

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

September 30, 2020

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

Representatives Present:

<b>Member Agency</b>	<b>Commissioner</b>
Modesto Irrigation District (MID)	Martin Caballero
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

<b>Agency</b>	<b>Liaison(s)</b>
Western Area Power Administration (WAPA)	Sonja Anderson Arun Sethi

1. Call to Order: Mr. Shetler reviewed attendance and confirmed that a quorum was present. Chair Beans called the meeting to order at 2:01 p.m.
2. Matters Subsequent to Posting the Agenda: Mr. Braun informed the Commission that closed session had been removed from the agenda due to a current lack of incremental information.
3. Public Comment: Chair Beans invited comments from the public and none were given.
4. Consent Agenda: Mr. Orchard moved, Ms. Bertolino seconded, and the participating Commissioners unanimously approved the Consent Agenda items comprised of: (A) Minutes of the Regular Commission Meeting & Strategic Planning Session held on August 26, 2020; (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 informed the Commission that Dan Beans had completed his first annual term as Chairperson, as he was appointed in July of 2019. As the JPA allows for two consecutive terms per the JPA, Ms. Bertolino nominated Dan Beans for a second term, Mr. Orchard seconded the nomination. Mr. Braun clarified that no additional formal action was required, as Mr. Beans was eligible to continue in his position as BANC Chairperson for a second term.

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- B. Mr. Hauser moved, Ms. Bertolino seconded, and the Commissioners voted unanimously in favor of Resolution 20-09-18 *Resolution Commending and Thanking Arlen Orchard for His Service to the Balancing Authority of Northern California*.
- C. Mr. Braun explained that, after a biennial review of BANC's Conflict of Interest Code, it has been determined that minor changes are required, that authorization to so inform the Fair Political Practices Commission was needed, and that BANC management and counsel would bring back a revised code for Commission consideration at a later date. Mr. Hauser moved, Mr. Bertolino seconded, and a roll call vote was taken. All Commissioners voted unanimously in favor of Resolution 20-09-21 *Authorization to Notify the Fair Political Practices Commission of BANC's Intent to Amend its Conflict of Interest Code*.
- D. Mr. Shetler provided an update with respect to the August/Labor Day Weekend heatwave. BANC was able to get through the heatwave without load shed or rotating outages within the BANC footprint. In addition, BANC was able to provide support to CAISO. Finally, he thanked BANC members for their responsiveness to BANC's request for public support for conservation. Some concerns have been raised, however, and there is a resulting desire to further understand CAISO's export curtailment process. A 'lessons learned' session is planned for the October Resource Committee.
- E. Mr. Shetler noted that SMUD continues to see benefits from EIM participation. Regarding EIM Phase 2, the go-live date is scheduled for March 25, 2020, concurrent with TID. The remaining three entities scheduled to begin EIM participation will go live on April 1, 2020. All major activities are generally on track. One area of concern is the Resource Sufficiency/Flex Ramp Test. Ongoing discussions with respect to this issue include a 6-month Grace Period to fully define the issue and the development of options around a possible enabling agreement to share flex resources among BANC participants. It is likely that a policy decision from the Commission will be required at a future point in time. One other challenge relates to the collateral posting required by CAISO and WAPA's legal ability to do so. A potential work-around is in process, and if not otherwise resolved, WAPA's share will need to be reallocated among the remaining participants.

The EIM Business Practices and Settlements Allocation manual are expected to be brought to an upcoming Commission meeting for action. In addition, action on metering policy, risk policy, an amendment to the BANC/SMUD EIM Services Agreement and amendments to individual entity EIM Participation Agreements are anticipated before the end of the year.

The CAISO EDAM stakeholder initiative has seen some slippage to its schedule. Comments on Bundle 1 have been delayed to November 12<sup>th</sup> as a result of COVID impacts and the need to understand potential impacts related to the August and Labor Day weekend heatwave events. Delays to EDAM implementation are expected, with the go-live date likely pushed to the 2024 timeframe.

Mr. Braun provided a Governance/GRC update. A revised straw proposal is expected late November/early December, although this date may slip.

Mr. Shetler briefly reviewed key points related to the draft business case for a BANC OASIS, which was first discussed at the August Strategic Planning meeting. He highlighted potential benefits, which were outlined on pp. 25-26 of the packet, potential impacts and risks, which start on p. 29, and the high-level cost summary and timelines,

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found on p. 32. The informal recommendation was to proceed with a detailed cost/benefit analysis for future Commission evaluation, include as a 2021 strategic initiative and provide a budget estimate for 2021; no action was requested of the Commission at this time. The Commissioners briefly discussed the impact of layoffs and whether any 'clawback' provisions existed, noting that this was likely a question for their own internal general counsel, in addition to potential impacts to WAPA. Mr. Shetler committed to additional follow-up with WAPA and Silicon Valley Power, in addition to coming back to the Commission with more information before the end of the year.

- F. Mr. Shetler stated that draft 2020/2021 Strategic Planning Issues were included in the packet and requested that any comments or questions be directed to him, as he intends to seek approval at the next meeting. In the 2019/20 Initiatives, an item related to development of a GM Transition Plan was included. At this time, given the current GM commitment to continue supporting BANC through EDAM development, it was suggested that a transition plan has been developed but can be filed for now and updated as appropriate at a future point in time.

The Commission adjourned at 2:57 p.m.

Minutes approved on October 28, 2020.

DocuSigned by:

*Tony Braun*

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C. Anthony Braun, Secretary