

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

October 28, 2020

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

Representatives Present:

Member Agency	Commissioner
Modesto Irrigation District (MID)	James McFall
City of Redding	Dan Beans, Chair
City of Roseville	Michelle Bertolino
Sacramento Municipal Utility District (SMUD)	Laura Lewis
City of Shasta Lake	Absent
Trinity Public Utilities District (TPUD)	Absent

Agency	Liaison(s)
Western Area Power Administration (WAPA)	Sonja Anderson Brian Griess Jeanne Haas

1. Call to Order: Mr. Shetler reviewed attendance and confirmed that a quorum was present. Chair Beans called the meeting to order at 2:02 p.m.
2. Matters Subsequent to Posting the Agenda: None.
3. Public Comment: Chair Beans invited comments from the public and none were given.
4. Consent Agenda: Mr. McFall moved, Ms. Bertolino seconded, and the participating Commissioners unanimously approved the Consent Agenda items comprised of: (A) Minutes of the Regular Commission Meeting & Strategic Planning Session held on September 30, 2020; (B) BANC Operator Report for September; (C) Compliance Officer Report for October; (D) PC Committee Chair Report for October; and (E) General Manager's Report and Strategic Initiatives Update.
5. Regular Agenda Items – Discussion and Possible Action:
 - A. Mr. Shetler provided a brief update on the August and Labor Day heatwave. Follow-up discussions between BANC members and CAISO regarding the export curtailment process and BANC impacts have occurred. An overview of the CAISO export curtailment process was also presented at last week's Resource Committee meeting to further educate the members on the process and allow for additional discussion. One result of the CAISO root cause analysis of heatwave events is that the 2021 summer assessment process is being reassessed, and the current plan includes a *statewide* assessment. BANC is also reviewing its process for 2021 and will be working through the Operating

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Committee, with a goal of performing the assessment earlier, aiming for an initial release in Q1 2021. Outreach is also in process to the CEC and other CA BAAs to better understand what they have planned.

Mr. Shetler also briefly touched on SB100 and its potential impacts relative to the heatwave and otherwise. A draft report from the Joint Agencies is pending and due to the legislature January 1st. BANC will continue to work through CMUA and intends to comment on the draft report once it is released. BANC also anticipates outreach with other POUs and Joint Agencies after the 1st of the year to determine how to move forward.

- B. Mr. Shetler reported that EIM Phase 1 operations are going well, with no major issues other than heatwave impacts. SMUD continues to see benefits from participation. BANC will go live with EIM Phase 2 on March 25, 2021 concurrent with TID. Three other entities will go live on April 1st. BANC is generally on track with all major activities including: deviation band & Resource Sufficiency, settlements allocation, EIM generator dispatch, EIM software updates, default energy bids/MMA, EIM software testing and EIM training.

BANC's primary remaining challenge is the Resource Sufficiency/Flex Ramp Test. Discussions are ongoing to try to balance the BANC principle that all parties come to the table fully resourced while also not forcing entities to pay for resources when no costs are incurred. A 6-month "grace period" concept has been developed and presented to the EIM Committee, with a goal of presenting a final proposal to the Commission for review and approval at the November meeting. Ms. Bertolino encouraged all Commissioners to ensure they are fully briefed on this issue prior to the next Commission meeting.

- i. Mr. Smith provided an overview of the Business Practices and development process. Ms. Lewis moved, Mr. McFall seconded, and the participating Commissioners voted unanimously in favor of Resolution 20-10-20 *Approval of Balancing Authority of Northern California Energy Imbalance Market Business Practices for BANC EIM Phase 2 Operations*.

Mr. Shetler also previewed future actions that will be requested from the Commission in Q4 2020 – Q1 2021: a settlement allocations manual, RS Test process and "grace period" proposal, a BANC metering policy, BANC risk policies, BANC /SMUD EIM Services Agreement amendments, and individual entity EIM Participation Agreements.

For EDAM, CAISO Bundle 1 Issue Paper comments are due on November 12, 2020. Bundle 1 includes Transmission, Resource Sufficiency, and Congestion Rents. Bundle 2 items include Greenhouse Gas, Ancillary Services, a Full Network Model for Phase 2, and an EDAM Administrative Fee. A Bundle 2 issue paper is not expected until Q1 2021 while CAISO focuses on the Day Ahead Market Enhancements initiative.

- C. Mr. Shetler introduced Ms. Janice Zewe, who provided an overview of the BANC PC Area 2020 Transmission Planning Assessment. Mr. McFall moved, Ms. Bertolino seconded, and the participating Commissioners voted unanimously in favor of Resolution 20-10-21 *Acknowledgement and Acceptance of BANC PC Area 2020 Transmission Planning Assessment*.
- D. Mr. Shetler briefly touched on two strategic planning issues. With respect to the Draft Business Case for BANC OASIS, additional outreach with WAPA and Silicon Valley Power has occurred, and additional discussions were held at the October Resource

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Committee. A more detailed cost/benefit analysis is planned for Q4 2020; however, EIM Phase 2 and Summer Assessment issues are currently the top priorities. Draft 2021 Strategic Initiatives are expected to be presented for BANC Commission approval at the November meeting.

The Commission adjourned at 2:41 p.m.

Minutes approved on November 18, 2020.

DocuSigned by:

Tony Braun

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C. Anthony Braun, Secretary