

Balancing Authority of Northern California

Regular Meeting of the Commissioners of BANC

**2:00 P.M.
Wednesday, May 27, 2026
2600 Capitol Avenue
Suite 400
Sacramento, CA 95816**

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 **May 27, 2026 at 2:00 p.m. at 2600 Capitol Avenue, Suite 400, Sacramento, CA 95816.**

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:** 876 5173 3392 **Passcode:** 356242

Meeting Link: <https://us06web.zoom.us/j/87651733392?pwd=5Dtj4KhKlaVPqdOvjSEPGYaCjlfX02.1>

If a member of the public would like to make a comment during the public comment period, please use the 'Raise Hand' function and staff will note your desire to speak. For members of the public joining by telephone (audio only), please email your public comment to administrator@braunlegal.com. Public comment received by email will be read within the allotted public comment period.

Public Meeting Location(s):

Any member of the public may observe the meeting and offer public comment at the following addresses where Commissioners may also join the meeting:

Redding Electric Utility
Bally Conference Room
3611 Avtech Parkway
Redding, CA 96002

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 held on April 22, 2026.
 - B. BANC Operator Report (April).
 - C. Compliance Officer Report (May).
 - D. PC Committee Chair Report (May).
 - E. General Manager's Report and Strategic Initiatives Update.
- 5 Regular Agenda Items – Discussion and Possible Action.**
 - A. Consider and Possibly Approve Resolution 26-05-01 *Resolution Commending and Thanking Paul Hauser for His Service to the Balancing Authority of Northern California.*
 - B. General Manager Updates.
 - i. Market Updates – EIM, EDAM, Resource Adequacy, Pathways, Markets+, WPP.
 - ii. Strategic Plan Updates.
 - iii. Operational Updates.
 - C. Consider and Possibly Approve Resolution 26-05-02 *Acknowledgement and Acceptance of the 2026 Summer Load & Resources Assessment of the Balancing Authority of Northern California.*
 - D. WECC Renewal of BANC Self-Logging Privileges.
 - E. 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, 2600 Capitol Avenue, Suite 400, Sacramento, CA 95816 or to administrator@braunlegal.com.

Balancing Authority of Northern California

Consent Agenda Items

- A. Minutes of the April 22, 2026 BANC Regular Meeting.**
- B. BANC Operator Report (April).**
- C. Compliance Officer Report (May).**
- D. PC Committee Chair Report (May).**
- E. General Manager's Report and Strategic Initiatives Update.**

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

April 22, 2026

On this date, a Regular Meeting of the Commissioners of the Balancing Authority of Northern California was held at 2600 Capitol Avenue, Suite 400, Sacramento, CA 95816.

Representatives:

Member Agency	Commissioner
Modesto Irrigation District (MID)	Martin Caballero (remote)
City of Redding	Joe Bowers, Alternate (remote)
City of Roseville	Shawn Matchim, Chair
Sacramento Municipal Utility District (SMUD)	Jon Olson, Alternate
City of Shasta Lake	Absent
Trinity Public Utilities District (TPUD)	Paul Hauser

Other Participants:

Jim Shetler	General Manager
Tony Braun	BANC General Counsel
Kris Kirkegaard	BANC General Counsel Support
David Wilke	BANC Operator
James Leigh-Kendall	BANC Compliance Officer
Michelle Williams	Western Area Power Administration (WAPA)
Maya Goodwin	SMUD

1. Call to Order and Verification of Quorum: Mr. Shetler confirmed the quorum; attendance is noted above. Chair Matchim called the meeting to order at 2:00 p.m.
2. Matters Subsequent to Posting the Agenda: None.
3. Public Comment (any matter on the agenda): None.
4. Consent Agenda: Chair Matchim invited comments from the Commission and a motion on the Consent Agenda; there were no comments.

ACTION: M/S (Hauser/Olson) to **approve the Consent Agenda**. Motion carried by a unanimous vote. (Absent: Commissioner Takehara).

5. Regular Agenda Items.

A. Discussion on Capitol Region Skilled Trades Workforce Program.

Mr. Shetler introduced this item, noting that SMUD requested to share information on the program. He then introduced Maya Goodwin, a Principal with Goodwin Strategy & Economics and Consultant to the Center for Energy Workforce Development, a national workforce intermediary nonprofit. She is supporting the development and implementation

of this program through a partnership between CEWD and SMUD. Ms. Goodwin provided more details on the planning process, and BANC members were asked whether their organizations may be interested in collaborating to develop the program. Questions from the Commission were taken. The presentation will be shared with the Commission, and members may contact Ms. Goodwin directly should they have any interest.

B. General Manager Updates:

i. Market Updates – EIM, EDAM, Pathways, Markets+, WPP.

Mr. Shetler provided EIM and EDAM updates, noting the upcoming go live date for Pacificorp of May 1st and Portland General Electric in October of 2026. BANC's current focus for the fall of 20276 implementation date is currently continued OATT development with WAPA and business practices development. Vendor & software engagement continues. Mr. Braun noted that communications with legal teams and staff regarding pro forma agreements will start in earnest in the near term. Questions and comments from the Commission were taken.

Regarding the West-wide Governance Pathways Initiative, the formation board continues to work toward standing up the organization, with a continued focus on funding and board nominating committee efforts (working toward getting a board seated this fall) along with developing a transition plan for the board transition.

Brief SPP Markets+, WRAP, and WesTEC efforts followed. Seams continues to be an important topic, with Balancing Authority Area-level discussions anticipated to begin in May. Questions from the Commission were addressed.

ii. Operational updates

Mr. Shetler noted that the BANC Summer Assessment was in the process of being finalized, and it is anticipated to be brought to the May Commission meeting. Regarding the Natural Gas Curtailment Procedure initiated by PG&E, BANC and the BANC Operator are working to establish processes and procedures with BANC participants. Any final procedure will be brought before the Commission.

iii. Strategic Plan Updates

The 2026 BANC Strategic Planning Session is currently planned for September 30, 2026. More information regarding the planned agenda will follow.

The BANC RA Program has been kicked off in parallel with the development of the EDAM RA program. Initial discussions were kicked off in conjunction with Brattle on April 14th, and a series of workshops is planned to continue design consideration discussions. The goal is to finalize a program before the end of the year. Regarding resource procurement, a broader RFP has been postponed until the RA program is finalized, but discussions continue with Calpine on the Sutter CCS project and with the Millville Solar/BESS Project.

C. Consider and Possibly Approve Resolution 26-04-01 *Acceptance of BANC 2025 Audited Financials.*

Mr. Shetler asked for Commission questions, and there were none. Chair Matchim noted that the auditors had reached out to him as part of the process.

<p>ACTION: M/S (Olson/Hauser) to approve Resolution <u>26-04-01 Acceptance of BANC 2025 Audited Financials.</u> Motion carried by a unanimous vote. (Absent: Commissioner Takehara).</p>
--

D. Member updates.

Jon Olson noted that Paul Lau is retiring this summer; no successor has been named yet. He noted an upcoming presentation to the SMUD board regarding summer readiness. Commissioner Hauser shared that he had accepted a position with Electricities of North Carolina as Chief Operating Officer. He will be replaced at TPUD in June by Sarah Sheetz, TPUD AGM, who he introduced to the Commission. Commissioner Caballero noted that MID finally received parts for a 50mW unit that was struck by lightning in September, it is expected to be back in service by the end of the month and in time for summer. Alternate Commissioner Bowers noted that Redding will have a WECC compliance audit this fall, and they plan to implement a PSPS program this summer. He also provided updates related to rates and their financial plan. Michelle Williams commented on discussions related to participants exiting EIM. Chair Matchim shared that Roseville is focused on getting its generating assets ready for summer and provided updates related to bond insurance, budgets, and their industrial customers.

The Commission adjourned at 3:10 p.m.

Minutes approved on May 27, 2026.

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 April 2026

Operations:

- BA Operations: Normal
- Significant BA Issues: None
- Declared BA Energy Emergency Alert Level (EEA): N/A
- RSG Activations
 - 0 Qualifying Event(s)
 - 0 MW Qualifying Event request
 - 0 MW average generation lost
 - 0 MW maximum generation lost
 - Generating unit(s) and date(s) affected:
 - All recoveries within 0 minutes
- USF
 - 3 of 30 days with instances of USF mitigation procedure utilized
1 day on Path 66
 - No operational impact on BANC
- BAAL Operation:
 - Maximum duration of BAAL exceedance: 8 Minutes
 - Number of BAAL exceedance >10 minutes: None
 - BAAL violation (BAAL exceedance >30 minutes): None
- Frequency Response (FR) Performance – Quarterly Metric:
 - 2026 Frequency Response Obligation (FRO): -19.1 MW/0.1Hz

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

May 2026

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 have been submitted to WECC.
- WECC has reviewed and renewed BANC's Self-Logging Privileges.
 - BANC was originally approved for Self-Logging in 2015. WECC recently performed a periodic re-evaluation and determined that BANC is approved to continue Self-Logging. This result and additional performance feedback was shared in a recent meeting with WECC

BANC MCRC:

The next BANC MCRC meeting is scheduled to be held at 10:00 AM on Monday, June 22nd via teleconference.

PC Committee Chair Report

BANC Commission Meeting

May 2026

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. Staff also completed fulfilling RSAW Narratives for the annual BANC PC Self Certification.

- FAC-002-4 – Facility Interconnection Studies – Staff reviewed responses to the annual data request sent to BANC PC Participants requesting information regarding any potential new interconnection projects or qualified changes for years 2026 through 2036, and relevant qualified changes will be studied as part of the TPL-001-5.1 assessment process. Staff received updated models to include as part of the upcoming 2026 BANC PC TPL assessment.
- FAC-014-3 - Establish and Communicate SOLs – Staff is in the process of evaluating SOLs for year 2026 in conjunction with the development of the TPL-001-5 study base cases and using the latest set of SOLs for BANC PC as provided by the CAISO.
- MOD-031-3 – Demand and Energy Data – Staff submitted the 2026 data request to WECC on February 13th, which also included a LTRA Narrative request response. Staff worked with WECC to answer any follow-up questions. If there is a summer or fall narrative request, then staff will coordinate a response for BANC PC.
- MOD-032-1 - Data for Power System Modeling and Analysis – Staff updated the BANC PC R1 Data Reporting and requiring documents ahead of the compliance deadline. This was done to ensure recently classified Category 2 IBRs that will be required to comply in May have the most updated requirements under which to submit their model data. The request has been sent out and BANC is awaiting responses. Some data has already been received and is being reviewed.
- MOD-033-2 – Model Validation – 2025 validation was completed in December. Next validation to be performed in Fall 2026.
- PRC-006-5 – Automatic Underfrequency Load Shedding – Staff is participating in ongoing WECC-level PRC-006-5 process to determine the effectiveness of the existing UFLS for the Southern Island in the SILTP and Underfrequency Load Shedding Working Group (UFLSWG) meetings and completed the review amongst the UFLSWG.

The report has been finalized and posted on WECC's website. There are no violations for the Southern Island that BANC PC is part of. The annual 2026 UFLS data request is in process, and BANC PC expects to complete it by the beginning of June.

- PRC-012 – Remedial Action Schemes Assessment – Staff performed a comprehensive “once in every 60 calendar months” Remedial Action Scheme (RAS) assessment to demonstrate whether the BANC PC portion of the Bulk Electric System (BES) met all performance and other requirements specified in the NERC Reliability Standard PRC-012-2 R4. The final study report was completed and sent out prior to the end of 2025. This is next due in 2030.
- PRC-023-6 – Transmission Relay Loadability –Staff is awaiting finalized TPL base cases to finish the draft study plan. The study plan will be sent out to BANC PC for review by June.
- PRC-026-2 – Relay Performance During Stable Power Swings –Staff is awaiting finalized TPL base cases to finish the draft study plan. The study plan will be sent out to BANC PC for review by June.
- TPL-001-5.1 – Transmission System Planning Performance – The CAISO base cases were downloaded and are currently being updated. Upon completion of updates, they will be reviewed for FAC-014 compliance and steady state analysis will begin after that.
- TPL-007-4 – Transmission System Planned Performance for Geomagnetic Disturbance Events – Staff completed the GMD voltage portion of the study to assess the impact of GMD events on the bulk system voltages and reactive power consumptions within the BANC PC Participants' areas. The voltage portion of the study was not included in the WECC 2022 GMD study, which only included the GIC portion of the study. The 2024 mock auditor recommended performing the additional voltage study for compliance. The GMD voltage study report was sent out to BANC PC Participants for review on March 12, 2025. The GMD Vulnerability Assessment Responsibilities for BANC PC Area report was updated on November 16, 2025. No new responsibilities were added for BANC PC Participants; the updates were strictly for improved readability and organization. We did, however, add more description to Section 3.5 - Requirement 5 to ensure the required GMD data is sent to the appropriate parties. The GMD Vulnerability Assessment Responsibilities for BANC PC Area report was updated on January 7th after noting that certain responsibilities shifted between revisions. The updated report has been sent to BANC PC Participants for comments.

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

	PC Standard	Estimated % Complete	Notes
1	FAC-002-4 Interconnection Studies	33%	Staff is reviewing responses to the annual data request to BANC PC Participants requesting information regarding any potential new interconnection projects, or qualified changes for years 2026 through 2036. Relevant qualified changes will be studied as part of the TPL-001-5.1 assessment process.
2	FAC-014-3 Establish and Communicate SOLs	25%	Staff is initializing the new process for year 2026 will begin in conjunction with the development of the TPL-001-5 study base cases, and after CAISO communicates the latest set of SOLs to BANC PC and the initial TPL base cases are compiled. CAISO has communicated the latest SOLs. BANC PC will compile study base cases once they're available from the CAISO.
3	IRO-017-1 Outage Coordination	100%	Assessment report(s) were sent to the RC on 12/31/25.
4	MOD-031-3 Demand and Energy Data	100%	Staff submitted the 2026 data request to WECC on 2/13/26, which also included a LTRA Narrative request response. Staff is working with WECC to answer any follow-up questions.
5	MOD-032-1 Data for Power System Modeling & Analysis	50%	Data request was sent. Awaiting response from developers. Some data has been received and is being reviewed.
6	MOD-033-2 System Model Validation	0%	Will be started in the fall.
7	PRC-006-5 Underfrequency Load Shedding	50%	Staff is participating in ongoing WECC level PRC-006-5 studies to determine the effectiveness of the existing UFLS for the Southern Island. Staff continues to participate in the SILTP and Underfrequency Load Shedding Working Group (UFLSWG) meetings to coordinate on studies and completed the review amongst the UFLSWG. The report has been finalized and posted on WECC's website. There are no violations for the Southern Island that BANC PC is part of. The annual 2026 UFLS data request is expected by May.
8	PRC-010-2 Undervoltage Load Shedding	100%	Staff completed performing the UVLS assessment studies. The final Report was issued on 12/24/24.
9	PRC-012-2 Remedial Action Schemes	100%	The final study report was completed and sent out on 12/22/25. Next due in 2030.

	PC Standard	Estimated % Complete	Notes
10	PRC-023-6 Transmission Relay Loadability	25%	Staff is awaiting finalized TPL base cases to finish the draft study plan. The study plan will be sent out to BANC PC for review by June.
11	PRC-026-2 Relay Performance During Stable Power Swings	25%	Staff is awaiting finalized TPL base cases to finish the draft study plan. The study plan will be sent out to BANC PC for review by June.
12	TPL-001-5 Transmission System Planning Performance	20%	Making final base case updates.
13	TPL-007-4 Transmission System Planned Performance for Geomagnetic Disturbance Events	100%	<p>Staff completed GMD voltage portion of the study to assess the GMD event impact on the bulk system voltages and reactive power consumptions within the BANC PC Participants' areas. The GMD voltage portion of the study was not included in the WECC 2022 GMD study which only included GIC portion of the study. The GMD additional voltage study report was sent out to the BANC PC participants on 3/12/25. The GMD Vulnerability Assessment Responsibilities for BANC PC Area report was updated on 11/16/25. No new responsibilities were added for BANC PC Participants. The updates were strictly for improved readability and organization. We did, however, add more description to Section 3.5 - Requirement 5, to ensure the required GMD data is sent to the appropriate parties.</p> <p>The GMD Vulnerability Assessment Responsibilities for BANC PC Area report was updated on 1/7/26 after noting that certain responsibilities shifted between revisions. The updated report has been sent to BANC PC members for comments.</p>

GM Report

BANC Commission Meeting

May 27, 2026

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:

Market Initiatives:

EIM Participation

Staff continues monitoring EIM participation. CAISO quarterly benefit reports show that BANC is seeing benefits from EIM participation, with the 1st Quarter 2026 report showing gross benefits of \$36.79 million for BANC, with a total of \$968.33 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 Markets Committee.

EDAM Participation

The BANC EDAM Implementation project is moving forward. The EDAM Implementation Agreement has been executed with the CAISO and was approved by FERC. Based upon the CAISO decision to move EDAM go-live for the 2027 entities to the fall, BANC revised the schedule and budget for the project and obtained Commission concurrence at its July 2025 meeting. Staff is now moving forward with ramping up the project efforts, which includes monitoring the implementation efforts of Pacificorp and PGE for their 2026 go-lives. Pacificorp successfully went live on May 1, 2026, with no major issues.

BANC is an active participant in the West-wide Governance Pathways Initiative (WWGPI), which includes participation on the Formation Committee for the new organization. Pathways selected a Formation Board (FB) for the new Regional Organization for Western Energy (ROWE), and the BANC General Manager has agreed to serve as one of these board members. The FB has limited authority

focused on creation of the new organization and selecting the initial independent board. The Board nominating process is well underway with outreach efforts ongoing through the end of June. The goal is to have the new board seated by September-October 2026, key staff selected in late-2026 to early-2027, negotiate the necessary tariff amendments and service agreement with the CAISO for filing at FERC in mid-late 2027, with the new organization operable by early 2028.

Other Market Developments

In parallel with the EDAM process, SPP is moving forward with its “Markets+” effort to support interested utilities in the West with a range of market options from EIM to full RTO services. SPP filed the Markets+ tariff at FERC on March 29, 2024. FERC approved the SPP Markets+ tariff at its meeting on January 16, 2025. BPA has issued its draft decision letter supporting Markets+ participation. SPP has indicated that “go-live” for Markets+ is currently forecasted for 2027. SPP announced that it has secured sufficient funding commitments to move forward with the next phase of Markets+ development. SPP is also moving forward with expansion of their RTO into the eastern part of the Western Interconnection with a successful go-live on April 1, 2026. Seams between the two markets has become a major topic over the last several weeks. As a result, a group of the EDAM BAA’s and Markets+ BAA’s have initiated discussions on seams and other market transition issues with a kick-off meeting on May 11, 2026.

WAPA:

Market Engagement

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

BANC is working with WAPA-SNR to facilitate their EDAM implementation efforts including assisting with OATT development in parallel with BANC development of the EDAM business practices.

WECC:

WECC Board Meetings

The last set of Board and committee meetings were held on March 10-11, 2026, in Salt Lake City, UT. The next set of meetings will be June 10-11, 2026, in Salt Lake City, UT.

Western Power Pool (WPP) :

Western Resource Adequacy Program (WRAP)

BANC continues to monitor development of the WRAP and hold periodic discussions with WPP regarding their development efforts. NVE has filed an IRP update with the Nevada Commission stating that they will not be moving forward with binding

participation in WRAP. In addition, PacifiCorp, PGE, and PNM have also stated that they will not be going binding in the WRAP. Idaho Power and Seattle City Light have agreed to go binding in WRAP. At this stage, WPP has stated that they will be moving forward with the initial WRAP binding period for winter 2027 with sixteen entities participating.

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 and implementation is moving forward. They are envisioning a 2.5-year process with an initial 10-year plan to be issued in 2025 and a 20-year plan in 2026. The draft 10-year plan is final and was published on February 4, 2026. The 10-year plan has identified \$~56 billions of transmission enhancements adding or upgrading 12,200 miles of facilities. It is expected that the 20-year plan will be issued in late 2026 to early 2027.

CDWR Delta Pumping Load:

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 discussions, the POU BAAs hired a consultant via CMUA to assist in this effort. BANC is working with IID, LADWP, and TID to coordinate our engagement in this effort. The CEC has reached out to the POU BAAs to discuss the status of the current report. The POU BAs met with the CEC on January 26, 2026, to discuss the status of the SB101 report. The CEC hosted a workshop on the 2025 SB100 Joint Agency Report on February 19, 2026. Jon Olson from SMUD represented POU entities on one of the panels.

Western Electricity Industry Leaders (WEIL) Group:

The WEIL CEOs last met on February 6, 2026, in San Diego, CA. The next meeting of the WEIL group is planned for May 29, 2026, in Salt Lake City. As part of the transition at WEIL, BANC has agreed to provide facilitation assistance to the group via BB&W.

Strategic Initiatives:

The 2025/2026 Strategic Initiatives are attached to this report.

BANC 2025/2026 Strategic Plan - Routine Initiatives - May 2026 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 2026
3 Medium		Develop appropriate policies, procedures, & action tracking	Jim Shetler/BB&W	4th Qtr. 2026	
4 Medium	OUTREACH	Engage in industry forums (WECC, RC West, NWPPA, etc.)	Jim Shetler	Ongoing	Attend RC West, WECC Board, WEIL, & WPP mtgs. Attended CMUA Annual Mtg.
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	Ongoing as Necessary	
7 Medium		Engage TID on BA/EIM/EDAM	Jim Shetler/BB&W	Ongoing	
8 High		Develop prioritized risk matrix on key regulatory issues	BB&W/Jim Shetler	Mid-2026	
9 Medium	ASSETS	Monitor RA development in WI including EDAM RA program	Jim S./BB&W/Res. Com.	4th Qtr. 2026	EDAM RA program discussion initiated - Draft Q1/Q2 2026
10 Medium		Finalize BANC-wide IRP Report	Jim S./Res. Comm	3rd Qtr. 2026	
11 High		Upgrade BANC RA Program	Jim S./Res. Comm.	3rd Qtr. 2026	Brattle Contract executed. Initial effort launched in April
12 Low	MEMBER SERVICES	Coordinate with BANC Operator to identify education areas for grid operations and outreach to members	Jim Shetler/Chris Hofmann	4th Qtr. 2026	Initiated weekly ops calls. Developing gas curtailment procedure.
13 Low		Develop general education on BANC functions & support	Jim Shetler/BB&W	4t Qtr. 2026	

BANC 2025/2026 Strategic Plan - Focused Initiatives - May 2026 Update

No./Priority	Focus Area	Initiative	Responsibility	Target Due Date	Status
14 High	INDEPENDENCE	Manage EIM Phase 2 Going Forward	Jim Shetler/SMUD	Ongoing	Manage Phase 2 operations including Markets, Tech. & Settlements committees
15 High		EDAM implementation effort ~ Manage BANC EDAM Imp. ~ Coordinate seams discussion	Jim Shetler/BB&W/ Utilicast	Oct-27	Ramping up project. BAA meeting 5/11/26
16 Medium	OUTREACH	Evaluate opportunities to engage other entities in market development	Jim Shetler	Ongoing	Coordinating with SCL, SRP, LADWP, TID, Tacoma, Idaho, PAC, & PGE
17 Medium		Regional Policy Issues: Monitor/weigh-in where appropriate	Jim Shetler/Commission	Ongoing	
18 High		Market Regionalization: ~Monitor ongoing discussions at WEIL, Pathways, & etc.	Jim Shetler/BB&W	Ongoing	ROWE formation initiated. BANC GM on Formation Board
19 High		Coordinate with CA BAs on SB100 effort	Jim Shetler/BB&W	Ongoing	CEC Workshop on 2/19/26
20 High	ASSETS	~ Develop agreements for Sutter CS Project	Jim S./BB&W/Res. Com.	3rd Qtr. 2026	Initiating detailed discussions Mid 2026
21 High		~ Develop/issue BANC resource solicitation/Educate developers	Jim S./BB&W/Res. Com.	Mid-2026	Initiated discussions on Millville PV/BESS project
22 Medium	MEMBER SERVICES	Evaluate possible support to participants for EIM/EDAM operations	Jim S.	Ongoing	

Balancing Authority of Northern California

Agenda Item 5A

1. ***Resolution 26-05-01 Resolution Commending and Thanking Paul Hauser for His Service to the Balancing Authority of Northern California.***

**Balancing Authority of Northern California
Resolution 26-05-01**

**RESOLUTION COMMENDING AND THANKING PAUL HAUSER FOR HIS SERVICE TO THE
BALANCING AUTHORITY OF NORTHERN CALIFORNIA**

WHEREAS, the Balancing Authority of Northern California (“BANC”) was created by a Joint Powers Agreement (“JPA”) to, among other things, acquire, construct, maintain, operate, and finance Projects; and

WHEREAS, Paul Hauser, as the General Manager for Trinity Public Utilities District (“TPUD”), was instrumental in ensuring the ongoing success of BANC’s operations; and

WHEREAS, Paul Hauser was instrumental in the negotiations for the creation of BANC; and

WHEREAS, Mr. Hauser served faithfully as a Commissioner from his initial appointment in 2013 until his retirement from TPUD in 2026 and as Chair for multiple terms during that time; and

WHEREAS, in his roles as Chair and Commissioner Mr. Hauser never failed to bring the Commission “back to center” if he determined assumptions might be viewed as overly optimistic; and

WHEREAS, Mr. Hauser provided leadership to move both TPUD and BANC in new and beneficial strategic directions, including the provision of services to BANC members and the entry into the Energy Imbalance Market, even when the market had few direct impacts on TPUD; and

WHEREAS, Mr. Hauser’s roles on the BANC Commission and at TPUD were essential to ensure the successful operation of the BANC Balancing Authority; and

WHEREAS, through his service to BANC, Mr. Hauser has gained the respect and admiration of his colleagues on the Commission and throughout public power;

NOW, THEREFORE, BE IT RESOLVED that the Commissioners of the Balancing Authority of Northern California hereby commend and thank Paul Hauser for his outstanding work with the Balancing Authority of Northern California and extend to him their best wishes for all of his future endeavors.

PASSED AND ADOPTED by the Commissioners of the Balancing Authority of Northern California the 27th day of May, 2026, by the following vote:

		Aye	No	Abstain	Absent
Modesto ID	Martin Caballero				
City of Redding	Joe Bowers				
City of Roseville	Shawn Matchim				
City of Shasta Lake	James Takehara				
SMUD	Paul Lau				
TPUD	Paul Hauser				

Shawn Matchim
Chair

Attest by: C. Anthony Braun
Secretary

Balancing Authority of Northern California

Agenda Item 5C

1. **2026 Summer Loads & Resources Assessment of the Balancing Authority of Northern California.**
2. ***Resolution 26-05-02 Acknowledgement and Acceptance of 2026 Summer Load & Resources Assessment of the Balancing Authority of Northern California.***

Braun Blaising & Wynne, P.C.

Attorneys at Law

05/21/26

To: BANC Commission
From: BANC Counsel
RE: 2026 BANC Summer Load & Resources Assessment

Included in the Commission packet for the May 27, 2026 BANC Commission meeting is the 2026 Summer Load and Resources Assessment. This document is produced by the Operating Committee. It includes a summary of expected conditions, including peak loads, generation availability, planned physical outages of generation and transmission, and other information. The information is included for individual members, each of the Sacramento Municipal Utility District and Western Area Power Administration sub-areas, as well as on a BANC-wide basis.

It should be noted that, similar to the last several years, the Operating Committee again developed a much more detailed evaluation looking at such issues as:

- Peak and Net Peak for both 1:2 and 1:10 load forecasts
- Reassessment of Effective Load Carrying Capability (ELCC) and Net Qualifying Capacity (NQC) based upon actual historical data
- Dependability of planned imports
- Analysis of various scenarios

The Assessment concludes that BANC will be able to meet the load demand for the 2026 summer operating season with sufficient Operating Margins and generally low risk of energy or capacity shortage under most scenarios.

Because reliable grid operation is the central and paramount function of BANC, the Commission is requested to acknowledge receipt and accept the 2026 Summer Load and Resources Assessment by resolution.

2026 SUMMER

LOAD & RESOURCE ASSESSMENT



May 2026

Balancing Authority of Northern California

*A Joint Powers Authority Among
Modesto Irrigation District, City of Redding, City of Roseville, City of Shasta Lake,
Trinity Public Utilities District, and Sacramento Municipal Utility District
www.thebanc.org*

Table of Contents

1. Executive Summary.....	3
2. 2025 Summer Review	7
2.1 System Load	7
2.2 System Generation.....	7
2.3 System Import.....	8
3. 2026 Summer Assessment.....	9
3.1 Forecasted System Load.....	9
3.2 Forecasted Resource Supply.....	12
3.2.1 Hydro Generator ELCC and NQC	15
3.2.2 Thermal Generator ELCC and NQC.....	15
3.2.3 Solar and Wind Generation ELCC and NQC.....	15
3.3 Forecasted System Import.....	16
3.4 Forecasted System Export.....	16
3.5 Forecasted Demand Response.....	16
3.6 Forecasted Operating Reserves.....	17
3.7 Scheduled Generation and Transmission Outages	17
3.8 Forecasted Base Case Supply & Demand Outlook.....	17
3.9 Monte Carlo Probability Simulation.....	20
3.10 Wildfire Outlook.....	22
3.11 Special Operating Scenarios.....	23
3.11.1 Loss of Two 500 kV Lines Due to Wildfires	23
3.11.2 Extreme West-Wide Heatwave.....	24
3.11.3 CAISO in EEA 3.....	27
3.11.4 Smoke Impacts Due to Wildfires.....	27
3.12 Engineering Studies.....	27
3.13 Conclusions.....	28

1. Executive Summary

The Balancing Authority of Northern California (BANC) is a Joint Powers Authority (JPA) consisting of the Sacramento Municipal Utility District (SMUD), Modesto Irrigation District (MID), City of Roseville (RSC), Redding Electric Utility (REU), City of Shasta Lake (CSL), and Trinity Public Utilities District (TPUD). BANC assumed the Balancing Authority (BA) responsibilities on May 1, 2011, from SMUD that include balancing the generation, load, and interchange, and coordinating system operations with neighboring BAs – Bonneville Power Administration (BPA), Turlock Irrigation District (TID), and California Independent System Operator (CAISO). There are two sub-footprints within BANC – SMUD and Western Area Power Administration – Sierra Nevada Region (WAPA), which includes WAPA, MID, RSC, REU, CSL, and TPUD. The Figure 1-1 below shows the geographical map of BANC system.

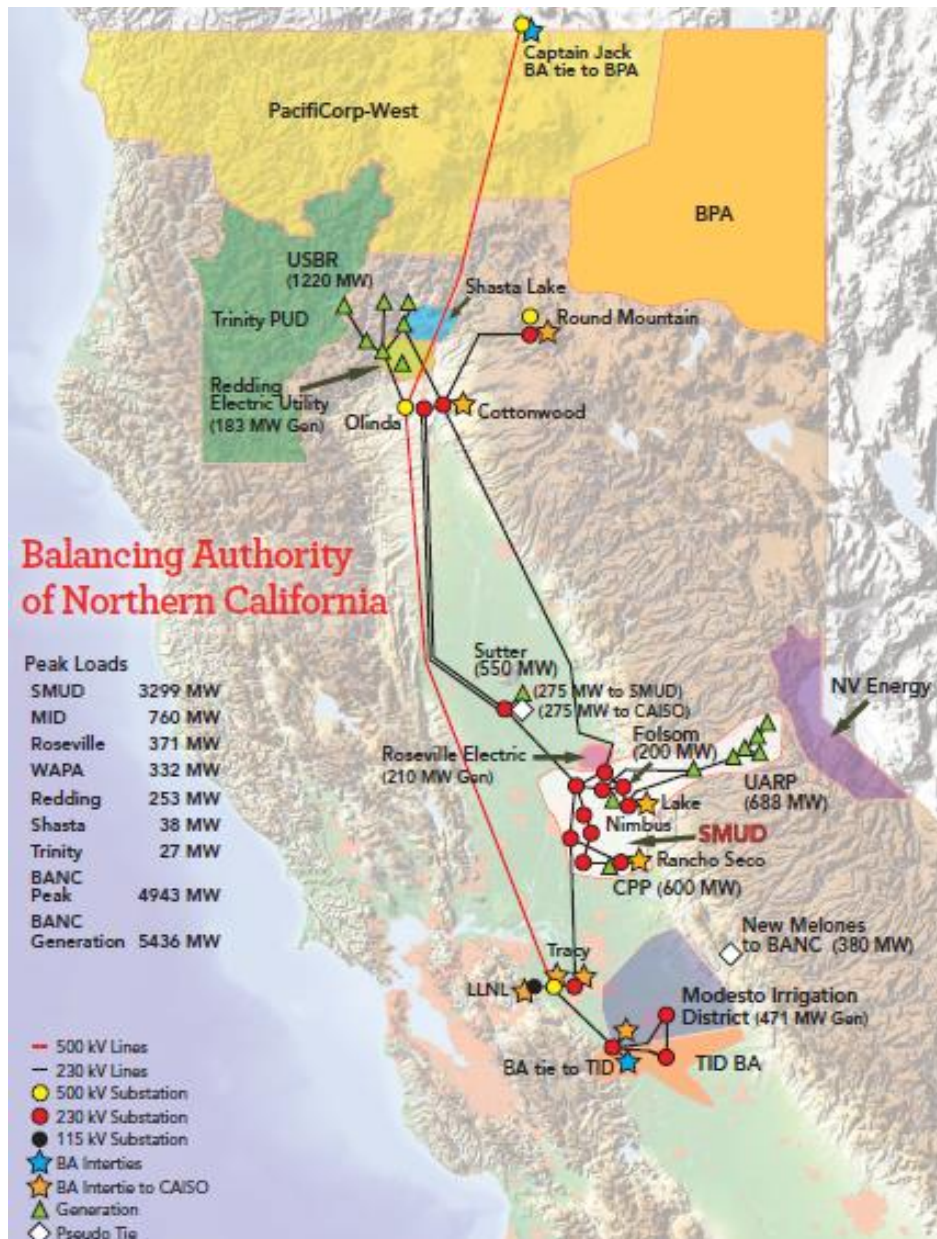


Figure 1-1: Geographical Map of BANC System

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

This BANC summer load and resource assessment report provides an assessment of the load forecasts, resource supplies, and energy imports for the 2026 summer operating season – June 1st, 2026, through October 31st, 2026, for the BANC Balancing Authority Area (BAA).

The forecasted BANC 1-in-2 peak load for 2026 summer is 4,742 MW, which is 425 MW or 9.8% higher than BANC's actual peak load of 4,317 MW in 2025. The forecasted 1-in-2 peak loads for the SMUD and WAPA footprints are 3,154 MW and 1,588 MW, respectively.

The forecasted BANC 1-in-10 peak load for 2026 summer is 5,114 MW, which is 171 MW or 3.5% higher than BANC's all-time peak load of 4,943 MW recorded in 2022. The forecasted 1-in-10 peak loads for the SMUD and WAPA footprints are 3,406 MW and 1,708 MW, respectively.

Considering the rotating outages within the CAISO BAA that occurred during the 2020 summer, the potential resource shortfalls in CAISO and Western Power Pool (WPP) areas, and the reliance of BANC entities on the imports from the CAISO and WPP areas, more thorough and detailed analyses are performed to assess BANC's load and resource outlook and evaluate BANC's risk of energy or capacity shortages either during normal or emergency conditions. The key analyses and studies that are performed are summarized as follows:

- (1) Assess the critical hours of the peak load day, i.e., Hour Ending (HE) 16 through HE 21, to cover both the gross peak load as well as the net peak load
- (2) Calculate the hourly Effective Load Carrying Capability (ELCC) and Net Qualifying Capacity (NQC) for all resources and imports, such as Hydro, Thermal, Solar, Wind, etc.
 - Hydro ELCC and NQC are calculated based on the historical hydro capacity in the past 3 similar water years.
 - Thermal ELCC and NQC are calculated based on the ambient temperature derate and the forced outage data in the past 3 years.
 - Solar and wind ELCC and NQC are calculated based on the actual generator outputs during the critical hours in the past 3 years.
- (3) Evaluate the detailed availability of import resources, including both the firm contracted resources and non-dependable import resources
- (4) Assess the availability of the Demand Response programs
- (5) Evaluate the Operating Margins for both the 1-in-2 peak load and the 1-in-10 peak load
- (6) Conduct Monte Carlo probability simulations to assess the Loss of Load Probability (LOLP) as follows:
 - Simulate 2,000 cases for each of the critical hours HE16 through HE21, representing 2,000 years of simulation
 - Simulate thermal generator outages based on the forced outage data of past 3 years
 - Simulate Hydro generator capacity based on the actual operating capacities in the past 3 similar water years
 - Simulate solar and wind generator outputs based on the actual data of past 3 years
 - Simulate load beyond 1-in-10 peak load forecast
 - Simulate the reduction of non-dependable import when the load is higher than 1-in-10 forecast, representing west-wide heatwaves
- (7) Perform analysis to the special operating scenarios as listed below:
 - California Oregon Intertie (COI) derate due to wildfires tripping two 500 kV lines
 - CAISO BAA is in an Energy Emergency Alert 3 (EEA 3)
 - West-wide heat wave causing the reduction of non-dependable imports
 - Impacts of wildfire smoke on the solar generation and system load

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

Water Conditions as of April 1, 2026:

- United States Bureau of Reclamation's (USBR) Central Valley Project (CVP) reservoir storage levels were at approximately 119% of historical average.
- Northern Sierra snowpack was at 6% of its historical average.
- Northern California precipitation was at 95% of its historical average.
- Forecasted statewide snowmelt runoff is at about 87% of an average water year.
- SMUD's storage reservoirs were at 128% of historical average and the inflow to the storage reservoirs is projected to be 95% of median.
- With 95% precipitation, 6% snowpack, and 119% of reservoir storage level, the 2025-2026 water season is classified as "Below Normal" according to California Department of Water Resources' (CDWR's) Bulletin 120 released on April 1st, 2026.

Resource Availability Forecasts as of April 1, 2026:

- A total of 2 MW new net-metered solar generation will come online during 2026 summer.
- Based on the current outage information, only the USBR's Spring Creek Unit #1 (95 MW) will be out for the entire summer. Therefore, the total hydro power peak or energy production is projected to be slightly lower than the normal.
- One-half of the Sutter Energy Center (SEC) or 275 MW will continue to be available to SMUD and the other half of the SEC or 275 MW is available to the CAISO BA.

California Oregon Intertie (COI) Import Capability and Wildfire Outlook:

- Although the California Oregon Intertie (COI) operating nomogram has been increased to 5,100 MW since 2025, it would be still limited by the transmission constraints in the Pacific Northwest area in the 2026 summer season.
- Wildfire threat continues to be a risk with the threat areas and fire-season period both expanding and increasing the risk of Public Safety Power Shutoff (PSPS) events or actual outages. According to the National Significant Wildland Fire Potential Outlook released by the Predictive Services National Interagency Fire Center on May 1, 2026, the wildfire risk for June, July, and August is "Above Normal" for Northern California and Northwest region.
- The CAISO has committed to support BANC if a PSPS event on the CAISO controlled portion of COI should create resource shortage conditions for BANC.

The assessment results show that

- BANC's hourly gross peak load is forecasted to be at HE17, and BANC's hourly net peak load is forecasted to be at HE18.
- Although BANC's peak load could occur on any day between June 15 and September 15 based on historical data, the most stressed operating condition will be when BANC's peak load occurs in August as the available Hydro generation and Solar generation in August is forecasted to be less than June and July. BANC's peak load only occurred in September once, which was a very rare case.
- The base case assessment demonstrates that BANC has sufficient generation, transmission capacity, and import resources to meet the forecasted 1-in-2 and 1-in-10 loads for the 2026 summer season with sufficient operating margins when counting the non-dependable imports, as shown in Table 1-1 below. However, BANC's operating margins in the 2026 summer are estimated to be 2% lower than BANC's operating margins in 2025 due to the increased load forecasts and the scheduled generation outages.
- The Monte Carlo probability simulation results show that BANC has a risk of 6.85% (or 1 day in 14 years) to be in EEA 3 and a risk of 2.4% (or 1 day in 48 years) with unserved energy, which is lower than BANC's unserved energy risk of 4.2% in 2025 - well below the industry LOLP benchmark of 10% (or 1 day in 10 years).

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

- The analyses indicate that BANC would have sufficient operating margins for the special operating scenarios of wildfire smoke and the CAISO BA in EEA 3.
- However, BANC would have the risk of being in EEA 3 with SMUD facing risks of firm load shedding when there is a west-wide heatwave causing 1-in-20 load with no non-dependable import available or when the COI has a significant derate after losing two 500 kV lines due to wildfires under 1-in-10 load condition.

Table 1-1: 2026 Summer Base Case Load and Resource Outlook at Gross & Net Peak Hours

	BANC BA		SMUD Footprint		WAPA Footprint	
	HE17	HE18	HE17	HE18	HE17	HE18
2025 Generation (MW)	5,491		2,677		2,814	
Generation Outage (MW)	(95)		(0)		(95)	
Retired Generation (MW)	0		0		0	
New Generation (MW)	2		2		0	
2026 Generation (MW)	5,398		2,679		2,719	
Peak Load Hour	HE17	HE18	HE17	HE18	HE17	HE18
Equivalent ELCC	79.9%	78.9%	81.9%	80.0%	77.9%	77.8%
Total Generation NQC (MW)	4,311	4,258	2,193	2,142	2,118	2,116
Forecasted Import (MW)	2,336	2,265	1,556	1,496	780	770
Forecasted Export (MW)	(730)	(730)	0	0	(730)	(730)
Demand Response (MW)	107	107	89	89	18	18
Total Supply (MW)	6,024	5,900	3,838	3,727	2,185	2,173
1-in-2 Load + Reserves (MW)	5,058	5,010	3,331	3,276	1,728	1,734
1-in-2 OM * (MW)	965	890	508	451	458	439
1-in-2 OM * (%)	19.1%	17.8%	15.2%	13.8%	26.5%	25.3%
1-in-10 Load + Reserves (MW)	5,455	5,403	3,597	3,538	1,858	1,865
1-in-10 OM * (MW)	569	498	242	189	327	308
1-in-10 OM * (%)	10.4%	9.2%	6.7%	5.3%	17.6%	16.5%

* Operating Margin (OM) (MW) = Total Supply – (Load + Reserves)
 * Operating Margin (OM) (%) = (Total Supply – (Load + Reserves)) / (Load + Reserves)

2. 2025 Summer Review

2.1 System Load

The 2025 summer was mild for Northern California area and the recorded BANC’s peak load for the 2025 summer was 4,317 MW at 16:59:34 on July 11, 2025, which was the lowest annual peak load since 2011 and was 460 MW (or 9.1%) lower than BANC’s peak load in 2024 and 626 MW (or 12.7%) lower than BANC’s all-time peak load of 4,943 MW recorded in 2022.

Because BANC entities are located in different geographical areas, they may not reach their peak loads at the same time or date. The BANC entities’ load levels at the time of the BANC peak load moment are defined as the simultaneous peak load and their individual peak load levels are defined as the non-simultaneous peak load.

The WAPA footprint reached its non-simultaneous peak load of 1,492 MW at 16:59:44 on July 11, 2025, while the SMUD footprint reached its non-simultaneous peak load of 2,837 MW at 16:51:04 on July 11, 2025 – both on the same day when BANC reached its peak load. At the BANC peak load moment of 16:59:34 on July 11, 2025, the WAPA footprint’s simultaneous peak load was 1,488 MW and the SMUD footprint’s simultaneous peak load was 2,829 MW.

Table 2-1 below shows the comparison of 1-in-2 non-simultaneous peak loads and actual non-simultaneous peak loads, and the actual simultaneous peak loads for all BANC entities in 2025.

Table 2-1: 2025 Simultaneous and Non-simultaneous Peak Loads vs. 2025 Forecasts

Entity	1-in-2 Non-simultaneous Peak Load Forecast (MW)	Actual Non-simultaneous Peak Load (MW)	Non-simultaneous Peak Load Forecast Error (MW)	Non-simultaneous Peak Load Forecast Error (%)	Actual Simultaneous Peak Load ¹ (MW)
BANC BA	4,686	4,329	357	8.2%	4,317
SMUD	3,060	2,837	223	7.9%	2,829
MID	705	651	54	8.3%	621
RSC	363	337	26	7.7%	332
REU	235	230	5	2.2%	223
CSL	34	36	-2	-5.6%	29
TPUD	27	33	-5	-15.2%	23
WAPA Footprint	1,626	1,492	134	9.0%	1,488

2.2 System Generation

An additional 54 MW of new solar generation went online in the BANC footprint in 2025 summer so that BANC’s total installed generating capacity increased to 5,491 MW. Although the 2024-2025 water season was classified as “Above Normal”, BANC’s hydro generation produced less-than-average power due to some generation outages. Table 2 shows generation levels of BANC entities collected in PI at the 2025 BANC peak load moment (16:59:34 on 7/11/2025).

¹ The Actual Simultaneous Peak Load values came from the PI historian data.

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

Table 2-2: BANC Entities Generation Levels at 2025 BANC Peak Load Moment

	Actual Simultaneous Generation (MW)	Forecasted Generation (MW)	Simultaneous Peak Load (MW)	Generation Capacity (MW)	Generation Output %
BANC BA	3,102	3,313	4,317	5,491	56%
SMUD	1,706	1,700	2,829	2,677	64%
MID	174	263	621	469	37%
RSC	109	202	332	239	46%
REU	60	171	223	182	33%
CSL	0	0	29	0	N/A
TPUD	0	0	23	0	N/A
WAPA Footprint	1,396	1,613	1,488	2,814	50%

2.3 System Import

The California-Oregon Intertie (COI) is the major transmission path for BANC entities to import power from Pacific Northwest area. For 2025 summer, the transfer capability of COI was reduced by approximately 450 MW due to the scheduled 500 kV transmission line outages. However, due to the lower-than-forecasted load, BANC imported lower-than-forecasted power in 2025 summer, especially during peak hours. Table 2-3 below shows BANC entities’ simultaneous import levels at the 2025 peak load moment (16:59:34 on 7/11/2025).

Table 2-3: BANC Entities’ Import Levels at 2025 Peak Load

	Actual Simultaneous Import (MW)	Forecasted Import (MW)	Simultaneous Peak Load (MW)	Import/Load Ratio
BANC BA	1,215	1,971	4,317	28%
SMUD	1,123	1,360	2,829	40%
MID	447	442	621	72%
RSC	223	161	332	67%
REU	163	64	223	73%
CSL	29	34	29	100%
TPUD	23	27	23	100%
WAPA Footprint	92	13	1,488	6%

3. 2026 Summer Assessment

In light of the rotating outages within the CAISO BAA that occurred during the 2020 summer, the potential resource shortfalls in CAISO and Western Power Pool (WPP) areas, and the reliance of BANC entities on the imports from the CAISO and WPP areas, more thorough and detailed analyses are performed to assess BANC's load and resource outlook and evaluate BANC's risk of energy or capacity shortages either during normal or emergency conditions. The key analyses and studies that are performed are summarized as follows:

- (1) Assess the critical hours of the peak load day, i.e., Hour Ending (HE) 16 through HE 21, to cover both the gross peak load as well as the net peak load
- (2) Calculate the hourly Effective Load Carrying Capability (ELCC) and Net Qualifying Capacity (NQC) for all resources and imports, such as Hydro, Thermal, Solar, Wind, etc.
 - Hydro ELCC and NQC are calculated based on the historical hydro capacity in the past 3 similar water years.
 - Thermal ELCC and NQC are calculated based on the ambient temperature derate and the forced outage data in the past 3 years.
 - Solar and Wind ELCC and NQC are calculated based on the actual generator outputs during the critical hours in the past 3 years.
- (3) Evaluate the detailed availability of import resources, including both the firm contracted resources and non-dependable import resources
- (4) Assess the availability of the Demand Response programs
- (5) Evaluate the Operating Margins for both the 1-in-2 peak load as well as the 1-in-10 peak load
- (6) Conduct Monte Carlo probability simulation to assess the Loss of Load Probability (LOLP) as follows:
 - Simulate 2,000 cases for each of the critical hours HE16 through HE21, representing 2,000 years of simulation
 - Simulate thermal generator outages based on the forced outage data of past 3 years
 - Simulate Hydro generator capacity based on the actual operating capacities in the past 3 similar water years
 - Simulate Solar and Wind generation outputs based on the actual data of past 3 years
 - Simulate load demand beyond 1-in-10 peak load forecast
 - Simulate the reduction of non-dependable import when the load is higher than 1-in-10 forecast, representing west-wide heatwaves
- (7) Perform analysis for some special operating conditions as listed below:
 - California Oregon Intertie (COI) derate due to wildfires tripping two 500 kV lines
 - CAISO BAA is in an Energy Emergency Alert 3 (EEA 3)
 - West-wide heatwave causing the reduction of non-dependable import
 - Impacts of wildfire smoke to the solar generation and system load

3.1 Forecasted System Load

Due to the increase of the renewable generation within BANC footprint, BANC's summer assessment will need to cover both the gross peak load and the net peak load. The gross peak load is the conventional peak load that is served with all resources. The net peak load is defined as the peak load that is served with dispatchable traditional resources, such as Hydro and Thermal, and is calculated as gross peak load less the non-dispatchable renewable generation.

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

As shown in Table 3-1 below, the forecasted BANC 1-in-2 gross peak load for the 2026 summer is 4,742 MW, which is 425 MW higher than the actual 2025 BANC peak load of 4,317 MW. The forecasted BANC 1-in-10 gross peak load is 5,114 MW, which is 171 MW higher than BANC’s all-time peak load of 4,943 MW recorded in 2022. For 2026 summer, the hourly load profiles for the critical hours (HE16 through HE21) are developed for all BANC entities based on the historical hourly load data to assess both the gross peak load and the net peak load. The load profiles showed that BANC’s gross peak load is at HE17 and the net peak load is at HE18.

Table 3-1: 2026 Forecasted Gross and Net Peak Loads for BANC Entities

	Forecasted 1-in-2 Gross Peak Load (MW)	Forecasted 1-in-2 Net Peak Load (MW)	Forecasted 1-in-10 Gross Peak Load (MW)	Forecasted 1-in-10 Net Peak Load (MW)
SMUD	3,154	2,885	3,406	3,133
WAPA Footprint	1,588	1,575	1,708	1,695
MID	697	679	739	721
Roseville Electric	344	344	385	385
REU	235	235	239	239
Shasta Lake	34	34	38	38
Trinity PUD	27	27	28	28
Forecasted BANC Peak Load	4,742	4,460	5,114	4,828

Figure 3-1 below shows a comparison of forecasted 2026 non-simultaneous 1-in-2 peak loads with the historical peak loads since 2006 for BANC, SMUD, and WAPA.

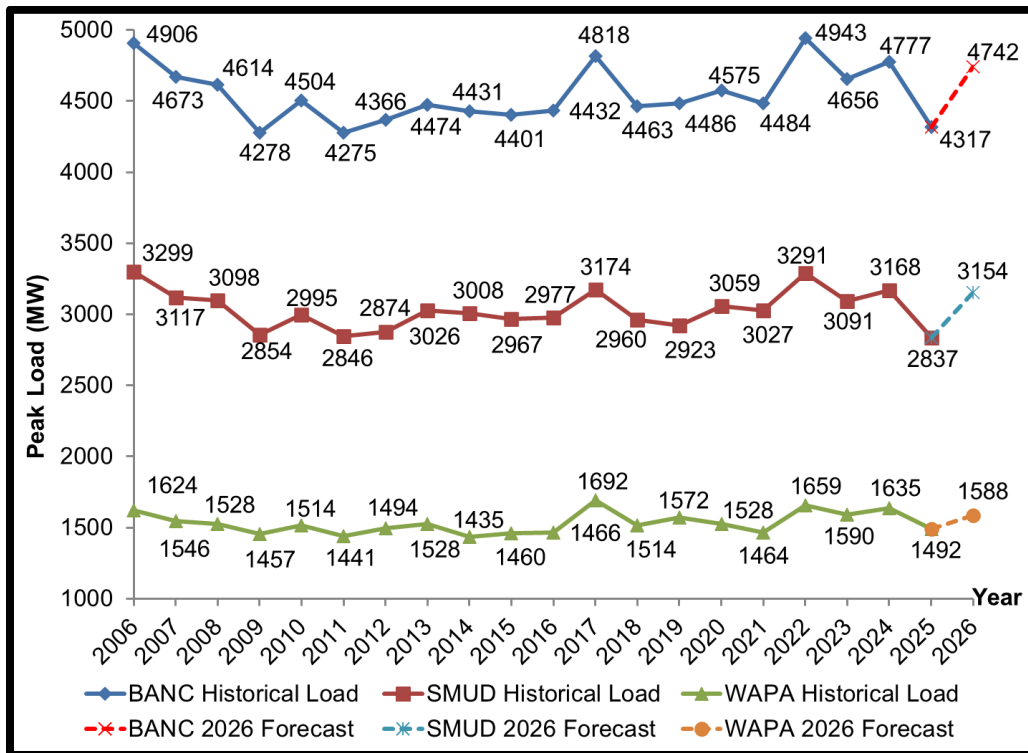


Figure 3-1: 2026 Forecasted Peak Load vs. Historical Peak Load

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

Figure 3-1 shows that all BANC entities' peak loads declined significantly due to the economic recession after the previous all-time peak recorded during the 2006 multi-day heatwave. The subsequent peak load demands reached their lowest in 2011 and then started recovering. Due to the unusual heatwaves and economic recovery from the recession, BANC's 2017 peak load reached the highest level since 2006, despite the increased installations of the behind-the-meter photovoltaic solar generation. Several BANC entities, such as MID, RSC, CSL, and WAPA footprint, even set their new all-time peak load records in 2017.

In 2022 summer, an extreme heat wave occurred in California from August 30th to September 9th such that the Sacramento area experienced 10 consecutive days above 100 degrees with a new highest temperature record of 116 degrees. BANC also set a new all-time peak load of 4,943 MW.

After five consecutive hotter-than-average summer, the Northern California area experienced the mildest summer in 2025 in the past 14 years such that BANC entities' peak load in 2025 were approximately 8% lower than what were forecasted.

The Figure 3-2 below shows the highest temperatures in Sacramento area in recent years. BANC's peak load occurred either on these days or the subsequent days due to the impact of holidays or weekends, except for 2017 and 2025. Although the data shows that there have been equal chances for the peak load day to be in July or August in recent years, this assessment assumes the 2026 BANC peak load day to be in August as it will represent a more severe operating condition when considering that the hydro generator capabilities and solar generation in August are lower than June and July.

Max °F	Date	Max °C
103	August 22, 2025	39
113	July 11, 2024	45
109	July 16, 2023	43
116	September 6, 2022	47
113	July 10, 2021	45
112	August 16, 2020	44
107	August 15, 2019	42
109	July 25, 2018	43
109	August 28, 2017	43
108	July 26, 2016	42
108	July 29, 2015	42
107	August 1, 2014	42
110	July 4, 2013	43
107	August 13, 2012	42
102	July 5, 2011	39
108	August 25, 2010	42

Figure 3-2: The Highest Sacramento Temperatures in Recent Years

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

3.2 Forecasted Resource Supply

In 2025, 54 MW of new solar generation in SMUD footprint went online, and there will be 2 MW of new net-metered solar generation coming online in 2026 summer. One-half of SEC (275 MW) continues to be available as a part of SMUD’s generation. Thus, BANC’s total installed generation capacity will increase to 5,493 MW, of which, 2,704 MW (49.2%) is hydro generation, 2,323 MW (42.3%) is thermal generation, 16 MW (0.3%) is biogas generation, and 450 MW (8.2%) is solar generation. In total, 57.7% of the installed generation capacity within BANC is carbon-free.

As one half of BANC’s generation capacity is Hydro, it is critical to forecast hydro generation capabilities based on the Water Conditions, including reservoir levels, snowpack levels, precipitations, and snowmelt runoffs. According to the CDWR’s website, the 2026 Water Conditions as of April 1, 2026, are summarized as follows:

- USBR’s CVP reservoirs were at approximately 119% of historical average (Figure 3-3).
- Northern Sierra snowpack was at 6% of its historical average (Figure 3-4).
- Northern California precipitation was at 95% of its historical average (Figure 3-5).
- Forecasted snowmelt runoff is projected to be 87% of an average water year (Figure 3-6).
- SMUD’s storage reservoirs were at 128% of historical average and the inflow to the storage reservoirs is projected to be 95% of median.
- The 2025-2026 water season is classified as “Below Normal” according to CDWR’s Bulletin 120 released on April 1st, 2026.

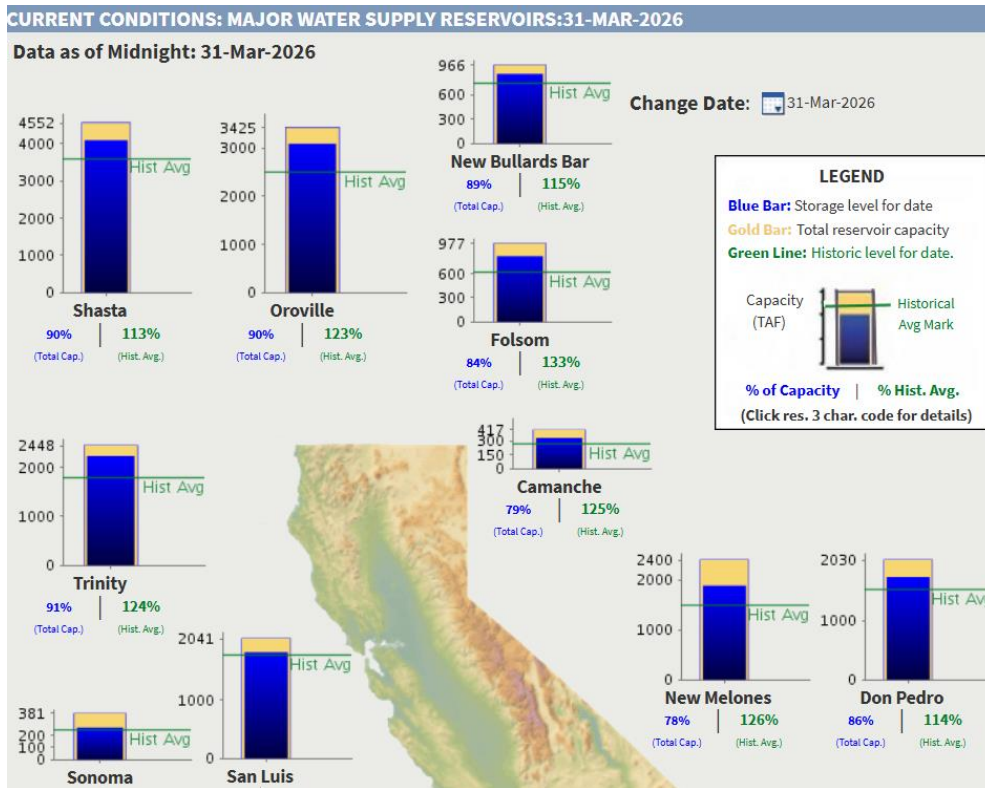


Figure 3-3: Northern California Major Reservoir Levels as of 4/1/2026

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

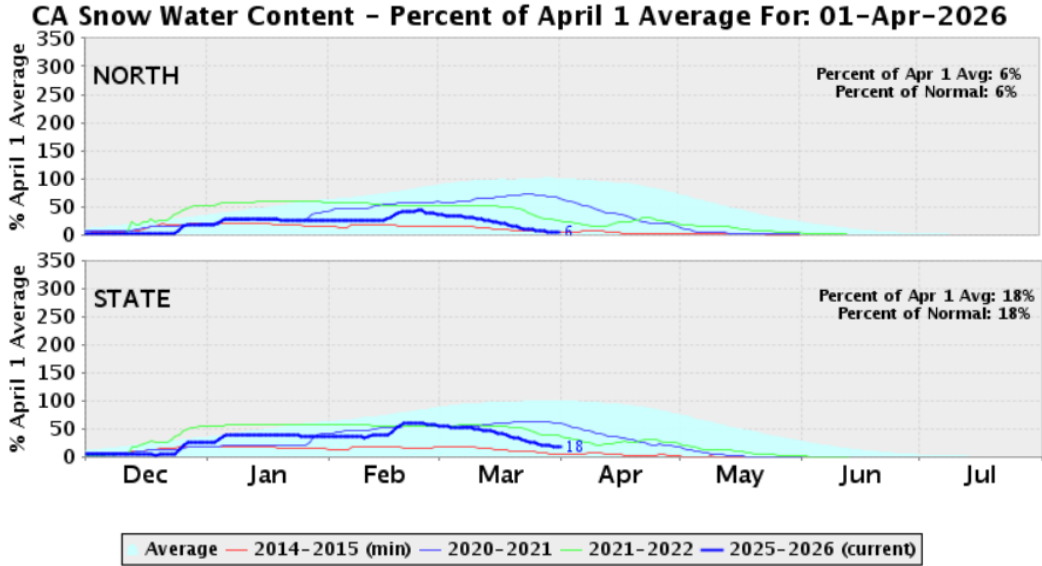


Figure 3-4: Northern CA Snowpack as of 4/1/2026 Compared with 3 Similar Historical Years

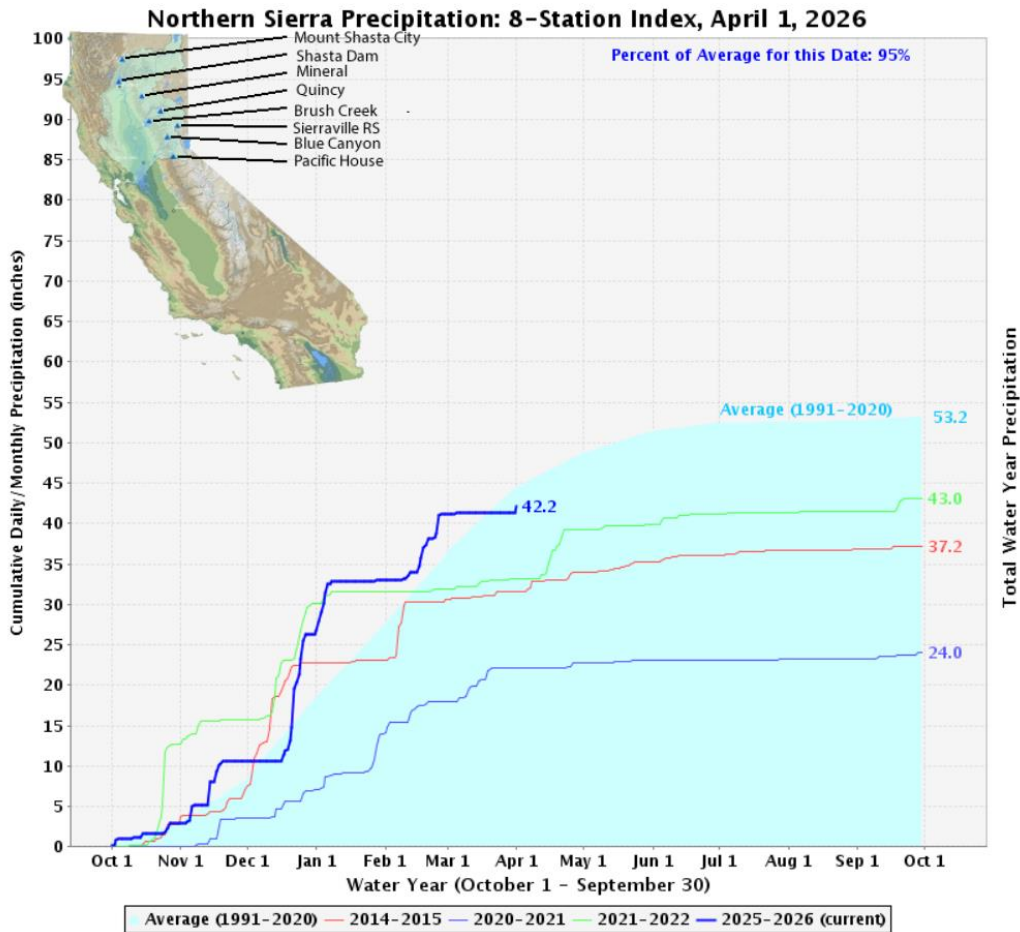


Figure 3-5: Northern CA Precipitation as of 4/1/2026 Compared with 3 Similar Historical Years

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

B-120 WATER SUPPLY FORECAST SUMMARY

UNIMPAIRED FLOW FOR - April 1, 2026

(Provisional data, subject to change)

Report generated: April 08, 2026 10:49

WATER YEAR FORECAST SUMMARY AND MONTHLY DISTRIBUTION (IN THOUSANDS OF ACRE-FEET)															
WATERSHED	OCT THRU JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	WATER YEAR TOTAL	80% PROBABILITY RANGE			WY % AVERAGE	
											90%		10%		
Trinity, Lewiston	551	163	141	80	55	20	5	0	0	1,015		925		1,245	77
Inflow to Shasta	2,376	568	480	380	300	215	185	166	160	4,830		4,540		5,505	87
Sacramento, Bend	3,559	1,042	693	530	405	295	240	204	208	7,175		6,800		8,265	87
Feather, Oroville	2,107	616	601	340	245	120	85	68	58	4,240		3,970		4,910	97
Yuba, Smartsville	831	251	289	200	170	45	15	9	10	1,820		1,610		2,225	81
American, Folsom	865	336	391	290	160	45	15	2	1	2,105		1,893		2,500	78

Figure 3-6: Forecasted Snowmelt Runoffs as of 4/1/2026

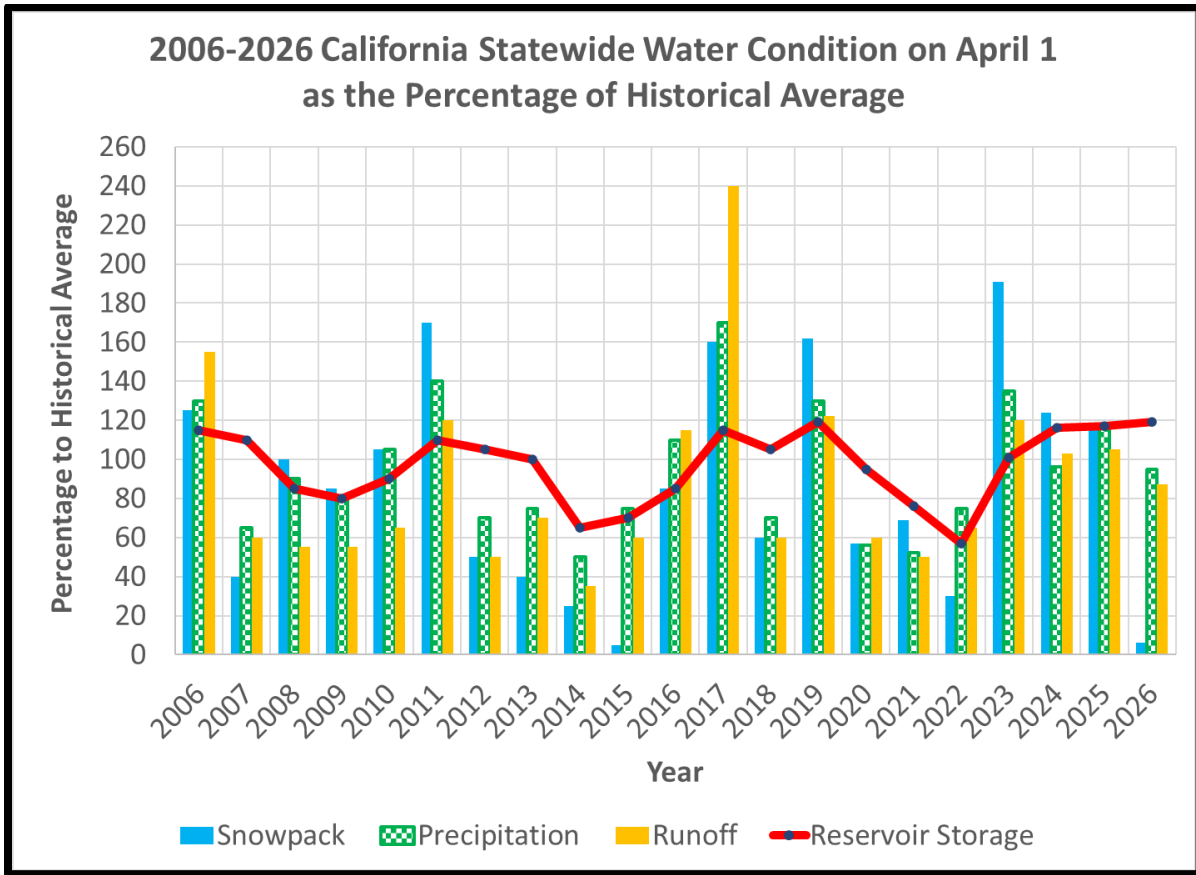


Figure 3-7: 2006-2026 California Statewide Water Condition on April 1

Based on the current outage information, 95 MW generation outage will go through the summer such that the total hydro power production is forecasted to be slightly lower than the historical average level.

Although BANC’s installed generation capacity will reach 5,493 MW, not all this MW capacity can be available to serve load. There are several factors that will limit generator’s capacities, especially during the critical hours (HE16~HE21) of the peak load day. For example, thermal

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

generators will be derated due to high ambient temperature, hydro generators will be derated due to lower reservoir levels, and solar generators will reduce output when sun sets. To accurately assess BANC's ability to serve load, more detailed studies are performed to calculate BANC generators' Effective Load Carry Capability (ELCC) and Net Qualifying Capacity (NQC).

ELCC is a metric to evaluate how effective a generator can be to serve load for a given hour of the year and is defined as the percentage of a generator's installed capacity (i.e., Pmax) in this assessment. ELCC can be calculated for each individual generator or for a group of generators with similar characteristics.

NQC is defined as the MW capacity of a generator that can be counted in the resource plan to serve the load for a given hour of the year and can be calculated as:

$$\text{NQC} = \text{ELCC} * \text{Pmax}$$

Different types of generators have different characteristics and therefore different ways of calculating the ELCC and NQC. In this summer assessment, the monthly ELCC and NQC are used and they are calculated as monthly values for each 24 hours of the day.

3.2.1 Hydro Generator ELCC and NQC

Within BANC footprint, there are storage hydro generators and run-of-river hydro generators but no pumped-storage hydro generators. For this summer assessment,

- Storage hydro generators' monthly ELCC and NQC are calculated as the average of the hourly historical operating capacity in each summer month of the past 3 similar water years.
- Run-of-river hydro generators' monthly ELCC and NQC are calculated as the average of the hourly actual output in each summer month of the past 3 similar water years.
- Based on the 2026 Water Conditions shown in Figure 3-3 through Figure 3-7, 2015, 2021, and 2022 are selected as similar water years.

3.2.2 Thermal Generator ELCC and NQC

As shown in Figure 3-2, BANC entities' peak load in recent years occurred on a hot summer day with temperature between 107 °F and 116 °F and the maximum capacities of thermal generators on the peak load day will be lower than their nameplate capacities. In this assessment, all BANC's thermal generators will use their ambient temperature derated capacities at 112 °F.

In addition, although these thermal generators will normally not have planned outages during summer months, unexpected, or forced outages do occur occasionally. To account for this impact, the Average Forced Outage Rates (AFORs) are calculated for all thermal generators using the historical forced outage data in the summer months of the past 3 years. Therefore, for thermal generators,

$$\text{Thermal ELCC} = 1 - \text{AFOR}$$

$$\text{Thermal NQC} = \text{ELCC} * \text{Pmax at 112 } ^\circ\text{F}$$

3.2.3 Solar and Wind Generation ELCC and NQC

The hourly solar and wind generators' ELCC are calculated as the average solar outputs for each hour for the days with temperature higher than or equal to 100°F in the month of August of the past 3 years. The new solar generation will use the data of the nearby solar generation with similar solar panel technology.

3.3 Forecasted System Import

The California Oregon Intertie (COI) is the major path for BANC entities to import capacity and energy from Pacific Northwest (Washington and Oregon) sources. Although the COI transfer capacity has been increased to 5,100 MW since 2025, it will be still limited by the transmission constraints in the PNW area in the 2026 summer season.

According to National Oceanic and Atmospheric Administration (NOAA), the water supply of the Columbia River – the major river supporting hydroelectric power generation in Pacific Northwest (PNW), was forecasted to be 96% of the 30-year average at the Dalles Dam as of April 1, 2026, indicating a nearly normal hydro energy supply from PNW for this summer.

In order to accurately assess the imports that BANC entities can obtain during the high load days, this assessment classifies BANC entities' imports into three categories:

- WAPA Base Resources (adjusted by WAPA's Hydro ELCC)
- Contracted Firm Imports from PNW or CAISO (adjusted by ELCC for Hydro, Solar, Wind)
- Non-Dependable Imports

The Non-Dependable Import is defined as the import which is expected to achieve in the week-ahead or day-ahead timeframe based on historical real-time import data. The Non-Dependable Import is not backed-up with long-term firm contracts and could come from the PNW and/or CAISO market with the risk that there may not be sufficient energy/capacity available in the week-ahead or day-ahead timeframe during a west-wide heat wave.

In order to calculate the hourly Expected Non-Dependable Import for each BANC entity, the Expected Max Import is calculated for each BANC entity as the average of the maximum hourly historical real-time import for the month of August in the past 3 years on high load days. Then, the equation is as follows:

$$\text{Expected Non-Dependable Import} = \text{Expected Max Import} - \text{Firm Import}$$

3.4 Forecasted System Export

All the BANC entities rely on imports to serve load on the high load days, except WAPA, which will export a portion of its Base Resources to the entities within CAISO BAA per contract. In this assessment, the hourly Expected Export is calculated for WAPA as the average of the hourly historical real-time export for the month of August in the past 3 years.

3.5 Forecasted Demand Response

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

Demand Response (DR) can reduce end-user loads in response to high prices, financial incentives, environmental conditions, or reliability issues. DR can play an important role to offset the need for more generation and provide grid operators with additional flexibility in operating the system during periods of limited supply. There are several DR programs, including California State’s Demand Side Grid Support (DSGS) program, available within BANC BAA with a maximum amount of 105 MW. However, these DR programs have different contracts to be available on different days and hours. Therefore, the hourly DR profiles are created for all BANC entities in this assessment.

3.6 Forecasted Operating Reserves

Per NERC/WECC Reliability Standards, BANC shall maintain sufficient Regulating Reserve and Contingency Reserve during real-time operations. In this summer assessment, the amount of Operating Reserves (Regulating Reserve plus Contingency Reserve) is calculated for each hour and is considered as a part of BANC’s load obligation.

3.7 Scheduled Generation and Transmission Outages

According to the current available information, USBR’s Spring Creek Unit #1 (95 MW) will be out for entire summer and Shasta Unit #4 (142 MW) will be on maintenance through early July. Table 3-2 below lists the major transmission and generation outages within the BANC footprint and the surrounding areas for the 2026 summer.

Table 3-2: Scheduled Major Outages for 2026 Summer

Start Time	End Time	Outage Facility	Description	Outage Area	Outage Impact
12/02/2024	12/31/2026	Spring Creek Unit #1	Major Maintenance	WAPA	95 MW generation outage
05/01/2026	07/10/2026	Shasta Unit #4	Maintenance	WAPA	142 MW generation outage
05/04/2026	06/26/2026	Camino Unit #1	Maintenance	SMUD	80 MW generation outage
06/14/2026	06/19/2026	Malin-Round Mountain #1 500 kV Line	Maintenance	CAISO	1400 MW COI N->S derate
07/06/2026	07/10/2026	Loon Lake Unit #1	Maintenance	SMUD	79 MW generation outage

3.8 Forecasted Base Case Supply & Demand Outlook

In the base case assessment, the average August ELCC are used for all resources – Hydro, Thermal, and Solar, and the Operating Margins (OMs) are calculated for BANC BA, and SMUD and WAPA footprints for both 1-in-2 and 1-in-10 forecasted peak loads as follows:

$$\text{Operating Margin} = \text{Generation NQC} - \text{Outages} + \text{Import} - \text{Export} + \text{DR} - \text{Load} - \text{Reserves}$$

The Operating Margin calculated in this assessment is different than the Planning Reserve Margin (PRM) that is used in the Resource Adequacy analysis as reserves are counted as a part of the load obligation. Table 3-3 defines the operating conditions for the BANC BA per NERC Reliability

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

Standard EOP-011-4. As SMUD and WAPA will provide emergency assistance to each other, they would be in EEA conditions only when the BANC BA is in EEA conditions.

Table 3-3: BANC Operating Condition Definitions

Operating Condition	BA Status	Note
OM >= DR	Sufficient OM	No need to utilize DR
0 <= OM < DR	EEA 2	BA relies on DR to maintain Reserves
OM < 0 & OM + Reserves >=0	EEA 3	BA unable to maintain Reserves
OM + Reserves < 0	Firm Load Shedding	BA unable to serve all load

The base case results show that BANC BA, SMUD footprint, and WAPA footprint all have sufficient resource supplies to meet the forecasted 1-in-2 and 1-in-10 load demands and reserve requirements for 2026 summer with sufficient Operating Margins (OMs) as shown in Table 3-4 below when counting the expected Non-Dependable Imports.

Table 3-4: 2026 Summer Base Case Load & Resource Outlook at Gross & Net Peak Hours

	BANC BA		SMUD Footprint		WAPA Footprint	
	HE17	HE18	HE17	HE18	HE17	HE18
2025 Generation (MW)	5,491		2,677		2,814	
Generation Outage (MW)	(95)		(0)		(95)	
Retired Generation (MW)	0		0		0	
New Generation (MW)	2		2		0	
2026 Generation (MW)	5,398		2,679		2,719	
Peak Load Hour	HE17	HE18	HE17	HE18	HE17	HE18
Equivalent ELCC	79.9%	78.9%	81.9%	80.0%	77.9%	77.8%
Total Generation NQC (MW)	4,311	4,258	2,193	2,142	2,118	2,116
Forecasted Import (MW)	2,336	2,265	1,556	1,496	780	770
Forecasted Export (MW)	(730)	(730)	0	0	(730)	(730)
Demand Response (MW)	107	107	89	89	18	18
Total Supply (MW)	6,024	5,900	3,838	3,727	2,185	2,173
1-in-2 Load + Reserves (MW)	5,058	5,010	3,331	3,276	1,728	1,734
1-in-2 OM * (MW)	965	890	508	451	458	439
1-in-2 OM * (%)	19.1%	17.8%	15.2%	13.8%	26.5%	25.3%
1-in-10 Load + Reserves (MW)	5,455	5,403	3,597	3,538	1,858	1,865
1-in-10 OM * (MW)	569	498	242	189	327	308
1-in-10 OM * (%)	10.4%	9.2%	6.7%	5.3%	17.6%	16.5%

* Operating Margin (OM) (MW) = Total Supply – (Load + Reserves)
 * Operating Margin (OM) (%) = (Total Supply – (Load + Reserves)) / (Load + Reserves)

The Figure 3-8 through Figure 3-10 show the charts of the resource stack vs. load + reserve on the forecasted peak load day over the critical hours of HE16~HE21 under the base case conditions for BANC BA, SMUD footprint, and WAPA footprint.

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

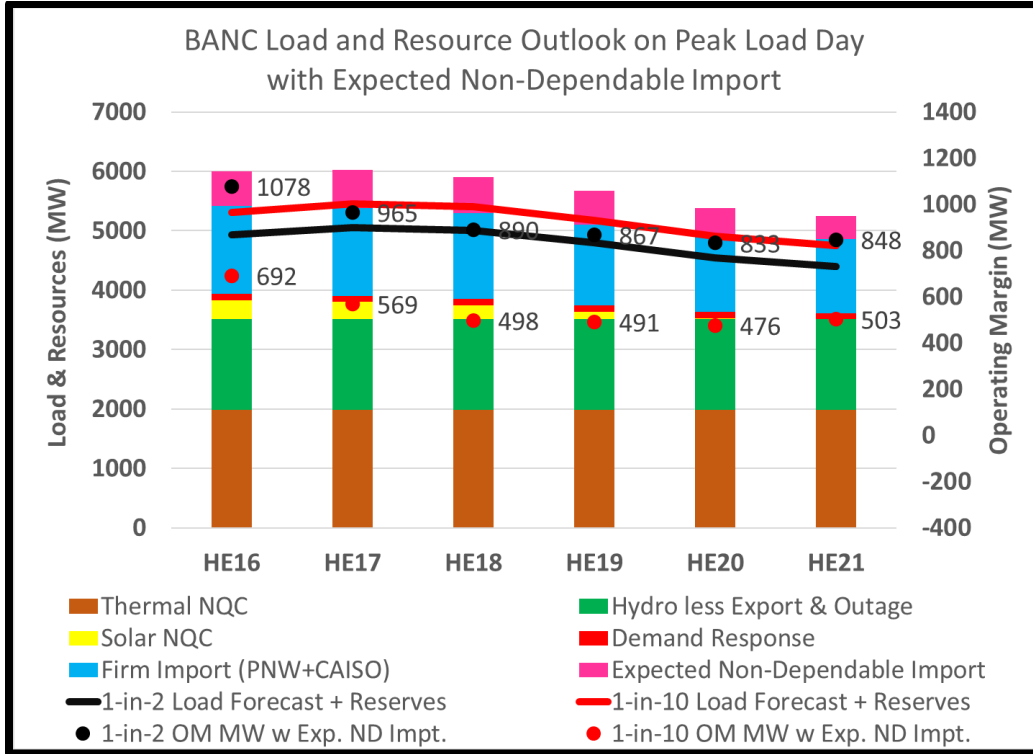


Figure 3-8: BANC Base Case Load and Resource Outlook on Peak Load Day

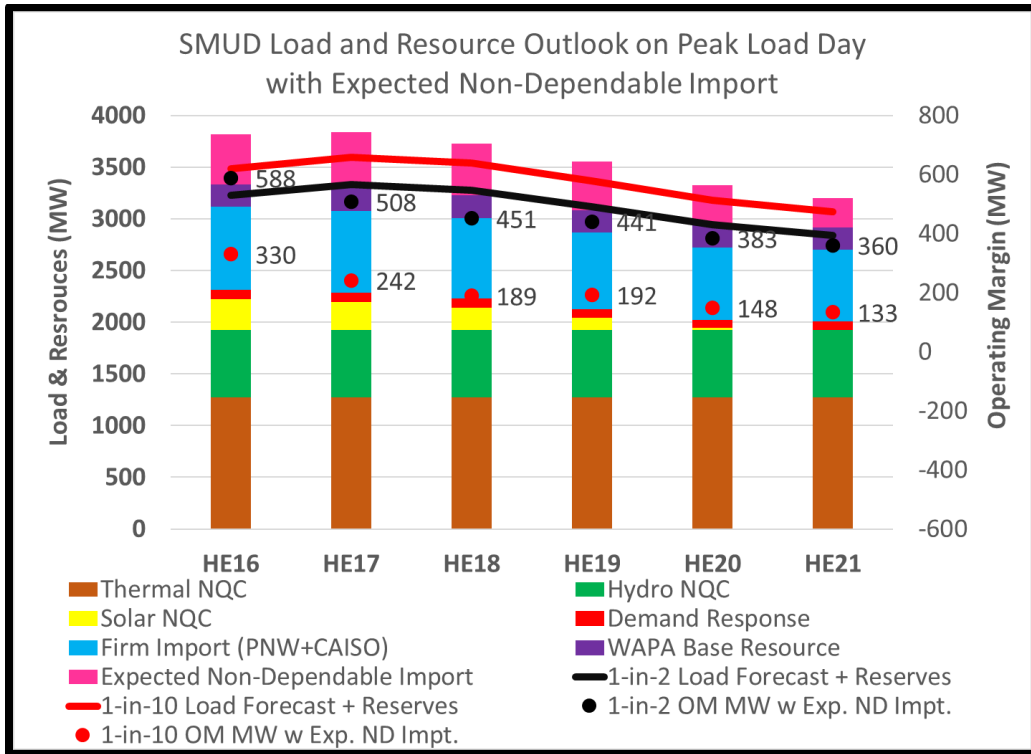


Figure 3-9: SMUD Base Case Load and Resource Outlook on Peak Load Day

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

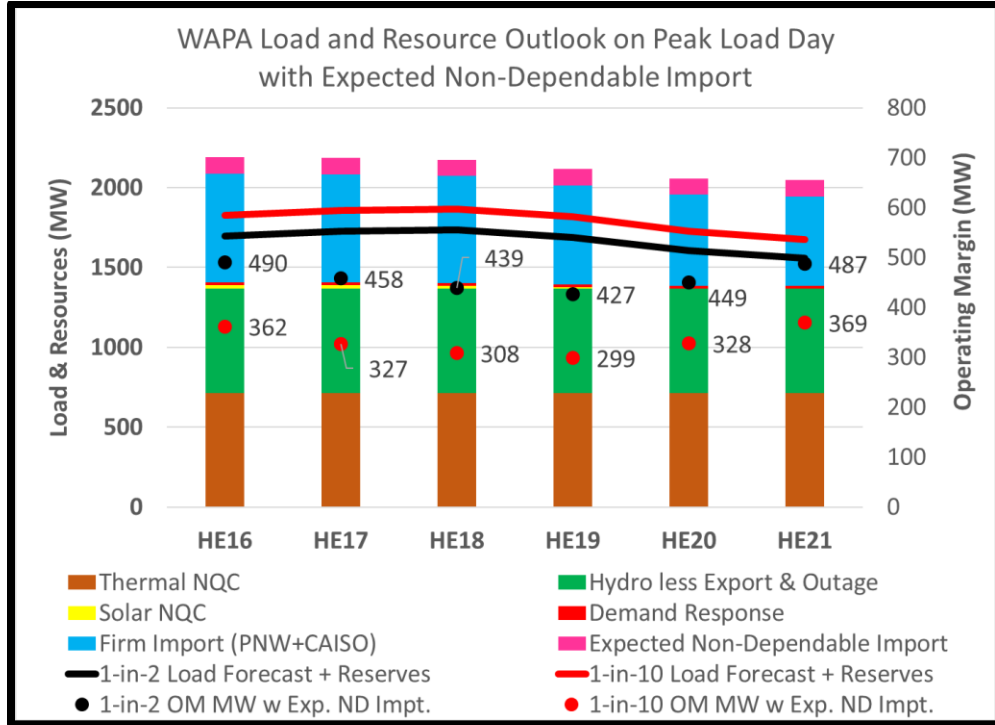


Figure 3-10: WAPA Base Case Load and Resource Outlook on Peak Load Day

Below is a summary of SMUD, WAPA, and BANC’s 2026 load and resource outlook:

- SMUD’s 2026 total resource supply is slightly lower than 2025 due to the lower-than-before estimated Imports. In addition, SMUD’s 2026 1-in-2 and 1-in-10 load forecasts are slightly higher than 2025. Therefore, SMUD’s 2026 operating margins are estimated to be approximately 100 MW (or 3%) lower than 2025.
- Although 2026 has a “Below Normal” water condition, WAPA’s 2026 CVP hydro capacity is estimated to be similar to 2025 due to the expected return to service of New Melones Unit #2 (191 MW). Therefore, WAPA’s 2026 operating margins are estimated to be approximately 25 MW (or 1.5%) higher than 2025.
- Overall, from BANC BA’s perspective, the estimated 2026 operating margins for both 1-in-2 and 1-in-10 peak loads are approximately 100 MW (or 2%) lower than 2025 when counting the expected non-dependable imports.

3.9 Monte Carlo Probability Simulation

There are numerous uncertain factors that could affect the actual real-time operating conditions in the upcoming summer, such as unexpected generator outages may occur at any time, water conditions may still change, and extreme heat wave may cause load beyond the 1-in-10 forecast, etc. In order to further evaluate the risks that BANC BA and all BANC entities may encounter in the summer, the Monte Carlo probability simulation is conducted to assess BANC’s Loss of Load Probability (LOLP).

The Monte Carlo probability simulation produces a series of random sampling of data based on mathematical distribution, such as Normal Distribution. Then, the operating conditions are

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

developed based on the randomly sampled data to evaluate the operating risks. The simulated operating conditions are summarized as follows:

- Simulate 2,000 cases for the critical hours HE16~HE21 of the peak load day, representing 2,000 years of simulation.
- Simulate thermal generator outages based on the Average Forced Outage Rate (AFOR) in the past 3 years, i.e., any thermal generator could be forced out of service based on AFOR.
- Simulate hydro generator capacity based on the actual operating capacity in the past 3 similar water years. The hydro generator capacity could be at any level between the minimum level and the maximum level that occurred during the past 3 similar water years.
- Simulate Solar and Wind generation output based on the historical data in the past 3 years. As the solar and wind generation are related to the temperature, solar and wind generation are simulated to be between the maximum and minimum levels in the past 3 years on the days when the temperature exceeded 100 °F.
- Simulate load demand beyond 1-in-10 peak load forecast.
- Simulate the reduction of non-dependable import when the load is higher than 1-in-10 forecast, indicating a West-Wide heat wave. The non-dependable import will be reduced to zero when the load reaches 1-in-20 forecast and beyond.
- The operating condition definitions in Table 3-2 are used to determine BANC BA status.

As shown in the Table 3-5 through Table 3-7 below, the LOLP study results indicate that

- (1) BANC has a risk of 6.85% (or 1 day in 14 years) to be in EEA 3 and a risk of 2.40% (or 1 day in 41 years) with unserved energy. Due to the higher-than-before firm imports that BANC entities have procured and less generation outages, BANC's risk of having unserved energy (i.e., firm load shedding) is lower than 2025's risk of 4.2% (or 1 Day in 23 Years), well below the industry LOLP benchmark of 10% (or 1 day in 10 years).
- (2) WAPA maintains sufficient Operating Margins in all 2000 cases.
- (3) SMUD has a risk of 13.95% (or 1 day in 7 years) to initiate DR programs and a risk of 7.40% (or 1 Day in 13 Years) with unserved energy, which is similar to 2025's unserved energy risk of 7.0% (or 1 Day in 14 Years).

Table 3-5: BANC LOLP Study Results

BA Status	EEA 2	EEA 3	Unserved Energy
Number of Cases	158	137	48
Probability	7.90%	6.85%	2.40%
Number of Years	1 Day in 12 Years	1 Day in 14 Years	1 Day in 41 Years

Table 3-6: WAPA LOLP Study Results

WAPA Status	OM < DR	OM < 0	Unserved Energy
Number of Cases	0	0	0
Probability	0%	0%	0%
Number of Years	N/A	N/A	N/A

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

Table 3-7: SMUD LOLP Study Results

SMUD Status	OM < DR	OM < 0	Unservd Energy
Number of Cases	263	213	148
Probability	13.95%	10.65%	7.40%
Number of Years	1 Day in 7 Years	1 Day in 9 Years	1 Day in 13 Years

3.10 Wildfire Outlook

As California is becoming hotter and drier in recent years, climate changes expand California's wildfire threat area and lengthen the fire season, increasing the risk and the impacts of the wildfires. The wildfire threat has become the No.1 risk to California utility operations. Especially, the Carr Fire and the Camp Fire in 2018 caused devastating impacts to people's lives. With an "Below Normal" 2025-2026 water season, more vegetation will grow and turn into dry vegetation in summer, which may expand wildfire risk, potentially impacting the availability of transmission lines and generating units. Potential wildfires in or near the 500 kV line corridors pose a significant risk of derate to the COI (such as the Tucker Fire in July 2019, the Bootleg Fire in July 2021, and the Park Fire and the Pine Fire in 2024), and potential wildfires in the mountain areas could affect the availability of hydro generating units (such as the King Fire in 2014 and the Carr Fire in 2018). Public Safety Power Shutoff (PSPS) is instituted by California utilities as a measure to mitigate wildfire risks. Under a program to coordinate impacts of PSPS, the CAISO BA agrees to provide emergency support to BANC BA when a PSPS event that is initiated by PG&E impacts the COI and reduces the import capability of BANC entities to the point of threatening service to load.

According to the National Significant Wildland Fire Potential Outlook released by the Predictive Services National Interagency Fire Center on May 1, 2026, the wildfire risk for June, July, and August is "Above Normal" for Northern California and PNW area as shown in the Figure 3-11 below, meaning there will be above normal risk for wildfires to impact transmission and generation facilities.

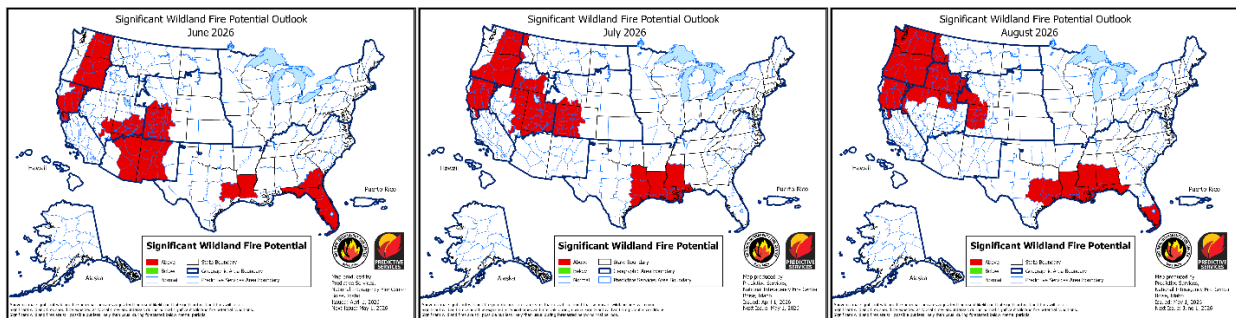


Figure 3-11: U.S. Significant Wildland Fire Potential Outlook for June, July, and August 2026

3.11 Special Operating Scenarios

In addition to the base case analysis and LOLP study, four special operating scenarios are also simulated to assess the potential risks that BANC may face in the upcoming summer.

3.11.1 Loss of Two 500 kV Lines Due to Wildfires

In the past several years, the wildfires created significant impacts to the California’s transmission grid, such as the Carr Fire in 2018 (tripped nine 230 kV lines), the Tucker Fire in 2019 (tripped two 500 kV lines), the Lake Fire in 2020 (tripped two 500 kV lines), the Bootleg Fire in 2021 (tripped three 500 kV lines), the Park Fire in 2024 (tripped two 500 kV lines), and the Pine Fire in 2024 (tripped three 500 kV lines).

In order to capture the significant operational risk, the scenario that two of the 500 kV lines in the COI transmission corridor trip due to wildfire is simulated to assess the impacts to BANC entities under both 1-in-2 and 1-in-10 load forecasts. The results are shown in Figure 3-12 through Figure 3-14 and are summarized as follows:

- With the loss of two COI 500 kV lines, BANC would need to curtail more than 600 MW imports from PNW region which is more than 50% of the total imports from PNW.
- Under 1-in-2 load condition, BANC would have sufficient operating margin with SMUD area potentially initiating DR programs and requesting assistance from WAPA.
- Under 1-in-10 load condition, BANC could potentially be in EEA 3 with SMUD area potentially facing the risk of firm load shedding.
- The WAPA footprint would be able to maintain sufficient operating margins under both 1-in-2 and 1-in-10 load conditions.

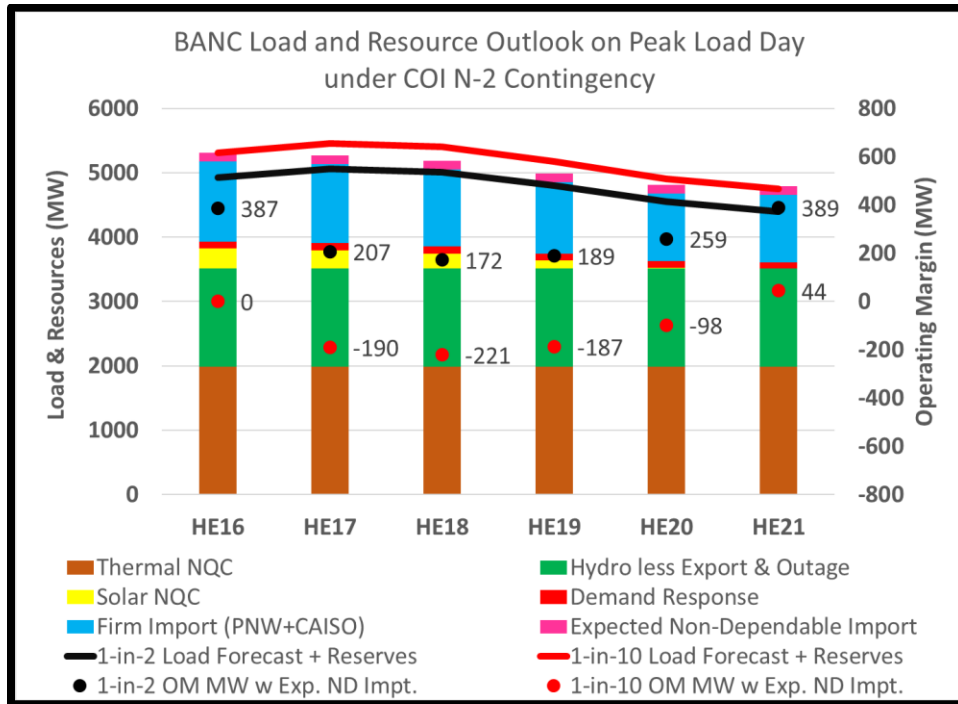


Figure 3-12: BANC Load & Resource Outlook under COI N-2 Contingency Due to Wildfires

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

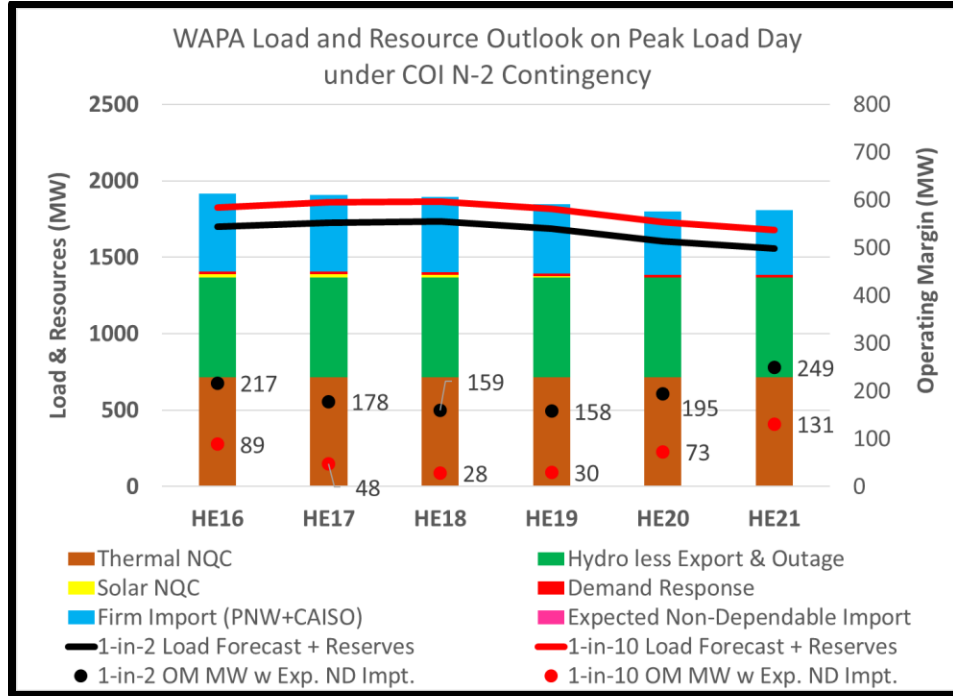


Figure 3-13: WAPA Load & Resource Outlook under COI N-2 Contingency Due to Wildfire

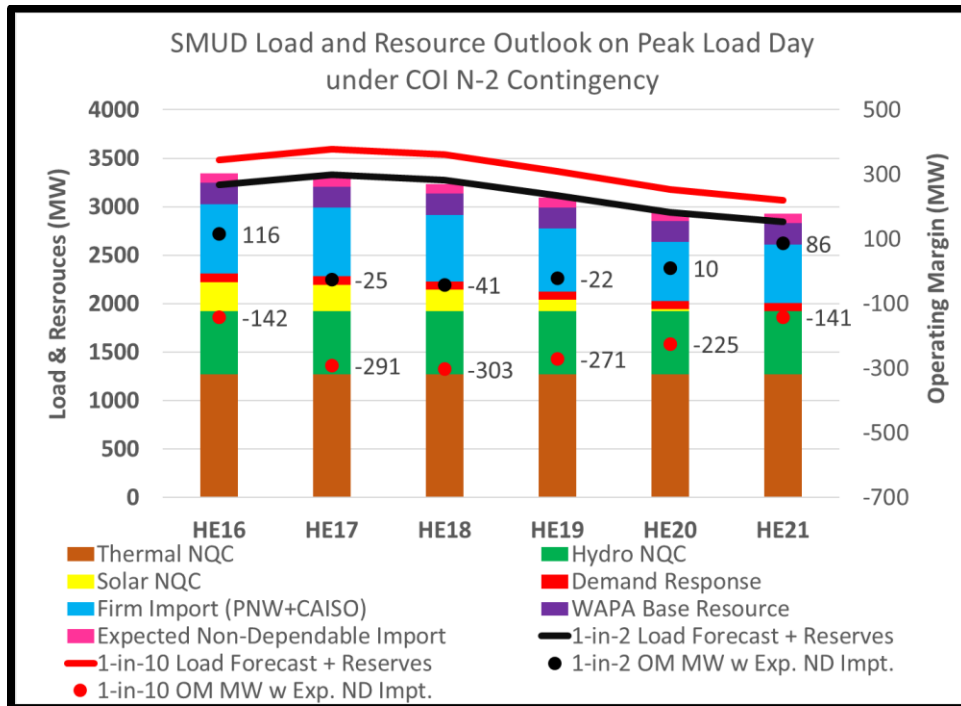


Figure 3-14: SMUD Load & Resource Outlook under COI N-2 Contingency Due to Wildfire

3.11.2 Extreme West-Wide Heatwave

The BANC entities rely upon the energy and capacity that can be procured in the week-ahead and day-ahead timeframes from PNW and/or CAISO areas to serve load. These energy and capacity are normally available for BANC entities to import. However, they are non-dependable

2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

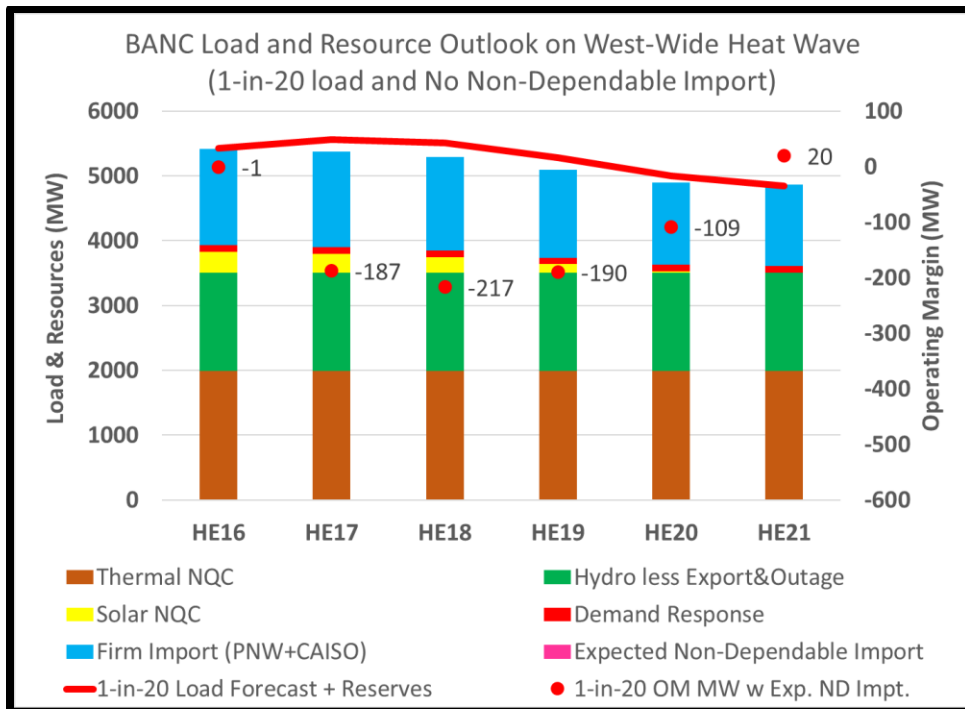
imports as they are not supported by long-term firm contracts. If an extreme west-wide heatwave causes high loads across the western U.S., those non-dependable energy and capacity may not be available to import.

This special operating scenario is evaluated in this assessment, where it is assumed that an extreme west-wide heatwave impacts the western U.S causing 1-in-20 load in BANC with no non-dependable imports available. The simulated 1-in-20 loads are listed in Table 3-8 together with the 1-in-2 and 1-in-10 load forecasts as a comparison.

Table 3-8: Simulated 1-in-20 Peak Loads for BANC Entities

	Forecasted 1-in-2 Gross Peak Load (MW)	Forecasted 1-in-10 Gross Peak Load (MW)	Simulated 1-in-20 Gross Peak Load (MW)
SMUD	3,154	3,406	3,477
WAPA Footprint	1,588	1,708	1,742
MID	697	739	751
Roseville Electric	344	385	397
REU	235	239	239
Shasta Lake	34	38	39
Trinity PUD	27	28	28
BANC Total	4,742	5,114	5,219

As shown in Figure 3-15 through Figure 3-17, the analysis results indicate that BANC would be in EEA 3 with SMUD area having potential risk of firm load shedding for 1-in-20 load. This is due to the high forecasted load and higher than normal reliance on the non-dependable import. On the other hand, WAPA would still be able to maintain sufficient Operating Margin.



2026 BANC SUMMER LOAD & RESOURCE ASSESSMENT

Figure 3-15: BANC Load & Resources Outlook with 1-in-20 Load and No ND Import

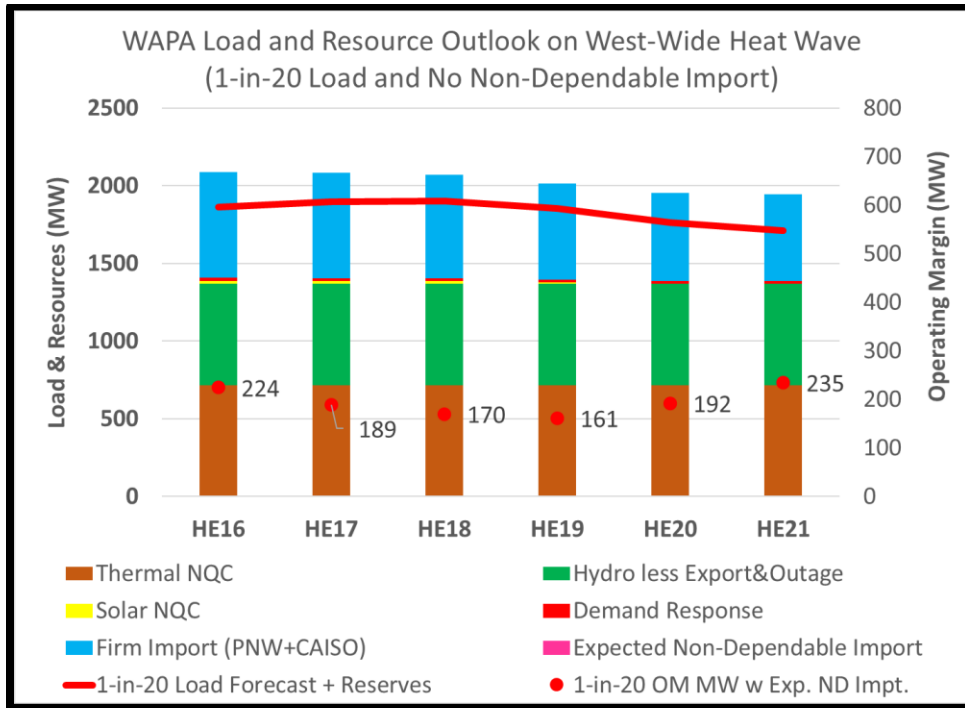


Figure 3-16: WAPA Load & Resources Outlook with 1-in-20 Load and No ND Import

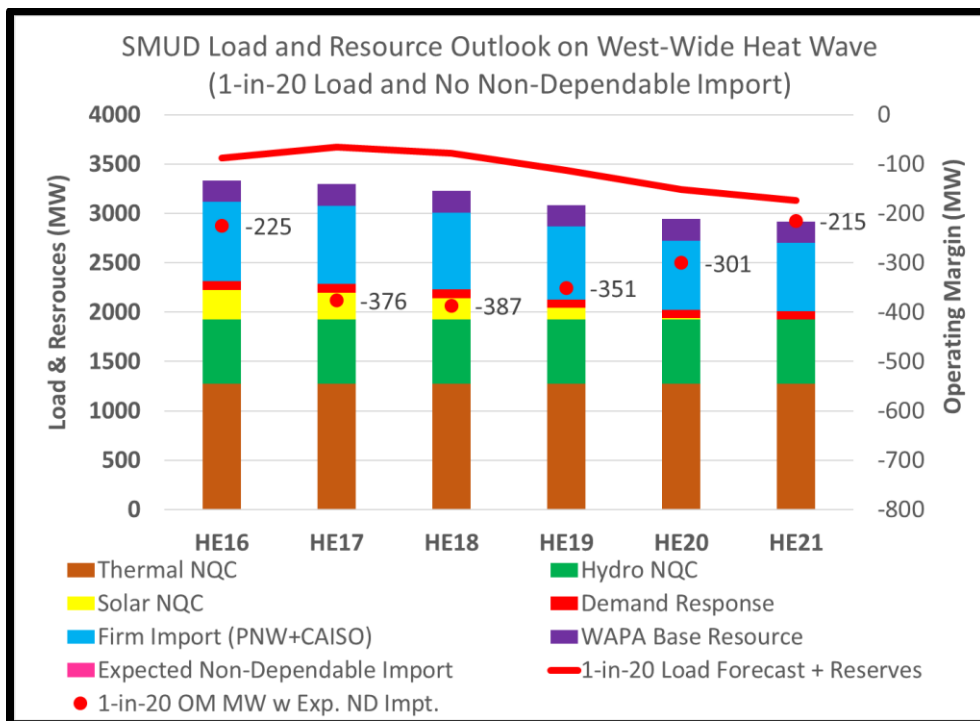


Figure 3-17: SMUD Load & Resources Outlook with 1-in-20 Load and No ND Import

Another special operating condition related to the heatwave is that BPA created a new process since 2023 summer to derate COI when the forecasted temperatures at BPA's load centers are

higher than 104°F for two or more consecutive days – under this heatwave operating conditions, COI could be derated to 3000~3200 MW depending on system conditions. The analysis showed that if COI is derated to 3000 MW when BANC BAA is experiencing 1-in-10 load, BANC could still maintain a positive operating margin although the Demand Response programs may need to be initiated within SMUD footprint.

3.11.3 CAISO in EEA 3

As the BANC entities also rely on importing the energy and capacity from the CAISO BAA, some of these imports may be subject to curtailment if the CAISO BA is in EEA 3. The current CAISO market rule is to treat the Price-Taker Exports, Price-Taker Wheels, and Self-Scheduled Load with the same priority in market optimization and they will be curtailed on a pro-rata basis if needed. Therefore, if a rotating load shed event occurred again like August 2020, BANC entities' Price-Taker imports from CAISO would only be curtailed by a minimal amount of 2~10%. SMUD might potentially initiate DR programs, while WAPA and BANC BA would still be able to maintain sufficient Operating Reserves for both 1-in-2 and 1-in-10 load forecasts.

3.11.4 Smoke Impacts Due to Wildfires

During the Carr Fire and Camp Fire in 2018 and a series of wildfires in August 2020, the severe smoke and ashes covered the central valley area for many days, reducing the output of solar generation. The analysis estimated that the solar generation could be reduced by 30~50% due to smoke, which would be approximately 135~225 MW reduction during the peak load hours.

However, further analysis showed that the smoke could also reduce the temperature and therefore reduce the load. In the heatwave of August 2020, the original weather forecast was above 110 °F for several consecutive days such that the original peak load forecast was above 4,900 MW for BANC. However, due to the smoke cover and delta breeze, the original peak load forecast did not materialize. The estimated peak load reduction by wildfire smoke and ashes was approximately 3~5%, which was 150~250 MW.

Therefore, at the current solar generation level, the impacts of smoke on solar output reduction and load reduction are on the similar level for BANC. With more and more solar integration within BANC footprint, the impact of smoke on solar output could be more than the reduction on load, imposing significant reliability risk.

3.12 Engineering Studies

The BANC entities coordinated with the neighboring BAs, TOPs, and RC West and performed the following engineering studies for the 2026 summer:

- California Operating Study Sub-committee (OSS)
- Sacramento Valley Study Group (SVSG)
- Westley Transmission Study Group (WTSG)

The OSS study focuses on COI transfer capability and produces the COI operating nomogram, the SVSG study focuses on determining the Load Serving Capability (LSC) of Sacramento Valley area (SMUD and RSC) and developing associated operating nomograms, and the WTSG study

focuses on identifying the import and export limits for MID and TID and developing associated operating nomograms. All studies concluded that BANC will be able to serve the forecasted 2026 summer 1-in-2 and 1-in-10 load demands while meeting NERC/WECC Reliability Standards.

3.13 Conclusions

The 2026 forecasted 1-in-2 and 1-in-10 peak loads for BANC BA are 4,742 MW and 5,114 MW respectively. For Northern California, with 6% of snowpack, 95% of precipitation, and 119% of reservoir level, the 2025-2026 water season is classified as “Below Normal”. However, the BANC’s hydro energy might be slightly lower than normal due to the scheduled generation outages. This summer load and resource assessment and engineering studies show that BANC will be able to meet the forecasted 1-in-2 and 1-in-10 peak loads for the 2026 summer operating season with sufficient Operating Margins and low risks of energy or capacity shortage.

The BANC/SMUD Power System Operators and the System Operators and Dispatchers of WAPA, MID, RSC, & REU are being provided with Summer Readiness Training on the updated Operating Procedures to prepare for the 2026 summer operations. Additionally, BANC has coordinated with the State and local agencies, RC West, and neighboring BAs and TOPs to ensure reliable operations for the 2026 summer season under normal and emergency system conditions.

**Balancing Authority of Northern California
Resolution 26-05-02**

**ACKNOWLEDGEMENT AND ACCEPTANCE OF THE 2026 SUMMER LOAD & RESOURCES
ASSESSMENT OF THE BALANCING AUTHORITY OF NORTHERN CALIFORNIA**

WHEREAS, the Balancing Authority of Northern California (“BANC”) was created by a Joint Powers Agreement (“JPA”) to, among other things, acquire, construct, maintain, operate, and finance Projects; and

WHEREAS, in consultation with the Operating Committee, the BANC Operator has coordinated and collaborated with members and produced the 2026 Summer Load & Resource Assessment (“Assessment”), which describes expected loads, resources, and operating conditions for the coming summer season, and the Operating Committee has concurred with the inputs, assessments, and conclusions contained therein.

NOW, THEREFORE, BE IT RESOLVED that the Commissioners of the Balancing Authority of Northern California hereby acknowledge and accept the Assessment.

PASSED AND ADOPTED by the Commissioners of the Balancing Authority of Northern California this 27th day of May 2026, by the following vote:

		Aye	No	Abstain	Absent
Modesto ID	Martin Caballero				
City of Redding	Joe Bowers				
City of Roseville	Shawn Matchim				
City of Shasta Lake	James Takehara				
SMUD	Paul Lau				
TPUD	Paul Hauser				

Shawn Matchim
Chair

Attest by: C. Anthony Braun
Secretary