

MINUTES OF THE REGULAR MEETING OF THE COMMISSIONERS OF THE  
BALANCING AUTHORITY OF NORTHERN CALIFORNIA (BANC)

October 3, 2019

On this date, a Regular Meeting of the Commissioners of the Balancing Authority of Northern California (BANC) was held at 915 L Street, Suite 1480, Sacramento, CA 95814.

Representatives Present:

<b>Member Agency</b>	<b>Commissioner</b>
Modesto Irrigation District	Greg Salyer
City of Redding	Dan Beans, Chair
City of Roseville	Todd White
Sacramento Municipal Utility District	Steve Lins
City of Shasta Lake	James Takehara
Trinity Public Utilities District	Absent

<b>Agency</b>	<b>Liaison</b>
Western Area Power Administration	Sonja Anderson

1. Call to Order: Chair Beans called the meeting to order at 2:01 p.m.
2. Matters Subsequent to Posting the Agenda: It was noted that agenda item 5D on the agenda should state 'Consider and Possibly Approve Resolution 19-10-02 *Approval of 2020 Annual Budget for BANC*' rather than 'Consider and Possibly Approve Resolution 19-10-02 *Approval of 2019 Annual Budget for BANC*', a typographical error. Jim Shetler also added an item to the agenda to update the Commission on planned Commission meetings prior to the end of the year.
3. Public Comment: Chair Beans invited comments from the public and none were given.
4. Consent Agenda: Mr. Salyer moved, Mr. Lins seconded, and the participating Commissioners unanimously approved the Consent Agenda items comprised of: (A) Minutes of the Regular Commission Meeting held on August 23, 2019; (B) BANC Operator Report for August; (C) Compliance Officer Report for September; (D) PC Committee Chair Report for September; and (E) General Manager's Report and Strategic Initiatives Update.
5. Regular Agenda Items – Discussion and Possible Action.
  - A. Mr. Shetler provided an update on EIM Phase 2 and EDAM. The EIM Participation Agreement has been executed by all parties, with copies sent to all signatories. The EIM Implementation Agreement is in its final form and ready for approval and will likely be filed at FERC this month by CAISO if approved by the Commission. An EIM Committee has been established and held their first meeting on September 17<sup>th</sup>. Three working groups have been established: Deviation Band, WAPA Transmission, and BANC Settlements. Business practices will be developed, and the first set of practices will likely

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be brought to the Commission for approval, likely in early 2020. Finally, software options related to EIM Phase 2 are being evaluated.

Regarding EDAM, Mr. Shetler informed the group that the EIM Entities have gone public with the Feasibility Assessment results. CAISO plans to move forward with a formal stakeholder process, with a draft white paper planned for posting on or around October 10 and an initial stakeholder meeting on October 17<sup>th</sup>. BANC is planning to stay engaged with the other EIM Entities as the stakeholder process moves forward.

- i. Mr. White moved, Mr. Salyer seconded, and a roll call vote was taken. Trinity Public Utilities District (TPUD) was absent, and all other Commissioners voted in favor of Resolution 19-10-01 *Authorization of the General Manager to Execute the BANC EIM Phase 2 Implementation Agreement with the California Independent System Operator*.
- B. Mr. Shetler informed the Commission that the CAISO has stated that their goal is to minimize impacts to adjacent Balancing Authorities related to Public Safety Power Shutoffs (PSPS), including shedding additional load. Transmission owner/operators within the BANC footprint have indicated potential use of PSPS in their fire mitigation plans, and BANC and the BANC Operator believe it would be prudent to adopt a reciprocal plan to limit impacts on CAISO.
  - i. Mr. Salyer moved, stating an expectation that scenarios be reviewed and brought back to the Commission to expand the Commission's understanding of potential impacts, Mr. Lins seconded, and a roll call vote was taken. TPUD was absent, and all other Commissioners voted in favor of Resolution 19-10-04 *Approval to Proceed with Development of PSPS Protocols*.
- C. Mr. Shetler reviewed the SB100 mandate that the PUC, CEC, and CARB consult with BAs to develop a quadrennial report on the status, obstacles, and recommendations for meeting goals, with the initial report due January 1, 2021. The agencies have kicked off the process, and CMUA will facilitate coordination among the California POU BAs. There is interest in forming a BA coordination effort among all BAs (POU and non-POU), and BANC will coordinate any related efforts through the Resources Committee.
- D. Mr. Shetler presented the Draft 2020 Annual Budget for BANC. Following a discussion of PA-4, Extended Day-Ahead Market (EDAM) Evaluation, the Commission requested that allocation of that budget item be distributed among all EIM Participants rather than SMUD only. As a result, the resolution was modified to remove the direction to the BANC Treasurer to assess BANC Members. In addition, the approval statement was modified to state that the General Manager "shall make adjusted recommendations for allocation of PA-4 EDAM costs to reflect broader member participation in this effort and bring those allocations back to the Commission for approval at the next Commission meeting."

Mr. White moved, Mr. Salyer seconded, and a roll call vote was taken. TPUD was absent, and all other Commissioners voted in favor of Resolution 19-10-02 *Approval of 2020 Annual Budget for BANC*.
- E. Mr. Braun reviewed with the Commission that BANC counsel was directed to revise the GM Services Agreement. California law has evolved and AB5 codifies recent supreme court cases around what constitutes an employee. As a result, BANC plans to engage an employment law firm to review and provide direction related to current BANC agreements. The amended agreement is in front of the Commission for approval is

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between BANC and Adirondack and includes compensation adjustments as directed by the Commission.

Mr. Lins moved, Mr. Salyer seconded, and a roll call vote was taken. TPUD was absent, and all other Commissioners voted in favor of Resolution 19-10-03 *Approval of Amended Management Services Agreement Between BANC and Adirondack Power Consulting, LLC.*

- F. Mr. Shetler reminded the Commission that the next meeting is scheduled for October 23<sup>rd</sup>. It is likely that the November meeting will be adjourned, provided that no action items are required; an adjournment notice will be provided in advance of that meeting if that is the case. The December 18<sup>th</sup> planned meeting, or a telephonic meeting at an alternate time in December may be required, but no change to the current meeting schedule is proposed at this time.

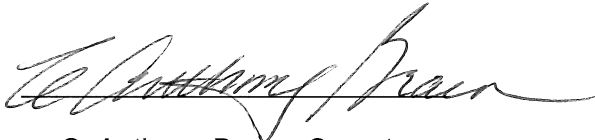
6. Closed Session:

- A. The Commission retired to closed session for conference with legal counsel in anticipation of litigation pursuant to subdivision (c) of Cal. Gov't Code § 54956.9; one case.

After returning to open session, Mr. Braun reported that no action was taken in closed session.

The meeting was adjourned at 3:24 p.m.

Minutes approved on October 23, 2019.



C. Anthony Braun, Secretary