

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

April 22, 2020

On this date, a Regular Meeting of the Commissioners of the Balancing Authority of Northern California (BANC) was held telephonically.

Representatives Present:

Member Agency	Commissioner
Modesto Irrigation District (MID)	James McFall
City of Redding	Dan Beans, Chair
City of Roseville	Michelle Bertolino
Sacramento Municipal Utility District (SMUD)	Arlen Orchard
City of Shasta Lake	James Takehara
Trinity Public Utilities District (TPUD)	Paul Hauser

Agency	Liaison(s)
Western Area Power Administration (WAPA)	Sonja Anderson Arun Sethi Jeanne Haas

1. Call to Order: Ms. Kirkegaard took roll call to establish that a quorum was present, and Chair Beans called the meeting to order at 2:08 p.m.
2. Matters Subsequent to Posting the Agenda: Mr. Shetler also noted that he would like to ask the BANC Operator to brief the Commission on the actions being taken by BANC related to COVID-19 under the Consent Agenda item.
3. Public Comment: Chair Beans invited comments from the public and none were given.
4. Consent Agenda: With respect to actions being taken by the BANC related to COVID-19, Mr. Mark Willis briefed the Commission. Power System Operators and other support staff have started sequestration shifts following COVID-19 testing. The shelter-in-place plans will continue until further notice, pending development of final plans and criteria that will be used to determine when the sequestration will end. All those involved did an outstanding job to implement this plan.

Ms. Bertolino moved, Mr. McFall seconded, and the participating Commissioners unanimously approved the Consent Agenda items comprised of: (A) Minutes of the Regular Commission Meeting held on March 25, 2020; (B) BANC Operator Report for March; (C) Compliance Officer Report for April; (D) PC Committee Chair Report for April; and (E) General Manager's Report and Strategic Initiatives Update.

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5. Regular Agenda Items – Discussion and Possible Action:

- A. Mr. Shetler updated the Commission on EIM. BANC completed its first full year of operations in early April with SMUD as the only participant. Per the CAISO study methodology, gross benefits for BANC/SMUD have been reported as approximately \$22 million for the first year of BANC EIM operations.

Regarding EIM Phase 2, Mr. Shetler provided the following work group updates: Deviation Band, WAPA Transmission, BANC Settlements, and RS Tests. Progress continues to be made within all groups. The Deviation Band work group is working on a concept around whether the deviation band could be used to support the flex test that Redding, Roseville, and MID will have to meet as a part of EIM; a proposal has been developed and will be reviewed with WAPA in an upcoming meeting. With respect to Transmission, a preliminary agreement has been reached regarding how transmission access will be made available to the EIM market, and this will be discussed further as a part of WAPA's OATT process. Regarding Settlements, the allocation methodology has been developed and documented in a Draft EIM Settlements Allocation Manual. This group will address invoicing, cash clearing, disputes, and revisions next. For RS Tests, the balance test approach is near final and flex ramp discussions are being initiated.

Finally, metering data submittal is underway, and in May, WAPA is scheduled to begin rate/OATT proceedings. Draft BANC Business Practices (BP) are in process in support of this effort, and the EIM Committee has approved the use of those draft practices as a part of WAPA's OATT process. The EIM Committee will review/finalize the BPs this summer, and the settlements manual mentioned previously will be included as one of the attachments to those BPs. The final BPs will be brought to the Commission for approval.

- B. With regard to EDAM, Mr. Shetler updated the Commission on the delay of the CAISO Bundle 1 Issue Paper (Transmission, Resource Sufficiency, Congestion Revenues) from early April to mid-June, resulting from COVID-19 impacts and the need to focus on Day Ahead Market Enhancements (DAME) proposals. The EIM Entities are using the additional time to refine the details in their own proposals and engage in stakeholder outreach.

Mr. Braun briefly reviewed the latest with regard to Governance Review Committee (GRC) efforts. Multiple meetings have been held recently, and a revised governance proposal is targeted for mid-June.

- C. Mr. Shetler gave a brief Senate Bill 100 study status update. Comments were filed with the Joint Agencies in early March. Outreach is in process to determine how BA comments will be handled. A draft report from the Joint Agencies is expected in June followed by approval in the fall of 2020 and submittal in early 2021.
- D. Recognizing that BANC member revenues may be impacted by COVID-19, Mr. Shetler and BANC legal staff reviewed BANC's 2020 budget to identify any potential cost savings. Potential reductions related to travel, legal support, consultant support, contingency amounts, and the EDAM and EIM Participation project agreements were identified. The total proposed budget reductions for 2020 amount to just over \$450,000, with some costs deferred to the 2021 budget. With the Commission's support, Mr. Shetler will bring a budget amendment, along with an amendment to the Braun Blaising Smith Wynne, P.C. services agreement to the next Commission meeting.

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- E. Mr. Shetler reviewed plans for the BANC strategic planning session, currently scheduled for Wednesday, August 26th, with an estimated time frame of 10 a.m. – 2 p.m., at 555 Capitol Mall, 3rd Floor Board Room. Mr. Shetler will also begin outreach meetings with Commissioners as soon as possible, given the current challenges related to COVID-19.
6. Closed Session: The Commission retired to closed session at 2:45 p.m. for conference with legal counsel in anticipation of litigation pursuant to subdivision (c) of Cal. Gov't Code § 54956.9; one case. The Commission adjourned from closed session at 3:01 p.m., where no action was taken.

Minutes approved on May 7, 2020.

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 Tony Braun

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C. Anthony Braun, Secretary