

Balancing Authority of Northern California

Regular Meeting of the Commissioners of BANC

2:00 P.M.

Wednesday, September 18, 2024

2377 Gold Meadow Way

1st Floor Conference Room

Gold River, CA 95670

Balancing Authority of Northern California

NOTICE OF REGULAR MEETING AND AGENDA

Notice is hereby given that a regular meeting of the Commissioners of the Balancing Authority of Northern California (BANC) will be held on **September 18, 2024 at 2:00 p.m.** at **2377 Gold Meadow Way, 1st Floor Conference Room, Gold River, CA 95814.**

The following information is being provided as the forum by which members of the public may observe the meeting and offer public comment:

Phone: 1-301-715-8592 or 1-305-224-1968

Meeting ID: 873 0953 4321

Passcode: 560852

Meeting Link: <https://us06web.zoom.us/j/87309534321?pwd=pozilSk9NfVC0jY9aaCAuCZvEb2GEb.1>

AGENDA

- 1 Call to Order and Verification of Quorum.**
- 2 Matters subsequent to posting the Agenda.**
- 3 Public Comment** – any member of the public may address the Commissioners concerning any matter on the agenda.
- 4 Consent Agenda.**
 - A. Minutes of the Regular Commission Meeting and Strategic Planning Session held on August 28, 2024.
 - B. BANC Operator Report (August).
 - C. Compliance Officer Report (September).
 - D. PC Committee Chair Report (September).
 - E. General Manager’s Report and Strategic Initiatives Update.
- 5 Regular Agenda Items – Discussion and Possible Action.**
 - A. General Manager Updates.
 - i. Market Updates – EIM, EDAM, Markets+, WRAP.
 - ii. BANC Resource Development Update.
 - B. Update on 2023 Budget Performance.
 - C. Consider and Possibly Approve Resolution 24-09-01 *Approval of Amendment to 2024 Annual Budget for BANC.*
 - D. Discussion on 2024 BANC Strategic Planning Session – Next Steps.
 - E. Preparation for 2025 Budget.
 - F. Member Updates.
- 6 Adjournment.**

Accessible Public Meetings - Upon request, BANC will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service at least 3 days before the meeting. Requests should be sent to: Kris Kirkegaard, 555 Capitol Mall, Suite 570, Sacramento, CA 95814 or to administrator@braunlegal.com.

Balancing Authority of Northern California

Consent Agenda Items

- A. Minutes of the August 28, 2024 BANC Regular Meeting and Strategic Planning Session.**
- B. BANC Operator Report (August).**
- C. Compliance Officer Report (September).**
- D. PC Committee Chair Report (September).**
- E. General Manager's Report and Strategic Initiatives Update.**

MINUTES OF THE REGULAR MEETING AND STRATEGIC PLANNING SESSION
OF THE COMMISSIONERS OF
THE BALANCING AUTHORITY OF NORTHERN CALIFORNIA (BANC)

August 28, 2024

On this date, a Regular Meeting and Strategic Planning Session of the Commissioners of the Balancing Authority of Northern California was held was held was held at 555 Capitol Mall, Suite 100, Sacramento, CA 95814.

Representatives:

Member Agency	Commissioner
Modesto Irrigation District (MID)	Martin Caballero
City of Redding	Nick Zettel
City of Roseville	Dan Beans
Sacramento Municipal Utility District (SMUD)	Paul Lau
City of Shasta Lake	James Takehara
Trinity Public Utilities District (TPUD)	Paul Hauser, Chair

Other Participants:

Siva Gunda	Vice Chair, California Energy Commission
Jim Shetler	General Manager
Tony Braun	General Counsel
Brittany Iles	General Counsel
Kris Kirkegaard	General Counsel Support
Chris Hofmann	BANC Operator
James Leigh-Kendall	BANC Compliance Officer
Brock Costalupes	Alternate Commissioner, MID
Joe Bowers	Alternate Commissioner, City of Redding
Bill Forsythe	Alternate Commissioner, City of Roseville
Shawn Matchim	Alternate Commissioner, City of Roseville
Laura Lewis	Alternate Commissioner, SMUD
Bryan Griess	WAPA
Michelle Williams	WAPA

1. Call to Order and Verification of Quorum: Chair Hauser verified that there was a quorum to proceed; attendance is noted above. He then called the meeting to order at 1:29 p.m.
2. Matters Subsequent to Posting the Agenda: None.
3. Public Comment (any matter on the agenda): None.

MINUTES OF THE REGULAR MEETING AND STRATEGIC PLANNING SESSION
OF THE COMMISSIONERS OF
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4. Consent Agenda: Chair Hauser invited comments from the Commission and a motion on the Consent Agenda; no comments.

ACTION: M/S (Lau/Beans) to **approve the Consent Agenda**. Motion carried by a unanimous voice vote.

5. BANC Strategic Planning Session.

- A. California and Regional Market Developments – Siva Gunda, Vice Chair, California Energy Commission.

Mr. Shetler introduced Vice Chair Gunda, who shared his thoughts and invited questions and input from the group. *NOTE: Due to time constraints on Mr. Gunda's schedule, this item commenced at 12:45 p.m., the official start time of the meeting, but prior to the call to order and official business of the Commission.*

- B. Table Setting for BANC - Overview of Market Development in CA and the West, Resource Adequacy, Transmission Development, and Resource Additions/Retirements.

Mr. Shetler overviewed relevant issues facing BANC and the Members. He took questions and engaged in discussion with the Commission.

- C. Market Development and EDAM Implementation Effort.

Mr. Shetler reviewed the status of market development in the West and BANC's EDAM implementation effort. He shared his intention of proceeding with budgeting for implementation based upon a Spring 2027 go-live date, noting the implementation agreement with CAISO, as affected by the WAPA-SNR approval process.

- D. Resource Opportunities.

- i. Resource Project Updates.

Mr. Shetler provided updates on BANC resource development projects and provided comments on the greater resource picture in the West.

- ii. How Best to Assess Future Options and BANC's Role.

This topic was covered in the next section. Questions were asked around whether BANC should consider more formal outreach, public solicitations, and/or a more proactive approach.

- E. BANC's Role in Resource Adequacy Planning.

- i. Past Efforts/Existing Policies/Industry Trends.

Mr. Shetler overviewed the resource picture in the West, noting a resulting upward pressure on prices and that planners are seeing resource gaps. Future resource challenges were noted.

- ii. Resource Adequacy Requirements.

Mr. Shetler noted that staff recommends initiating a refresh of the BANC-wide resource picture with an intent to update periodically going forward. Additionally, staff believes an incremental but substantial step toward a formal RA policy is needed. No official Commission action was requested or taken at this time, but discussion was opened up and questions were answered

MINUTES OF THE REGULAR MEETING AND STRATEGIC PLANNING SESSION
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F. Transmission Development.

i. Industry Trends and Recent Developments: What's Happening Around Us?

Mr. Braun and Mr. Shetler provided background on west-wide transmission development.

ii. Do BANC/BANC Members Need to be Proactive on Transmission Opportunities?

Discussion around how load growth and policy goals would be met and how transmission fits into future resource plans for members ensued.

G. Regulatory Engagement – California & Regional.

Mr. Shetler noted a staff recommendation, as explained in the issue paper provided with the supplementary materials for this meeting, to work with BANC committees to create a structured proposal for a programmatic approach to address market issues. No formal action was requested or taken; it was noted that this would come back to the Commission for input and consideration at a future point in time.

H. Review of Draft 2025 BANC Budget.

Mr. Shetler overviewed the proposed budget, noting that additional amendments would be incorporated prior to another update at the September meeting, with approval likely to be requested in October. No Commission approval was requested at this time, but questions were taken from the Commission.

The Commission adjourned at 4:05 p.m.

Minutes approved on September 18, 2024.

C. Anthony Braun, Secretary



BALANCING AUTHORITY OF NORTHERN CALIFORNIA

P.O. BOX 15830 • D109 • SACRAMENTO • CA 95852 -1830

TO: BANC Commission

RE: BANC Operator Report for August 2024

Operations:

- BA Operations: Normal
- Significant BA Issues: None
- Declared BA Energy Emergency Alert Level (EEA): N/A
- RSG Activations
 - 0 Qualifying Events
 - 0 MW Qualifying Event request
 - 0 MW average generation lost
 - 0 MW maximum generation lost
 - Generating unit(s) and date(s) affected: None
 - All recoveries within 0 minutes
- USF
 - 8 of 30 days with instances of USF mitigation procedure utilized
 - 0 days on Path 66
 - No operational impact on BANC
- BAAL Operation:
 - Maximum duration of BAAL exceedance: 2 Minutes
 - Number of BAAL exceedance >10 minutes: None
 - BAAL violation (BAAL exceedance >30 minutes): None
- Frequency Response (FR) Performance – Quarterly Metric:
 - 2024 Frequency Response Obligation (FRO): -15.8 MW/0.1Hz
 - Q2 Frequency Response Measure (FRM): -149.7 MW/0.1Hz
 - Q2 Number of Under-Performed Events: 0 out of 2
 - Q1~Q2 Frequency Response Measure (FRM): -64.8 MW/0.1Hz
 - Q1~Q2 Number of Under-Performed Events: 0 out of 6

Monthly Notes:

- None

A JOINT POWERS AUTHORITY AMONG

Modesto Irrigation District, City of Redding, City of Roseville, Trinity Public Utilities District,
City of Shasta Lake, and Sacramento Municipal Utility District

Compliance Officer Report

BANC Commission Meeting

September 2024

The following summarizes routine issues for the Commission's information and consideration. Any major issues or action items will be identified on the Commission agenda for action.

BA Compliance Issues:

- No significant operational Balancing Authority compliance events occurred.
- All required BA compliance reports and operating data were submitted to WECC.
- BANC received its 2025 Entity Monitoring Schedule from WECC.
 - The Audit Notice Package is expected to be received on January 10, 2025.
 - The WECC Compliance Audit is currently scheduled to take place May 12 - 23, 2025 (off-site and on-site weeks.)

BANC MCRC:

The next BANC MCRC meeting is scheduled to be held at 10:00 AM on Monday, September 23rd via teleconference.

PC Committee Chair Report

BANC Commission Meeting

September 2024

The following summarizes Planning Coordinator-related activities and updates for the Commission's information and consideration. Any major issues or action items will be identified separately on the Commission agenda for action.

BANC PC Committee Updates and/or activities:

SMUD staff continues to work toward demonstrating compliance with PC-related NERC reliability standards.

- FAC-014-3 - Establish and Communicate SOLs - Staff is revising the BANC PC documented process required by R6 of FAC-014-3 as recommended by Archer during the Mock Audit process. An updated FAC-014-3 R6 BANC PC Process document will be sent out to BANC PC Participants for review on October 4th.
- PRC-010-2 - Undervoltage Load Shedding – BANC received data and updated UVLS models from Roseville. Staff completed performing the UVLS assessment studies and is currently working on the study report. A draft version of the report will be sent to Roseville for review and comments by September 30th.
- PRC-023-6 – Transmission Relay Loadability - Staff finalized and shared the report with industry stakeholders on August 23rd. The study report documented the findings of no null-list for applicable circuits for BANC PC Participants and communicated this with industry stakeholders.
- PRC-026-2 - Relay Performance During Stable Power Swings - Staff notified BANC PC Participants of assessment results on July 19th for review and comment by August 2nd. Staff will incorporate internal review comments into the draft report to be shared by September 10th for BANC PC Participant review and comment.
- TPL-001-5.1 Transmission System Planning Performance - Transient Stability is nearing completion. Identified P6 issues have been resolved. Mock Audit findings are being incorporated into the 2024 study and report. Additional P5 analysis is currently being performed for SMUD.
- TPL-007-4 - Transmission System Planned Performance for Geomagnetic Disturbance Events - The GE-PSLF's GMD "single year" license was obtained, and staff will perform GMD assessment on the GIC current impact on the bulk system voltages (230 kV) and reactive power consumptions. The study is expected to be completed by the end of this year to prepare for the 2025 WECC audit.

The table below shows the current status of all PC-related NERC standards:

	PC Standard	Estimated % Complete	Notes
1	FAC-002-4 Interconnection Studies	100%	There are no BES interconnection projects in 2024 for BANC PC Participants per 2024 survey as no system upgrades meet the new definition of qualified changes for BANC PC for this year.
2	FAC-010-3 SOL Methodology for Planning Horizon	N/A	This standard is inactive as of 03/30/2024.
3	FAC-014-3 Establish and Communicate SOLs	50%	Staff is revising BANC PC documented process required by R6 of the FAC-014-3 as recommended by Archer during the Mock Audit process. An updated FAC-014-3 R6 BANC PC Process document will be sent out to BANC PC Participants for review on 10/04/2024.
4	IRO-017-1 Outage Coordination	0%	Awaiting the acceptance of the 2024 annual assessment to send to the Reliability Coordinator.
5	MOD-031-3 Demand and Energy Data	100%	Staff completed the 2024 Loads and Data request cycle. WECC broke up the data request into multiple spreadsheets with two sets of due dates and a narrative request with separate due date. The two sets of sheets were received and filled with WECC-requested load and energy data and sent to WECC by the due dates. WECC sent out a narrative request, and that request was sent to BANC PC Participants for input; responses were aggregated and uploaded to WECC on 03/19/2024.
6	MOD-032-1 Data for Power System Modeling & Analysis	100%	Ongoing activity. Data requests to fulfill 13-month cycle for compliance were sent 02/09/2024.
7	MOD-033-1 System Model Validation	10%	Study will begin in Fall 2024.
8	PRC-006-5 Underfrequency Load Shedding	100%	Staff sent the WECC-requested annual UFLS data request from BANC PC Participants to the Off-Nominal Frequency System Protection (OFSPR) Southern Island Load Tripping Plan (SILTP) technical writer on 05/29/2024. The SILTP technical writer finalized all the shared data and sent the completed report to WECC on 07/01/2024.

	PC Standard	Estimated % Complete	Notes
9	PRC-010-2 Undervoltage Load Shedding	80%	PRC-010-2 - Undervoltage Load Shedding – BANC received data and updated UVLS models from Roseville. Staff completed the UVLS assessment studies and is currently working on the study report. A draft version of the report will be sent to Roseville for review and comments by 09/30/2024.
10	PRC-012-2 Remedial Action Schemes	10%	New Standard effective on 01/01/2021. Study Plan finalized on 04/10/2020. The R4 assessment is not required until 01/01/2026 which means that the assessment and report must be finalized and published by 01/01/2025.
11	PRC-023-6 Transmission Relay Loadability	100%	Staff finalized and shared the report with industry stakeholders on 08/23/2024. The study report documented the findings of no null-list for applicable circuits for BANC PC Participants and communicated this with industry stakeholders.
12	PRC-026-2 Relay Performance During Stable Power Swings	80%	Staff notified BANC PC Participants of assessment results on 07/19/2024 for review and comment by 08/02/2024. Staff will incorporate internal review comments into the draft report to be shared by 09/10/2024 for BANC PC Participant review and comment.
13	TPL-001-5 Transmission System Planning Performance	90%	Dynamic analysis is nearing completion and report draft is being written.
14	TPL-007-4 Transmission System Planned Performance for Geomagnetic Disturbance Events	10%	The GE-PSLF's GMD "single year" license was obtained, and staff will perform GMD assessment on the GIC current impact on the bulk system voltages (230 kV) and reactive power consumptions. The study is expected to be completed by year end.

GM Report

BANC Commission Meeting

September 18, 2024

I wanted to summarize routine issues for the Commission's information and consideration. Any major issues or action items will be identified separately on the Commission agenda for action.

Outreach Efforts:

Refer to GM outreach report provided under separate distribution. In addition, here are some other noteworthy items:

LADWP/Seattle City Light/SRP

Dialogue continues with these entities regarding EIM participation. We continue to interact on an informal basis to make sure we are aligned on EIM issues from a POU perspective. We are holding routine calls to provide updates and discuss issues. We have also used this forum to discuss POU positions regarding the EDAM development, other market design issues (e.g.- SPP Markets+), and to discuss potential summer heat wave impacts on EIM and EDAM design.

Market Initiatives:

EIM Participation

Staff continues monitoring EIM participation. CAISO quarterly benefit reports show that BANC is seeing benefits from EIM participation, with the 2nd Quarter 2024 report showing gross benefits of \$49.90 million for BANC, with a total of \$685.80 millions of gross benefits for BANC since joining in 2019.

With respect to BANC EIM Phase 2 effort, BANC has been passing the EIM Balancing, Capacity, and Flex Ramp tests with a high success rate. Both the Technical Evaluation Subcommittee and the Settlements Subcommittee are meeting routinely and evaluating EIM operations, with reports out to the EIM Committee. The EIM Committee is discussing the value of the current BANC Flex Ramp Product and whether its use could be discontinued.

EDAM Participation

FERC approved the EDAM/DAME tariff on 12/21/23 with the exception of the Access Charge. In its order, the Commission accepted the overwhelming majority of the proposed market rules and rejected without prejudice one element of the EDAM proposal related to transmission revenue recovery (TRR) for market participants.

The CAISO filed a revised proposal with FERC on April 12, 2024, which was approved by FERC on June 12, 2024. This resolves the concerns by the potential EDAM participants and should allow several to move forward. A group of Western state regulators (AZ, CA, NM, OR, and WA) have sent a letter to CREPC/WIRAB supporting the creation of an independent entity that would leverage the existing CAISO infrastructure for EIM and eventually EDAM to develop a cost-effective West-wide market. This would include a range of market services from EIM to EDAM to an RTO. It also deals with the CAISO governance issue by creating a separate independent entity. BANC views this as a positive development in ensuring a West-wide market that will include CA and supports the effort. The Western Markets Governance Pathways Initiative has formed a “Launch Committee” made up of stakeholders from twelve sectors to organize this effort. One of the sectors is for POU. The BANC General Manager is serving as a representative for the POU Sector. The Launch Committee issued a draft proposal on April 10, 2024, outlining a stepwise approach to independent oversight over CAISO markets. BANC joined in with a group of 32 other entities in support of the Launch Committees Step 1 proposal to move to primary authority for the WEIM Governing Body over market rules and supporting the Launch Committee further fleshing out the draft Step 2 proposal to move to the formation of a Regional Organization with an independent board that would have sole authority over market rules within the current CAISO tariff structure. The Launch Committee approved the Step 1 proposal on 5/31/24 and sent this to the CAISO for consideration and possible implementation through its stakeholder process. The CAISO Board of Governors and the WEM Governing Body approved the Step 1 proposal on 8/13/24. CAISO staff will now work on updating the necessary documentation to allow the Step 1 primary authority model to move forward once the level of EDAM Implementation signatories reaches the designated threshold value. The Launch Committee is now working on providing more details for Step 2, with a goal of finalizing this proposal by late fall 2024.

Based upon the Commission’s unanimous approval at its 8/23/23 meeting, BANC staff have initiated the project efforts for EDAM Implementation, which includes starting dialogue with the CAISO project management group for EDAM and establishing the internal BANC project team. Initial kick-off of the BANC EDAM project team was held on 12/13/23. BANC met with Pacificorp on January 11, 2024, and February 26, 2024, to start discussing joint EDAM implementation issues and has initiated project discussions with the CAISO. We had follow-up meetings in early June with Pacificorp and other interested EDAM parties regarding lessons-learned on EDAM project efforts and to review a draft of the Pacificorp OATT. BANC provided an EDAM Implementation update to the EIM Regional Issues Forum (RIF) at its 6/20/24 meeting. As noted at the Strategic Planning Session in August, BANC is adjusting its implementation plan consistent with the WAPA-SNR decision-making process and assumes moving from a Spring 2026 to Spring 2027 implementation.

Other Market Developments

In parallel with the EDAM process, SPP has announced its “Markets+” effort to support utilities in the West with a range of market options from EIM to full RTO services. SPP filed its Markets+ tariff at FERC on March 29, 2024. SPP received a deficiency letter from FERC on 7/31/24 with a request to provide responses within 60 days. It is expected that SPP will provide response by the end of September. SPP deferred seeking additional funding for the next phase of market development and commitments to Markets+ until later in 2024. They have also indicated that “go-live” for Markets+ will be delayed until 2027. Staff views Markets+ as a fallback option for BANC and will continue to monitor this market option but does not plan on seeking funding for participation in this next phase of their efforts.

WAPA:

Market Engagement

WAPA-SNR continues to be an active participant in the EIM.

We have also held several discussions with WAPA-SNR to assist in their decision-making on EDAM participation. This has included more detailed discussions with the Brattle Group on the benefits study, joint discussions with the CAISO, and making the Utilicast consultant available for assistance. WAPA-SNR requested that the BANC contract with Utilicast be used as the mechanism for their EDAM “gap” analysis. The Commission approved this request at its 9/27/23 meeting. Utilicast provided a draft “gap” analysis report in January 2024 and a final report in February 2024. Staff is working with CAISO to assist with resolving WAPA-SNR concerns with EDAM participation. Based upon the last meeting with CAISO on April 5, 2024, and discussions with WAP-SNR, it is believed that the CAISO has resolved the concerns WAPA-SNR had with EDAM. WAPA-SNR has held a series of customer meetings for the EDAM throughout this summer with the last meeting on 8/22/24. An Administrator decision is expected this fall. WAPA-SNR also provided an update at the May Commission meeting noting that the earliest they could support go live for EDAM would be Spring 2027. Staff is working with WAPA-SNR to determine what the EDAM Implementation schedule and budget will be. Staff provided the Commission at the August meeting with a project plan update.

WECC

WECC Board Meetings

The last set of Board and committee meetings were held on June 11-12, 2024, in Salt Lake City, UT. The next set of meetings will be September 17-18, 2024, in Salt Lake City, UT, which will also be the WECC Annual Meeting.

Western Power Pool (WPP)

Western Resource Adequacy Program (WRAP)

As agreed previously, BANC has informed WPP that it will not be participating in the Western Resource Adequacy Program (WRAP) due to our lack of ability to have firm, long-term transfer capability at Mid-C, which is the hub for the WRAP interchanges. BANC continues to monitor development of the WRAP and hold periodic discussions with WPP regarding our ability to participate in the future. WPP announced in late April 2024 that their WRAP participants have formally requested a delay in the “binding”. The WRAP participants recently formally voted to extend the binding date to 2027. It is anticipated that there will be changes to the WRAP implementation rules, but the details have not been released yet.

RSG and FRSG Participation

BANC continues to participate in the Reserve Sharing Group and the Frequency Response Sharing Group through the WPP and receive benefits in doing so.

WestTEC

WPP has initiated a new process called the Western Transmission Expansion Coalition (WestTEC) which is intended to provide coordination among the current regional transmission planning entities in the West (CAISO, Northern Tier, and WestConnect) to determine if there are some broader regional transmission projects that should be considered. WPP has obtained DOE funding for this effort which will get launched later this year.

CDWR Delta Pumping Load:

BANC is coordinating with SMUD, CDWR, WAPA, and the CAISO regarding how the construction and pumping loads and ancillary services will be provided for this project. The CAISO has reached out to BANC/SMUD/WAPA-SNR regarding contacts for initiating discussions on how CAISO will supply energy for the construction loads in our footprints. SMUD reported that CDWR has approached them regarding the revised environmental review and updated project schedule and SMUD is initiating updated studies. The current schedule for the project is to initiate construction in 2033 with operations initiated in 2040's.

SB100 Implementation

As part of SB100, the CPUC, CEC, and CARB (Joint Agencies) are required to collaborate with the California BAs to develop a quadrennial report on the status of achieving the goals of SB100. The four POU BAs (BANC, IID, LADWP, and TID) are collaborating on positions and responses, facilitated by CMUA. The final, initial report was issued on 3/15/21. The CEC did reach out to the POU BAAs in early March 2021 seeking more engagement with the BAAs for the next round of analysis for the SB100 effort. Based upon recent discussions, the POU BAAs have hired a

consultant via CMUA to assist in this effort. The Joint Agencies have initiated the next cycle of the SB100 effort to support issuing an update report by the required date of 1/1/25. BANC is working with IID, LADWP, and TID to coordinate our engagement in this effort.

Western Electricity Industry Leaders (WEIL) Group

The WEIL CEOs last met on May 31, 2024, in Salt Lake City, UT. The next meeting of the WEIL group is planned for October 11, 2024, in Portland, OR.

Strategic Initiatives

The 2023/2024 Strategic Initiatives are attached to this report.

BANC 2023/2024 Strategic Plan - Routine Initiatives - September 2024 Update

No./Priority	Focus Area	Initiative	Responsibility	Target Due Date	Status
1 Medium	INDEPENDENCE	Effectively oversee the BA operations.	Jim Shetler	Ongoing	See monthly Ops, PC, Compliance, & GM Reports
2 Medium		Maintain long-term succession plan and traits for General Manager	Jim Shetler/Commission	Ongoing as Necessary	No update planned for 2024
3 Medium		Develop appropriate policies, procedures, & action tracking	Jim Shetler/BB&W	4th Qtr. 2024	Initial policies & procedures approved at 11/15/23 mtg.
4 Medium	OUTREACH	Engage in industry forums (WECC, RC West, NWPPA, etc.)	Jim Shetler	Ongoing	Attend RC West, WECC Board, WEIL, & WPP mtgs.
5 Medium		Coordinate with other POU BAs (Ca and regionally)	Jim Shetler	Ongoing	Coordinating with SCL/SRP/LA/TP/TID on EIM/EDAM & SB100
6 Medium		Outreach to regulatory and legislative bodies on key issues	Jim Shetler/BB&W/WEL	Ongoing as Necessary	Pathways Step 1 approved by CAISO
7 Medium		More formal engagement with TID on BA/EIM/EDAM issues	Jim Shetler/BB&W/WEL	Ongoing	Continue periodic discussions on areas of collaboration
8 Medium	ASSETS	Monitor RA development in WI	Jim S./BB&W/Res. Com.	4th Qtr. 2024	WRAP binding period to be delayed until at least 2027. Program revisions planned.
9 Low	MEMBER SERVICES	Identify and outreach to potential new BANC members	Jim Shetler	Ongoing as Appropriate	

BANC 2023/2024 Strategic Plan - Focused Initiatives - September 2024 Update

No./Priority	Focus Area	Initiative	Responsibility	Target Due Date	Status
10 High	INDEPENDENCE	Manage EIM Phase 2 Going Forward	Jim Shetler/SMUD	Ongoing	Manage Phase 2 operations including EIM, Tech Anal. & Settlements committees
11 High		EDAM evaluation effort ~ Engage Stakeholder Processes ~ Participate in CAISO Tariff Process ~ Manage BANC EDAM implementation	Jim Shetler/BB&W/WEL Jim Shetler/BB&W/WEL Jim Shetler/BB&W/WEL/ Utilicast	Ongoing 1st Qtr. 2024 Apr-26	Approved 12/21/23. Access Charge revsn. approved 6/12 Project kick-off 12/13/23 Coord. with WAPA on go live
12 Medium	OUTREACH	Evaluate opportunities to engage other entities in market development	Jim Shetler	Ongoing	Coordinating with SCL, SRP, LADWP, TID, Tacoma, Idaho, PAC, & PGE
13 Medium		Regional Policy Issues: Monitor/ weigh-in where appropriate	Jim Shetler/Commission	Ongoing	Spoke at EIM RIF mtg. 6/20 Spoke at CAISO BOG 8/13
14 High		Market Regionalization: ~Monitor ongoing discussions at WEIL, WWGPI, & etc.	Jim Shetler/BB&W/WEL	Ongoing	Pathways Initiative LC
15 High		Coordinate with CA BAs on SB100 effort	Jim Shetler/BB&W	Ongoing	
16 Medium	ASSETS	~ Develop agreements for Sutter CS Project	Jim S./BB&W/Res. Com.	1st Qtr. 2025	Initiating agreement development
		~ Develop agreements for GSCE project participation	Jim S./BB&W/Res. Com.	On Hold	Waiting on pricing from GSCE
17 Medium	MEMBER SERVICES	Evaluate possible support to participants for EIM operations	Jim S.	Ongoing	

Balancing Authority of Northern California

Agenda Item 5C

1. ***Resolution 24-09-01 Approval of Amendment to 2024 Annual Budget for BANC.***
2. ***Attachment A to Resolution 24-09-01: 2024 BANC Budget Amendment - September 2024.***

**Balancing Authority of Northern California
Resolution 24-09-01**

APPROVAL OF AMENDMENT TO 2024 ANNUAL BUDGET FOR BANC

WHEREAS, the Balancing Authority of Northern California (“BANC”) Joint Powers Agreement (“JPA”) Section 11.4 describes both the responsibilities and the non-delegable duties of the BANC Commission which include approving an annual budget and approving assessments to each Member; and

WHEREAS, JPA Section 12 provides that the BANC Commission may assess each Member for its respective Participation Percentage share of funds required to carry out BANC’s purposes as specified in the annual budget; and

WHEREAS, BANC Resolution 12-02-03 established a process whereby Member assessments shall be required no less than two times per year; and

WHEREAS, the BANC Commission, together with Western Area Power Administration – Sierra Nevada Region (“WAPA-SNR”), has agreed to delay the planned go-live date of EDAM to the Spring of 2027; and

WHEREAS, WAPA-SNR has requested additional support from Utilicast for program management and subject matter expertise in requirements development for the EDAM evaluation; and

WHEREAS, changes to the budget for PA-8: EDAM Implementation are necessitated by the schedule change and addition of services in support of WAPA-SNR; and

WHEREAS, the 2024 budget has been amended to include these changes, including an update to the 2024 BANC Member Assessments resulting from these changes; and

WHEREAS, the General Manager has prepared Attachment A, 2024 BANC Budget Amendments – September 2024, which incorporates these revisions for consideration and possible adoption by the Commission.

NOW, THEREFORE, BE IT RESOLVED that the Commissioners of the Balancing Authority of Northern California hereby:

1. Approve the 2024 BANC Budget Amendments in the form attached hereto as Attachment A.
2. Direct the General Manager to prepare an Amended 2024 Annual Budget for BANC to incorporate these Amendments.
3. Direct the BANC Treasurer to assess each BANC Member in accordance with Resolution 12-02-03.

PASSED AND ADOPTED by the Commissioners of the Balancing Authority of Northern California this 18th day of September, 2024, by the following vote:

		Aye	No	Abstain	Absent
Modesto ID	Martin Caballero				
City of Redding	Nick Zettel				
City of Roseville	Dan Beans				
City of Shasta Lake	James Takehara				
SMUD	Paul Lau				
TPUD	Paul Hauser				

Paul Hauser
Chair

Attest by: C. Anthony Braun
Secretary

Attachment A to Resolution 24-09-01

9. Participation Agreement # 8 (PA-8) – EDAM Implementation
- a. Assumptions
 - i. BANC serves as EDAM Entity
 - ii. SMUD/MID/Roseville/Redding/WAPA-SNR intend to participate in EDAM
 - iii. Target is for 4/1/276 go-live date for EDAM participation
 - iv. Costs allocated in accordance with 2024 3-year rolling average NEL for all five participants as follows:
 1. SMUD – 64.6%
 2. MID – 15.5%
 3. WAPA-SNR – 7.3%
 4. Roseville – 6.9%
 5. Redding – 5.7%
 - b. Cost estimates based upon Utilicast EDAM “Gap Analysis”; Utilicast EDAM Effort proposal; discussions with SMUD, BB&W, and WEL; and the EDAM implementation options developed by BANC staff. Based upon a Spring 20276 go-live, activity levels are as follows:
 - i. Advisory support from ~~1/248/23~~ – 8/254
 - ii. Pre-implementation support from 9/254 – 3/265
 - iii. Implementation support from 4/265 – 3/276
 - iv. Go-live – April 20276
 - v. Post go-live support from 4/276 – 5/276
 - c. Due to staffing constraints, project management support is being updated from SMUD support to a contract consultant (Percipio). For efficiency purposes, and at SMUD’s request, we are proposing a single contract that will provide EDAM project management support for both the BANC and SMUD implementation efforts. These costs will be split evenly, with half being solely funded by SMUD and the other half funded in accordance with the allocation percentages noted in Section a.iv above. This impacts both the total implementation budget for EDAM as well as the 2024 budget.
 - d. Based upon discussions with the CAISO, the initial installment (\$300,000) of the CAISO EDAM Implementation fee will be due upon execution of the EDAM Implementation Agreement, which is forecasted to be ~~late-mid~~-2024. This was factored into the total estimate for EDAM Implementation but was not included in the original 2024 Budget.
 - e. ~~128~~ months of Advisory support ~~for 2024 and 4 months of Pre-implementation support~~
 - f. Additional support to WAPA-SNR from Utilicast for requirements development for EDAM evaluation of \$50,000 in 2024 with an additional \$50,000 to be planned for 2025.

Participation Agreement #8 (PA-8) – EDAM Implementation (cont'd)

IMPLEMENTATION CATEGORY	Spring 2027 Go-Live	SMUD 64.6%	MID 15.5%	WAPA-SNR 7.3%	ROSEVILLE 6.9%	REDDING 5.7%
Advisory Effort (12 months)	\$ 618,750.00	\$399,712.50	\$ 95,906.25	\$ 45,168.75	\$ 42,693.75	\$ 35,268.75
~Utilicast Support	\$ 132,000.00	-	-	\$ 50,000.00	-	-
~Legal Support	\$ 126,750.00	-	-	-	-	-
~Software - Power Settlements	\$ -	-	-	-	-	-
-	-	-	-	-	-	-
~Project Management (Percipio)	\$ 60,000.00	-	-	-	-	-
~BANC	\$ 60,000.00	-	-	-	-	-
~SMUD	-	\$ 60,000.00	-	-	-	-
~CAISO Implementation Fee	\$ 300,000.00	-	-	-	-	-
Total Estimate	\$ 728,750.00	\$459,712.50	\$ 95,906.25	\$ 95,168.75	\$ 42,693.75	\$ 35,268.75
Contingency @~10%	\$ 72,875.00	\$ 45,971.25	\$ 9,590.63	\$ 9,516.88	\$ 4,269.38	\$ 3,526.88
TOTAL	\$ 801,625.00	\$505,683.75	\$105,496.88	\$104,685.63	\$ 46,963.13	\$ 38,795.63

IMPLEMENTATION CATEGORY	Option-2 Spring 2026 Go-Live	SMUD 64.6%	MID 15.5%	WAPA-SNR 7.3%	ROSEVILLE 6.9%	REDDING 5.7%
Advisory Effort (8 months)	\$ 647,112.00	\$ 448,719.43	\$ 86,866.81	\$ 40,911.46	\$ 38,669.74	\$ 31,944.57
~Utilicast Support	\$ 89,250.00					
~Legal Support	\$ 84,500.00					
~BBW Retainer	\$ 32,500.00					
~WEL Retainer	\$ 52,000.00					
~ Project Mgmt. (Percipio)	\$ 173,362.00					
~BANC	\$ 86,681.00					
~SMUD	\$ 86,681.00					
~CAISO Impl. Fee	\$ 300,000.00					
Pre-Impl. Effort (4 months)	\$ 336,312.00	\$ 236,924.38	\$ 43,517.18	\$ 20,495.19	\$ 19,372.16	\$ 16,003.09
~Utilicast Support	\$ 163,200.00					
~Legal Support	\$ 62,000.00					
~BBW Retainer	\$ 30,000.00					
~WEL Retainer	\$ 32,000.00					
~ Project Mgmt. (Percipio)	\$ 111,112.00					
~BANC	\$ 55,556.00					
~SMUD	\$ 55,556.00					
Total Estimate	\$ 983,424.00	\$ 685,643.80	\$ 130,383.99	\$ 61,406.65	\$ 58,041.90	\$ 47,947.66
Contingency @~10%	\$ 98,342.40	\$ 68,564.38	\$ 13,038.40	\$ 6,140.67	\$ 5,804.19	\$ 4,794.77
TOTAL	\$ 1,081,766.40	\$ 754,208.18	\$ 143,422.38	\$ 67,547.32	\$ 63,846.09	\$ 52,742.42

2024 Member Assessments

MEMBER	BASE BUDGET	PA-1: PA/PC	PA-2: RC West	PA-4: MKT MONITORING	PA-5: EIM Part.	PA-8: EDAM Imp.	PA-9: Resource Projects Dvlpmt	Proposed 2024 TOTAL	Amended 2023 TOTAL (includes 9/27/23 update)
SMUD	\$ 1,622,171.48	\$ 167,087.50	\$ -	\$ 147,367.46	\$ 3,166,683.40	\$ 505,683.75	\$ 163,380.00	\$ 5,772,373.59	\$ 5,154,058.08
MID	\$ 403,249.01	\$ 100,252.50	\$ -	\$ 35,359.07	\$ 814,438.02	\$ 105,496.88	\$ 23,100.00	\$ 1,481,895.46	\$ 1,344,427.51
ROSEVILLE	\$ 180,215.13	\$ 35,088.38	\$ 36,234.00	\$ 15,740.49	\$ 338,225.90	\$ 46,963.13	\$ 11,760.00	\$ 664,227.02	\$ 605,250.79
REDDING	\$ 113,869.62	\$ 31,746.63	\$ -	\$ 55,003.01	\$ 334,061.74	\$ 38,795.63	\$ 11,760.00	\$ 585,236.62	\$ 496,554.85
SHASTA LAKE	\$ 33,172.76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,172.76	\$ 30,152.30
TPUD	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00
BANC TOTAL	\$ 2,377,678.00	\$ 334,175.00	\$ 36,234.00	\$ 253,470.02	\$ 4,653,409.05	\$ 696,939.38	\$ 210,000.00	\$ 8,561,905.45	\$ 7,655,443.53
WAPA-SNR	\$ -	\$ -	\$ -	\$ 16,652.98	\$ 355,875.95	\$ 104,685.63	\$ -	\$ 477,214.55	\$ 458,956.28
GRAND TOTAL	\$ 2,377,678.00	\$ 334,175.00	\$ 36,234.00	\$ 270,123.00	\$ 5,009,285.00	\$ 801,625.00	\$ 210,000.00	\$ 9,039,120.00	\$ 8,114,399.81

MEMBER	BASE BUDGET	PA-1: PA/PC	PA-2: RC West	PA-4: MKT MONITORING	PA-5: EIM Part.	PA-8: EDAM Imp.	PA-9: Resource Projects Dvlpmt	Proposed 2024 TOTAL	Amended 2023 TOTAL (9/27/23)
SMUD	\$ 1,622,171.48	\$ 167,087.50	\$ -	\$ 147,367.46	\$ 3,166,683.40	\$ 754,208.18	\$ 163,380.00	\$ 6,020,898.02	\$ 5,154,058.08
MID	\$ 403,249.01	\$ 100,252.50	\$ -	\$ 35,359.07	\$ 814,438.02	\$ 143,422.38	\$ 23,100.00	\$ 1,519,820.97	\$ 1,344,427.51
ROSEVILLE	\$ 180,215.13	\$ 35,088.38	\$ 36,234.00	\$ 15,740.49	\$ 338,225.90	\$ 63,846.09	\$ 11,760.00	\$ 681,109.99	\$ 605,250.79
REDDING	\$ 113,869.62	\$ 31,746.63	\$ -	\$ 55,003.01	\$ 334,061.74	\$ 52,742.42	\$ 11,760.00	\$ 599,183.42	\$ 496,554.85
SHASTA LAKE	\$ 33,172.76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,172.76	\$ 30,152.30
TPUD	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00
BANC TOTAL	\$ 2,377,678.00	\$ 334,175.00	\$ 36,234.00	\$ 253,470.02	\$ 4,653,409.05	\$ 1,014,219.08	\$ 210,000.00	\$ 8,879,185.16	\$ 7,655,443.53
WAPA-SNR	\$ -	\$ -	\$ -	\$ 16,652.98	\$ 355,875.95	\$ 67,547.32	\$ -	\$ 440,076.24	\$ 458,956.28
GRAND TOTAL	\$ 2,377,678.00	\$ 334,175.00	\$ 36,234.00	\$ 270,123.00	\$ 5,009,285.00	\$ 1,081,766.40	\$ 210,000.00	\$ 9,319,261.40	\$ 8,114,399.81