



BALANCING AUTHORITY OF NORTHERN CALIFORNIA

RELIABILITY • COLLABORATION • SUSTAINABILITY

For Immediate Release

Northern California public utilities form Balancing Authority

The Sacramento Municipal Utility District (SMUD), Modesto Irrigation District (MID), Roseville Electric, and Redding Electric Utility have formed the Balancing Authority of Northern California (BANC) – a Joint Power Authority (JPA) that gives each utility ownership of the entity.

In the past, SMUD served as the Balancing Authority, integrating resource plans ahead of time and maintaining load balance for all four utilities.

Creation of the BANC as public power's platform alternative to the California Independent System Operator (CAISO) provides many benefits. The BANC will provide reliable grid operation consistent with reliability standards developed and enforced by the Federal Energy Regulatory Commission (FERC), the North American Electric Reliability Corporation (NERC) and the Western Electricity Coordinating Council (WECC). The BANC also clarifies roles and responsibilities of the members regarding reliability standard compliance.

Development of the BANC gives MID, Roseville, and Redding an ownership voice in all Balancing Authority decisions as well as maximizing consumer value.

It also reduces the members' exposure to risk by establishing a JPA as the entity needing to maintain compliance with NERC reliability standards.

The new structure also provides flexibility to expand and offers potential cost-saving opportunities by sharing some future facility costs and consolidation of NERC reliability functions.

The BANC is the third largest Balancing Authority in California and the 16th largest Balancing Authority within the WECC area. SMUD will continue to provide Balancing Authority operator services on a contract basis to ensure continuity.

A JOINT POWER AUTHORITY BETWEEN

the Modesto Irrigation District, City of Redding, City of Roseville and Sacramento Municipal Utility District

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