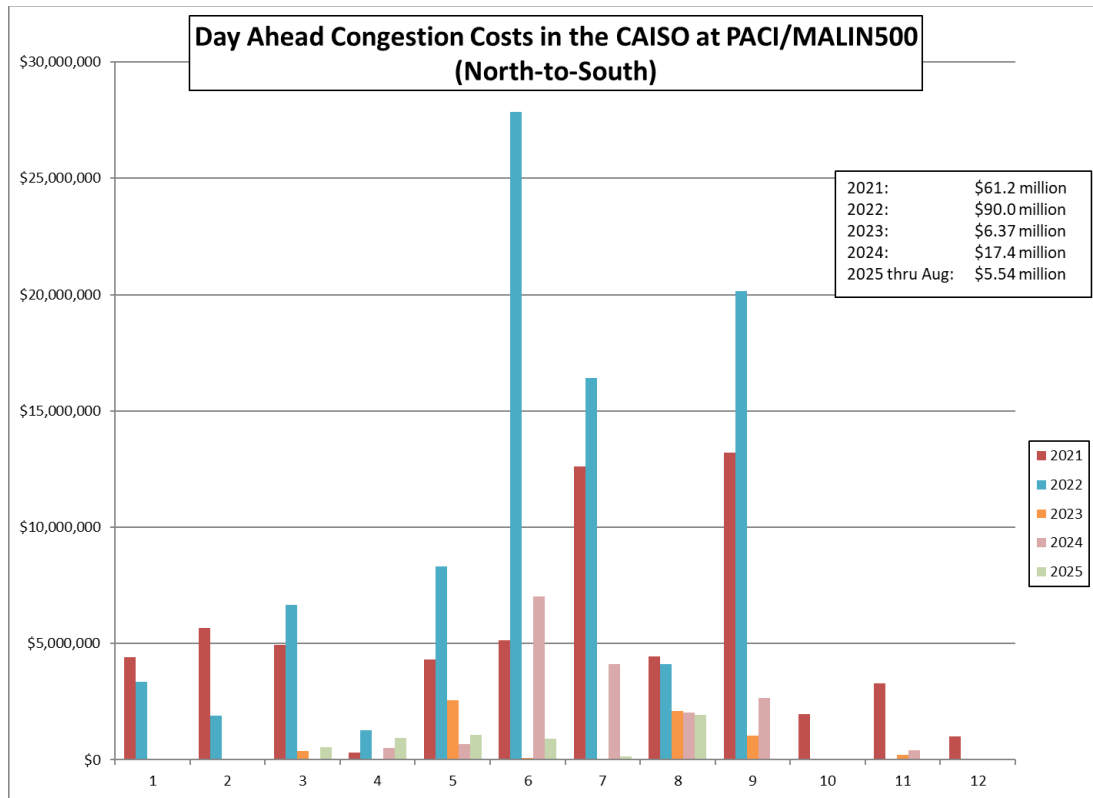
but did state they will investigate the CEC data for overload drivers in the coming months. Additionally, CAISO staff noted that datacenters initially seeking interconnection at lower voltage Points of Interconnection (POIs), such as 115 kV and below, might be encouraged to seek higher voltage POIs of 230 and 500 kV.

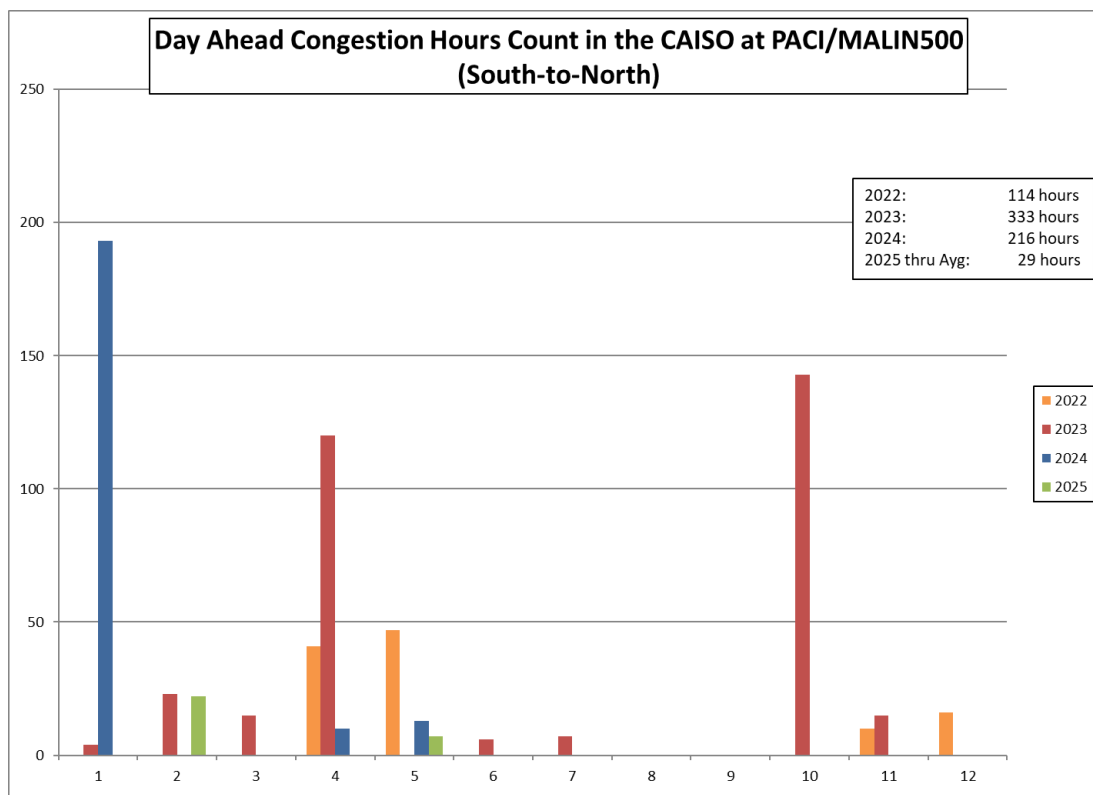
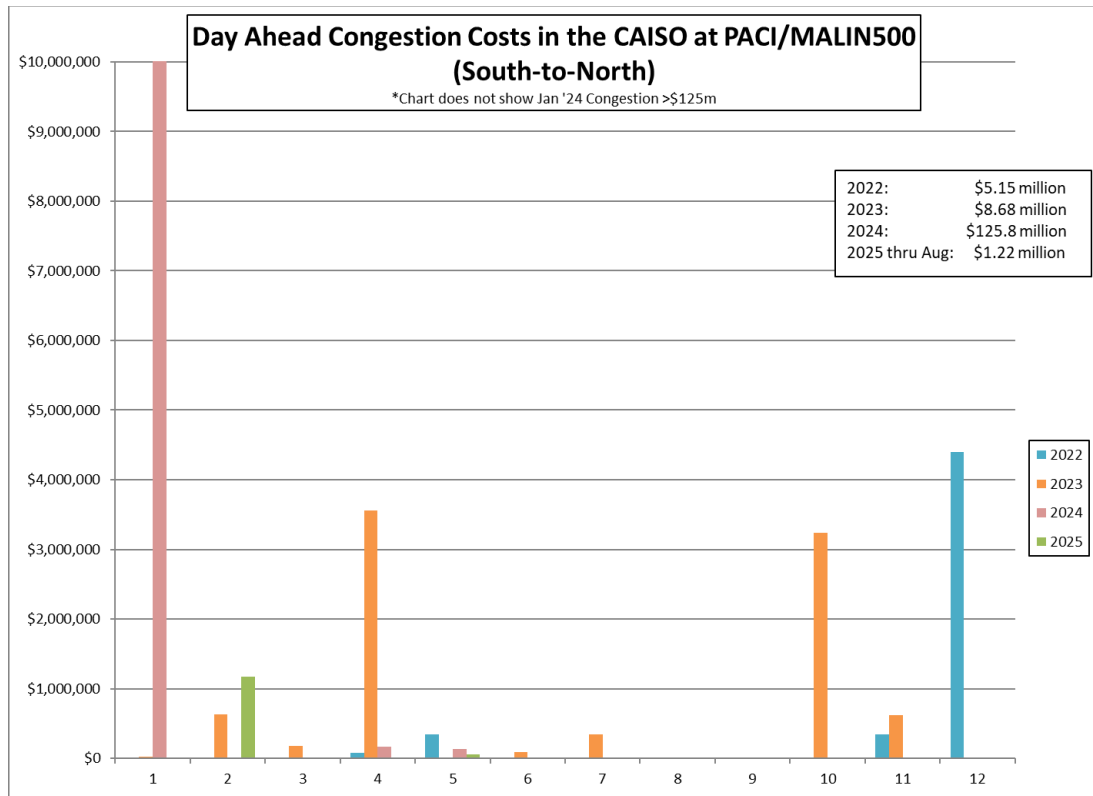
### **West-wide Governance Pathways Initiative (Pathways)**

On September 19, 2025, Governor Newsom signed Assembly Bill 825 (formerly Senate Bill 540) into law, formally allowing the establishment of the Regional Organization for Western Energy (ROWE) and for CAISO to participate in energy markets governed by ROWE. On September 26, 2025, Pathways leadership published a letter praising the accomplishment of the efforts to-date as well as calling for increased stakeholder activity to facilitate the development of ROWE. The Pathways Launch Committee will lead progressive development activities including the nomination and selection of Board members, Administrative Committee members, and others through numerous on-going stakeholder meetings.

### **Congestion**

In July 2025, North-to-South congestion at Malin totaled \$1,937,157 over 119 hours. South-to-North congestion at Malin totaled \$0 over 0 hours. Year-to-date North-to-South congestion is \$5,536,018 over 501 hours, and year-to-date South-to-North congestion remains at \$1,222,336 over 29 hours. Below are charts depicting Congestion Costs and Hours of Congestion at Malin from January 2021 through July 2025 in the North-to-South direction. Charts for the same Costs and Hours in the South-to-North direction depicting congestion from January 2022 through July 2025 are also included.

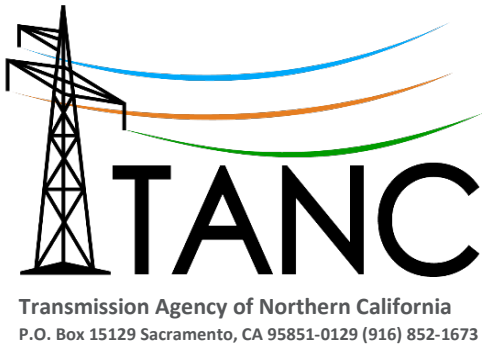




**TAB 17**

**REPORT FROM THE TANC GENERAL MANAGER**

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



## MEMORANDUM

DATE: October 15, 2025

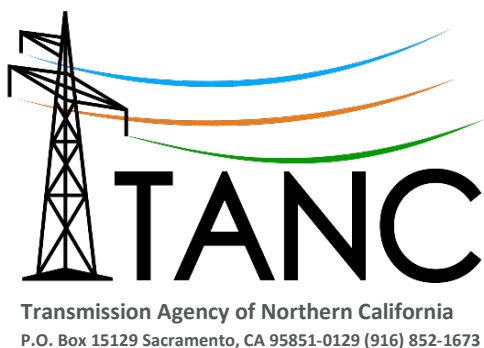
TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: DISCUSSION REGARDING PROPOSED AMENDMENTS TO PROJECT AGREEMENT NUMBER 3

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The Transmission Agency of Northern California (TANC) Commission will discuss the status of the proposed amendments to Project Agreement Number 3 and the process each Member may need to complete internally to approve the amendment.



## MEMORANDUM

DATE: October 15, 2025

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: RESOLUTION ON TANC'S TREASURER/CONTROLLER SERVICES

---

This memorandum provides an update to the Transmission Agency of Northern California (TANC) Commission on recent events associated with the provision of Treasurer and Controller services currently performed by the Sacramento Municipal Utility District (SMUD) to TANC. At the September 17, 2025 Commission meeting, it was discussed that SMUD is intending to terminate its agreement with TANC in the provision of Treasurer and Controller functions approximately around the first quarter of 2026. At the time of the September Commission meeting there remained possible provision of these services by another TANC Member, but at the same time the Commission instructed staff to begin preparation of a Request for Proposal (RFP) for these services. Upon further outreach it has been determined that no other TANC member would be able to provide these services in-lieu of SMUD. As such, TANC, in conjunction with Treasury and Controller staff, began development of the RFP. Attached is a preliminary draft agreement that is currently being developed and will need additional amendment over the next couple weeks.

Approval of the enclosed resolution will allow the TANC General Manager to finalize the draft RFP and to distribute it to appropriate vendors for further consideration during an evaluation process. As the recommended firm or entity is identified to provide these services to TANC, the associated contract or agreement between TANC and that firm will be brought for consideration by the Commission.

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

RESOLUTION 2025-\_\_\_\_

A RESOLUTION OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
AUTHORIZING THE GENERAL MANAGER TO FINALIZE AND DISTRIBUTE A REQUEST  
FOR PROPOSALS FOR TREASURY AND CONTROLLER SERVICES

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

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

WHEREAS, TANC has contracted Treasury and Controller services to the Sacramento Municipal Utility District (SMUD) for nearly 30 years; and

WHEREAS, SMUD has announced its desire to terminate provision of these services to TANC approximately around the first quarter of calendar year 2026; and

WHEREAS, upon outreach to other TANC members there is an inability to provide these services at present time by TANC Members; and

WHEREAS, staff has begun development of a Request for Proposals (RFP) to outside entities for the provision of Treasurer and Controller services to TANC; and

WHEREAS, development of this RFP may take another couple weeks of preparation before distribution; and

WHEREAS, it is proposed that the General Manager has the final authority for review and distribution of this RFP as deemed appropriate; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission of the Transmission Agency of Northern California that the TANC General Manager is authorized to finalize and distribute an RFP for the intended provision of Treasurer and Controller functions for TANC, and that after evaluation of responses to the RFP a recommended entity will be brought to the TANC Commission for consideration.

PASSED AND ADOPTED this 22<sup>nd</sup> day of October 2025, on a motion by\_\_\_\_\_ and, seconded by\_\_\_\_\_ .

| AYES | NOES | ABSTAIN | ABSENT |
|------|------|---------|--------|
|------|------|---------|--------|

City of Alameda

City of Biggs

City of Gridley

City of Healdsburg

City of Lodi

City of Lompoc

Modesto Irrigation District

City of Palo Alto

Plumas-Sierra Rural

Electric Cooperative

City of Redding

City of Roseville

Sacramento Municipal

Utility District

City of Santa Clara

Turlock Irrigation District

City of Ukiah

REQUEST FOR PROPOSAL, INSTRUCTIONS TO PROPOSERS,  
PROPOSAL FORMS, CONTRACT FORMS, AND  
SCOPE OF SERVICES

|                                                                                      |
|--------------------------------------------------------------------------------------|
| <p><b>REQUEST FOR PROPOSAL</b><br/><b>TANC ACCOUNTING AND TREASURY FUNCTIONS</b></p> |
|--------------------------------------------------------------------------------------|

\* \* \*

**PRE-PROPOSAL CONFERENCE CALL**

**Date: November ??, 2025**

**Time: 10:00 am**

\* \* \*

Proposals are due at 5:00 p.m. on Friday, December ??, 2025, to the Transmission Agency of Northern California, by e-mail to [lrriegle@tanc.us](mailto:lrriegle@tanc.us) and [info@tanc.us](mailto:info@tanc.us).

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#### **APPENDICES**

##### **A. Insurance Requirements**

## **1. Request for Proposals**

The Transmission Agency of Northern California (TANC or “the Agency”), is soliciting proposals for TANC ACCOUNTING AND TREASURY FUNCTIONS. Services shall include performing monthly member billings, daily invoice processing and cash management and investments, monthly close, annual budget preparation, quarterly financial statements, coordinating the annual audit, and supporting the issuance of debt on an as needed basis. TANC intends to award one contract for three and a half years, with an option to extend the term for two additional years.

This Request for Proposal provides instructions to contractors for submitting proposals and establishes terms and conditions under which the Agency will contract for such services.

Proposals responding to this Request for Proposal will be due at 5:00 p.m., on Friday, December ??, 2025 at Transmission Agency of Northern California, by e-mail to [lrriegle@tanc.us](mailto:lrriegle@tanc.us) and [info@tanc.us](mailto:info@tanc.us)

All proposals must strictly conform to the requirements described in this Request for Proposal.

## **2. Scope of Services**

### **2.1. General**

TANC is soliciting proposals for a certified public accounting firm to perform accounting and treasury services and associated reporting for the Agency, and other services as requested. The Agency intends to award one contract, for all the services described in the Scope of Services, to run from approximately February 1, 2026 through January 31, 2029, with an option for an additional two years, at the discretion of the Agency.

TANC is organized under the California Government Code pursuant to a joint powers agreement (JPA) entered into by fifteen Northern California utilities. The purpose of TANC is to provide electric transmission or other facilities for the use of its Members through its authority to plan, acquire, construct, finance, own, operate, and maintain facilities for electric power transmission. The subsidiary purpose is to do all things, which each of its Members could do separately, to provide such transmission or other facilities in an economically and financially attractive manner. The JPA provides that the costs of those activities can be financed or recovered through assessments of its Members by user charges. These user charges are applied to Members via development of a revenue requirement and incorporated into an Open Access Transmission Tariff in compliance with FERC Order 888 and 889.<sup>1</sup>

TANC is the largest Participant and the Project Manager for the California Oregon Transmission Project (COTP Project), a 339-mile long, 500-kilovolt alternating current transmission project between Southern Oregon and Central California. TANC issued bonds and commercial paper to finance its participation in the construction of the COTP Project. Pursuant to TANC's bond indenture, TANC is required to issue audited financial statements no later than one hundred and twenty (120) days after the end of each fiscal year. TANC is exempt from federal/state income taxes as well as property taxes. Each TANC Member has agreed to pay a pro rata share of the costs to operate TANC and has the right to participate in future project agreements. The JPA remains in effect until all debt obligations and interest thereon have been paid, unless otherwise extended by the Members.

The TANC Audit/Budget Committee will work with the winning proposer and oversee TANC financial statements. The TANC Audit/Budget Committee reports to the TANC Commission, the managing executive body of TANC. The Sacramento Municipal Utility District (SMUD) currently serves as the Treasurer/Controller of TANC and is responsible for managing TANC's financial program, books and accounts. These services are the subject of this RFP. TANC contracts with an industry professional to

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<sup>1</sup> TANC is not a FERC jurisdictional entity.

serve as the TANC General Manager, who is responsible for day-to-day management of the Agency.

TANC's books and accounts generally conform to the Uniform System of Accounts for Public Utilities and Licenses of the Federal Energy Regulatory Commission. The Agency follows generally accepted accounting principles prescribed by the Governmental Accounting Standards Board (GASB). The Agency's fiscal year ends on June 30.

The TANC Commission has directed the TANC Audit/Budget Committee to solicit interest from qualified firms to perform all accounting and treasury services including serving as TANC's Treasurer and Controller. TANC wishes to have a new agreement in place with a qualified firm by March 1<sup>st</sup>. A copy of the latest audited financial statements is enclosed.

## **2.2. Scope of Services**

The proposer shall provide the Agency with the following comprehensive accounting and treasury services to support the agency's financial operations. The services required include, but are not limited to, the following:

### **1. Accounting Services**

- TANC and COTP Transaction Volume:
  - General Ledger – COTP 1, TANC 1
  - A/P Invoices – Combined COTP/TANC - Avg 30-35 monthly
  - Member Cash Calls: COTP 3 monthly, TANC 8 monthly and 6 annually
  - Assets to Unitize – varies – COTP - 4 in 2025
  - Bank Accounts – COTP 2, TANC 13
  - GL Accounts – COTP 97, TANC 309
  - Journal Entries – Combined COTP/TANC - 15-17monthly and 2-3 qtrly/annual
  - Audit: TANC 1
  - Budget: TANC 1
  - Bonds Series Outstanding – TANC 1
- Perform daily accounting transactions including accounts payable, accounts receivable, general ledger entries, and bank reconciliations.
- Manage month-end and year-end closing processes to ensure accurate and timely financial reporting.
- Maintain detailed and organized financial records in accordance with generally accepted accounting principles (GAAP) and agency policies.
- Prepare and process journal entries, account reconciliations, and adjustments as necessary.
- Generate quarterly financial statements and quarterly reports to assist agency management in monitoring financial performance.

- Collaborate with agency staff to implement and maintain accounting controls and procedures.
- Prepare and present annual budget and quarterly budget to actual variance reports to the Audit/Budget committee.
- Prepare monthly cash calls to members per cost sharing percentages, and annual long-term layoff cash calls.
- Capitalize fixed assets and track construction in progress for the COTP Project, including calculation of depreciation.
- Ensure compliance with applicable federal, state, and local regulations and reporting requirements.
- Prepare and present TANC's available cash report to Audit/Budget committee and Commission bi-annually.
- Provide TANC Open Access Same-Time Information System (OASIS) accounting services, receive and monitor the receipt of funds and advise Western Area Power Administration (WAPA) (TANC's OASIS provider) upon the receipt of funds and initiate the disbursement of revenues.
- Provide TANC Congestion Revenue Rights (CRR) accounting services, receive and monitor the receipt of funds and initiate the disbursement of revenues.
- Coordinate and support annual financial statement audit preparations and provide documentation and explanations during audits including:
  - Prepare audit schedule such as Due from members, Members equity schedule, Open Access Transmission Tariff (OATT) excess and others, interim audit items and other PBCs.
  - Monitor and implement new GASB pronouncements and update policies, procedures, and reporting as standards evolve.
  - Support annual audit with audit schedules and other reports.
- Prepare annual audited financial statements including Management, Discussion and Analysis and footnote disclosures.
- Prepare and provide Members' share of debt and equity to the Members as requested.
- Provide financial data and reports to the Members and Commission.
- File Special District report annually with the State Controller for TANC.
- File GCC Government Compensation in Capital report annually with the State Controller for TANC.
- File CalPERS SSA Annual Information Request report for TANC.
- Support of single audit (if applicable)

## 2. Treasury Services

- Manage daily cash flow activities including monitoring and recording receipts and disbursements.
- Oversee bank accounts, manage bank relationships, and perform daily cash management functions.
- Prepare daily cash position reports and forecast short-term cash needs.
- Reconcile treasury transactions and accounts on a timely basis.
- Manage investment activities and ensuring compliance with agency policies.
- Coordinate wire transfers, electronic payments, and other treasury-related transactions.
- Support the management of debt service payments.
- Prepare monthly and quarterly investment reports
- Annually – provide treasury related annual audit documents (credit ratings, account balances, collateral and arbitrage reports).
- Manage TANC's debt issuance
  - Ensure TANC is in compliance with its Bond agreements and financial covenants
  - Maintain the line of credit with JPM, and on a monthly basis pay any related fees
  - Provide annual required disclosures to Bond holders
  - Engage with investment banks to solicit RFPs for new debt issuance as needed
  - Prepare Official Statement and Work with outside counsel for Official Statement and review of all bond documents
  - Manage rating agency relationships and requests for information and generating formal presentations
  - Manage interest and commitment fee invoice payments
- Provide recommendations for treasury policies, procedures, and risk management practices.
- Ensure compliance with all debt covenants and requirements.

The Proposer shall provide all labor, material, and equipment required to complete these efforts.

#### **2.2.1 Existing Documentation**

SMUD will supply procedures, workpapers, trial balance, and all schedules to the successful proposer to enable the transition. Any cost charged by SMUD related to this transition will be paid by the Agency.

#### **2.2.2 General Requirements**

The contract for accounting and treasury services of the Agency will be a not-to-exceed contract amount and will be awarded for the remainder of 2026, and the full 2027 and 2028, and 2029 fiscal years with the option for the Agency to extend for an additional two years. The contract will be cancelable by either party prior to November 1 of each year for the following June 30 year end. In addition, the contract should include other accounting or treasury services stating the rate for each classification of staff proposed.

### **2.2.3 Formats and Content of Submittal**

Proposers are requested to follow the format given below. While the Agency's format may represent a significant departure from the Proposer's preference, the Agency is requiring strict adherence to the format. Variations from the format may result in a Proposer being declared non-responsive. The proposal must be submitted in two parts, each clearly labeled with the firm's name and with the appropriate label of (1) Qualifications and (2) Cost Proposal. Each part must be submitted in a separate package, and the Cost Proposal must be sealed.

### **2.2.4 Qualifications**

Please submit qualification information in the format requested in the "Detailed Proposal" section of this Request for Proposals. Proposers should provide detailed answers to each question.

### **2.2.5 Cost Proposal**

Proposers should provide a Cost Estimate in the format requested in Section 5-6 for all services described in the Scope of Services section. Please indicate staff classifications, estimated number of hours to provide the work, Rate of Pay and the extended amount for each line. If your company is awarded the contract, the Total Cost for schedules A, B, C, and D will represent the total contract amount. Proposers are reminded that the proposal is a not-to-exceed amount for the services listed in section 2.2 above. Any additional services contracted for will be based on the Rate of Pay and staff classifications included in this proposal.

To provide a consistent means in which to evaluate the proposed fees, please submit a cost proposal for the Agency. The format of the cost proposal must be as follows:

- a) **Accounting Services** - The fee proposed must include full cost of the services listed in section 2.2
- b) **Treasury Service** - The fee proposed must include full cost of the services listed in section 2.2

The fee for the services will be paid on a monthly basis, but please provide annual estimate of costs. Any changes in the scope introduced by the Agency or unusual events, which require further work, will be negotiated separately with the successful proposer. The proposal must state an hourly rate for each staff classification proposed, and the hourly rate must include all other expenses for which the firm would expect to be reimbursed, including, but not limited to, per diem, travel, and communications costs. TANC prints its own financial statements; so Proposers cost estimate should include any printing and mailing costs in their proposal.

In addition to proposing fees for the remainder of 2026, and the full 2027 and 2028, and 2029 fiscal years, an estimate of the range of fees for an optional two-year contract extension must be included.

- c) **Services Associated with Bond Offerings** – Provide a proposed fee and hourly rates for the remainder of 2026, and the full 2027 and 2028, and 2029 fiscal years. For any treasury services required for a bond offering. Services Associated with Bond Offerings should be proposed on a per hour basis by staff classification. The hourly rate proposed must include all expenses that the firm would expect to be reimbursed for.
- d) Please provide rates for any other accounting services as needed on an hourly basis by staff classification, including all expenses for which the firm expects to be reimbursed for the remainder of 2026, and the full 2027 and 2028, and 2029 fiscal years.

#### **2.2.6 Coordination of Services**

The primary contact for this engagement requirement will be Larry Riegle, TANC staff. He will be responsible for requesting the Contractor's services and approving or rejecting the Contractor's work and invoices.

### **3. Instructions for Proposers**

#### **3.1. Time and Manner of Submission**

Proposals shall be submitted by e-mail no later than 5:00 p.m., on Friday, December ??, 2025.

Each proposal shall give the full business address of the Proposer and shall be signed by an authorized official of the company. The name of each person signing the proposal shall be typed or printed below the signature. When requested by the Agency, satisfactory evidence of the authority of the person signing on behalf of the Proposer shall be furnished.

Proposals shall cover the entire scope of the Request for Proposals. All proposals submitted become the property of the Agency.

#### **3.2. Explanations to Proposers**

Should the Proposer find discrepancies in or omissions from this document or should the intent or meaning appear to the Proposer to be obscure or ambiguous, the Proposer shall immediately send the Agency a written request for interpretation, clarification, or correction thereof before submitting a proposal.

Please email questions or request for information to Larry Riegle at [lriegle@tanc.us](mailto:lriegle@tanc.us), by close of business on Monday, November 10, 2025. By receiving questions prior to the bidder's conference call, the Agency will be in a better position to ensure all questions are answered.

Replies to such inquiries will be made only in the form of addenda to this Request for Proposal and will be issued simultaneously to all business firms or persons who have obtained a copy of the Request for Proposal from the Agency. Verbal requests for information during the period of proposal preparation are acceptable if made sufficiently in advance of the proposal opening date to allow issuance of an addendum to the Request for Proposal. Direct all communications regarding questions on this Request for Proposal prior to the due date to the following, as appropriate:

Contact Person: Larry Riegle  
Phone number: (916) 631-4021  
Email: [lriegle@tanc.us](mailto:lriegle@tanc.us)  
[info@tanc.us](mailto:info@tanc.us)

The Agency will not be bound by any oral interpretation of the Request for Proposal, which may be made by any of its representatives, unless such interpretations are subsequently issued in the form of an addendum to this Request for Proposal.

### **3.3. Withdrawal or Modification of Proposals**

Proposals may be modified or withdrawn only by a written or telecopy request received by the Agency prior to the Request for Proposal due date.

### **3.4. Revisions and Supplements**

#### **3.4.1 Addenda:**

If it becomes necessary to revise or supplement any part of this Request for Proposal an addendum will be provided.

#### **3.4.2 Acknowledgment of Addenda:**

Receipt of an addendum to this proposal by a Proposer must be acknowledged by signing and submitting the addendum signature sheet as part of the Proposer's proposal.

### **3.5. Conditions and Pre-Proposal Conference:**

In addition to examination of this Request for Proposal, each Proposer shall make whatever other arrangements are necessary to become fully informed regarding all existing and expected conditions and matters which, during the contract time period, could affect in any way, the work, performance of work, or the cost thereof. Any failure to fully investigate the work site or the foregoing conditions shall not relieve the Proposer from responsibilities for properly estimating the difficulty or cost of successfully performing the work. The Agency assumes no responsibility for any representation made by its representatives or agents, during or prior to the execution of a contract pursuant to this Request for Proposal, unless such information is in writing in the form of an addendum to this Request for Proposal.

A Pre-Proposal Conference Call is scheduled for 10:00 a.m. on Friday, November 14, 2025. It is recommended that all Proposers participate in this conference call to ensure a complete understanding of the details of this Request for Proposal. In addition, Proposers will be able to ask questions. Since this is a competitive bid process, all firms bidding must receive the same information, which will make it impossible for a firm to meet with Agency staff on an individual basis. Additionally, all bidders that have received copies of this proposal will be provided with a written list of the questions and answers discussed.

### **3.6. Proposal Evaluation and Selection Process**

The proposals submitted in response to this solicitation shall be evaluated for award based on the criteria described in the Proposal Evaluation Criteria section of this Request for Proposal.

TANC may request additional information from any or all Proposers after the initial evaluation of the proposals to clarify terms and conditions.

Based on the Agency's review of the proposals received, a short-listed group of Proposers may be selected. The short-listed firms may be required to make verbal presentations of their qualifications to the Agency. If a presentation is required, the presentation will be considered in the overall technical rating.

The contract will be awarded to the best-qualified Proposer, after price and other factors have been considered, provided that the proposal is reasonable, and it is in the best interests of the Agency to accept it.

The right is reserved, as the interest of the Agency may require, to reject any or all proposals and to waive any irregularity in the proposals received.

The Agency will furnish all Proposers a written Notice of Proposed Contract Award after evaluating all proposals. After receipt of such Notice of Proposed Contract Award, any unsuccessful Proposers may request the reason(s) their proposal was not selected. In the event a Proposer elects to protest the Agency's selection, the protest must be submitted in writing to the Agency, within five (5) business days of the Notice of Proposed Contract Award.

Within fourteen (14) calendar days after notice of award, the successful Proposer shall deliver to the Agency the required insurance certificates and the signed copies of the contract. The contract forms will be forwarded to the Proposer with the award notification. The Agency will not issue the Notice to Proceed until the Agency has received all the above-required documents.

#### **RFP & CONTRACT AWARD SCHEDULE**

|              |                                                                                                                                     |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Oct ??, 2025 | RFP and proposed contract transmitted to accounting firms and posted to TANC's website                                              |
| Nov ??, 2025 | Bidders' conference call                                                                                                            |
| Dec ??, 2025 | Bids due from accounting firms                                                                                                      |
| Dec ??, 2025 | TANC Staff & Controller/Treasurer staff meeting to review bids; narrow to short list of successful bidders                          |
| Jan ??, 2026 | Conduct bidder interviews from short list (if needed)                                                                               |
| Jan ??, 2026 | Begin Statement of Work discussion                                                                                                  |
| Jan 2026     | TANC Audit/Budget Committee review contract for accounting and treasury functions for recommendation to February Commission meeting |
| Feb 2026     | TANC Commission considers approval of contract for accounting and treasury functions                                                |
| March 2026   | Proposed contract award                                                                                                             |

### **3.7. Duration of Contract**

This contract is for a portion of the 2026 fiscal year and three additional full fiscal year periods, with an option for the Agency to extend the agreement for two additional years, unless otherwise mutually agreed upon in writing.

### **3.8. Qualifications of Proposers**

The Agency expressly reserves the right to reject any proposal if it determines that the business and technical organization, equipment, financial and other resources, or experience of the Proposer, compared to the work proposed justifies such rejection.

### **3.9. Proposal Preparation Costs**

The costs of developing proposals are entirely the responsibility of the Proposer and shall not be charged in any manner to the Agency.

### **3.10. Conflicts**

If conflicts exist between the contract and the other elements of this Request for Proposal, the contract prevails. If a conflict exists within the contract itself, the Terms and Conditions govern, followed by the Scope of Services. If conflict exists between the contract and applicable federal or state law, rule, regulation, order, or code; the law, rule, regulation, order or code shall control. Varying levels of control between the Terms and Conditions, drawings and documents, laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement(s) shall control.

### **3.11. Cost Proposal**

The Proposer shall be reimbursed as described below for work performed under the contract.

#### **3.11.1 Cost Estimate**

The Proposer shall provide a detailed cost estimate for each task described in the Scope of Services section of this Request for Proposal. This cost estimate shall be submitted in accordance with the requirements specified in the Cost Estimate, Section 5-6 of this Request For Proposal.

#### **3.11.2 Manner and Time of Payment**

Monthly billings shall be submitted in accordance with the above referenced provision of the Sample Contract section of this Request For proposal. In addition to the progress invoice, Proposer may be required to submit (concurrently) a project status report describing the current status of each task, an updated schedule, and major project issues.

### **3.12. Tax Forms**

The Proposer to whom the contract award is made shall furnish the Agency with a completed Federal Tax Form W-9 from and a State of California Franchise Tax Form 590. A blank Form 590 will be provided with the contract documents.

### **3.13. Notice Related to Proprietary/Confidential Data**

Proposers are advised that the California Public Records Act (the "Act", Government Code §§ 6250 et seq.) provides that any person may inspect or be provided a copy of any identifiable public record or document that is not exempted from disclosure by the express provisions of the Act. Each Proposer shall clearly identify any information within its submission that it intends to ask the Agency to withhold as exempt under the Act. Any information contained in a Proposer's submission which the Proposer believes qualifies for exemption from public disclosure as "proprietary" or "confidential" must be identified as such at the time of first submission of the Proposer's response to this RFP. A failure to identify information contained in a Proposer's submission to this RFP as "proprietary" or "confidential" shall constitute a waiver of Proposer's right to object to the release of such information upon request under the Act. The Agency favors full and open disclosure of all such records. The Agency will not expend public funds defending claims for access to, inspection of, or to be provided copies of any such records. Along with each Proposer's response to this RFP, each Proposer is required to submit a signed indemnity agreement, included with its response to this RFP, whereby Proposer shall agree to indemnify and defend the Agency on terms stated therein against all claims or actions brought against it to seek access to or compel disclosure of any records or documents in the Agency's possession which were submitted to the Agency by any Proposer pursuant to this RFP. The indemnity agreement each Proposer will be required to sign and submit along with its response to this RFP is included in the "Proposal Requirements" section of this RFP.

### **3.14. Contract**

The Agency's standard contract is included in Appendix C of this Request for Proposal. The Agency may reject proposals that contain exceptions to the Terms and Conditions included in the sample contract.

### **3.15. Indemnification**

The independent public accountant shall indemnify, defend, and hold harmless the Agency, its directors, officers, and agents against all claims, loss, damage, expense and liability asserted or incurred by other parties, including, but not limited to, SMUD and Project Management employees and the independent public accountant's employees, arising out of or in any way connected with the performance of this contract and caused by the acts, omissions, intent or negligence of the independent public accountant, its agents, employees and suppliers, and excepting only such loss, damage, expense, or liability as may be caused by the intentional acts, omissions, or the sole negligence of the Agency or its staff.

### **3.16. Insurance Requirements**

The independent public accountant shall comply with all provisions of the insurance requirements specified in Form X-2 and included as Appendix B.

#### 4. Proposal Evaluation Criteria

The proposals submitted in response to this Request for Proposals shall be evaluated for award based on the following criteria and weighting.

| <u>Evaluation Item</u>                                                                                             | <u>Weighting</u> |
|--------------------------------------------------------------------------------------------------------------------|------------------|
| 1. Proposer's Experience and Qualifications                                                                        | 30%              |
| 2. Experience and Qualifications of Key Personnel                                                                  | 30%              |
| 3. Proposer's Ability to Meet the Monthly, Quarterly and Annual Reporting for the audit and annual budget schedule | 10%              |
| 4. <u>Commercial Terms (Price)<sup>2</sup> and Compliance with Agency Contractual Terms<sup>3</sup></u>            | 30%              |
| <b>MAXIMUM SCORE</b>                                                                                               | <b>100%</b>      |

#### NOTES:

- The Agency reserves the right to reject all submittals and to re-advertise or extend the deadline, if necessary.

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<sup>2</sup> More weight has been given to the management and technical ability of the Proposer than on price. In the event it is evident that the prices proposed are unbalanced as to items charged or are otherwise determined by the Agency to be unfair or unreasonable, the Agency reserves the right to reject the proposal and award to the Proposer who otherwise meets the requirements of this Request for Proposal.

<sup>3</sup> Non-compliance may result in TANC's rejection of a Proposer's proposal.

## **5. Proposal Requirements**

To facilitate the Agency's proposal review process, it is required that each proposal contains all of the information within this section and is organized in the sequence that the items appear in this section.

See the table of contents for a listing of the contents within this section.

### **5.1. Proposal Agreement**

In compliance with TANC Accounting and Treasury Functions, the undersigned hereby proposes and agrees to provide the services described, at the rates and dollar limits defined in the Pricing Structure and the Cost Estimate attached hereto.

It is understood that this proposal constitutes a firm offer that cannot be withdrawn for ninety (90) calendar days after the submission date for the proposals.

The undersigned certifies that he/she has examined and is familiar with the content of this Request for Proposal; also that he/she has checked all the figures shown in the proposed Pricing Structure and Cost Estimate and other attachments hereto and understands that the Agency will not be responsible for any errors or omissions on Contractor's part in preparing this proposal.

The undersigned further agrees, if awarded the contract, that he/she will commence the work within the time set forth and will perform the work in accordance with the contract documents attached to this Request for Proposal.

Attached hereto and made a part thereof by this reference are Proposer's detailed proposal and proposal forms pages 5-3 through 5-10.

PROPOSER:

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Signed: \_\_\_\_\_ Title: \_\_\_\_\_

Print Name: \_\_\_\_\_ Telephone: (\_\_\_\_) \_\_\_\_\_

eMail: \_\_\_\_\_

Date: \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_

DRAFT

## 5.2. **Detailed Proposal**

### 5.2.1 **Evaluation Criteria 1 - Proposer's Experience and Qualifications**

For this part of your proposal, please submit your detailed responses in the format below:

- a. Cover Sheet
- b. Table of Contents
- c. Experience: Proposers shall provide a detailed description of their firm's experience and qualifications in delivering accounting, financial reporting and treasury services. The response should demonstrate the firm's ability to perform the scope of work outlined in this RFP, with a focus on monthly, quarterly, and annual reporting for public agencies or similar organizations. At a minimum, the response should include:
  - i. **Overview of the Firm**
    1. Describe your firm's experience in providing accounting and treasury functions, including experience with electric utilities with transmission assets and Joint Power Authorities.
    2. Please provide your office locations and primary office serving this engagement.
  - ii. **Relevant Experience**
    1. Description of at least three (3) engagements within the past five (5) years that are similar in scope and complexity.
    2. Include the name of the client, type of organization (e.g., government agency, utility, nonprofit), services provided, and duration of the engagement.
    3. Highlight experience with monthly close processes, quarterly financial statements, and preparation of annual financial statements.
  - iii. **Technical Expertise**
    1. Describe your firm's experience providing accounting and treasury functions that follow GASB.
    2. Describe your firm's experience supporting external audits and preparing audit-ready financial packages.
    3. Describe your firm's experience in accounting for derivatives related to financial contracts, specifically those following GASB 53.

4. Describe your firm's process in ensuring proper accounting treatment for a client's new or proposed accounting treatments.

**iv. Use of Technology**

1. Description of accounting systems and reporting tools used in prior engagements.
2. Any automation or process improvements implemented.

**v. Client References**

1. Provide a list of your top 5 clients, including any electric utility clients, your firm (home office) is responsible for the accounting and/or treasury functions in terms of their annual operating revenues (include the amount of operating revenues). In addition, provide any experience with Joint Powers Agencies or similar entities. Include information on the number of years for each client, the date last served each client, the type of services performed (i.e. Accounting services, Consulting, Audit, Other), the number of staff performing those services and a contact person and phone number from each referenced client.

- d. Transition Schedule. State how you would manage the accounting services and treasury functions transition to minimize disruption of the Agency's personnel and ensure a timely completion of the first-year audit by October 31, 2026.
- e. Peer Review. Describe the results of the most recent peer review of your firm and the actions taken to address any significant weaknesses noted in the review. Provide a copy of the most recent peer review report.
- f. Disciplinary Action. Discuss whether your firm has been the object of any disciplinary action during the past three years.
- g. Use of subcontractors is not permitted.

**5.2.2 Evaluation Criteria 2 - Experience and Qualifications of Key Personnel**

Proposers shall identify the key personnel who will be assigned to this engagement and provide detailed information about their qualifications and relevant experience. The agency places particular emphasis on experience related to Electric Utilities with transmission assets and Joint Power Agencies.

Please include the following information:

- a. Team Composition.  
Provide the names, titles, and home office locations of all proposed team members who will be involved in delivering accounting, financial reporting, and treasury services.
- b. Manager/Supervisor in Charge.  
Identify the individual who will serve as the primary manager or supervisor for this engagement. Describe their professional qualifications, certifications (e.g., CPA, CMA), and relevant experience, particularly in the areas of electric utility accounting, transmission asset reporting, and working with Joint Power Agencies. Include a summary of their leadership role and oversight responsibilities.
- c. Staff Member(s).  
For each supporting team member, describe their role on the engagement, relevant qualifications, and specific experience related to electric utilities, transmission assets, and Joint Power Agencies. Highlight any specialized skills or knowledge that will contribute to the successful execution of the scope of work.

**5.2.3 Evaluation Criteria 3 - Proposer's Ability to Meet the Monthly, Quarterly and Annual Reporting schedule for the annual audit and Annual Budget**

- a. Proposer to confirm their ability to meet the Agency's required monthly, quarterly and annual audit reporting deadlines, including the October 31 deadline for the annual audit report. In addition, the annual budget preparation completed by April 30 to be approved at the May commission meeting.
- b. Proposer to describe your approach to managing and delivering monthly, quarterly, and annual reporting services in a timely and accurate manner.
- c. Provide a proposed timeline that outlines key milestones and deliverables for the annual audit and budget process.
- d. Explain how the firm ensures timely completion of deliverables, including staffing strategies, internal review processes, and coordination with the Agency.

**5.2.4 Evaluation Criteria 4 - Commercial Terms (Price) and Compliance with Agency's Contractual Terms**

This section includes the cost information contained in the Cost Estimate, section 5-6 of this Request for Proposal.

The Proposer shall note all exceptions taken to this Request for Proposal including the contract terms and conditions of the contract included in the Sample Contract section of this Request for Proposal. The Agency reserves the right to reject any proposal based on noncompliance with the attached contract terms and conditions.

DRAFT

**5.3. Noncollusion Affidavit**

*TO BE EXECUTED BY PROPOSER AND SUBMITTED WITH PROPOSAL*

\_\_\_\_\_, being first duly sworn, deposes and says

(Name)

that he or she is \_\_\_\_\_ of \_\_\_\_\_

(Title)

(Contractor's Name)

the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other Bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the Bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Typed Name

(The signature of the officer on this affidavit must be acknowledged before a Notary Public)

#### 5.4. Public Record Indemnity Agreement

\_\_\_\_\_ (“Proposer”) shall indemnify, defend and hold  
(Name of Company submitting proposal)

TANC its directors, officers, agents, and employees (collectively, “Indemnitees”) harmless against all claims or causes of action brought against Indemnitees seeking to cause the release or disclosure of Proposer’s Proposal and related materials submitted to Indemnitees in response to Request For Proposal No.XX, TANC ACCOUNTING AND TREASURY FUNCTIONS. In the event Proposer fails or refuses to indemnify or defend Indemnitees upon a timely request as provided hereunder, Proposer shall unconditionally waive all claims against, completely release and forever discharge Indemnitees from any and all claims, damage, loss, expense and liability Proposer may incur arising from or in any way connected to Indemnitees release of Proposer’s Proposal and materials related thereto.

It is agreed that in the event of any litigation arising hereunder, the Proposer at the request of the Agency shall submit to the jurisdiction of any court of competent jurisdiction within the State of California and will comply with all requirements necessary to give such Court jurisdiction, and that all matters arising hereunder shall be determined in accordance with the law and practice of such court. It is further agreed that service of process in any such litigation may be made in the manner provided for in Section 415.40 of the California Code of Civil Procedure or in any other manner provided for in said code for service upon a person outside the State of California.

ACCEPTED FOR PROPOSER

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

## 5.5. Cost Estimate

### Pricing Schedule

In accordance with this Request for Proposal, the Proposer agrees to provide the services described in the Scope of Services at the rates shown in this Schedule.

A. The not-to-exceed fees for Accounting & Treasury functions for the partial FY 2026 and full FY 2027, 2028 and 2029 as well as optional years 2030 and 2031 should follow the format below:

#### Partial FY 2026

| Item No | Staff Classifications       | Total Hours | Rate Per Hour | Extended Amounts |
|---------|-----------------------------|-------------|---------------|------------------|
|         |                             |             | \$ _____      | \$ _____         |
|         |                             |             | \$ _____      | \$ _____         |
|         | Total Costs (Not-To-Exceed) |             |               | \$ _____         |

#### Year 2027

| Item No | Staff Classifications       | Total Hours | Rate Per Hour | Extended Amounts |
|---------|-----------------------------|-------------|---------------|------------------|
|         |                             |             | \$ _____      | \$ _____         |
|         |                             |             | \$ _____      | \$ _____         |
|         | Total Costs (Not-To-Exceed) |             |               | \$ _____         |

#### Year 2028

| Item No | Staff Classifications       | Total Hours | Rate Per Hour | Extended Amounts |
|---------|-----------------------------|-------------|---------------|------------------|
|         |                             |             | \$ _____      | \$ _____         |
|         |                             |             | \$ _____      | \$ _____         |
|         | Total Costs (Not-To-Exceed) |             |               | \$ _____         |

#### Year 2029

| Item No | Staff Classifications       | Total Hours | Rate Per Hour | Extended Amounts |
|---------|-----------------------------|-------------|---------------|------------------|
|         |                             |             | \$ _____      | \$ _____         |
|         |                             |             | \$ _____      | \$ _____         |
|         | Total Costs (Not-To-Exceed) |             |               | \$ _____         |

#### Total Cost of This Proposal

\$ \_\_\_\_\_

(This sum includes the Total Costs for Partial FY 2026, Full Years 2027, 2028, & 2029)

#### Optional Year 2030

| Item No | Staff Classifications       | Total Hours | Rate Per Hour | Extended Amounts |
|---------|-----------------------------|-------------|---------------|------------------|
|         |                             |             | \$ _____      | \$ _____         |
|         |                             |             | \$ _____      | \$ _____         |
|         | Total Costs (Not-To-Exceed) |             |               | \$ _____         |

**Optional Year 2031**

| Item No | Staff Classifications       | Total Hours | Rate Per Hour | Extended Amounts |
|---------|-----------------------------|-------------|---------------|------------------|
|         |                             |             | \$ _____      | \$ _____         |
|         |                             |             | \$ _____      | \$ _____         |
|         | Total Costs (Not-To-Exceed) |             |               | \$ _____         |

B. The not-to-exceed fees for work required for consent to use the audited financial statements in connection with the issuance of bonds should follow the format below:

| Item No | Staff Classification        | Total Hours | Rate Per Hour | Extended Amounts |
|---------|-----------------------------|-------------|---------------|------------------|
|         |                             | Hrs         | \$ _____      | \$ _____         |
|         |                             | Hrs         | \$ _____      | \$ _____         |
|         | Total Costs (Not-To-Exceed) |             |               | \$ _____         |

C. The hourly rates for the other accounting and treasury services:

| Item No | Staff Classification | Rate Per Hour |
|---------|----------------------|---------------|
|         |                      | \$ _____      |
|         |                      | \$ _____      |
|         | Total Costs          |               |

## Appendix A – Insurance Requirements

CONSTITUTING PART OF CONTRACT OR INVITATION NO.: \_\_\_\_ DATED: \_\_\_\_

FOR FOLLOWING SERVICES: \_\_\_\_\_

### TYPE OF COVERAGE

### MINIMUM LIABILITY LIMITS

#### Commercial General Liability

(ISO Form CG0001 or other similar form acceptable to TANC, including premises/operations, contractual, independent contractors and additional insured form CG2010 [“Form B”])

#### Per Occurrence

\$1,000,000  
(BI/PD CSL)

#### Aggregate

\$1,000,000  
(BI/PD CSL)

#### Business Automobile

(ISO Form CA0001, or other similar form acceptable to TANC, covering owned, hired, leased and non-owned vehicles, including “additional insured” coverage)

#### Per Person

\$1,000,000  
(BI/PD CSL)

#### Per Accident

\$1,000,000  
(BI/PD CSL)

#### Professional Errors and Omissions Liability

(Covering claims for financial, BI and PD losses.)

#### Per Claim

\$10,000,000  
(BI/PD CSL)

#### Aggregate

\$10,000,000  
(BI/PD CSL)

#### Statutory California Workers’ Compensation

(Including USLH, where applicable, and Employer’s Liability)

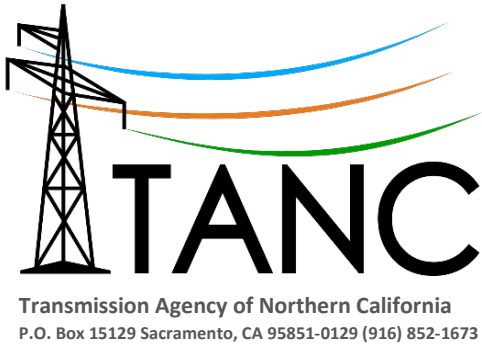
#### Per Employee

\$1,000,000  
(BI/PD CSL)

#### Per Accident

\$1,000,000  
(BI/PD CSL)

1. **THE INSURANCE DESCRIBED ABOVE SHALL BE PRIMARY** as respects TANC, its Members, the other owners of COTP, the Project Administrator, and their respective directors, officers, representatives, agents, and employees (hereinafter referred to as “The Parties”), and any other insurance effected or procured by any of The Parties shall be excess of and shall not contribute with such other insurance.
2. The coverage specified above except Workers’ Compensation and Professional Liability shall name The Parties as **ADDITIONAL INSURED**s and shall contain a severability of interests’ clause.
3. Insurance effected or procured by Broker **SHALL NOT REDUCE OR LIMIT BROKERS’ CONTRACTUAL OBLIGATIONS** to indemnify and defend The Parties for claims made or suits brought which result from or in connection with the performance of this contract.
4. Coverages written on an occurrence form **SHALL BE MAINTAINED DURING** the entire term of the contract. Coverages written on a claims-made form shall be maintained during the entire term of the contract and further until one year following termination and acceptance of all contract work.
5. At TANC’s sole discretion and Broker’s sole expense, **COVERAGE LIMITS MUST BE REPLENISHED** immediately upon insurer’s reduction due to payment of claims. Failure to do so may result in cancellation of the contract, at TANC’s sole discretion. Upon Broker’s failure to place, renew, or replenish coverage, TANC may do so on Contractor’s behalf and deduct the cost thereof from contract payments.
6. During the entire term of the contract, Broker shall provide and maintain **CERTIFICATES OF INSURANCE** completed by its insurer(s), agent or broker certifying that at least the minimum insurance coverages, limits and endorsements required above are in effect, and that the coverages will not be canceled or materially changed without thirty (30) days advance written notice to: TANC.



## MEMORANDUM

DATE: October 15, 2025

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: RESOLUTION APPROVING AN AGREEMENT FOR INSURANCE BROKER SERVICES

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This memorandum is to inform the Transmission Agency of Northern California (TANC) Commission of recent activities of the Joint TANC/California-Oregon Transmission Project (TANC/COTP) Insurance Task Force (Task Force). The current broker agreement with Aon Risk and Insurance expires December 30, 2025. The Task Force decided to go out to bid for insurance broker services and have the preferred bidder in place by January 1, 2026 to market the insurance program for renewal in March 2026.

A two-phase approach was agreed upon by the Task Force to determine the selection of an insurance broker. Phase I was to request a Statement of Qualifications (SOQ) from a broker list to be developed by the Task Force. Phase II involved those brokers who passed Phase I screening by the Task Force to provide monetary bids spanning a three-year contract with options for an additional two-year extension.

The Task Force targeted six firms to send the SOQ and received four responses in Phase I. Those firms received passes on qualifications from the Task Force and were asked to participate in Phase II monetary bidding. The final review by the Task Force determined that Arthur J. Gallagher Risk Management Services, LLC (Gallagher) provides the best qualifications and fees for broker services.

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

TANC Commission

October 15, 2025

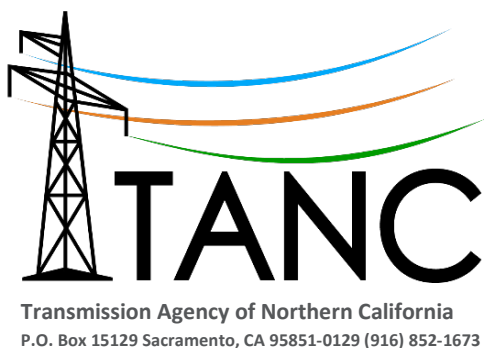
Page Two

The Task Force is now recommending the TANC Commission and then the COTP Management Committee approve Gallagher as the new insurance broker representative for the TANC/COTP insurance program.

Approval of the enclosed resolution will authorize the TANC General Manager to submit an email vote for approval of Gallagher as the new insurance broker representative for the TANC/COTP insurance program to the COTP Management Committee.

Approval of the attached resolution will also authorize the TANC General Manager to enter into an agreement with Gallagher subject to the final review and approval of TANC's General Counsel, subject to the approval of the COTP Management Committee.

Enclosure



## MEMORANDUM

DATE: October 15, 2025

TO: TANC Commission

FROM: Cory Danson  
General Manager

SUBJECT: RESOLUTION ON TANC'S TREASURE/CONTROLLER SERVICES

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This memorandum provides an update to the Transmission Agency of Northern California (TANC) Commission on recent events associated with the provision of Treasurer and Controller services currently performed by the Sacramento Municipal Utility District (SMUD) to TANC. At the September 17, 2025 Commission meeting, it was discussed that SMUD is intending to terminate its agreement with TANC in the provision of Treasurer and Controller functions approximately around the first quarter of 2026. At the time of the September Commission meeting there remained possible provision of these services by another TANC Member, but at the same time the Commission instructed staff to begin preparation of a Request for Proposal (RFP) for these services. Upon further outreach it has been determined that no other TANC member would be able to provide these services in-lieu of SMUD. As such, TANC, in conjunction with Treasury and Controller staff, began development of the RFP. Attached is a preliminary draft agreement that is currently being developed and will need additional amendment over the next couple weeks.

Approval of the enclosed resolution will allow the TANC General Manager to finalize the draft RFP and to distribute it to appropriate vendors for further consideration during an evaluation process. As the recommended firm or entity is identified to provide these services to TANC, the associated contract or agreement between TANC and that firm will be brought for consideration by the Commission.

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

RESOLUTION 2025-\_\_

A RESOLUTION OF THE  
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA  
AUTHORIZING AN AGREEMENT FOR  
INSURANCE BROKER SERVICES

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

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

WHEREAS, TANC annually purchases insurance coverage for the COTP; and

WHEREAS, TANC utilizes an insurance broker for the marketing and binding of its insurance program for the COTP; and

WHEREAS, the current contract with the existing broker expires December 31, 2025; and

WHEREAS, the Joint TANC/COTP Insurance Task Force released a Statement of Qualifications to firms for insurance broker services; and

WHEREAS, the Joint TANC/COTP Insurance Task Force has reviewed all solicitations and recommends Arthur J. Gallagher Risk Management Services, LLC (Gallagher) to perform insurance broker services for the COTP; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission of the Transmission Agency of Northern California that the TANC General Manager is authorized to submit an email vote for approval of Gallagher as the new insurance broker representative for the TANC/COTP insurance program to the COTP Management Committee.

BE IT FURTHER RESOLVED that the TANC General Manager is authorized to enter into an agreement with Gallagher subject to the final review and approval of TANC's General Counsel and subject to the approval of the COTP Management Committee.

PASSED AND ADOPTED this 22<sup>nd</sup> day of October 2025, 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



## **CLIENT SERVICES AGREEMENT**

This Client Services Agreement (this “**Agreement**”) is made and entered into as of the first day of January, 2026 (the “**Effective Date**”) by and between Transmission Agency of Northern California (TANC), a California [joint powers authority] (“**Client**”), and Arthur J. Gallagher Risk Management Services, LLC, a Delaware limited liability company, and its licensed brokerage affiliates (“**Gallagher**”). Client and Gallagher shall each be referred to herein as a “**Party**” and collectively as the “**Parties**.”

WHEREAS, Gallagher is a global insurance brokerage and risk management services firm, and Client desires to retain Gallagher to provide certain services, as further described on Exhibit A attached hereto (collectively, the “**Services**”).

NOW, THEREFORE, in consideration of the mutual promises contained herein, Gallagher and Client hereby agree as follows:

### **I. TERM AND TERMINATION**

This Agreement shall commence on the Effective Date and continue for a term of one (1) year (the “Initial Term”). This Agreement shall automatically renew on the first anniversary of the Effective Date and annually thereafter for consecutive additional periods of one (1) year each (each a “Renewal Term”). This Agreement may be terminated by either Party at any time upon thirty (30) days’ prior written notice. In the event of any such termination, Gallagher will work with Client during such 30-day period to transition its account as directed.

### **II. SERVICES**

Gallagher will provide the Services for Client as set forth on Exhibit A and incorporated herein, which Exhibit A may be amended from time to time as agreed upon in writing by the Parties. For Services that specifically include insurance placement by Gallagher as the broker, Client hereby authorizes Gallagher to represent and assist Client in all discussions and transactions with insurance companies relating to the lines of insurance set forth on Exhibit A when acting as Client’s insurance broker, provided that Gallagher shall not place any insurance on behalf of Client unless so authorized by Client in writing. In addition, Services that include the placement of insurance coverage require the following:

A. Client shall provide Gallagher with all information and documentation that may be relevant to the applicable risks that Client would like to insure, as requested by Gallagher and/or underwriters from which Gallagher intends to secure quotes. This information shall include any facts material to a fair assessment of the risk by underwriters, including risk exposures and loss experience, and shall be updated as information changes or is discovered after inception of coverage. Client’s failure to fully and completely disclose all such information could result in a carrier declining coverage for a specific loss or voiding Client’s insurance coverage altogether.

B. Gallagher will consult with Client regarding the terms of the insurance quotes received, and Client shall have sole discretion in the selection of the ultimate insurance markets and policies chosen, as well as any other decisions involving Client’s risk management, risk transfer and/or loss prevention needs. Gallagher will use reasonable efforts to secure insurance coverages on Client’s behalf and as directed by Client. Client must read all coverage proposals and policies carefully, as actual coverage is determined by the applicable policy language. Gallagher will provide guidance to Client regarding Client’s policy or coverage inquiries. In the event an insurer cancels or refuses to issue a particular policy, Gallagher will use reasonable efforts to obtain replacement coverage from another insurer.

C. Client is responsible for notifying applicable insurance companies directly in connection with any claims, demands, suits, notices of potential claims or any other matters in accordance with the terms and conditions of Client’s policies. Upon request, Gallagher will assist Client in determining applicable claim reporting requirements.

D. Client has no obligation to purchase an insurance product through Gallagher.

### **III. COMPENSATION, TAXES AND FEES**

A. Client shall pay Gallagher fees for the Services set forth on Exhibit A. Where permitted, the Services may include fees in lieu of or in addition to commission for placement of insurance. If Gallagher receives

fees for insurance placement, the policy(ies) will be listed in Exhibit A, along with the fee for that insurance placement. Fees for post insurance placement Services may also be included in Exhibit A.

B. Based on market increases including, but not limited to, inflation, labor, overhead, and other good faith increases in the cost to Gallagher to provide the Services, the fees for the Services shall be adjusted on the first day for each Renewal Term. For each Renewal Term, provided the Services remain substantially similar to those provided in this Initial Term, the fees for the Services shall be increased zero (0%) percent over the prior year.

C. Gallagher's fees under this Agreement shall be fully earned on the Effective Date (and any anniversary thereof). All amounts shall be due and payable to Gallagher in U.S. dollars, within thirty (30) days after Client's receipt of the applicable invoice. Any amounts not paid when due will accrue interest at the rate of one and one-half percent (1.5%) per month or the highest rate permitted by applicable law, whichever is less. Client shall inform Gallagher in the event that Client's business operations change substantially, including the applicable risks insured. Under such circumstances, Client and Gallagher will negotiate in good faith to adjust the amount of commission and/or fees to be paid to Gallagher hereunder.

D. Where applicable, insurance coverage placements and other Services provided by Gallagher may require the payment of federal excise taxes, surplus lines taxes, stamping or other fees to the Internal Revenue Service, various State(s) departments of revenue, state regulators, boards or associations. In such cases, Client is responsible for the payment of such taxes and/or fees, which Gallagher will separately identify on related invoices. Under no circumstances will these taxes or other related fees or charges be offset against fees or commissions due to Gallagher hereunder.

#### **IV. ADDITIONAL COMPENSATION AND FEES**

A. In addition to the fees and/or commissions set forth in Exhibit A or otherwise described herein, Gallagher may also receive interest or other investment income on funds temporarily held by it, such as premiums or return premiums. Other parties, such as excess and surplus lines brokers, wholesalers, reinsurance intermediaries, underwriting managers, captive managers and similar parties, some of which may be owned in whole or in part by Gallagher's corporate parent, may earn and retain usual and customary commissions and fees in the course of providing insurance products to clients.

B. Any compensation that Gallagher receives from insurance carriers may differ depending on the market and the insurance product placed on Client's behalf. Gallagher may receive additional compensation from insurance carriers in the form of contingent and supplemental commissions, bonus commissions, overrides or expense reimbursements. Any such fees or commission will not constitute compensation to Gallagher per Section III above.

C. Client is responsible for payment of premiums for all insurance placed by Gallagher on its behalf. If any amount is not paid in full when due, including premium payments to insurance companies or premium finance companies, such nonpayment will constitute a material breach of this Agreement that will allow Gallagher to immediately terminate this Agreement upon written notice to Client, at its sole option. Further, the applicable insurance carrier may terminate the associated coverage for nonpayment. In addition, and not in lieu of the right to terminate, Gallagher reserves the right to apply return premiums or any other payment received by Gallagher on Client's behalf to any amounts owed by Client to Gallagher unless, and solely to the extent that, such return premiums or other payments are disputed by Client.

#### **V. CONFIDENTIALITY & DATA PRIVACY**

A. As used in this Agreement, Confidential Information means any nonpublic, proprietary or personal data and information furnished by either Party or its agents or representatives to the other Party or its agents and representatives, whenever furnished and regardless of the manner or media in which such information is furnished, which the receiving Party knows or reasonably should know to be confidential. Each Party shall treat Confidential Information as confidential and only use it in the performance of its obligations under this Agreement.

B. The Parties acknowledge that Confidential Information includes personal data provided to Gallagher by Client for the benefit of Client and/or its employees to facilitate the placement of insurance and/or the Services set forth in Exhibit A. Both Parties also agree that the Confidential Information may include information that alone, or in combination with other information, uniquely identifies an individual. Client agrees

that Gallagher is permitted to disclose and transfer Client's Confidential Information to Gallagher's affiliates, agents or vendors that have a need to know the Confidential Information in connection with the Services provided under this Agreement (including insurance carriers, as necessary, for quoting and/or placing insurance coverages). In addition, Gallagher may also utilize anonymized/de-identified Client data in connection with data analytics, service enhancement initiatives and similar business purposes. Either Party may also disclose such information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

C. Both Gallagher and Client agree to comply with all state and federal laws, rules, and orders that relate to privacy and data protection which are, or which in the future may be, applicable to Confidential Information, the Services or the performance of obligations under this Agreement. Upon request, Gallagher will cooperate with Client pursuant to applicable law(s) to comply with requests from individuals regarding their personal information.

## **VI. DISPUTE RESOLUTION**

A. In the event a dispute between the Parties arising out of or relating to this Agreement or the relationship created by this Agreement ("**Dispute**"), the Parties agree to resolve that Dispute by mediation. If mediation fails to resolve the Dispute, the Parties agree to binding arbitration. The Parties waive any and all rights they may have to commence litigation in court to resolve a Dispute, and specifically waive any and all rights to pursue relief by class action or mass action in court or through arbitration. For the avoidance of doubt, consistent with the provisions that follow, the Parties do not waive the ability to seek a court order of injunction in aid of the mediation and arbitration required by this Agreement.

B. A Party wishing to assert a Dispute shall do so by providing a written notice ("**Notice**") of the claim to the American Arbitration Association ("**AAA**") in accordance with its Commercial Arbitration Rules and Mediation Procedures, unless specifically excluded under Section VI.A of this Agreement. All Dispute resolutions shall take place in Sacramento, CA, unless otherwise agreed by the Parties. The Parties will equally divide all costs of the mediation and arbitration proceedings and will each pay their own attorney fees. All matters will be before neutral, impartial and disinterested mediator or arbitrator(s) that have at least 20 years' experience in commercial and insurance coverage disputes, which may be based in legal practice, insurance company or insurance brokerage practice, or a combination thereof.

C. Mediation will occur within sixty (60) days of filing the Notice with the AAA. Mediation results will be reduced to a Memorandum of Understanding signed by both Parties and the mediator. A Dispute that is not resolved in mediation will commence to binding arbitration. For Disputes in excess of \$500,000, either Party may elect to have the Dispute heard by a panel of three (3) arbitrators. The award of the arbitrator(s) shall be accompanied by a reasoned opinion prepared and signed by the arbitrator(s). Except as may be required by law, neither a Party nor a mediator or arbitrator may disclose the existence, content or results of any Dispute or its dispute resolution proceeding without the prior written consent of both Parties.

## **VII. LIABILITY LIMITATIONS**

Gallagher's liability to Client arising from any acts or omissions of Gallagher shall not exceed \$20 million in the aggregate. Without limiting the foregoing, each Party shall only be liable for actual damages incurred by the other Party, and shall not be liable for any indirect, special, exemplary, consequential, reliance, punitive damages or for any attorneys' fees other than as described in Section VIII.A below (whether incurred in a dispute or an action against the other, or as alleged damages that any Party incurred in any insurance coverage dispute, or otherwise). No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with this Agreement or any Services provided hereunder may be brought by either Party any later than four (4) years after the accrual of such claim or cause of action.

## **VIII. MISCELLANEOUS**

A. Indemnification. Each Party agrees to defend, indemnify and hold the other Party and its affiliates and their respective directors, officers, employees and agents harmless from any and all losses, liabilities, exposures, damages and all related costs and expenses, including reasonable legal fees, to the extent arising from or relating to any third party claims, demands, suits, allegations, or causes or threats of action based on

the indemnifying Party's: (i) breach of any representation, warranty or covenant made by such Party hereunder, or (ii) negligent acts or omissions or intentional misconduct; provided, however, that the indemnifying Party's indemnification obligations hereunder shall be reduced to the extent that such losses and damages arise from the acts or omissions of the other Party or its employees or agents.

B. Advisory Services. The Services provided by Gallagher, its employees and affiliated companies do not constitute legal or tax advice. Client must consult with its own legal and financial advisors to become fully apprised of any legal or financial implications to its business.

C. Assignment. This Agreement shall apply to and bind the successors and assigns of the Parties hereto, including, in the event of a Party's insolvency, debtors-in-possession and any appointed trustee or administrator. This Agreement shall not be assignable by either Party, except with the prior written consent of the other Party; provided, however, that either Party may assign this Agreement to an affiliate or in the event of a merger or sale, provided the assignee is willing and able to assume such Party's obligations hereunder.

D. Independent Contractor. Gallagher is engaged to perform Services as an independent contractor of Client and not as an employee or agent of Client, and will not be operating in a fiduciary capacity.

E. Governing Law & Venue. This Agreement and any Dispute relating to or arising out of this Agreement shall be governed by the laws of the State of California, without regard to its conflict of law rules. Any litigation under Section VI.A of this Agreement shall be brought in federal or state court in Sacramento County, California.

F. Force Majeure. Neither Party shall be liable to the other for any delay or failure to perform any of its obligations under this Agreement (other than payment obligations) as a result of flood, earthquake, storm, other act of God, fire, derailment, accident, labor dispute, explosion, war, act of terrorism, sabotage, insurrection, riot, embargo, court injunction or order, act of government or governmental agency or other similar cause beyond its reasonable control.

G. Counterparts. This Agreement may be executed in multiple counterparts (including by scanned image or electronic signature), each of which shall be considered one and the same agreement, and shall become effective when signed by each of the Parties hereto and delivered to the other Party.

H. Warranties. Except as expressly set forth in this Agreement, Gallagher makes no other warranties of any kind with respect to the Services, including, without limitation, warranties that may be implied from a course of performance, dealing or trade usage.

I. Severability. If a court/arbitrator of competent jurisdiction determines that any provision of this Agreement is void or unenforceable, that provision will be severed from this Agreement, and the court/arbitrator will replace it with a valid and enforceable provision that most closely approximates the intent of the Parties, and the remainder of this Agreement will otherwise remain in full force and effect.

J. Entire Agreement. This Agreement and the exhibits attached hereto constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersede all prior negotiations, agreements and understandings as to such matters.

K. Non-Waiver. The Parties agree that any delay or forbearance by either Party in exercising any right or remedy under this Agreement or otherwise afforded by applicable law shall not be a waiver of or preclude the exercise of any such right or remedy. No change, waiver or discharge hereof shall be valid unless in writing and executed by the Party against whom such change, waiver or discharge is sought to be enforced.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

**ARTHUR J. GALLAGHER RISK  
MANAGEMENT SERVICES, LLC**

**TRANSMISSION AGENCY OF NORTHERN  
CALIFORNIA (TANC)**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT A

The following outlines Services provided by Gallagher over the term of this Agreement:

- Use its best efforts to secure the following lines of insurance coverage on Client's behalf:

List of Insurance Placements:

- o Property, Incl Boiler and Machinery
  - o Excess Liability
  - o Director's and Officer's Liability
  - o Non-Owned Aircraft Liability
  - o Surety bonds for the Treasurer and the Controller
- Work with Client to prepare comprehensive underwriting data and criteria for insurance carrier negotiations.
- Formally present coverage submissions to agreed upon insurance carrier(s) and negotiate terms on behalf of Client.
- Summarize the results of executing the marketing strategy developed with Client and communicate program recommendations.
- Provide consultation to Client on exposures, existing coverage, and the desirability and/or feasibility of potential program changes, retention and data analysis as recommended by Gallagher.
- Request change endorsements, when requested by the Client or when otherwise necessary, ensuring accuracy and delivery in a timely manner.
- Administration of insurance program, including policy review and issuance, invoicing, coordination and/or issuance of required documentation, i.e., automobile identification cards, certificates of insurance, and other program administration, as required by the Client.
- Review accounting and billing data; audit information from insurance carriers to ensure accuracy.
- Loss Control Consultation and claims advocacy.

Fees for Services:

| Service Period  |                   | Amount      |
|-----------------|-------------------|-------------|
| Year One        | (Jan 1 2026-2027) | \$75,000.00 |
| Year Two        | (Jan 1 2027-2028) | \$75,000.00 |
| Year Three      | (Jan 1 2028-2029) | \$75,000.00 |
| Option Year One | (Jan 1 2029-2030) | \$75,000.00 |
| Option Year Two | (Jan 1 2030-2031) | \$75,000.00 |

Special projects outside the scope of general work may be subject to a separate fee to be mutually agreed upon.

Client Signature\_\_\_\_\_

Date \_\_\_\_\_

California Producer License No. 0D69293

## **TAB 21**

### **REPORT AND POTENTIAL ACTION ON ADMINISTRATIVE ITEMS**

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

- a. Proposed rate increase for TANC Special Counsel-Duncan, Weinberg, Genzer & Pembroke, P.C to be effective for work performed on and after January 1, 2026

*Attorney-Client Privilege  
Privileged and Confidential*

September 30, 2025

VIA ELECTRONIC MAIL  
Cory Danson  
General Manager  
Transmission Agency of  
Northern California  
P.O. Box 15129  
Sacramento, CA 95851-0129

Re: Rates for Legal Services Provided by  
Duncan, Weinberg, Genzer & Pembroke, P.C.

Dear Mr. Danson:

We are writing to propose a change in the hourly rates for legal services performed by Duncan, Weinberg, Genzer & Pembroke, P.C., on behalf of the Transmission Agency of Northern California, subject to TANC's approval, to be effective for work performed on and after January 1, 2026. The proposed change will coincide with 2 years since TANC last approved and implemented a change in rates for this firm. We are mindful of TANC's budget process and propose implementing the change at mid-fiscal year and assure you that we will be able to perform the legal services required by TANC consistent with the budget approved for Special Counsel.

With TANC's approval, we last adjusted the firm's rates for work performed on and after January 1, 2024. Since TANC last changed our rates, increases in our costs for rent, support salaries, and insurance, among others, have dictated that we request an increase in our rates for professional services at this time to maintain the quality of staff and technical capability necessary to effectively meet TANC's requirements.

We propose the hourly rates to be effective for authorized services rendered on and after January 1, 2026.

We will notify TANC anytime there is a change in an employee's billing classification thereby changing the individual's billing rate.

Pursuant to the Legal Services Agreement between TANC and Special Counsel, we provide the required notice for a change in billing rates for legal services.

The firm values its long-standing relationship with TANC and looks forward to continuing to provide quality legal service at competitive rates. Please do not hesitate to contact us to discuss any question regarding the proposal.

Sincerely,

/s/ Bhaveeta Mody

Bhaveeta K. Mody

Michael Postar

*confidential treatment requested*

**DUNCAN, WEINBERG, GENZER & PEMBROKE, PC**  
**Fee Proposal Effective January 1, 2026**

|                                                                | <b>Proposed<br/>Rates<br/>2026</b> | <b>% change</b> |
|----------------------------------------------------------------|------------------------------------|-----------------|
| Shareholder/Of Counsel <sup>1</sup>                            | \$465                              | 3.33%           |
| Senior Associates (with five years of experience) <sup>2</sup> | \$375                              | 2.74%           |
| Associates <sup>3</sup>                                        | \$330                              | 3.13%           |
| Analyst                                                        | \$230                              | 2.22%           |
| Senior Paralegal                                               | \$180                              | 0%              |
| Other Paralegals and Law Clerks                                | \$150                              | 0%              |

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<sup>1</sup> Including: Bhaveta Mody, Michael Postar, Sean Neal

<sup>2</sup> Including: Sylwia Dakowicz

<sup>3</sup> Including: Nina Wu, Gelane Diamond, Kevin Kurzeja

**TAB 22**

**MEETING CALENDAR**

The TANC Commission will confirm the date of its next scheduled meeting is November 19, 2025.