

MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: SEPTEMBER 18, 2024 MEETING OF THE TRANSMISSION AGENCY OF
NORTHERN CALIFORNIA

The Commission of the Transmission Agency of Northern California (TANC) will meet at 10:00 a.m. on Wednesday, September 18, 2024, at 2377 Gold Meadow Way, First Floor, Gold River, California, 95670. The meeting is also accessible by telephone at:

Join Meeting: 1 (202) 945-4283 Phone Conference ID: 544 215 124#

In addition to the customary reports, enclosed are reports related to WestConnect activities, California-Oregon Transmission Project matters, TANC technical matters, Federal Energy Regulatory Commission and related regulatory matters, Western Electricity Coordinating Council matters, Wildfire activities, reliability standard compliance matters, California Independent System Operator matters, a report on the 2024 TANC audit schedule, the Fiscal Year 2024 Fourth Quarter Budget Variance report, a report from the TANC Chair and a report on TANC strategic planning efforts.

The Commission will also receive a report and potentially take action on an Available Cash presentation and consider a resolution vesting and retaining power and authority of the Interim General Manager and TANC Commission Chair respectively. The Commission will also consider items in Closed Session and schedule its next meeting.

TAB 1

CALL TO ORDER

The TANC Chair will call the meeting to order.

TAB 2

ROLL CALL

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

AGENDA
TANC COMMISSION MEETING
September 18, 2024
10:00 AM

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

Remote Locations:

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

Silicon Valley Power
881 Martin Ave
Santa Clara, CA 95050

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

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

Join Meeting: 1 (202) 945-4283 Phone Conference ID: 544 215 124#

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 August 21, 2024 TANC Commission Meeting.

Enclosed are the draft minutes from the August 21, 2024 TANC Commission meetings, for approval, subject to any necessary corrections or clarifications.

6. Report on TANC's Investment Purchases

Enclosed are reports on TANC's investment purchases.

7. Report on General Manager's Committees

Enclosed are approved meeting minutes from the following committees:

- a. Engineering and Operations Committee

8. Report on WestConnect Activities

Enclosed is a report regarding activities related to WestConnect.

9. Report on COTP Matters

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

10. Report on TANC Technical Matters

Enclosed is a report regarding TANC technical matters.

11. Report on FERC and Related Regulatory Matters

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

12. Report on WECC Matters

Enclosed is a report regarding Western Electricity Coordinating Council matters.

13. Report on 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.

16. Report on the 2024 TANC Audit Schedule

Enclosed is a report on the schedule for the annual 2024 TANC Audit.

17. Report on FY 2024 Fourth Quarter Budget Variance Report

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

INFORMATION ITEMS

18. Report from the TANC Chair

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

19. Report on TANC Strategic Planning Efforts

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

ACTION ITEMS

20. Report and Potential Action on TANC's Available Cash Balances

The Commission will receive a report on available cash balances through June 30, 2024.

21. Resolution Vesting and Retaining Power and Authority of the Interim Contract Executive/General Manager and TANC Commission Chair Respectively

The Commission will consider a resolution vesting and retaining power and authority of the Interim Contract Executive/General Manager and the TANC Commission Chair respectively.

CLOSED SESSION

22. Closed Session Pursuant to Government Code Section 54956.9(a), Pending Litigation:

- a. Pacific Gas and Electric Company Docket Nos. ER16-2320-000; ER17-2154-000; ER19-13-000; ER23-2968-000, et al.

END OF CLOSED SESSION

23. Report and Potential Action on Administrative Items

- a. Approval of an Updated TANC Officers List

24. Meeting Calendar

The Commission will confirm the date of its next scheduled meeting is October 23, 2024.

TAB 4

PUBLIC COMMENT

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

TAB 5

DRAFT MINUTES AND ATTACHMENTS

DRAFT MINUTES
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
COMMISSION MEETING
AUGUST 21, 2024

Chair Zettel (City of Redding) called the August 21, 2024 Transmission Agency of Northern California (TANC) Commission meeting to order at 10:00 a.m. Mr. Riegle (TANC) took a roll call of Commissioners in attendance. Meeting attendees are listed in Attachment 1.

Approval of Agenda

Chair Zettel inquired as to 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 21, 2024 TANC Commission agenda. Mr. Beans (City of Roseville) seconded the motion, which was approved by the TANC Commission. The approved agenda for the August 21, 2024 Commission meeting is included as Attachment 2.

PUBLIC COMMENT

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

CONSENT CALENDAR

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

INFORMATION ITEMS

Report from the TANC Chair

Chair Zettel reported that he was working on identifying an Interim General Manager and that the Commission would consider potential options later in the meeting. The Commission also discussed a recent inquiry from a transmission developer on offshore wind development. Mr. Gill also provided an update on potential acquisition of Carmichael and San Juan Water District's California-Oregon Transmission Project (COTP) entitlement reporting that a proposal was being negotiated and the required contracts would likely be brought to the Commission for consideration in November. Chair Zettel reported that these same agreements would need to be revised as part of the City of Redding's transfer of their COTP entitlement to TANC. Chair Zettel also noted that the COTP entitlement transfers would also trigger a review of the structure of the COTP Management Committee – which has been operating under an Interim Participation Agreement since the 1990s.

Report on TANC Strategic Planning Efforts

Mr. Riegle provided an update on strategic planning efforts was included in the meeting information. Chair Zettel also report that the development of new strategic planning items would be paused until TANC secures a new General Manager to lead the effort.

ACTION ITEMS

Resolution Approving a Letter of Credit

Mr. Mills (Sacramento Municipal Utility District) reported that TANC needs to consider the issuance of one or more series of notes in the aggregate principal amount of not to exceed one hundred twenty million dollars (\$120,000,000), to provide upfront funding to the Western Area Power Administration as agreed to in Letter of Agreement 23-SNR-0300 and in support of the Series Capacitor Replacement Project. Mr. Mills also noted that the General Manager's Finance Committee recommended approval of authorizing the issuance of one or more series of notes in

the aggregate principal amount of not to exceed \$120,000,000 and authoring the activities necessary to complete the request. The TANC Commission discussed the proposed schedule for bond sales which would be in the late spring/early summer of 2025 after which the notes would be paid off in full. After discussion by TANC Commission, Ms. Lewis (Sacramento Municipal Utility District) moved to approve authorizing the issuance of one or more series of notes in the aggregate principal amount of not to exceed \$120,000,000 and authorizing the activities necessary to complete the request. This motion was seconded by Mr. Gill (Turlock Irrigation District) and approved by the TANC Commission. Resolution 2024-17 is included as Attachment 4.

Discussion and Possible Action – Appointment of Labor Negotiator

The TANC Commission discussed the appointment of Chair Zettel to serve as the labor negotiator to negotiate for the unrepresented position of Interim Contract Executive/General Manager. After discussion by the TANC Commission, Mr. Beans (City of Roseville) moved to approve the appointment of Chair Zettel to serve as the labor negotiator. This motion was seconded by Ms. Lewis (Sacramento Municipal Utility District) and approved by the TANC Commission by roll call vote.

CLOSED SESSION

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

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

ADDITIONAL ACTION ITEMS

Discussion and Possible Action – Agreement for Interim Contract Executive/General Manager Services

The TANC Commission discussed contracting with Mr. John Roukema for Interim Contract Executive/General Manager Services. After discussion by the TANC Commission, Mr. Beans (City of Roseville) moved to approve authorizing the TANC Chair to negotiate and enter into an agreement for Interim Contract Executive/General Manager Services. This motion was seconded by Mr. Gill (Turlock Irrigation District) and approved by roll call vote.

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

The TANC Commission discussed forming an ad hoc committee to evaluate TANC's current Contract Executive structure and consider options to retain a Regular Contract Executive/General Manager. After discussion by the TANC Commission and an identification of the ad hoc committee members, Mr. Caballero (Modesto Irrigation District) moved to approve forming the ad hoc committee. This motion was seconded by Ms. Lewis (Sacramento Municipal Utility District) and approved by roll call vote.

Meeting Calendar

The next regular TANC Commission meeting is scheduled for September 18, 2024. There being no further business, Chair Zettel adjourned the meeting.

ATTENDANCE LIST

TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
COMMISSION MEETING

August 21, 2024

10:00 AM

<u>NAME</u>	<u>ORGANIZATION</u>
Nick Zettel	City of Redding
Joe Bowers	City of Redding
Martin Caballero	Modesto Irrigation District
Manjot Gill	Turlock Irrigation District
Dan Beans	City of Roseville
Laura Lewis	Sacramento Municipal Utility District
Chris Hofmann	Sacramento Municipal Utility District
Russell Mills	Sacramento Municipal Utility District
Randy Howard	Northern California Power Agency
Tony Zimmer	Northern California Power Agency
Anish Nand	Northern California Power Agency
Basil Wong	Silicon Valley Power
Kathleen Hughes	Silicon Valley Power
Lena Perkins	City of Palo Alto
Jeanne Haas	Western Area Power Administration
Bryan Griess	Western Area Power Administration
John Wang	Orrick, Herrington & Sutcliffe
Steve Gross	TANC General Counsel
Amy Cuellar	TANC Staff
Larry Riegle	TANC Staff

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August 21, 2024
10:00 AM

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Roseville, CA 95678-6420

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

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

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

1. Call to Order

The TANC Chair will call the meeting to order.

2. Roll Call

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

3. Approval of Agenda

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

PUBLIC COMMENT

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

CONSENT CALENDAR

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

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

6. Report on TANC's Investment Purchases

Enclosed are reports on TANC's investment purchases.

7. Report on General Manager's Committees

Enclosed are approved meeting minutes from the following committees:

- a. Contracts Committee
- b. Finance Committee

8. Report on WestConnect Activities

Enclosed is a report regarding activities related to WestConnect.

9. Report on COTP Matters

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

10. Report on TANC Technical Matters

Enclosed is a report regarding TANC technical matters.

11. Report on FERC and Related Regulatory Matters

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

12. Report on WECC Matters

Enclosed is a report regarding Western Electricity Coordinating Council matters.

13. Report on TANC OASIS Matters

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

14. Report on Wildfire Activities

Enclosed is a report regarding recent wildfire related initiatives.

15. Report on CAISO Matters

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

INFORMATION ITEMS

16. Report from the TANC Chair

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

17. Report on TANC Strategic Planning Efforts

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

ACTION ITEMS

18. Resolution Approving a Letter of Credit

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

19. Discussion and Possible Action - Appointment of Labor Negotiator

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

CLOSED SESSION

20. Public Employment:

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

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

END OF CLOSED SESSION

ADDITIONAL ACTION ITEMS

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

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

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

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

23. Meeting Calendar

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

Approved August 21, 2024

Attachment 3

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

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

Approval of Agenda

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

PUBLIC COMMENT

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

CONSENT CALENDAR

Chair Zettel asked if any Commissioner would like a discussion or removal of any item under the Consent Calendar and there were no requests. Mr. Cabellero (Modesto Irrigation District) made a motion to approve the Consent Calendar. Mr. Gill (Turlock Irrigation District) seconded the motion, which was approved by the Commission. The approved minutes from the May 22, 2024 TANC Commission meeting are included as Attachments 3.

INFORMATION ITEMS

Report from the TANC General Manager

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

Report on TANC Strategic Planning Efforts

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

ACTION ITEMS

Resolution Approving TANC's Reliability Standards Compliance Program

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

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

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

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

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

CLOSED SESSION

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

Report and Potential Action on Administrative Items

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

Meeting Calendar

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

Respectfully Submitted,

Signed by:

A blue ink signature of Nick Zettel, written in a cursive style, enclosed within a blue rectangular box.

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Nick Zettel

TANC Commission Chair

RESOLUTION 2024-17

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ADOPTED AND APPROVED this 21st day of August 2024, on a motion by Ms. Lewis (Sacramento Municipal Utility District) and seconded by Mr. Gill (Turlock Irrigation District).

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

TAB 6

REPORT ON TANC'S INVESTMENT PURCHASES

Enclosed is a report on TANC's investment purchases.

Transmission Agency of Northern California

Investment Purchases Report For Month Ended August 31, 2024

Settlement Date	Maturity Date	Portfolio	Investment Type	Issuer	Par Value
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No purchases in August 2024

TAB 7

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

Audit/Budget Committee	October 24, 2024
Contracts Committee	October 1, 2024
Engineering and Operations Committee	November 13, 2024
Open Access Transmission Tariff Committee	October 1, 2024

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

Engineering and Operations Committee	May 8, 2024
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**MINUTES
CALIFORNIA-OREGON TRANSMISSION PROJECT
ENGINEERING AND OPERATIONS COMMITTEE MEETING
MAY 8, 2024**

The California-Oregon Transmission Project (COTP) Engineering and Operations (E&O) Committee met on May 8, 2024. The Agenda and Attendance list for the meeting are provided as Attachment 1 and Attachment 2, respectively.

COTP E&O COMMITTEE MEETING

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

a. Approval of Agenda

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

b. Minutes of the March 13, 2024 COTP E&O Committee Meeting

Chair Tuggle asked if there were any changes to the draft minutes from the January 10, 2024 COTP E&O Committee meeting. With no changes proposed, Mr. Wong (City of Santa Clara) moved to approve the minutes. Mr. Miller (City of Roseville) seconded the motion. The COTP E&O Committee approved the minutes from the March 13, 2024 meeting. The approved minutes are included as Attachment 3.

c. Next Meeting

The next COTP E&O Committee meeting was scheduled for Wednesday, July 10, 2024.

AGENDA ITEM 4: OPERATIONS AND MAINTENANCE ISSUES

a. COTP Operations Update

Ms. Cuellar reported that information on COTP operations and voltage control events for both March and April 2024 were included with the meeting materials and asked if there were any questions.

b. Line and Substation Outages – Occurred and Scheduled

Ms. Cuellar noted that recent and planned outages of COTP facilities were provided in the meeting materials and that WAPA was available to answer any questions.

c. Update on Environmental and Land Activities

Mr. Wagenet (TANC) reported that in December 2023, the Transmission Agency of Northern California (TANC) and the United States Forest Service (USFS) completed a modification to the Thirteenth Collection Agreement to transfer \$141,095 in funding that remained unspent in the Eleventh Collection Agreement. Mr. Wagenet then reported that in March of 2024, the USFS discovered that the Eleventh Collection Agreement had an additional \$93,623.26 in funds that could be moved to the Thirteenth Collection Agreement and that the December 2023 Thirteenth Collection Agreement was subsequently modified. Mr. Wagenet also provided an update on the 2023 Statements of Diversion and Use that are submitted annually for the seven siphons used to surface irrigate the crops and waterfowl ponds and wetland habitat on Palm Tract.

d. Other Operation and Maintenance Issues

Mr. Tuggle (WAPA) provided the COTP E&O Committee an update on Operation and Maintenance activities completed by WAPA since the last meeting including updates on routine operation and maintenance activities, engineering, capital replacement, and construction projects.

e. Transmission Planning and Technical Study Activities Update

Mr. Schiermeyer (TANC) provided an update on the status of Phase Two of the California-Oregon Intertie (COI) Path Rating Process reporting that RC West provided approval in February 2024 and since that time the COI representatives have been reviewing and finalizing documents in preparation for their submission to the Western Electricity Coordinating Council (WECC) Project Review Group. Mr. Schiermeyer also reported that implementation is currently expected to occur on April 1, 2025, and that Operating Studies Subcommittee would begin the study process this August. The COTP E&O Committee discussed the process for implementation which will include revisions to operating agreements. Mr. Schiermeyer also indicated that in late April, TANC submitted a letter to WECC opposing the Waiver of Significant Impact request for the Collinsville Project which is proposed to be located near TANC's Tracy Substation.

AGENDA ITEM 5: OTHER ITEMS FOR DISCUSSION

a. COI Real-Time Operations Update

Mr. Buckingham (SMUD) provided the highlights on recent COI real-time operations updates and provided the COTP E&O Committee with March and April 2024 Balancing Authority of Northern California reports which included information on COI flows both South to North and North to South as well as unscheduled flows.

AGENDA ITEM 6: APPROVALS AND RECOMMENDATIONS

a. Update to the TANC Wildfire Mitigation Plan for the COTP

Mr. Wagenet reported that the 2024 update to the TANC Wildfire Mitigation Plan (WMP) for the COTP was recently completed as part of a collaborative effort with WAPA and focuses on

COTP E&O Committee Meeting

Minutes for May 8, 2024

Approved July 10, 2024

Attachment 3

the 2023 progress for six wildfire prevention, mitigation, and response strategies. After discussion by the COTP E&O Committee, Mr. Buckingham (SMUD) moved to recommend approval of the 2024 update to TANC WMP to the TANC Commission and COTP Management Committee. The motion was seconded by Mr. Miller (City of Redding) and then approved by the COTP E&O Committee.

b. Update to the TANC Wildfire Mitigation Plan for the COTP

Ms. Mull (WAPA) reported that WAPA is requesting to reallocate \$460,000 of capital funding from the Microwave Radio Replacement Project to procure a new mapboard. Ms. Mull noted that the current mapboard was installed in 2009 and is at its “End of Life” and that because the equipment is outdated it is hard to procure replacement parts. Ms. Mull further indicated that the mapboard is used for situational awareness for WAPA dispatchers in the control room, which is key to maintaining system reliability. WAPA is requesting that the COTP E&O Committee provide a recommendation to the TANC Commission and COTP Management Committee regarding approval of reallocating \$460,000 of capital funding from the Microwave Radio Replacement Project to purchase a new mapboard. Mr. Buckingham (SMUD) requested information on the cost split percentages for purchases like these between the COTP and the Central Valley Project. Ms. Mull indicated she would research the issue and report back to the committee. After discussion by the COTP E&O Committee, Mr. Buckingham (SMUD) moved to recommend approval of WAPA’s request to reallocate \$460,000 of capital funding from the Microwave Radio Replacement Project to procure a new mapboard. The motion was seconded by Mr. Miller (City of Redding) and then approved by the COTP E&O Committee.

AGENDA ITEM 7: PROJECT COST

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

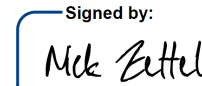
Ms. Mull (WAPA) provided a detailed status of WAPA’s Fiscal Year 2024 budget and expenditures.

AGENDA ITEM 7: COTP E&O MEETING ADJOURNMENT

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

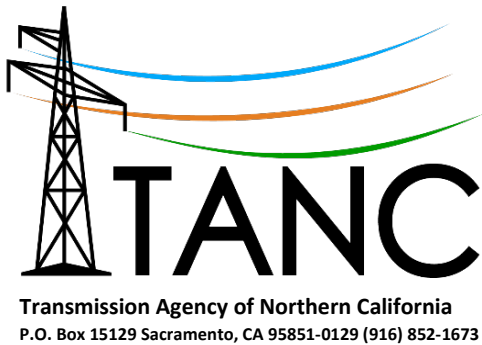
Respectfully Submitted,

Signed by:



Nick Zettel D20E09F52920434...

TANC Chair



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON WESTCONNECT ACTIVITIES

This memo provides a summary of recent WestConnect activities. The Transmission Agency of Northern California (TANC) continues to participate in activities conducted by WestConnect, which is tasked with coordination of regional and interregional transmission planning. The most recent Planning Subcommittee (PS) meeting was held on August 20, 2024. The most recent Planning Management Committee (PMC) meeting was held on August 21, 2024. The next PS and PMC meetings are scheduled for September 17 and 18, 2024.

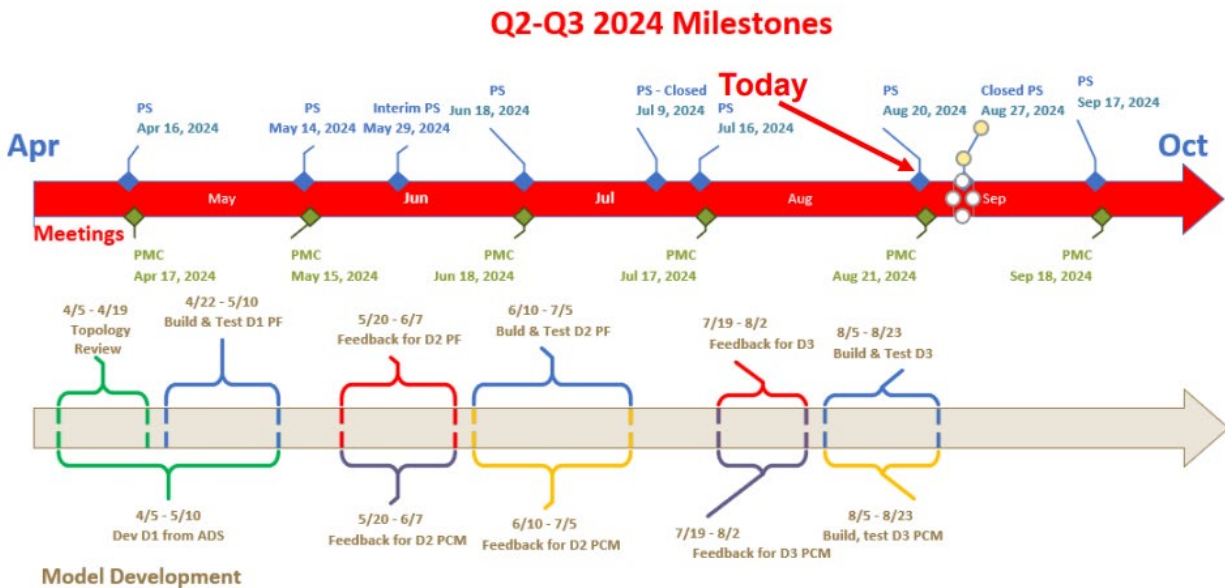
Planning Subcommittee

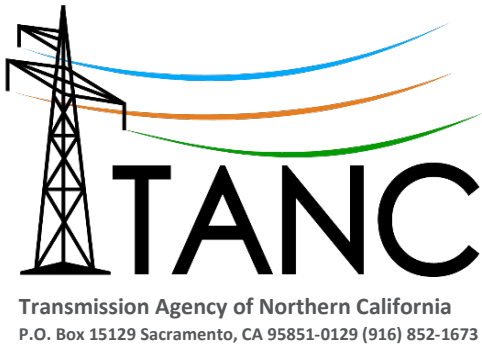
At their meeting on August 20, 2024, the PS discussed further updates to the 2024-2025 model that had developed since the previous meeting. The PS also discussed the transient stability study and shared relevant contingencies for the model. Additionally, the differences in overloads between the first and second drafts of the study results were shared. No overloads were observed on the TANC system. The PS also hosted a closed session on August 27, 2024 to share detailed results from third draft of the study.

Planning Management Committee

At their meeting on August 21, 2024, the PMC largely discussed procedural matters. On the reliability model front, member feedback was incorporated and some of the contingencies were modified. The third draft of the study results are also being evaluated. Next steps were to finish the third draft powerflow and transient reliability assessments and the results were made available at the end of August 2024. The 10-year light load spring model is scheduled to be prepared next, and final changes for the fourth draft powerflow models will also be made. The

fourth draft/final models are scheduled for approval at the September PMC. The economic modeling and analysis process follows a similar track, with sensitivity analysis scheduled to be prepared next. The PMC also discussed a draft motion to modify the process stated in the 2024-2025 Study Plan to allow for sequential approval of the regional models prior to the approval the regional assessment results.





MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON COTP MATTERS

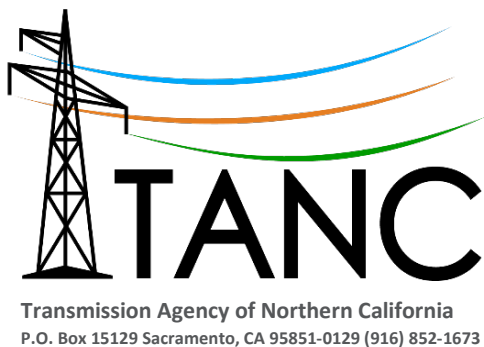
Recent environmental and land matters pertaining to the Transmission Agency of Northern California (TANC) have included:

Sites Communication Site-Access Road

Work has been completed on improving the drainage management and erosion control features on the access road to the Sites Communication Site. Pacific Watershed Associates provided on-site supervision of the quality and comprehensiveness of the work as TANC's designated field representative and has confirmed that the work was completed on August 10, 2024 consistent with the scope of services.

Alameda County License Agreement

In August 2004, TANC entered into a License Agreement with the Alameda County Department of Public Works for an Extension of Real Property License Agreement for the installation of fiber optic cable along Patterson Pass and Midway Roads. The fiber optic cable was installed as part of the California-Oregon Transmission Project Route 2 Communication System Renovation Project which was completed in the early 2000s. The agreement has been extended every five years since the first expiration date in August 2009. In August 2024, Alameda County provided TANC with a three year extension of the License Agreement.



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON TECHNICAL MATTERS

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

California-Oregon Intertie Path Rating Process

On September 1, 2024, the Phase 2 California-Oregon Intertie (COI) Path Rerate Study was submitted to the Western Electricity Coordinating Council Reliability Assessment Committee and Studies Subcommittee. After approval, the path rating process will transition to Phase 3 which will involve preparing for operations, updating contracts and finalizing other tools for implementation. Expected implementation is Summer operating season (i.e. June 1, 2025).

Operating Studies Subcommittee

On August 21, 2024, the California Independent System Operator - Operating Studies Subcommittee (OSS) met to discuss the results of the COI versus Northern California Hydroelectric study which was performed for winter 2024-2025. In the winter study, the limiting factor for North to South flows were all based on the current path limit. For South to North flows, the nomogram is limited by a combination of path rating and thermal limitations. Additionally, the draft study plan for the summer 2025 study was distributed and reviewed during the meeting. For the study plan, comments were due on August 28, 2024; however, review and updates were also made during the OSS meeting. A key update to the summer 2025 study plan included using 5,100 megawatts for the COI path limit in the study with a target start date of June 1, 2025. To accommodate this change, two additional studies will be required to cover the shoulder months from April 1, 2025 (summer operations start date) and June 1, 2025. Therefore, next year the COI

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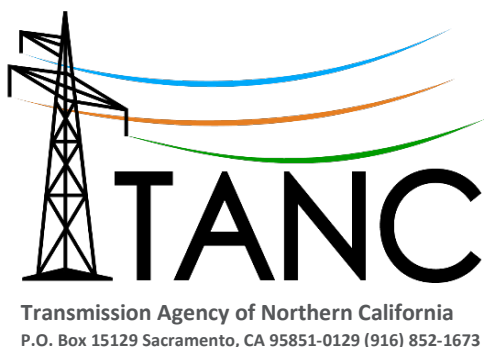
will have two seasonal limits for summer operations - one for April 1 – June 1 and the other for June 1 – October 31.

2024 Annual Planning Assessment

The 2024 TANC Annual Planning Assessment is underway, and a tentative schedule is shown in the table below.

Step	Description	Tentative Date
1	Distribute the Draft Study Plan for Comment	Complete
2	Review Comments on Study Plan and send Final Copy of Study Plan	Complete
3	Base Case Preparation Distribute Starting Cases for Review	Complete
4	If changes are needed for the Base Cases, provide suggestions or change files to TANC.	9/16/2024
5	TANC will distribute the updated Base Cases	9/20/2024
6	Distribute the preliminary Study Results for Comment	10/18/2024
7	Review Comments	11/1/2024
8	Distribute the Draft Report for Comment	11/15/2024
9	Review Comments	12/2/2024
10	Finalize Report	12/31/2024

Note:	TANC's TPL-001-5 Compliance Deadline	12/31/2024
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MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON FERC AND OTHER REGULATORY MATTERS

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

The Energy Permitting Reform Act of 2024

The Energy Permitting Reform Act was introduced on July 22, 2024, by Senator Joe Manchin (I-WV) and Senator John Barrasso (R-WY). The act aims to accelerate and streamline the energy infrastructure and permitting process. The act focuses on various components such as leasing, judicial review, drilling permits, and transmission. Main proposals related to transmission in the act include:

- Eliminate the requirement for the Department of Energy to designate National Interest Electric Transmission Corridors based on needs studies.
- Require neighboring transmission planning regions to create joint plans (every four years) for constructing interregional transmission with a common set of assumptions and time horizons.
- Create a standard definition of “transmission benefits” so the cost of a transmission project can be allocated consistently and fairly among the customers, who would pay in proportion to how much they benefit from the line.
- Identify FERC as the lead agency for conducting environmental reviews of transmission projects subject to the National Environmental Policy Act (NEPA).

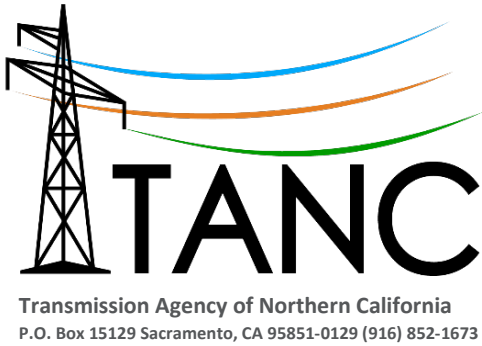
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- Direct the Department of the Interior and United States Department of Agriculture to develop new NEPA Categorical Exclusions to allow for the use of existing infrastructure in the building of new transmission.
- Require the North American Electric Reliability Corporation to evaluate and report on the impact of federal agency proposals on grid reliability if FERC identifies that an agency's proposed rule would potentially violate reliability standards.

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Sacramento Municipal Utility District, Santa Clara, Turlock Irrigation District, Ukiah



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: WESTERN ELECTRICITY COORDINATING COUNCIL MATTERS

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

Reliability Risk Committee Steering Committee

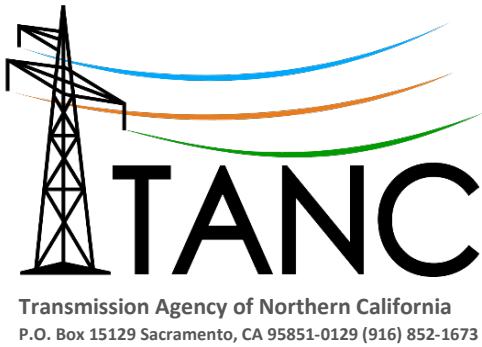
On August 12, 2024, the Reliability Risk Committee Steering Committee (RRCSC) met for their monthly meeting. During this meeting, it was determined that a team needed to be formed to develop a list of relevant reliability risks and to update the current risk to reflect these changes. This list will then be presented to the Reliability Risk Committee and distributed to members for review. Additionally, the RRCSC discussed the Enhanced Curtailment Calculator expansion. For this item, a standing agenda item was created to discuss at further meetings. Finally, it was determined that during the October RRCSC meeting, an update on the Wildfire Mitigation study will be provided.

Long-term Transmission Planning Task Force

At the August 29, 2024 Long-Term Transmission Planning Task Force (LTPTF) meeting, the LTPTF Recommendation Outline was presented. The background section, following the release of Federal Energy Regulatory Commission (FERC) Order 1920 was updated and modifications were added to the Load Section of the document. FERC Order 1920 requires transmission providers in each transmission planning region of the country to participate in a regional transmission planning process that includes "Long-Term Regional Transmission Planning," or

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planning with a 20-year minimum horizon. A small team of LTPTF member will be meeting offline to add a recommended checklist of items data submitters should attest to when providing data and to add suggest wording for the WECC load forecasting methodology. The LTPTF also discussed FERC Order 881 and concerns with ratings in the 20-year outlook and the reliability impact it could have on the Western Interconnection. FERC Order 881 requires transmission providers, including Independent System Operators and/or Regional Transmission Operators, to develop and implement Ambient Adjusted Ratings for transmission lines over which they provide service by July 12, 2025. The LTPTF agreed to discuss this topic in further detail in the future.



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

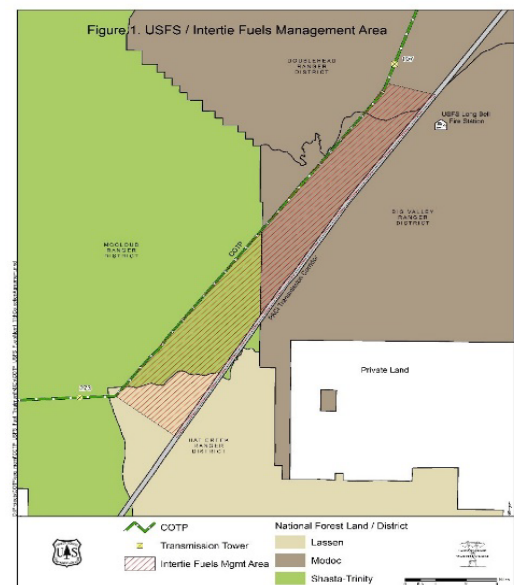
SUBJECT: REPORT ON WILDFIRE ACTIVITIES

The following provides an update on recent activities of the California Wildfire Safety Advisory Board (WSAB) and related wildfire mitigation activities for the California-Oregon Transmission Project (COTP).

Thirteenth Collection Agreement Progress Report for COTP Fiscal Year 2024-Wildfire Risk Reduction

The 1991 Environmental Impact Statement/Environmental Impact Report for the COTP included a requirement that TANC, in cooperation with the United States Forest Service (USFS), develop Fuels Management and Fire Response Plans to reduce the risk of catastrophic wildfires in the area where the COTP lies approximately two to three miles away from, and parallel to the Pacific Alternating Current Intertie (PACI) lines, i.e. the Fuels Management Area (FMA; Figure 1).

Section 29 of the 1994 Right of Way Grant, a Statutory Easement (TANC Easement), states that the intentions of the Fuels Management and Fire Response Plans are to maintain transmission system reliability by:



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- *“sufficiently reducing the fuel loads between the existing PACI lines and the existing COTP Project line to eliminate the potential for a forest fire-caused simultaneous outage of all three 500 kilovolt transmission lines; and*
- *“ensuring prompt and correct action in the event an accidental fire should occur.”*

Section 29 of the TANC Easement also states that “A Collection Agreement will be necessary to complete the projects listed in the Fuels Management and Fire Response Plans, which may be mutually updated on an annual basis.” TANC and the USFS have met those obligations through the Fourth, Seventh, Eleventh, and Thirteenth Collection Agreements¹ between the parties.

TANC realizes several wildfire risk reduction, responsiveness, and related benefits from the successive versions of this agreement. Those benefits include an ongoing and strong relationship with the Modoc and Shasta-Trinity National Forests that results in more expeditious reviews and mutually beneficial approvals of COTP wildfire risk reduction activities on USFS-managed lands.

This is a summary of progress achieved by the USFS in reducing wildfire risk near the COTP in COTP Fiscal Year 2024 using both TANC and USFS funding. Recent accomplishments are summarized for:

- Fuels Reduction – Prescribed Burning;
- Fuels Reduction – Mastication Contracts;
- Fuels Reduction – Pile Burning;
- Access Road Maintenance and Improvement Activities;
- Water Source Improvements; and
- Long Bell Fire Station Maintenance.

Fuels Reduction – Prescribed Burning

The Modoc National Forest completed 4,716 acres of prescribed burning around the COTP in October of 2023. This treatment was successful in reducing fuel loadings, which will reduce fire behavior should a fire occur in this area (Figures 2 and 3).

¹ The 13 collection agreements between TANC and the USFS have been numbered consecutively in chronological order of when they are executed. Other-numbered collection agreements between TANC and the USFS have provided the USFS with funding to oversee timber removal for COTP construction, COTP access road maintenance, and USFS special use officer time for expediting TANC requests for various environmental, operations, and maintenance work on National Forest lands managed by the USFS.



Figure 2. USFS Crews Conducting Prescribed Burns



Figure 3. Prescribed Burn – Before/After

Fuels Reduction – Mastication Contracts

Mastication work continued near the COTP FMA. Mastication contracts require the removal of conifers, shrubs, and surface fuels to reduce the potential for wildfire to destroy the stand and threaten nearby high-voltage powerlines. Two contracts were completed.

- The Snell Phase 7 Mastication Project consisted of 210 acres of natural stands within the Snell Butte analysis area within the FMA. This project was completed July 13, 2023 (Figures 4 and 5).



Figure 4. Snell Phase 7 Mastication Before



Figure 5. Snell Phase 7 Mastication After

- *The Snell Phase 8 Mastication Project* consisted of 175 acres of stands within the Snell Butte analysis area within the FMA. This project was completed October 30, 2023 (Figures 6 and 7).



Figure 6. Before Snell Phase 8 Mastication



Figure 7. After Snell Phase 8 Mastication

Fuels Reduction – Pile Burning

Fuels reduction activities, including mastication, timber harvest and supporting work resulted in the need to complete 804 acres of pile burning, which was completed in the fall and winter of 2023 within the COTP FMA. Pile burning was completed by Forest Service fire personnel (Figures 8 and 9).



Figure 8. Pile Burning in the Snell Phase 6 Area



Figure 9. Pile Burning in the Snell Phase 7 Area

Access Road Maintenance and Improvement Activities

The Modoc National Forest dozer module worked on a variety of forest road reconstruction and maintenance projects adjacent to and near the COTP transmission line corridor. Road grading was completed on 16 miles of previously cindered roads to support efficient travel and better drainage on smooth roads. These roads are major access corridors to the COTP area and would be primary travel routes for fire resources responding to incidents (Figure 10).



Figure 10. Road Grading of Two Previously Cindered Roads

Approximately seven miles of roadside mowing was completed. The mowing reduces encroaching brush surface fuel loading. An additional 40 acres are planned for treatment that will result in the creation of a 100-120 foot fuels buffer on each side of the road (Figure 11).



Figure 11. Roadside Mowing Reduces Encroaching Brush for Increased Road Safety

Water Source Improvements

Water sources are limited in the COTP area resulting in long drive/flight times for engines and helicopters seeking to find suitable draft and dip sites. Several water sources were improved to make them more useful for fire suppression needs.

Lava Well: Significant improvements were made to Lava Well, which is located nine miles from the Long Bell Fire Station. Improvements included a pump replacement, solar array addition, and a new generator.

Mud Well: Several trees were removed from around the Mud Well Pond to improve access for drafting and helicopter water use. Bentonite was added and mixed into the pond bedding to

improve water retention.

Tionesta Pond:

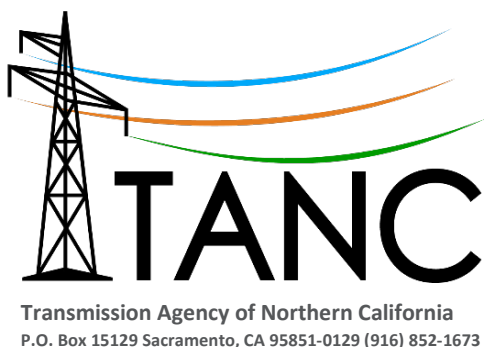
The dozer module completed construction on a three-quarter acre drafting pond for high volume water delivery to helicopters as well as trucks, supporting fire suppression, fuels projects, and road maintenance. The pond will be lined, and will provide an additional water source for fire suppression needs (Figure 12).



Figure 12. Tionesta Pond Under Construction

Long Bell Fire Station Maintenance

A new septic system was installed at the Long Bell Station in May of 2024. A new generator will be installed at the station in 2024 to replace the current generator which has reached the end of its life span.



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON TANC'S RELIABILITY STANDARDS COMPLIANCE PROGRAM

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

Federal Energy Regulatory Commission Order 901

In 2023 and to address reliability gaps related to Inverter Based Resource (IBR) technology in Solar, Wind and Battery Energy Storage applications, the Federal Energy Regulatory Commission (FERC) issued Order 901. In part, Order 901 directs the North American Electric Reliability Corporation (NERC) to develop new or modified standards that require owners and/or operators to provide accurate data related to facility performance when connected to the Bulk Power System. NERC is in the process of implementing its "Order No. 901 Work Plan" which is a detailed, comprehensive standards development plan that explains how NERC will develop new or modified Reliability Standards to address IBR related topics identified in Order 901. The "Order No. 901 Work Plan" also explains how NERC will prioritize the development of projects consistent with the timelines specified in the order. Earlier this month, stakeholder ballots closed on a series of IBR related initiative. Ballots were passed on a proposed new IBR definition as well as the following new reliability standards and implementation plans:

- PRC-028-1 - Disturbance Monitoring and Reporting Requirements for IBRs
- PRC-030-1 - Unexpected IBR Resource Event Mitigation

The ballot for reliability standard PRC-029-1 (Frequency and Voltage Ride Through Requirements for IBR Generating Resources) failed to pass.

The failure of PRC-029-1 to pass the ballot has resulted in the first time that NERC Rules of Procedure Section 321 has been implemented. Section 321 provides the NERC Board of Trustees (BOT) with the authority to address certain regulatory directives should the ballot pool and non-binding polls fail to approve a proposed Reliability Standard. Under this authority, the BOT has directed the NERC Standards Committee to work with NERC staff to host a technical conference (held on September 4–5, 2024). Using input from the technical conference, proposed PRC-029-1 will be revised as appropriate, then reissued for an additional ballot. If revised PRC-029-1 achieves at least 60 percent approval, the BOT may consider it for adoption under this special process. If the additional ballot fails, NERC staff would prepare the final version of PRC-029-1 that gets submitted to FERC.

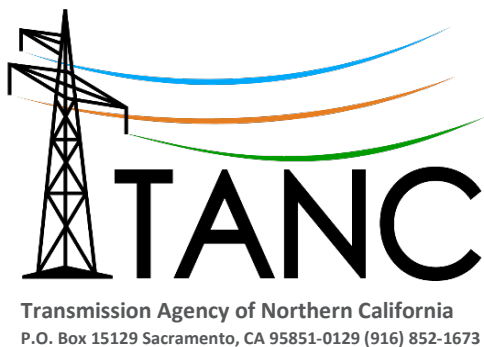
None of these reliability standards are currently applicable to TANC but could become applicable in the future based on TANC's functional registration as a Transmission Owner if an IBR generating resource were to interconnect to TANC. Additional modifications to existing reliability standards/proposed new standards are expected related to FERC Order 901.

North American Electric Reliability Corporation Alerts

Inverter-Based Resource Model Quality Deficiencies

On June 4, 2024, NERC issued a Level 2 Alert on IBR Model Quality Deficiencies. NERC reports that they have analyzed 10 large-scale disturbances on the bulk power system (BPS) that involved the widespread and unexpected reduction in output of IBRs since 2016. NERC notes that the increase of IBR-related events coincides with an increase in IBR penetration across the BPS and that contributing causes to these events are poor modeling and study practices to assess the performance of these resources. NERC notes that the purpose of this alert is to gather dynamic modeling information to understand the extent of condition of dynamic modeling for IBR, which will inform what additional actions are necessary to mitigate observed deficiencies. The alert was distributed to all Generating Owners of Bulk Electric System-connected IBRs. The alert was also being distributed to Transmission Planners (TPs) and Planning Coordinators (PC) to provide recommendations that can be implemented to strengthen current modeling practices. TPs and PCs are required to answer a set of 15 questions.

The NERC Alert applies to TANC as a TP. TANC acknowledged the NERC Alert on June 4, 2024 and submit the required responses on August 22, 2024. The initial deadline for the NERC Alert was also recently extended for two months to November 1, 2024.



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON CAISO MATTERS

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

20-Year Transmission Outlook

In May 2022, the CAISO released the initial 20-Year Transmission Outlook, providing a long-term plan of the transmission grid in 2040 to serve load and interconnect resources needed to meet state policy objectives regarding greenhouse gas reduction and renewable energy. In 2023, the CAISO updated this plan by extending it to year 2045 and including newly approved transmission projects to consider how load and resource forecast changes would affect 2045 required transmission investments.

On July 31, 2024, the CAISO continued to work closely with the California Energy Commission and California Public Utilities Commission to post the 2024 20-Year Transmission Outlook, further discussing the long-term plan for the transmission grid in 2045 and the transmission development needed for the 2045 portfolio and 2045 load forecast.

The CAISO launched the 2024 20-Year Transmission Outlook in alignment with the 2023-2024 Transmission Planning Process (TPP) and Senate Bill 100-related processes, highlighting the anticipated load growth to 2045 and an influx of major offshore wind generation, driving higher estimated transmission costs. One of the driving differences between the initial and current outlook is the increase of offshore wind resources from 10,000 megawatts (MW) to 20,000 MW. The difference in estimated cost for future transmission needs from the 2022 Outlook to the 2024 Outlook went from approximately \$30.5 billion to approximately \$43.8-\$63.2 billion and does not

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

include transmission costs already approved by CAISO. The CAISO plans to hold stakeholder meetings through 2024 and incorporate stakeholder feedback into the long-term plan for this 2024 20-Year Outlook.

Transmission Project Review

On July 29, 2024, the CAISO hosted a meeting to discuss the semiannual Pacific Gas and Electric Company (PG&E) Transmission Project Review. During the meeting, PG&E introduced a Risk-Based Portfolio Prioritization Framework (RBPPF) which is intended to establish a consistent and comparable approach to categorize and value proposed investments for PG&E. The RBPPF is a quantitative methodology to indicate high priority work and projects, both planned and inflight that carry risk, to drive better prioritization and decision-making.

PG&E also announced they are actively implementing an Ambient Adjustment Rating (AAR) system and working with CAISO and other stakeholders to comply with Federal Energy Regulatory Commission (FERC) Order 881. Order 881 (which was clarified through Order 881-A in May 2022) requires transmission providers, including Independent System Operators and/or Regional Transmission Operators, to develop and implement AAR for transmission lines over which they provide service by July 12, 2025. PG&E noted that the project(s) associated with implementation of AAR will not be reported in the Transmission Project Review process but will temporarily be treated as an expense account.

Transmission Development Forum

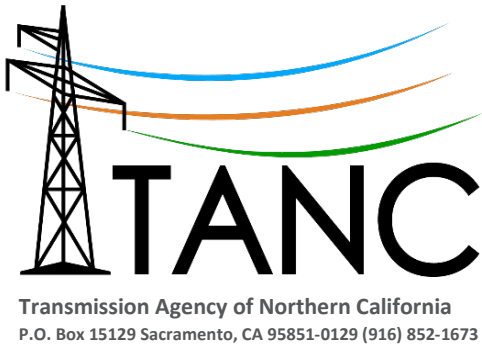
On July 31, 2024, the CAISO hosted the Transmission Development Forum during which PG&E provided an overview and update of their Generation Interconnection Project and TPP projects that are highest priority to immediate generation interconnection. PG&E indicated they were seeing manufacturer lead times grow for delivery of circuit breakers which is expected to result in increased impacts as the CAISO Cluster 14 projects are resulting in a significant rise in demand for new circuit breakers. It was also reported that the Delaney Colorado River Transmission LLC's Ten West Link 500 kilovolt transmission line which spans 125 miles between Delaney Substation in Arizona and the Colorado River Substation was completed in February 2024 and energized on June 7, 2024.

FERC Order 881 - Managing Transmission Line Ratings Working Group

On July 30, 2024, the CAISO hosted a FERC Order 881 Working Group meeting and reported on the progress of their coordination with Open Access Technology International, Inc. and the use of weblineR to process AARs. All AAR will be retained in webLineR for a period of five years, in accordance with the FERC Order 881 requirements. WebLineR will perform the ratings coordination (or ratings clearing) for-tie lines, where Transmission Owner participants at each end can independently submit their own ratings. WebLineR will then select the most restrictive (smallest) rating value in each time period as the cleared dynamic rating that will be transmitted.

Day-Ahead Market Enhancements

On August 7, 2024, the CAISO hosted the Day-Ahead Market Enhancements Configurable Parameters Implementation Working Group to discuss market enhancements and key market parameters including: 1) Set of transmission constraints enforced for deployment scenarios; 2) Proportion of imbalance reserves that are “deployed” in deployment scenarios; 3) Envelope constrain multipliers for energy storage; 4) Imbalance reserve demand curve cap; and 5) Default availability bid prices for Imbalance Reserves Up and Reliability Capacity Up mitigation.



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

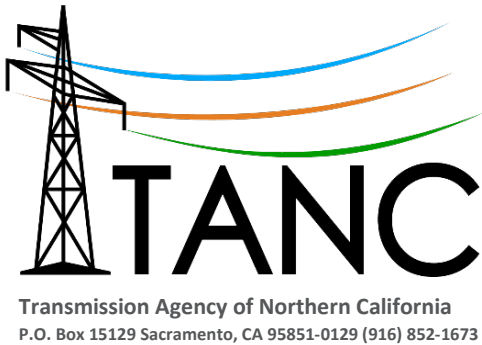
SUBJECT: REPORT ON 2024 TANC AUDIT SCHEDULE

The 2024 Transmission Agency of Northern California annual audit schedule is attached.

Enclosure

**Schedule for TANC Financial Statement Audit
Fiscal Year Ending June 30, 2024**

Scheduled Date	Completed Date	Activity	Description
06/03/24	05/21/24	Audit Schedule	Rollforward audit schedule
06/03/24	05/08/24	Audit fieldwork date	Schedule fieldwork date with external auditors
06/14/24	06/12/24	Interim and fieldwork PBC's	Obtain interim and fieldwork PBC's
06/14/24	06/13/24	Treasury PBC Items	Email Treasury (Randy) audit requests (8/9 deadline)
06/14/24	06/13/24	GASB 72 evaluation	E-mail Treasury GASB 72 schedule for review and update
06/14/24	06/13/24	Form 700	Request Form 700 of Commissioners from TANC staff
06/21/24	06/12/24	Pre-audit conference call	Arrange Pre-Audit conference call between Auditors, SMUD and Guidehouse (scheduled 08/20)
06/21/24	06/12/24	Wrap up and Exit conference call	Schedule Wrap up meeting (scheduled 09/19) and Exit conference call (scheduled 10/17)
06/21/24	06/19/24	Audit schedule	Provide audit schedule to Assistant Controller for approval
06/28/24	07/02/24	Interim and fieldwork PBC's	Review interim and fieldwork PBC's; inquire with auditors as needed
07/09/24	07/03/24	Interim audit PBC items	Upload interim PBC items to KiteWorks
07/10/24	07/08/24	Control Matrices (Controller & Treasurer)	Update Internal Control Matrix and Activity Level Control Matrix
07/10/24	07/10/24	Interim work begins	Interim work for audit
07/12/24	07/11/24	Accruals for June close	TANC Staff to provide June accruals and supporting invoices by 7/12 (Sent accrual schedules July 1)
7/17 - 07/19/24	08/09/24	SM02 month end close	Park period 12 and annual entries
07/22/24	07/23/24	Cash, cash equivalent and debt confirms	Prepare cash, cash equivalent and debt confirms; provide to Treasurer for signature
07/22/24	07/23/24	Legal confirmations	Prepare Legal confirmations. Provide to Controller for signature.
07/24/24	08/15/24	SM02 year end close	Prepare Q4 entries and close period 12 to allow for additional review and analysis
7/29 - 07/30/24	08/15/24	Annual review of TANC	Perform annual review; record adjustments and re-close as necessary
07/31/24	07/23/24	Cash, cash equivalent and debt confirms	E-mail signed cash, cash equivalent and debt confirms to external auditors
07/31/24	08/02/24	Legal confirmations	E-mail signed legal confirmations to external auditors
07/31/24	08/12/24	MD&A - Financial Highlights	Provide MD&A Financial Highlights to Larry for update (8/25 deadline)
07/31/24	07/23/24	Cover design	Send cover design and color to Controller for approval; e-mail graphics for update (if there are changes)
07/29/24	07/30/24	Member cash call reconciliation	Perform TANC cash call summary and reconciliation
07/31/24	07/31/24	Member cash call reconciliation	Supervisor to review TANC Cash Call Summary and reconciliation
08/01/24	07/31/24	Member confirmations	Prepare Member confirmations; provide to Controller for signature.
08/05/24	08/02/24	Member confirmations	E-mail signed Member confirmations to external auditors
08/05/24	08/12/24	GASB Pronouncements Update	E-mail Statements group prior year "Recent Accounting Pronouncements" disclosure for update - due Sept 1
08/05/24	08/12/24	Insurance Program	E-mail Anna Marie prior year Insurance Program disclosure for update - due Sept 1
08/8 - 08/30/24		Fieldwork PBC	Perform Fieldwork PBCs
08/20/24		Conference call with auditors	Conference call with Treasurer/Controller Staff, TANC Staff and Auditors to discuss any issues for year, including a legal update
08/23/24		OATT excess calculation	Complete and provide OATT excess schedule to Assistant Controller for review
09/13/24		PBC workpapers to auditors	Upload PBC items to KiteWorks
09/16/24		Field work begins	Field work for regular audit
09/19/24		Wrap up meeting	Wrap up meeting between Auditors and Controller Staff
09/20/24		Field work ends	Field work for financial statement audit
09/19/24		Pro formas to Assistant Controller	Pro forma financial statements for review. Stmnt of Net Position, Changes in Net Position and Cash Flow
09/20/24		Representation Letter	Draft Representation Letter from Baker Tilly Provide to Supervisor and Assistant Controller for review
09/20/24		Pro formas to Controller	Pro forma financial statements to Controller for review. Stmnt of Net Position, Changes in Net Position and Cash Flow
09/20/24		Pro formas to auditors	Pro forma financial statements for review. Stmnt of Net Position, Changes in Net Position and Cash Flow
09/23/24		Financial statements to Assistant Controller	Provide financial statements, footnotes and MD&A to Assistant Controller for review
09/25/24		Financial statements to Controller	Provide financial statements, footnotes and MD&A to Controller for review
09/27/24		Financial statements to Auditors	Provide Auditors financial statements, footnotes and MD&A
09/30/24		Representation Letter	Provide Representation Letter from Baker Tilly to Controller, Treasurer, GM and Chair (cc Supervisor and Assistant Controller) for review requesting comments - due on 10/11
10/04/24		Auditors provide comments on financial statements	Baker Tilly to provide comments on financial statements including footnotes & MD&A
10/04/24		Email draft of statements A/B	Email draft of financial statements to Audit/Budget Committee Members & Controller - AB Committee comments due on 10/9
10/11/24		Contact lawyers for legal letters	Check with auditors if outstanding prior to follow up.
10/11/24		Financial statements to auditors	Financial statements with final adjustments to auditors for comments (if audit/budget has changes)
10/11/24		Final comments due from auditors	Final review comments from concurring partner
10/14/24		Final draft to Assistant Controller	Provide final draft financial statements to Assistant Controller for review
10/15/24		Final draft to Controller	Provide final draft financial statements to Controller for review
10/17/24		Exit conference call	Auditors to meet with Controller staff to discuss any audit findings and recommendations
10/17/24		No material weakness/mgmt letter	No material weakness letter due from auditors (draft)
10/18/24		Final representation letter	E-mail final representation letter for signatures
10/18/24		Final draft due to auditors	Final draft of financial statements due to auditors reflecting changes resulting from Auditor's comments
10/21/24		Signed representation letter	Representation letter to auditors
10/21/24		Signed opinions	Signed opinion from auditors
10/21/24		No default/no material weakness letters	Letters from auditors
10/22/24		Email final draft of statements A/B	E-mail Final Draft of FS and Audit Results (from Auditors) to Larry at Guidehouse
TBD		Presentation at Audit/Budget Committee meeting	Presentation by Audit Manager of audited Financial Statements for Fiscal Year ended June 30.
11/13/24		Commission PPT Presentation	E-mail Commission presentation (from Auditors) to Larry at Guidehouse
11/20/24		Presentation at Commission meeting	Presentation by Audit Partner of audited Financial Statements for Fiscal Year ended June 30.
11/20/24		Bond Indenture letter & Audited F/S	Send Bond Indenture letter and audited financials to Treasury
11/20/24		Final Audit FS	E-mail Final Audited FS electronic copy to A/B Committee and SMUD Management



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON FY 2024 FOURTH QUARTER BUDGET VARIANCE REPORT

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

TANC concluded FY 2024 with expenses of \$31.4 million compared to a budget of \$40.0 million, for an under-budget variance of \$8.6 million, or 21.5 percent. The components that comprise this total variance are described below:

1. California-Oregon Transmission Project (COTP)
COTP expenses are under-budget by approximately \$8.2 million or 37.8 percent. The largest differentials were in the Maintenance, Natural Resources, Safety and Security and Capital Improvements budget categories. These items were under budget due to sourcing parts, timing on contract approvals and implementation dates based on when outages can be scheduled. Although not executed, a significant amount of work has been obligated by the Western Area Power Administration but not completed yet in time for the close of FY 2024.
2. Debt Service
Debt service payments are under budget by \$491.

3. TANC Agency

The TANC Agency budget is under budget by \$175,823 or 13.2 percent. Staff Support was the only line item finishing FY 2024 slightly over budget.

4. TANC Operations

TANC Operations is under budget by \$233,788 or 17.9 percent.

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

TANC OASIS is over budget by \$32,718 or 3.4 percent. Over budget line items included Special Counsel-Legal Support and General Consultant-OASIS Coordination.

6. Participating Transmission Owner (PTO) Engagement

PTO Engagement is over budget by \$29,858 or 8.7 percent. Special Counsel was over budget as TO 18 related cases were concluding and settling.

7. South of Tesla (SOT)

SOT expenses are under budget by \$124,365 or 24.2 percent.

Upon review of the Fourth Quarter Budget Variance Report at the August 22, 2024 General Manager's Audit-Budget Committee meeting there are no suggested transfers required this fiscal year. All contractors finished under budget to close out the FY 2024.

Enclosure



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

FY'24 Budget		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/22-06/24	Variance
California-Oregon Transmission Project	Budget	\$ 4,125,900	\$ 6,358,200	\$ 7,120,100	\$ 3,975,100	\$ 21,579,300	\$ (8,151,143)
	Expenditure	2,842,836	2,909,962	1,895,596	5,779,763	13,428,157	-37.8%
Debt Service		3,459,852	3,440,148	3,440,148	3,639,354	13,979,502	(491)
		3,459,359	3,440,148	3,440,148	3,639,357	13,979,011	0.0%
TANC Agency		377,300	315,700	318,500	317,100	1,328,600	(175,823)
		285,820	320,164	279,762	267,031	1,152,777	-13.2%
TANC Operations		307,230	385,430	304,230	312,530	1,309,420	(233,788)
		314,848	301,432	241,339	218,012	1,075,632	-17.9%
TANC OASIS		145,500	143,500	151,500	534,800	975,300	32,718
		118,684	153,392	166,239	569,703	1,008,018	3.4%
PTO Engagement		172,800	171,400	-	-	344,200	29,858
		132,580	148,307	66,969	26,202	374,058	8.7%
South of Tesla		126,130	125,234	130,234	133,008	514,606	(124,365)
		96,054	96,674	101,380	96,133	390,241	-24.2%
Total Fiscal Year	Budget	8,714,712	10,939,612	11,464,712	8,911,892	40,030,928	(8,623,034)
	Expenditure	7,250,181	7,370,079	6,191,433	10,596,201	31,407,894	-21.5%



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

COTP Operations		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/22-06/24	Variance
<u>COTP Operations</u>							
Operations	Budget	\$ 316,400	\$ 214,600	\$ 215,200	\$ 214,800	\$ 961,000	\$ (21,875)
	Expenditure	251,915	247,944	162,667	276,598	939,125	-2.3%
Maintenance		1,783,300	1,876,300	2,926,500	431,500	7,017,600	(2,967,277)
		702,773	1,280,936	326,835	1,739,780	4,050,323	-42.3%
Natural Resources		335,100	585,600	904,100	390,900	2,215,700	(744,693)
		245,134	187,502	264,636	773,735	1,471,007	-33.6%
Project Support		216,700	256,400	223,900	1,961,300	2,658,300	(4,172)
		183,591	245,189	226,360	1,998,988	2,654,128	-0.2%
Compliance		147,900	177,600	232,600	157,000	715,100	(193,270)
		129,784	123,816	116,027	152,203	521,830	-27.0%
Security/Safety		12,500	29,800	356,700	2,400	401,400	(391,629)
		-	11,413	(1,621)	(21)	9,771	-97.6%
Subtotal COTP Operations		2,811,900	3,140,300	4,859,000	3,157,900	13,969,100	(4,322,916)
		1,513,197	2,096,800	1,094,904	4,941,283	9,646,184	-30.9%
<u>Transmission Balancing</u>							
Sub-Balancing Authority		144,800	142,100	237,500	146,900	671,300	(24,767)
		192,301	135,772	127,921	190,539	646,533	-3.7%
Balancing Authority		585,300	585,300	606,600	606,600	2,383,800	(8,314)
		585,095	585,095	602,648	602,648	2,375,486	-0.3%
Subtotal Transmission		730,100	727,400	844,100	753,500	3,055,100	(33,081)
		777,397	720,867	730,569	793,187	3,022,019	-1.1%
Subtotal COTP Operations and Maintenance		3,542,000	3,867,700	5,703,100	3,911,400	17,024,200	(4,355,997)
		2,290,593	2,817,667	1,825,474	5,734,469	12,668,203	-25.6%
Capital Improvements		583,900	2,490,500	1,417,000	63,700	4,555,100	(3,795,146)
		552,242	92,295	70,122	45,294	759,954	-83.3%
Total COTP Operations		4,125,900	6,358,200	7,120,100	3,975,100	21,579,300	(8,151,143)
		2,842,836	2,909,962	1,895,596	5,779,763	13,428,157	-37.8%



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

Debt Service		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/22-06/24	Variance
<u>Bond Program</u>							
Principal							
2016 Series A Bonds	Budget	\$ 1,461,771	\$ 1,461,771	\$ 1,461,771	\$ 1,709,706	6,095,019	-
	Expenditure	1,461,771	1,461,771	1,461,771	1,709,706	6,095,019	0.0%
Interest/Fees							
2016 Series A Bonds		1,998,081	1,978,377	1,978,377	1,929,648	7,884,483	(491)
		1,997,588	1,978,377	1,978,377	1,929,651	7,883,992	0.0%
Total Debt Service	Budget	3,459,852	3,440,148	3,440,148	3,639,354	13,979,502	(491)
	Expenditure	3,459,359	3,440,148	3,440,148	3,639,357	13,979,011	0.0%



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

TANC Agency		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/22-06/24	Variance
TANC Management							
General Manager	Budget	\$ 67,200	\$ 67,200	\$ 67,200	\$ 68,160	269,760	-
	Expenditure	67,200	67,200	67,200	68,160	269,760	0.0%
Agency Representation		9,000	9,000	9,000	8,040	35,040	(33,540)
		1,500	-	-	-	1,500	-95.7%
Agency Dues		33,000	18,000	18,000	18,000	87,000	(24,549)
		4,450	20,268	11,740	25,993	62,451	-28.2%
Outreach/Media		5,000	3,000	3,000	1,000	12,000	(9,000)
		3,000	-	-	-	3,000	-75.0%
Miscellaneous Expenses		12,600	12,600	12,600	12,200	50,000	(14,589)
		2,977	11,864	12,093	8,477	35,411	-29.2%
Subtotal TANC Management		126,800	109,800	109,800	107,400	453,800	(81,678)
		79,127	99,333	91,033	102,630	372,122	-18.0%
Audit Services		41,000	-	-	-	41,000	1,725
		2,475	40,250	-	-	42,725	4.2%
General Counsel		20,100	19,700	20,100	20,100	80,000	(44,269)
		6,780	14,540	6,381	8,030	35,731	-55.3%
Treasurer/Controller		78,400	78,200	78,600	78,600	313,800	(86,468)
		67,099	51,522	54,499	54,212	227,332	-27.6%
Staff Support		111,000	108,000	110,000	111,000	440,000	34,866
		130,339	114,520	127,848	102,160	474,866	7.9%
Total TANC Agency	Budget	377,300	315,700	318,500	317,100	1,328,600	(175,823)
	Expenditure	285,820	320,164	279,762	267,031	1,152,777	-13.2%



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

TANC Operations		1st Qtr. 07/23-9/23	2nd Qtr. 10/23-12/23	3rd Qtr. 01/24-03/24	4th Qtr. 04/24-06/24	Annual Budget 07/22-06/24	Annual Budget Variance
Category							
<u>General Consultant</u>							
WECC	Budget	\$ 14,000	\$ 13,000	\$ 14,000	\$ 14,000	\$ 55,000	\$ (23,670)
	Expenditure	11,603	5,750	7,148	6,830	31,330	-43.0%
CMUA/Legislative/Regulatory		8,100	7,700	8,100	8,100	32,000	5,630
		12,410	8,713	6,708	9,800	37,630	17.6%
Independent System Operator		43,800	43,600	43,800	43,800	175,000	2,668
		50,153	49,345	39,818	38,353	177,668	1.5%
Transmission Reliability Standards		21,300	21,300	21,300	21,100	85,000	(2,278)
		14,303	22,828	28,918	16,675	82,723	-2.7%
Subtotal General Consultant		87,200	85,600	87,200	87,000	347,000	(17,650)
		88,468	86,635	82,590	71,658	329,350	-5.1%
<u>Special Counsel</u>							
Committee Support		12,600	12,200	12,600	12,600	50,000	4,638
		18,938	18,184	14,844	2,672	54,638	9.3%
Independent System Operator		5,100	4,700	5,100	5,100	20,000	(20,000)
		-	-	-	-	-	-100.0%
Reliability Standards		10,200	9,400	10,200	10,200	40,000	(36,607)
		1,785	843	270	495	3,393	-91.5%
FERC Matters		25,200	24,400	25,200	25,200	100,000	(37,077)
		15,309	12,069	14,738	20,808	62,923	-37.1%
Subtotal Special Counsel		53,100	50,700	53,100	53,100	210,000	(89,047)
		36,031	31,096	29,852	23,975	120,954	-42.4%
<u>Financing/Advice</u>							
Financial Advisor Support	Budget	-	35,000	-	-	35,000	(27,500)
	Expenditure	3,750	-	-	3,750	7,500	-78.6%
Bond Trustee Fees		875	875	875	875	3,500	(1,273)
		-	-	-	2,227	2,227	-36.4%
Subtotal Financing Advice		875	35,875	875	875	38,500	(28,773)
		3,750	-	-	5,977	9,727	-74.7%
<u>Bond Counsel</u>							
Bond Counsel Support		-	50,000	-	-	50,000	(50,000)
		-	-	-	-	-	-100.0%
Arbitrage Rebate Calculations		-	2,500	-	-	2,500	(1,260)
		630	610	-	-	1,240	-50.4%
Subtotal Bond Counsel		-	52,500	-	-	52,500	(51,260)
		630	610	-	-	1,240	-97.6%



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

TANC Operations		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/22-06/24	Variance
<u>TANC Transmission Agreements</u>							
Path Operator		\$ 50,675	\$ 50,675	\$ 50,675	\$ 50,675	\$ 202,700	\$ (46)
		50,664	50,664	50,664	50,664	202,654	0.0%
PG&E Interconnection		42,930	42,930	42,930	42,930	171,720	(36)
		42,921	42,921	42,921	42,921	171,684	0.0%
Land		11,250	8,750	6,250	13,750	40,000	(16,199)
		2,280	19,099	1,568	855	23,801	-40.5%
Subtotal Transmission Agreements		104,855	102,355	99,855	107,355	414,420	(16,280)
		95,865	112,683	95,152	94,440	398,140	-3.9%
<u>TANC Regional Planning</u>							
Technical Support		43,200	42,400	43,200	43,200	172,000	(1,346)
		70,605	59,619	22,315	18,115	170,654	-0.8%
COI Rating		18,000	16,000	20,000	21,000	75,000	(29,433)
		19,500	10,790	11,430	3,848	45,568	-39.2%
Subtotal Regional Planning		61,200	58,400	63,200	64,200	247,000	(30,779)
		90,105	70,409	33,745	21,963	216,221	-12.5%
Subtotal TANC Operations	Budget	307,230	385,430	304,230	312,530	1,309,420	(233,788)
	Expenditure	314,848	301,432	241,339	218,012	1,075,632	-17.9%



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

TANC OASIS		1st Qtr. 07/23-9/23	2nd Qtr. 10/23-12/23	3rd Qtr. 01/24-03/24	4th Qtr. 04/24-06/24	Annual Budget 07/22-06/24	Annual Budget Variance
Category							
General Manager	Budget	\$ 9,600	\$ 9,600	\$ 14,400	\$ 14,400	\$ 48,000	\$ -
	Expenditure	9,600	9,600	14,400	14,400	48,000	0.0%
Treasurer/Controller		-	-	-	8,300	8,300	(300)
		-	-	-	8,000	8,000	-3.6%
OASIS Administrator		-	-	-	375,000	375,000	(6,486)
		-	-	-	368,514	368,514	-1.7%
WestTrans OATI		36,900	36,900	38,100	38,100	150,000	1,945
		37,571	37,571	38,401	38,401	151,945	1.3%
<u>General Consultant</u>							
OASIS Coordinator/Committee Support		43,200	42,400	43,200	43,200	172,000	18,158
		44,190	36,938	56,808	52,223	190,158	10.6%
WestConnect		8,100	7,700	8,100	8,100	32,000	(11,470)
		9,400	4,140	4,950	2,040	20,530	-35.8%
Subtotal General Consultant		51,300	50,100	51,300	51,300	204,000	6,688
		53,590	41,078	61,758	54,263	210,688	3.3%
<u>Special Counsel</u>							
OASIS Legal/Committee Support		40,200	39,400	40,200	40,200	160,000	42,784
		11,117	55,334	50,343	85,990	202,784	26.7%
WestConnect		7,500	7,500	7,500	7,500	30,000	(11,913)
		6,806	9,810	1,337	135	18,088	-39.7%
Subtotal Special Counsel		47,700	46,900	47,700	47,700	190,000	30,872
		17,923	65,144	51,680	86,125	220,872	16.2%
Total TANC OASIS	Budget	145,500	143,500	151,500	534,800	975,300	32,718
	Expenditure	118,684	153,392	166,239	569,703	1,008,018	3.4%



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

PTO Engagement		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/22-06/24	Variance
General Manager	Budget	\$ 9,600	\$ 9,600	\$ -	\$ -	\$ 19,200	\$ -
	Expenditure	9,600	9,600	-	-	19,200	0.0%
Special Consel		138,000	137,000	-	-	275,000	63,158
		116,350	132,417	65,269	24,122	338,158	23.0%
General Consultant		25,200	24,800	-	-	50,000	(33,300)
		6,630	6,290	1,700	2,080	16,700	-66.6%
Total PTO Engagement	Budget	172,800	171,400	-	-	344,200	29,858
	Expenditure	132,580	148,307	66,969	26,202	374,058	8.7%



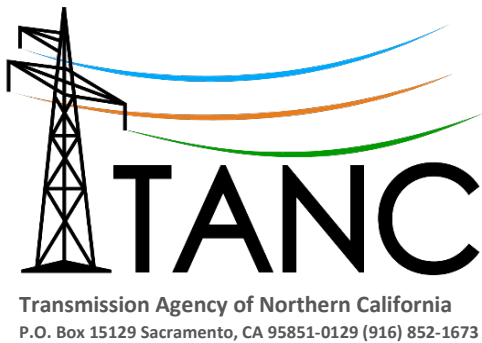
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
Fourth Quarter Budget vs. Expenditure
Fiscal Year 2024

South of Tesla		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Annual Budget	Annual Budget
Category		07/23-9/23	10/23-12/23	01/24-03/24	04/24-06/24	07/22-06/24	Variance
<u>Transmission</u>							
PG&E Related Operations Costs							
Facility Charges	Budget	\$ 45,255	\$ 45,255	\$ 45,255	\$ 45,235	\$ 181,000	\$ (652)
	Expenditure	45,087	45,087	45,087	45,087	180,348	-0.4%
TANC Management							
General Manager		9,600	9,600	14,400	14,400	48,000	40
		9,600	9,600	14,440	14,400	48,040	0.1%
Treasurer and Controller		5,400	4,800	5,100	5,100	20,400	(15,926)
		860	1,548	1,025	1,041	4,474	-78.1%
General Consultant							
Administration		7,500	7,500	7,500	7,500	30,000	(3,120)
		7,920	5,760	7,680	5,520	26,880	-10.4%
FERC Matters		5,100	5,100	5,000	4,800	20,000	(7,760)
		2,550	4,930	3,400	1,360	12,240	-38.8%
Subtotal General Consultant		12,600	12,600	12,500	12,300	50,000	(10,880)
		10,470	10,690	11,080	6,880	39,120	-21.8%
Special Counsel- FERC Matters		1,250	1,250	1,250	1,250	5,000	(5,000)
		-	-	-	-	-	-100.0%
Subtotal South of Tesla		74,105	73,505	78,505	78,285	304,400	(32,418)
		66,017	66,925	71,632	67,408	271,982	-10.6%
Debt Service		52,025	51,729	51,729	54,723	210,206	(91,947)
		30,037	29,748	29,748	28,725	118,259	-43.7%
Total South of Tesla	Budget	126,130	125,234	130,234	133,008	514,606	(124,365)
	Expenditure	96,054	96,674	101,380	96,133	390,241	-24.2%

TAB 18

REPORT FROM THE TANC CHAIR

The TANC Commission will receive a report from the TANC Chair



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT ON TANC STRATEGIC PLANNING EFFORTS

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




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

Task No.	Task Name/Progress
1	<p><u>Finance and Implement California-Oregon Transmission Project (COTP) Series Capacitor Project</u></p> <p>The amendment to the Letter of Agreement which was approved by the TANC Commission at their July 17, 2024 meeting as has been executed by both TANC and the Western Area Power Administration (WAPA). Later at this meeting, the TANC Commission will consider a resolution approving a Letter of Credit regarding the COTP Series Capacitor Project. TANC will then work with Treasurer/Controller staff to implement the steps necessary to provide required upfront funding to WAPA for their share of the COTP Series Capacitor Project.</p> <p><i>Resolution 2024-17 approving a Letter of Credit to provide upfront funding to WAPA for their share of the COTP Series Capacitor Project was approved by the Commission on August 21, 2024. Closing documents for the 2024 TANC credit agreement have been executed. The cash call from WAPA for series capacitor upfront funding has been received</i></p>

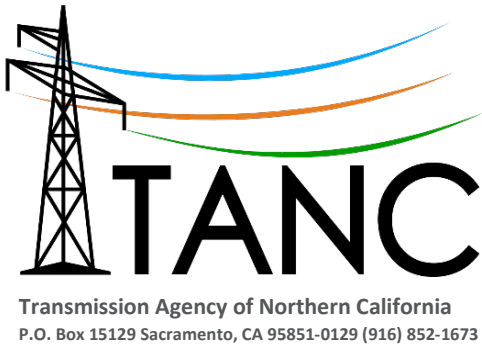
Task No.	Task Name/Progress
	<i>by TANC. TANC continues to work with Treasurer/Controller staff to implement the steps necessary to provide required upfront funding to WAPA for their share of the COTP Series Capacitor Project in early October 2024.</i>
2	<p><u>Complete California-Oregon Intertie (COI) Path 66 Rating Process</u></p> <p>The final draft of the Phase Two COI Path Rating Study will be submitted to the Reliability Assessment Committee (RAC) in the coming weeks. After RAC approval, the path rating process will transition to Phase 3 which will involve preparing for operations, updating contracts, and finalizing other tools for implementation.</p> <p><i>On September 1, 2024, the Phase Two COI Path Rating Study was submitted to the RAC and the Studies Subcommittee for review. After approval, the path rating process will transition to Phase 3 which will involve preparing for operations, updating contracts and finalizing other tools for implementation. Expected implementation is Summer operating season is June 1, 2025.</i></p>
3	<p><u>Update Key TANC Agreements</u></p> <p>The Balancing Authority of Northern California will prepare a draft operating agreement for TANC and Sacramento Municipal Utility District review later this year.</p>
4	<p><u>Prepare for and Complete 2024 Western Electricity Coordinating Council (WECC) Audit</u></p> <p>Approval of an update to the TANC Internal Compliance Program will be considered by the TANC Commission later at this meeting.</p> <p><i>Task is complete.</i></p>
5	<p><u>Continued Evaluation of Wildfire Risk Reduction Activities</u></p> <p>TANC will be considering the 11 Discussion Topics and corresponding Preliminary recommendations jointly drafted by the California WSAB and California Municipal Utilities Association for Publicly-Owned Utilities' consideration when updating their 2025 WMPs.</p> <p><i>WAPA continues to implement field activities associated with the Wildfire Prevention, Mitigation, and Response Strategies (Wildfire Strategies) in the 2024 TANC-COTP Wildfire Mitigation Plan. An additional five miles of access roads have been brushed in elevated high fire threat district areas, and the corona and infrared inspections were completed in early June, with no maintenance issues detected.</i></p>
6	<p><u>Consider Potential New Transmission Development</u></p> <p>The California Independent System Operator (CAISO) recently released its 2024 20-year transmission plan, as well as competitive bid documents for two projects slated to integrate Offshore Wind from Humbolt into the CAISO. TANC is reviewing these documents.</p>

Task No.	<u>Task Name/Progress</u>
	<i>TANC has met with two project developers who plan to bid to construct the two Offshore Wind projects and provided public information on the COTP and discussed why the developers are reaching out to TANC and other entities.</i>
7	<p data-bbox="399 470 1019 495"><u>Explore Options to Increase the Value of the COTP</u></p> <p data-bbox="399 501 1365 703">The General Manager's OATT Committee has requested staff to inquire about developing new transmission products that are not Federal Energy Regulatory Commission pro-forma, in alignment with recent trends in third party usage of the COTP and Pacific Alternating Current Intertie lines. TANC is working with Special Counsel and Open Access Technology International, Inc. to determine the legal and technical issues that would either inhibit or allow the offering of these products.</p>
8	<p data-bbox="399 722 964 747"><u>Explore Enhancements to South of Tesla Asset</u></p> <p data-bbox="399 753 938 779">Initiative will begin in second quarter of 2024.</p>
9	<p data-bbox="399 791 896 816"><u>Develop and Adopt Enterprise Risk Plan</u></p> <p data-bbox="399 823 1365 961">TANC has started to implement the approved Enterprise Risk Management Framework, developing an initial list of risks that will be used to refine the metrics used in the analyses. Example risks for the identified risk categories may be discussed by the TANC Commission, in Closed Session, at a future meeting.</p> <p data-bbox="399 1005 1133 1031"><i>TANC has made significant progress on finalizing the initial review.</i></p>
10	<p data-bbox="399 1043 1166 1068"><u>Explore Impacts of Changing Markets on TANC and the COTP</u></p> <p data-bbox="399 1075 1365 1213">TANC is reviewing various economic analyses of market changes on transmission flows on the COTP. Market changes include Energy Day-Ahead Markets and applicable Resource Adequacy programs. See item #6 above regarding changes in generation and transmission that could impact the COTP.</p> <p data-bbox="399 1257 1365 1314"><i>TANC is drafting a summary of the new market developments and implications for the COTP.</i></p>
11	<p data-bbox="399 1331 1289 1356"><u>Consider Revisions to TANC's Open Access Transmission Tariff (OATT)</u></p> <p data-bbox="399 1362 1365 1495">The task of updating the TANC OATT and potentially incorporating elements of FERC Order 2023 associated with clustering of interconnection projects to the COTP has begun. It is anticipated this project will be brought before the TANC Commission for consideration in January 2025.</p>

Project Lead: Nick Zettel

	Indicates completed task
	Indicates planned activity
	Indicates one-day milestone

Task	Assigned To	Progress (%)	Year 2024 Week of																																																
			January				February				March				April				May				June				July				August				September				October				November				December				
			2	9	16	23	30	6	13	20	27	6	13	20	27	3	10	17	24	1	8	15	22	29	5	12	19	26	3	10	17	24	31	7	14	21	28	4	11	18	25	2	9	16	23	30	6	13	20	27	4
1. Finance and Implement COTP Series Capacitor Project ⁺ a. Revise Exhibit A to WAPA LOA b. Secure a Letter of Credit c. Issue funding to WAPA for series capacitor procurement d. Work with Financial Consultant to Issues bonds	Riegle	50%																																																	
2. Complete COI Path 66 Rating Process (to increase rating from 4,800 MW to 5,100 MW)* a. Presentation of Phase 2 Study to RC West; RC West Review and Approval b. Submittal of Phase 2 report to the Project Review Group for review and approval c. Submittal to the Reliability Assessment Committee and Consideration of Approval to enter Phase 3 d. Complete operating studies for Summer 2025 d. Develop the internal and external steps/schedule to implement the COI Path Rating increase	Joshi/Riegle	60%																																																	
3. Update Key TANC Agreements * a. Update key TANC Operations Agreements	Zettel	10%																																																	
4. Prepare for and Complete 2024 WECC Audit* a. Preparation of required audit work papers and evidence b. Develop audit preparation/Subject Matter Expert training plan c. Participation in April 2024 Audit d. Consider changes to TANC Compliance Program based on audit results/Update TANC Compliance Program	Cuellar	100%																																																	
5. Continued Evaluation of Wildfire Risk Reduction Activities a. Consider comments resulting from California Municipal Utilities Association-Wildfire Safety Advisory Board discussions b. Assess camera and lookout visual coverage of the COTP c. Evaluate Tier 2 and Tier 3 fuels reduction opportunities d. Reduce fuels on COTP access roads and communication sites e. Update wildfire mitigation strategies in the active TANC-COTP Wildfire Mitigation Plan	Wagenet	75%																																																	
6. Consider Potential New Transmission Development a. Review previous TANC Transmission Planning efforts (2007/2008 TANC Transmission Project; COTP upgrades; etc.) b. Review readily available market data (CAISO TPP & 20-year plan; generation development) c. Develop summary and propose next steps (including funding opportunities) d. Discuss opportunities with TANC Commission	Arenchild	40%																																																	
7. Explore Options to Increase the Value of the COTP a. Evaluate options for increasing third party sales (e.g., new products/pricing and marketing) b. Review historical outages/derates and evaluate options to maximize and firm up availability (e.g., reduce derates, O&M c. Develop summary of research and propose next steps d. Discuss next steps with TANC Commission	Arenchild	25%																																																	
8. Explore Enhancements to South of Tesla Asset* a. Work with Members to identify potential opportunities, review/update SWOT analysis, discuss at Contracts Committee b. Investigate ways to increase Member benefits, discuss at Contracts Committee	Riegle	10%																																																	
9. Develop and Adopt Enterprise Risk Plan* a. Develop outline and draft of an Enterprise Risk Plan b. Present Enterprise Risk Plan to TANC Commission for approval c. Implement Enterprise Risk Plan (Ongoing activity)	Arenchild	75%																																																	
10. Explore Impacts of Changing Markets on TANC and the COTP a. Evaluate changes in Western markets and how they impact the COTP b. Evaluate impact of new generation and transmission located on COTP and nearby systems. c. Develop summary of research and propose next steps, including periodic schedule for reporting new information.	Arenchild	10%																																																	
11. Consider Revisions to TANC's Open Access Transmission Tariff (OATT) a. Short-Term: Develop list of edits/revisions (primarily related to interconnection requirements) b. Short-Term: Update related TANC documents (e.g., Interconnection Requirements document on OASIS) c. Mid-Term: Revise OATT for annual updated transmission rates d. Long-Term: Coordinate with Special Counsel on broader updates (FERC Order 2023, other) e. Discuss proposed updates with OATT Committee f. Present OATT revisions to TANC Commission for approval/file at FERC	Riegle	30%																																																	



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Commission Chair

SUBJECT: REPORT AND POTENTIAL ACTION ON TANC'S AVAILABLE CASH
BALANCES

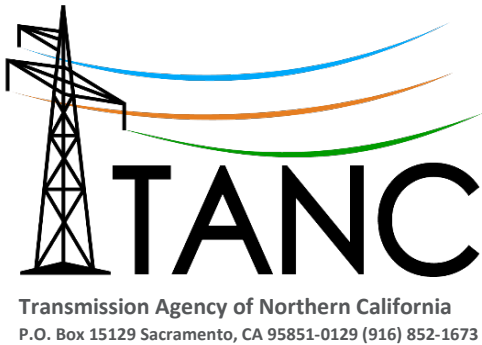
The Transmission Agency of Northern California (TANC) Commission will receive a report from TANC's Controller staff and may take action TANC's available cash balances through June 30, 2024.

Enclosure

Summary of Restricted & Unrestricted TANC Cash
As of June 30, 2024
Dollars in Thousands (000)

	<u>6/30/2024</u>	<u>6/30/2023</u>
Total TANC Cash	\$ 88,919 (1)	\$ 81,961 (1)
Restricted Cash:		
Less: Non Discretionary Funds:		
Debt Service Reserve Requirement - required by bond indenture as a reserve	3,855	3,878
Debt Service Fund - required by bond indenture to cover bond interest & principal	2,530	2,328
Total Non Discretionary Funds	<u>6,385</u>	<u>6,206</u>
Less: Discretionary Funds:		
Original 15 Members Equity (plus interest)	539	512
Contingency (Non-OATT)	9,532	6,511
Total Discretionary Funds	<u>10,071</u>	<u>7,023</u>
Unrestricted Cash (Working Capital & OATT Contingency)	<u>72,463</u>	<u>68,732</u>
Less: 90 to 120 days Working Capital Per Resolution 2016-03	34,571	11,181
Less: Regulatory Matters (not cash called)	1,000	1,000
Less: Floor Balance Per Resolution 2012-05	4,000	4,000
Unrestricted Cash for Potential Distribution	<u><u>\$ 32,892</u></u>	<u><u>\$ 52,551</u></u>

(1) Excludes COTP cash accounts held for COTP use of \$14,250 and \$14,701 for 6/30/2024 and 06/30/2023, respectively.



MEMORANDUM

DATE: September 11, 2024

TO: TANC Commission

FROM: Nick Zettel
TANC Chair

SUBJECT: RESOLUTION VESTING AND RETAINING POWER AND AUTHORITY OF
THE INTERIM CONTRACT EXECUTIVE/GENERAL MANAGER AND TANC
CHAIR RESPECTIVELY

As approved by the Transmission Agency of Northern California (TANC) Commission at their meeting on August 21, 2024, Chair Zettel was appointed as the labor negotiator to negotiate for the unrepresented position of Interim Contract Executive/General Manager and was authorized to negotiate and enter into an agreement for Interim Contract Executive/General Manager Services. An agreement with Roukema Consulting LLC to serve as the Interim Contract Executive/General Manager became effective on September 1, 2024.

Approval of the attached resolution will grant to the TANC Interim Contract Executive/General Manager certain responsibilities, authorities and obligations that are needed to be considered and performed to serve in that role. All such certain responsibilities, authorities and obligations continue to also be retained by the TANC Chair as a backup to the Interim General Manager/Contract Executive.

Enclosure

RESOLUTION 2024-

A RESOLUTION OF THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
VESTING AND RETAINING POWER AND AUTHORITY
OF THE GENERAL MANAGER
IN THE INTERIM CONTRACT EXECUTIVE/GENERAL MANAGER
AND TANC COMMISSION CHAIR
RESPECTIVELY

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 has run under the leadership of a Contract Executive/General Manager since TANC Resolution 2006-16 was adopted by the TANC Commission; and

WHEREAS, TANC has been without a regular Contract Executive/General Manager since July 2024; and

WHEREAS, at their meeting on August 21, 2024, the TANC Commission appointed the TANC Chair to serve as the labor negotiator to negotiate for the unrepresented position of Interim Contract Executive/General Manager and to negotiate and enter into an agreement for such services; and

WHEREAS, on September 1, 2024, an agreement for an Interim Contract Executive/General Manager with Roukema Consulting LLC became effective; and

WHEREAS, the regular Contract Executive/General Manager is vested with the power and authorities delegated by the TANC Commission to manage the affairs of TANC in accordance with Commission policy, the adopted budget, and the resolutions, indentures, agreements, laws, regulations, and lawful orders that apply.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Commission of the Transmission Agency of Northern California that the power and authority of the regular Contract Executive/General Manager is hereby vested in the TANC Interim Contract Executive/General Manager, Roukema Consulting LLC, in addition to retaining this authority to the TANC Chair immediately upon adoption of this Resolution.

BE IT FURTHER RESOLVED that the power and authority would remain vested in the TANC Commission Chair until a regular Contract Executive/General Manager is appointed by the TANC Commission and begins to serve in that capacity.

BE IT FURTHER RESOLVED that the power and authority would remain vested in the TANC Interim Contract Executive/Interim General Manager until a regular Contract Executive/General Manager is appointed by the TANC Commission and begins to serve in that capacity or the agreement with TANC Interim Contract Executive/General Manager, Roukema Consulting LCC terminates, whichever occurs first.

PASSED AND ADOPTED this 18th day of September 2024, on a motion by _____ and seconded by _____.

AYES

NOES

ABSTAIN

ABSENT

City of Alameda

City of Biggs

City of Gridley

City of Healdsburg

City of Lodi

City of Lompoc

Modesto Irrigation District

City of Palo Alto

Plumas-Sierra Rural Electric Cooperative

City of Redding

City of Roseville

Sacramento Municipal Utility District

City of Santa Clara

Turlock Irrigation District

City of Ukiah

TAB 22

CLOSED SESSION

Closed Session Pursuant to Government Code Section 54956.9(a), Pending Litigation:

- a. Pacific Gas and Electric Company Docket Nos. ER16-2320-000; ER17-2154-000; ER19-13-000; ER23-2968-000, et al.

TAB 23

REPORT AND POTENTIAL ACTION ON ADMINISTRATIVE ITEMS

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

- a. Approval of an Updated TANC Officers List

Proposed TANC Officers September 18, 2024

<u>TANC Officers</u>	
Chair	Nick Zettel
Vice Chair and Secretary	Martin Caballero
<i>Interim Contract Executive/General Manager</i>	<i>John Roukema</i>
Treasurer	Russell Mills
Assistant Treasurers	Jon Anderson Greg Pochy
Controller	Lisa Limcaco
Assistant Controller	Kathy Ketchum
<u>TANC Committee Representatives</u>	
Audit/Budget Chair	Sondra Ainsworth
Audit/Budget -Ex Officio Member and Secretary	Larry Riegler
Contracts Chair	Basil Wong
Contracts-Ex Officio Member and Secretary	<i>John Roukema</i>
Finance Chair	Russell Mills
Finance -Ex Officio Member and Secretary	Vacant
Engineering & Operations (E&O) Chair	<i>John Roukema</i>
E&O -Ex Officio Member and Secretary	Vacant
Open Access Transmission Tariff (OATT) Chair	David Olivares
OATT -Ex Officio Member and Secretary	<i>John Roukema</i>
<u>TANC/COTP Representatives</u>	
Management Committee (MC) Chair	<i>John Roukema</i>
MC Ex Officio Member and Secretary	Vacant
E&O Committee Chair	<i>Steve Tuggle</i>
E&O Ex Officio Member and Secretary	<i>John Roukema</i>
Administrative Representative (Owners Coordinated Operating Agreement)	<i>John Roukema</i>
E&O Representative (Owners Coordinated Operating Agreement)	Richard Buckingham
Reclamation District 2024 Trustee	Don Wagenet

TAB 24

MEETING CALENDAR

The Commission will confirm the date of its next scheduled meeting is October 23, 2024.