

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

June 27, 2018

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

Representatives Present:

<b>Member Agency</b>	<b>Commissioner</b>
Modesto Irrigation District	James McFall, Chair
City of Redding	Nick Zettel
City of Roseville	Todd White
Sacramento Municipal Utility District	Paul Lau
City of Shasta Lake	Absent
Trinity Public Utilities District	Paul Hauser

<b>Agency</b>	<b>Liaison</b>
Western Area Power Administration	Kevin Howard, Sonja Anderson, Arun Sethi

1. Call to Order: Chair McFall called the meeting to order at 2:01 p.m.
2. Matters Subsequent to Posting the Agenda: None.
3. Public Comment: Chair McFall invited comments from the public and none were given.
4. Consent Agenda: Mr. Hauser moved, Mr. White seconded, and the participating Commissioners unanimously approved the Consent Agenda items comprised of the: (A) Minutes of the Regular Commission Meeting held on April 25, 2018; (B) BANC Operator's Reports for April and May; (C) Compliance Officer's Reports for May and June; (D) PC Committee Chair's Reports for May and June; and (E) General Manager's Report and Strategic Initiatives Update.
5. Regular Agenda Items:
  - A. Mr. Shetler provided an EIM implementation update, including the status of the EMS upgrade (hardware/software delivered, testing initiated); other software upgrades (expected July delivery, followed by testing); EIM Operator training for 5 new operators (in process); metering and risk management policy issues (see subsequent agenda item); the EIM Entity Agreement (see subsequent agenda item); routine project meetings with CAISO (next meeting 7/7/18); and continued cost allocation discussions within the BANC EIM Oversight Committee.

With regard a possible Phase 2, a SMUD proposal has been reviewed and considered by potential participants and WAPA-SNR. The initial reaction has been positive from those groups and CAISO. TID continues to express interest in coordinating with BANC. 2021 is likely the earliest that a Phase 2 could be implemented.

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

- B. Ms. Kirkegaard provided an update on the status of the BANC 'Members Only' website and provided a demo of the new site for the group. Account access will be initially provided to the Commission and the Member Compliance Review Committee (MCRC), followed by the Planning Committee (PC). Rollouts to other committees will likely occur in the fourth quarter. Mr. McFall asked a question regarding folder access. Initially, users will only have access to those committee folders on which they participate; however, folder permissions may evolve following the pilot.
- C. Mr. Smith provided an overview of the rationale behind the proposal that BANC rely on SMUD's risk management policies and procedures to fulfill certain requirements and obligations under EIM Phase I. These risk policies have been reviewed by the BANC GM and BANC Counsel. Mr. Shetler informed the group that this issue will need to be revisited should a second phase of EIM move forward. Mr. Lau moved, Mr. White seconded, and the participating Commissioners unanimously approved Resolution 18-06-19 *Adoption of Specified Risk Management Policies and Procedures in Furtherance of the Energy Imbalance market Entity Scheduling Coordinator Certification*.
- D. Mr. Smith and Mr. Braun reviewed the background and specifics on contractual arrangements to effectuate EIM participation, including the EIM Entity Agreement, EIM Entity Scheduling Coordinator Agreement, and EIM Entity Meter Services Agreement. Mr. Hauser moved, Mr. Lau seconded, and the participating Commissioners unanimously approved Resolution 18-06-20 *Authorization for the General Manager to Execute Specified Energy Imbalance Market Entity Agreements with the California Independent System Operator Corporation*.
- E. Mr. Willis provided an overview of the 2018 Summer Load & Resources Assessment, including a 2017 summer operations review, the 2018 load forecast and historical load, a generation resource forecast, the load & resource outlook, and scheduled major outages. Mr. Howard provided the Commission with an update regarding planned outages related to a 500kV line requiring insulator replacements; the outages have been rescheduled multiple times but are now planned for spring/fall of 2019 and spring of 2020. Mr. Willis informed the Commission that engineering studies concluded that BANC can serve expected load demand in summer 2018 while meeting NERC/WECC reliability standards, and BANC/SMUD System Operators are preparing for summer operations through Summer Readiness Training. Mr. White moved, Mr. Zettel seconded, and the participating Commissioners unanimously approved Resolution 18-06-21 *2018 Summer Load & Resources Assessment of the Balancing Authority of Northern California*.
- F. Mr. Shetler provided an overview of the Initial BANC 2019 Budget Estimate, which is still a work in process. Additional updates will be provided at future Commission meetings.
- G. Mr. Shetler reviewed the proposed agenda for the upcoming Strategic Planning Session, which is scheduled for July 25, 2018 from 1-5 p.m. at the Delta King.

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

6. Closed Session:

- A. The Commission retired to closed session for conference with legal counsel pursuant to subdivision (c) of Cal. Gov't Code § 54956.9; two cases. After returning to open session, Mr. Braun reported that during closed session, the Commission did not take any action.

The meeting was adjourned at 4:16 p.m.

Minutes approved on July 25, 2018.

  
C. Anthony Braun, Secretary