M-S-R Public Power Agency

MEETING OF THE COMMISSION
Wednesday, November 18, 2020, 12:00 Noon
WEBINAR DIGITAL PLATFORM OR PHONE MEETING

GoTo Meeting Information:
https://global.gotomeeting.com/join/283240933

Telephonic Meeting Information:
United States: +1 (312) 757-3121
Access Code: 283-240-933

AGENDA
Distribution:

Commissioners & Alternate Commissioners	Others
Modesto:	
James McFall[1] (V.P.)	Steve Gross
Martin Caballero (Alt)	Alan Hockenson
	Martin Hopper[1]
	Scott Van Vuren
	Jill De Jong
	Ana Vigil
	Cindy Worley
	Toxie Buriss
	Tameka Garnett
Santa Clara:	
Ann Hatcher[2]	Kevin Kolnowski (Alt)
Basil Wong (Alt)	Manual Pineda (Alt)
Redding:	
Dan Beans[3] (President)	Valerie Ibarra[3]
Nick Zettel (Alt)	Skylar Noetzel

[1] Please post agenda
[2] Please post agenda
[3] Please post agenda

M-S-R Public Power Agency

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AGENDA

M-S-R Public Power Agency meetings are currently being conducted via webinar for all representatives pursuant to Executive Orders signed by Governor Gavin Newsom related to the ongoing COVID-19 pandemic. Members of the public may join the Committee meeting by utilizing GoTo Meeting's webinar feature or through a phone line provided in the meeting agenda. Members of the public will continue to have the opportunity to provide public input via the webinar or phone features. Members of the public may also email their comments to the General Manager by 3 p.m. on the day prior to the Committee meeting. Public comment can be emailed to msr.general.manager@gmail.com. All public comments submitted by email on time will be read during the Committee meeting in the public input section of the agenda. Any member of the public who desires to address the Committee on any item considered by the Committee at this meeting before or during the Committee's consideration of that item shall so advise the Chair and shall thereupon be given an opportunity to do so.

CALL TO ORDER

ROLL CALL

CONSENT ITEMS 1 – 9: (All items are approved by a single action)

There will be no separate discussion of those items unless an item is removed at the request of any Commissioner or member of the public. Those items removed will be separately considered at the end of the consent agenda.

1. Minutes of September 30, 2020 and October 28, 2020

2. Report of Summary invoices paid for September – October 2020 totaling $12,270,688.82 (summary attached)

3. September and October 2020 Treasurer's Reports (attached, Scott VanVuren)

4. Big Horn Wind Energy Project Operations Statistics Report (attached, Martin Hopper)

5. November 2020 WREGIS REC Transfers Status Report (attached, Martin Hopper)

6. November 2020 Outside Services Budget Versus Actual Report (attached, Martin Hopper)

7. Status Report Regarding SB272 Electronic Enterprise Systems Catalog (attached, Martin Hopper)

8. Discussion and Possible Action Regarding Extension of Financial Advisor Contract (attached, Martin Hopper)

9. Discussion and Possible Action Regarding Engagement Letter with Financial Auditors (attached, Martin Hopper)

END OF CONSENT ITEMS

ACTION ITEMS 10 - 12:

10. Discussion and Possible Action Regarding General Manager's Report (attached, Martin Hopper)

11. Discussion and Possible Action Regarding Annual Budget (attached, Martin Hopper)

12. Discussion and Possible Action Regarding 2021 Meeting Dates (attached, Martin Hopper)

CONVENE CLOSED SESSION:

a. Existing Litigation: Government Code §54956.9 (d)(1) – 2 Cases (BPA BP-20E-BPA, BPA BP-22-BPA)

b. Threat To Public Services Or Facilities: Government Code §54957 (a)

c. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8, Property: Lake and River Stations and connecting pipelines and rights-of-way, CR 6800 N, Waterflow, NM 87421. Negotiating Party (ies): Public Service Company of New Mexico and United States Bureau of Reclamation. Agency Negotiators: Martin Hopper, General Manager and Steve Gross, General Counsel. Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and terms of payment)

d. Public Employee Performance Evaluation: Government Code §54957 – General Manager

RECONVENE OPEN SESSION

13. Discussion and Possible Action Regarding Annual Performance Bonus pursuant to Section 1 of Amendment 8 to Amended and Restated Management Services Agreement with Martin Hopper Energy Consulting (attached, Daniel Beans)

ANNOUNCEMENTS FOLLOWING CLOSED SESSION

MEMBER REPORTS

PUBLIC COMMENT

CONFIRM DATE AND TIME OF NEXT MEETING

ADJOURN

Alternate formats of this agenda will be made available upon request to qualified individuals with disabilities.

Note: It is the policy of M-S-R Public Power Agency to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions. MSR Public Power Agency is an Equal Opportunity Employer.

The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the Authority's public meetings. If accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the General Manager at least 24 hours in advance of the meeting.

M-S-R PUBLIC POWER AGENCY
DRAFT MINUTES
MEETING OF THE COMMISSION
SEPTEMBER 30, 2020

The Commission of the M-S-R Public Power Agency (M-S-R PPA) met for a regular meeting on September 30, 2020 via webinar for all representatives pursuant to Executive Orders signed by Governor Gavin Newsom related to the ongoing COVID-19 pandemic. Present from Modesto Irrigation District was Martin Caballero; present from Santa Clara was Ann Hatcher; and present from Redding was Dan Beans. Also present were General Manager Martin Hopper, and General Counsel Steve Gross.

Mr. Beans called the meeting to order at 12:17 PM. A quorum was attained with the voting representatives being Mr. Caballero, Ms. Hatcher, and Mr. Beans.

The Commission then considered approval of the Consent Calendar Items. <u>It was moved by Commissioner Hatcher and seconded by Alternate Commissioner Caballero to approve the Consent Calendar consisting of Items 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 as listed below. Upon the call of the roll, the motion carried unanimously.</u>

1. Minutes of May 20, 2020 and July 22, 2020 – approved.
2. Report of Summary invoices paid for May – August 2020 totaling $31,813,331.48 – noted and filed.
3. May – August 2020 Treasurer's Reports – accepted.
4. Big Horn Wind Energy Project Operations Statistics Report – noted and filed.
5. September 2020 WREGIS REC Transfers Status Report – noted and filed.
6. September 2020 Outside Services Budget Versus Actual Report – noted and filed.
7. BPA Counsel 2020 Fee Adjustments – noted and filed.
8. 2021 M-S-R Coordinator Agreement Extension – approved.
9. Status Report Regarding Amendment to San Juan Reclamation Trust Agreement with US Bank – noted and filed.

DRAFT

10. Designation of Real Property Negotiators Martin Hopper, General Manager and Steve Gross, General Counsel regarding Lake and River Stations and connecting pipelines and rights-of-way, CR 6800 N, Waterflow, NM 87421 – approved.

The General Manager provided a report on his activities and those of the General and BPA Consultants for the past month. Mr. Hopper also reported that he is preparing a report comparing costs and savings between virtual and in-person meetings for the Commission and Agency committees, begun preparation of the annual JPA calendar used to coordinate meetings among fellow agencies, and has initiated the web-site update project after receipt of a favorable proposal by the Agency's vendor.

Mr. Hopper informed the Commission that the California Political Reform Act requires the Agency to review and amend if necessary its conflict of interest code on a biennial basis. The General Manager and General Counsel have reviewed the Agency's code and do not recommend any amendments at this time. It was moved by Commissioner Hatcher and seconded by Alternate Commissioner Caballero that the Commission find upon its biennial review of the M-S-R Public Power Agency Conflict of Interest Code that no amendments are required and direct the General Manager to file a 2020 Multi-County Agency Biennial Notice with the FPPC certifying the same. On the call of the roll, the motion carried unanimously.

The Commission then considered the proposed 2021 M-S-R PPA Strategic Plan. The Commissioners noted the updated plan addresses goals, possible actions, and recommendations regarding Legacy Liability "Clean-Breaks," Big Horn Wind Energy Project administration and BPA cost issues, implementation of the Agency's proposed Working Capital Policy, and overhaul of the Agency's website and e-mail systems. It was moved by Alternate Commissioner Caballero and seconded by Commissioner Hatcher to adopt the proposed 2021 M-S-R PPA Strategic Plan. On the call of the roll, the motion carried unanimously.

DRAFT

The Commission then considered the proposed Working Capital Policy and Resolution 2020-01. The proposed Working Capital Policy is designed to maintain sufficient operating cash and reserves to meet the liquidity requirements of the Agency, fund current and contingent liabilities as they become due and to meet all requirements of Bond Indentures and State Law regarding debt issuances and investments while minimizing risk and cash calls upon the Members. The proposed Working Capital Policy creates a Strategic Reserve composed of five tranches: Operating Reserves pertaining to Administrative and General Budgets, Purchase Power, and San Juan Fixed Expenses; and Legacy Liabilities Reserves pertaining to Mine Reclamation, and San Juan Decommissioning. The Strategic Reserve will be a portion of the General Fund and would be held by the Agency until otherwise directed by the Commission. Although Minimum and Target levels are established for each tranche, the Strategic Reserve will be managed on a collective basis. The proposed Working Capital Policy has been previously reviewed by this Commission, the Financial Management Committee, the Technical Committee, and the Agency's Financial Advisor. The proposed Working Capital Policy will supersede all prior working capital policies of the Agency. It was moved by Commissioner Hatcher and seconded by Alternate Commissioner Caballero to adopt Resolution 2020-01 regarding Working Capital Policy. On the call of the roll, the motion carried unanimously.

The Commission then considered the M-S-R PPA Policies and Procedures Manual and Resolution 2020-02. Mr. Hopper noted the 2020 update includes general and clarifying edits and the additions of new policies pertaining to: General Manager Succession Plan, Wildfire Mitigation Plans, Working Capital Policy as adopted at this meeting, Counterparty Credit Reporting and Alerts, and SB 272 Enterprise System Catalog. It was moved by Alternate Commissioner Caballero and seconded by Commissioner Hatcher to adopt Resolution 2020-02 Regarding Biennial Update to Polices and Procedures Manual. On the call of the roll, the motion carried unanimously.

The Commission then retired into Closed Session pursuant to Government Code Section 54956.9(d)(1) – Conference with Legal Counsel – Existing Litigation – 3 Cases (NM-

DRAFT

PRC Case 19-00018-UT, NM-PRC Case 19-00195-UT, and BP-22-BPA), pursuant to Government Code Section 54957 (a) – Threat To Public Services or Facilities, and pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiator – Property: Lake and River Stations and connecting pipelines and rights-of-way, CR 6800 N, Waterflow, NM 87421 – Negotiating Party (ies): Public Service Company of New Mexico and United States Bureau of Reclamation – Agency Negotiators: Martin Hopper, General Manager and Steve Gross, General Counsel – Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and terms of payment) at 12:38 P.M. Upon the conclusion of the Closed Session at 1:11 P.M., General Counsel indicated there were no reportable items.

The Chair then called for Member Reports and for Public Comment. There being none, the Chair announced that the next regular meeting of the Commission will be held virtually on Wednesday, November 18, 2020 at 12:00 Noon. The meeting was then adjourned by the Chair at 1:12 P.M.

Martin R Hopper
Assistant Secretary

DRAFT

M-S-R PUBLIC POWER AGENCY
DRAFT MINUTES
SPECIAL MEETING OF THE COMMISSION
OCTOBER 28, 2020

The Commission of the M-S-R Public Power Agency (M-S-R PPA) met for a special meeting on October 28, 2020 via webinar for all representatives pursuant to Executive Orders signed by Governor Gavin Newsom related to the ongoing COVID-19 pandemic. Present from Modesto Irrigation District was James McFall and present from Redding was Dan Beans. Also present was General Counsel Steve Gross.

Mr. Beans called the meeting to order at 1:10 PM. A quorum was attained with the voting representatives being Mr. McFall and Mr. Beans.

The Commission then retired into Closed Session pursuant to Government Code Section 54957 – Public Employee Performance Evaluation, General Manager, at 1:10 P.M. Upon the conclusion of the Closed Session at 1:13 P.M., General Counsel indicated there were no reportable items.

The Commission considered a possible bonus for the General Manager in accordance with the terms of the Amended and Restated Management Services Agreement. The Commissioners commented that the General Manager has been responsive to their requests, working to bring down budgets and Agency expenses, and working toward accomplishing other items in his work plan for the year. They indicated that they are inclined to provide a bonus. However, they decided to defer any action until they could obtain input from Santa Clara Commissioner Hatcher and requested that the item be placed on the agenda for the next regular Commission meeting.

The Chair then called for Public Comment. There being none, the Chair announced that the next regular meeting of the Commission will be held virtually on Wednesday, November 18, 2020 at 12:00 Noon. The meeting was then adjourned by the Chair at 1:23 P.M.

Martin R Hopper
Assistant Secretary

DRAFT

M-S-R Public Power Agency
Report of Summary Invoices Paid
September and October 2020

Payee	Description	Period Covered	Amount
MID	Accounting and Coordination	Jul-20	$ 43,336.28
Duncan, Weinberg, Genzer & Pemb	Legal Services	Jul-20	$ 15,527.51
Law Offices of Susie Berlin	Legal Services	Jul-20	$ 2,742.60
Bloomberg Finance	License 8/10/2020-11/09/2020	Aug-20	$ 2,090.00
MISAC	Membership Fee	Aug-20	$ 130.00
Martin Hopper Energy	General Manager Services	Aug-20	$ 20,053.93
US Bank NA	Debt Service Series 2018R	Aug-20	$ 2,308,025.71
Porter Simon	General Legal Services	Aug-20	$ 2,508.00
Westmoreland/San Juan Coal Comp	Amended and Restated MRTFA	Aug-20	$ 54,038.70
ME SJ Operating	San Juan Decommissioning and Trust Fund Ag	Aug-20	$ 428.92
PNM	San Juan MRTFA O&M - A&G Statement	Aug-20	$ 4,574.33
KBT, LLC	Consulting Services	Aug-20	$ 12,274.00
WREGIS	Transfer Volume Fee	Aug-20	$ 245.58
Avangrid Big Horn Wind Project	Firm Energy	Aug-20	$ 2,243,731.56
Avangrid Renewables	Shaping Fee	Aug-20	$ 496,479.95
Avangrid Renewables	Big Horn 2 Contract Power	Aug-20	$ 199,685.62
Avangrid Renewables	Big Horn 2 Contract Power-Managed	Aug-20	$ 834,272.69
MID	Accounting and Coordination	Aug-20	$ 45,285.46
Law Offices of Susie Berlin	Legal Services	Aug-20	$ 5,109.00
Baytech Webs Inc	Website Development	Aug-20	$ 10,500.00
Duncan, Weinberg, Genzer & Pemb	Legal Services	Aug-20	$ 23,422.50
Martin Hopper Energy	General Manager Services	Sep-20	$ 20,053.93
Westmoreland/San Juan Coal Comp	Amended and Restated MRTFA	Sep-20	$ 100,801.49
Porter Simon	General Legal Services	Sep-20	$ 3,190.00
WREGIS	Transfer Volume Fee	Sep-20	$ 246.74
Avangrid Big Horn Wind Project	Firm Energy	Sep-20	$ 1,881,654.94
Avangrid Renewables	Shaping Fee	Sep-20	$ 512,482.28
Avangrid Renewables	Big Horn 2 Contract Power	Sep-20	$ 216,395.90
Avangrid Renewables	Big Horn 2 Contract Power-Managed	Sep-20	$ 872,589.10
US Bank NA	Debt Service Series 2018R	Sep-20	$ 2,308,025.71
PNM	San Juan MRTFA O&M - A&G Statement	Sep-20	$ 4,846.22
KBT, LLC	Consulting Services	Sep-20	$ 11,820.00
Virtue & Najjar PC	Professional Services	Sep-20	$ 876.18
ME SJ Operating	San Juan Decommissioning and Trust Fund Ag	Sep-20	$ 326.49
Montague DeRose	Financial Advisory Services	Sep-20	$ 12,917.50
To Commission November 18, 2020			**$12,270,688.82**

Treasurer's Report

SEPTEMBER 2020

M-S-R Public Power Agency
Treasurer's Report
Index

Treasurer's Report for the Month of September 2020

Investment Portfolio Pie Chart

MSR / LAIF / US Treasury 2-Year

Average Maturity Report

Quarterly Report – 3rd Quarter 2020

General Fund:

- Portfolio Summary
- Portfolio Details – Investments
- Portfolio Details – Cash
- Investment Status Report – Investments
- Investment Status Report – Cash
- Activity by Type
- Activity Report LAIF

Trust Funds:

- Portfolio Summary
- Portfolio Details – Investments
- Portfolio Details – Cash
- Investment Status Report – Investments
- Investment Status Report – Cash
- Activity by Type
- Received Interest
- Realized Gains and Losses

MSR PUBLIC POWER AGENCY
TREASURER'S REPORT
FOR THE MONTH OF SEPTEMBER 2020

FUND BALANCES

UNRESTRICTED FUNDS	8/31/2020 Cost Value	Receipts	Disbursements	9/30/2020 Cost Value	9/30/2020 Reserves: Mkt Value*	9/30/2020 Mkt. Value*	Unrealized Gain/Loss
General Fund, net of MCCRA	39,952,784	197,628	0	39,010,400			
Member Cash Call Reserve Acc.	197,629	0	197,629	(0)			
Debt Service Coverage Revolving Fund	275,000	275,000	0	550,000			
	40,425,413	6,220,666	6,185,579	40,460,400		40,450,400	0
RESTRICTED FUNDS							
MSR 2016 Series R	4,751,723	4,615,068	2,307,780	7,059,882	0	7,059,882	0
MSR SJ Coal Reclamation Trust	17,400,309	26,871	64,039	17,373,141	0	17,470,090	96,949
MSR SJ Decommissioning Trust	2,192,423	101	429	2,192,095	0	2,192,095	0
	24,344,455	4,642,040	2,372,248	26,625,118	0	26,722,067	96,949
TOTAL FUNDS	64,769,869	10,863,570	8,557,825	67,085,518	0	67,182,467	96,949

CASH & INVESTMENTS

DEMAND ACCOUNTS			
Union Bank - General Fund			152,028
INVESTMENTS (See Attached)	Standard per Gov't Code	Actual	
Bankers Acceptances	40%	0.0%	0
Certificates of Deposit(Cal.Ins.)	No Limit	0.0%	0
Commercial Paper(A1/P1)	25%	0.0%	0
Corporate Notes-Medium Term	30%	0.0%	0
Federal Agencies	No Limit	10.0%	6,556,800
Local Agency Investment Fund	$75,000,000	60.2%	40,293,366
Money Market Accounts	No Limit	29.9%	19,936,318
Repurchase Agreements	No Limit	0.0%	0
U.S. Treasury Instruments	No Limit	0.0%	0
TOTAL INVESTMENTS		100.0%	66,918,517
Add: Deposits in transit			0
Less: Outstanding checks			(15,028)
TOTAL CASH & INVESTMENTS			67,085,518

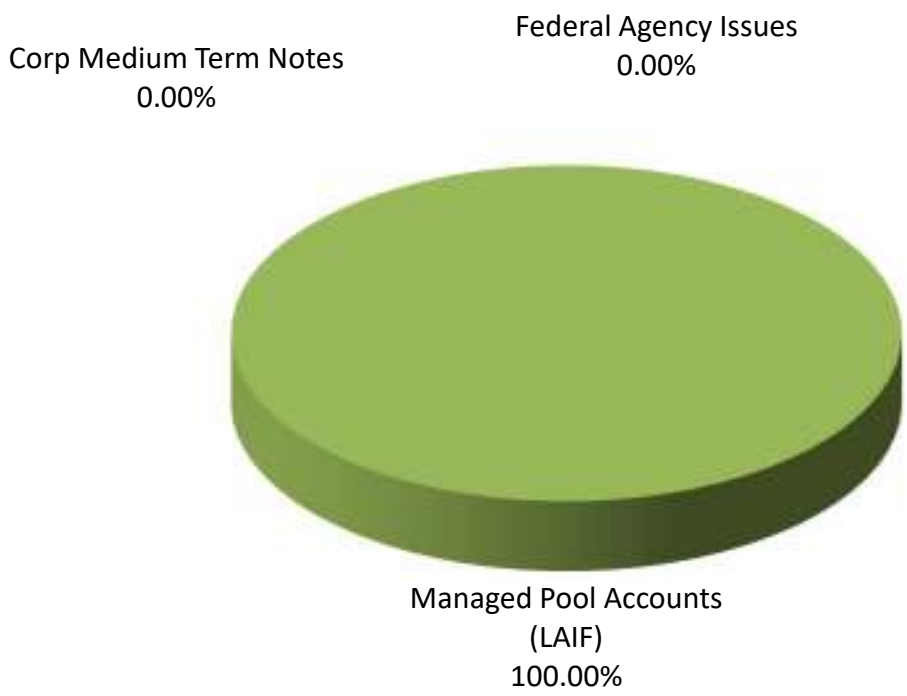
* Source of Market Value Information is US Bank, Union Bank, and Bloomberg Financial Systems

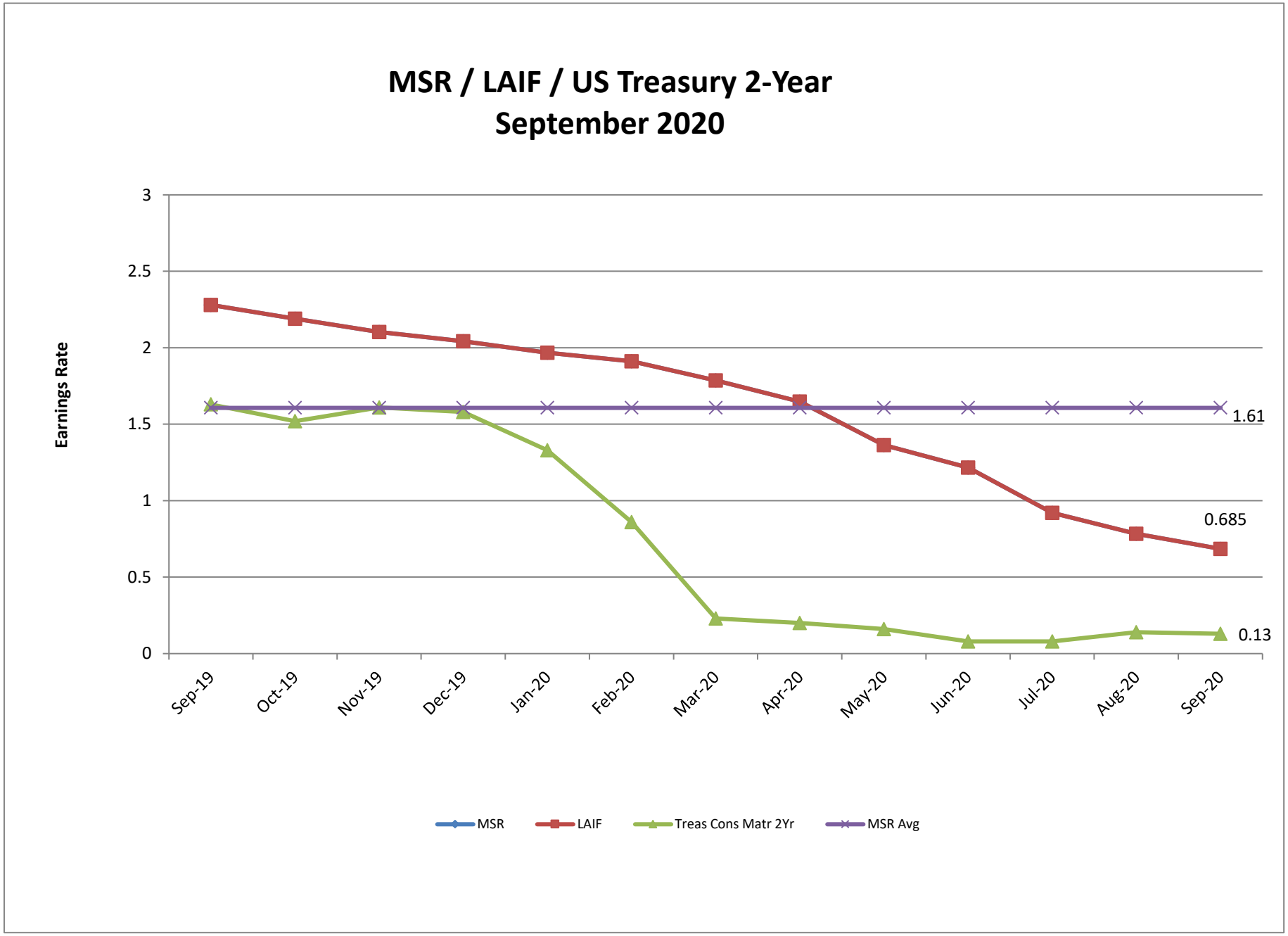
We certify that this statement is a true and correct record of transactions in the Treasury since the prior report. The agency has sufficient liquid assets on deposit to meet its obligations over the next 6 months. All investments are in compliance with the agency's investment policy guidelines.

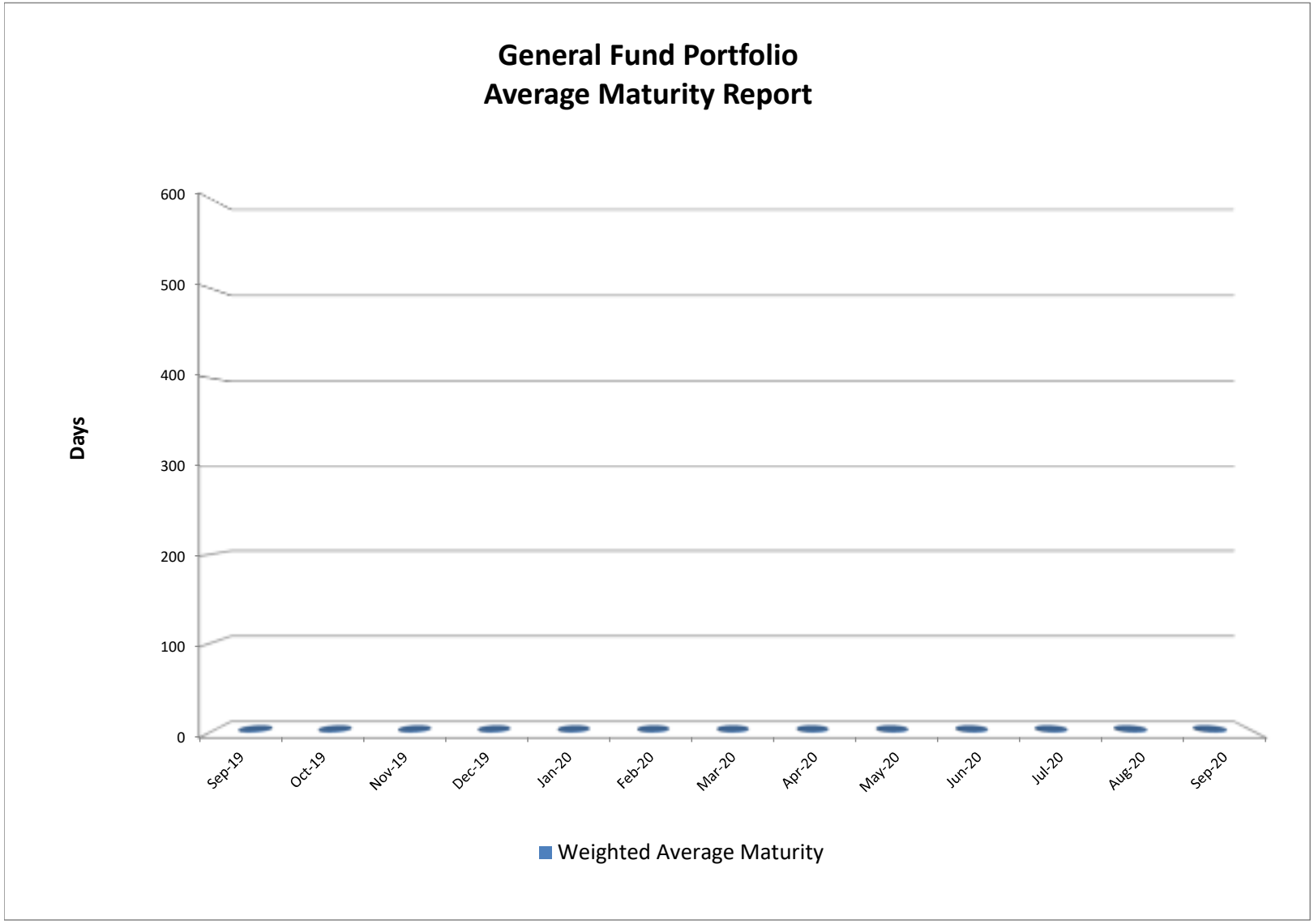
Scott VAN Voren -- Treasurer

Ana Vigil -- Assistant Treasurer

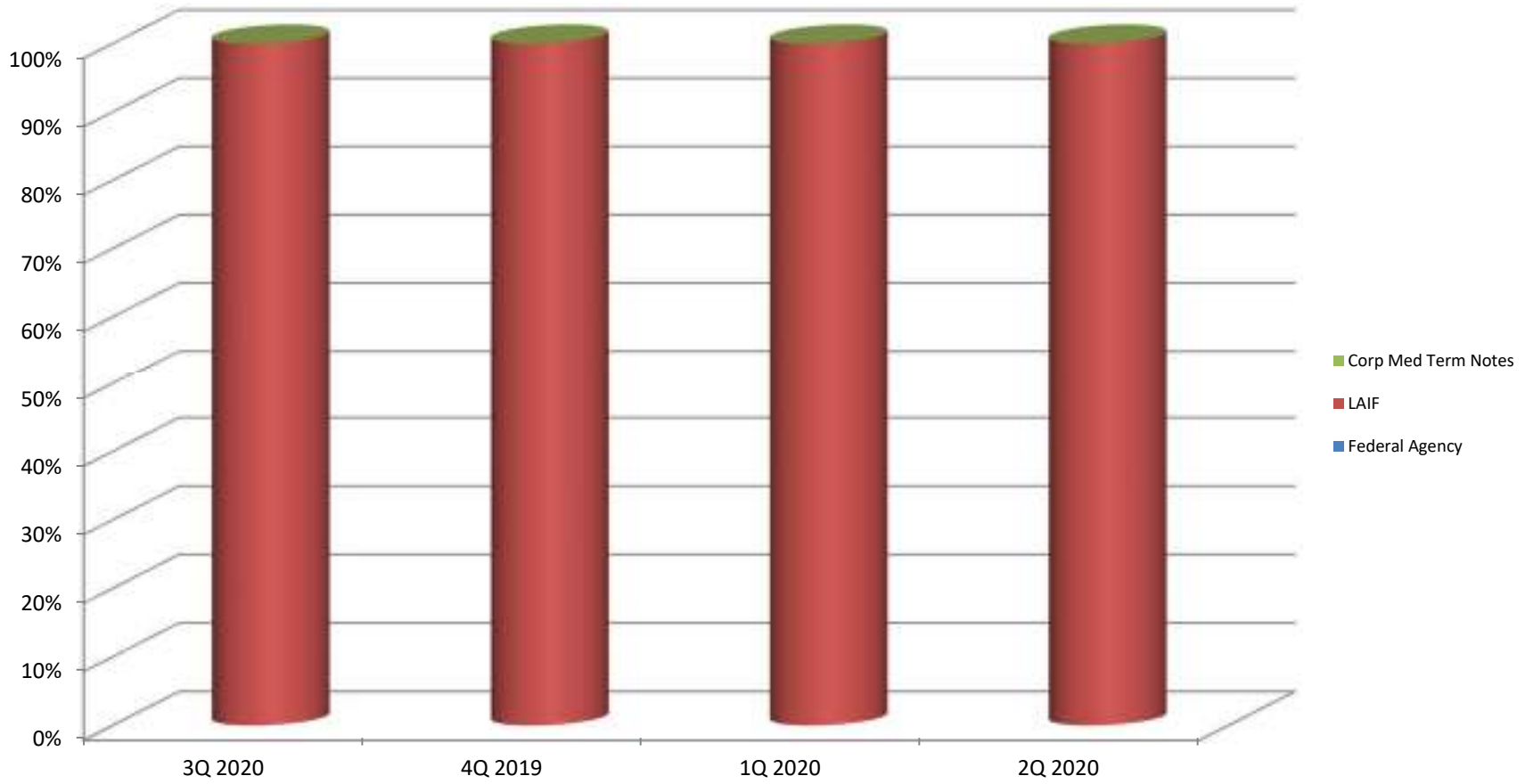
M-S-R Public Power Agency
Investment Portfolio September 2020




MSR / LAIF / US Treasury 2-Year
September 2020
Earnings Rate
3
2.5
2
1.5
1
0.5
0
Sep-19
Oct-19
Nov-19
Dec-19
Jan-20
Feb-20
Mar-20
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
1.61
0.685
0.13
MSR
LAIF
Treas Cons Matr 2Yr
MSR Avg


General Fund Portfolio
Average Maturity Report
Days
600
500
400
300
200
100
0
Sep-19
Oct-19
Nov-19
Dec-19
Jan-20
Feb-20
Mar-20
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
Weighted Average Maturity

M-S-R Public Power Agency
Investment Portfolio Quarterly Comparison
Third Quarter 2020



MSR Public Power Agency
Portfolio Management
Portfolio Summary
September 30, 2020

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
Managed Pool Accounts	40,293,398.96	40,293,398.96	40,293,398.96	100.00	1	1	0.685
Investments	**40,293,398.96**	**40,293,398.96**	**40,293,398.96**	**100.00%**	**1**	**1**	**0.685**
Cash							
Passbook/Checking (not included in yield calculations)	167,001.22	167,001.22	167,001.22		1	1	0.000
Total Cash and Investments	**40,460,400.18**	**40,460,400.18**	**40,460,400.18**		**1**	**1**	**0.685**

Total Earnings	September 30 Month Ending	Fiscal Year To Date
Current Year	22,141.49	438,083.90
Average Daily Balance	**40,426,578.91**	
Effective Rate of Return	**0.67%**	

Scott Van Vuren, Treasurer

Reporting period 09/01/2020-09/30/2020
Data Updated: SET_MSRG: 10/09/2020 12:05
Run Date: 10/09/2020 - 12:05

Portfolio MSRG
CP
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.11

MSR Public Power Agency
Portfolio Management
Portfolio Details - Investments
September 30, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
SYSLAIF	LAIF	Local Agency Investment Fund			40,293,398.96	40,293,398.96	40,293,398.96	0.685		0.685	1	
		Subtotal and Average	**39,326,732.29**		**40,293,398.96**	**40,293,398.96**	**40,293,398.96**			**0.685**	**1**	
		Total and Average	**40,426,578.91**		**40,293,398.96**	**40,293,398.96**	**40,293,398.96**			**0.685**	**1**	

MSR Public Power Agency
Portfolio Management
Portfolio Details - Cash
September 30, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Passbook/Checking Accounts											
SYSGENERAL FUND	GENERAL	Union Bank of California		01/01/1999	167,001.22	167,001.22	167,001.22			0.000	1
		Average Balance	**0.00**								**1**
	Total Cash and Investments		**40,426,578.91**		**40,460,400.18**	**40,460,400.18**	**40,460,400.18**			**0.685**	**1**

MSR Public Power Agency
Portfolio Management
Investment Status Report - Investments
September 30, 2020

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
Managed Pool Accounts												
SYSLAIF	LAIF	LAIF	40,293,398.96	0.685			0.676	0.685	01/15 - Quarterly		40,293,398.96	40,293,398.96
	Managed Pool Accounts Totals		**40,293,398.96**				**0.676**	**0.685**		**0.00**	**40,293,398.96**	**40,293,398.96**
		Investment Totals	**40,293,398.96**				**0.676**	**0.685**		**0.00**	**40,293,398.96**	**40,293,398.96**

MSR Public Power Agency
Portfolio Management
Investment Status Report - Cash
September 30, 2020

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
Passbook/Checking Accounts												
SYSGENERAL FUND	GENERAL	UBC	167,001.22			01/01/1999	0.000	0.000	/ - Monthly		167,001.22	167,001.22
		Cash Totals	**167,001.22**							**0.00**	**167,001.22**	**167,001.22**
	Total Cash and Investments		**40,460,400.18**				**0.676**	**0.685**		**0.00**	**40,460,400.18**	**40,460,400.18**

MSR Public Power Agency
Portfolio Management
Activity By Type
September 1, 2020 through September 30, 2020

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Managed Pool Accounts (Monthly Summary)								
SYSLAIF	LAIF	Local Agency Investment Fund		0.685		1,000,000.00	0.00	
		Subtotal	**39,293,398.96**			**1,000,000.00**	**0.00**	**40,293,398.96**
Passbook/Checking Accounts (Monthly Summary)								
SYSGENERAL FUND	GENERAL	Union Bank of California				0.00	965,012.48	
		Subtotal	**1,132,013.70**			**0.00**	**965,012.48**	**167,001.22**
		Total	**40,425,412.66**			**1,000,000.00**	**965,012.48**	**40,460,400.18**

MSR Public Power Agency
Activity Report
Issuer: Local Agency Investment Fund
September 1, 2020 - September 30, 2020

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Par Value Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
Issuer: Local Agency Investment Fund									
Managed Pool Accounts									
SYSLAIF	LAIF	Local Agency Investment Fund			0.685		1,000,000.00	0.00	
		Subtotal and Balance		**39,293,398.96**			**1,000,000.00**	**0.00**	**40,293,398.96**
		Issuer Subtotal	**99.587%**	**39,293,398.96**			**1,000,000.00**	**0.00**	**40,293,398.96**
		Total		**39,293,398.96**			**1,000,000.00**	**0.00**	**40,293,398.96**

MSR Public Power Agency Trust
Portfolio Management
Portfolio Summary
September 30, 2020

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
Federal Agency Issues - Coupon	6,700,000.00	6,753,749.00	6,656,800.00	100.00	1,826	228	1.607
Investments	**6,700,000.00**	**6,753,749.00**	**6,656,800.00**	**100.00%**	**1,826**	**228**	**1.607**
Cash							
Passbook/Checking (not included in yield calculations)	19,968,317.57	19,968,317.57	19,968,317.57		1	1	0.050
Total Cash and Investments	**26,668,317.57**	**26,722,066.57**	**26,625,117.57**		**1,826**	**228**	**1.607**

Total Earnings	September 30 Month Ending	Fiscal Year To Date
Current Year	8,965.82	162,098.71
Average Daily Balance	**24,784,696.89**	
Effective Rate of Return	**0.44%**	

Scott Van Vuren, Treasurer

Reporting period 09/01/2020-09/30/2020
Data Updated: SET_MSR: 10/06/2020 15:36
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Portfolio MSRT
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PM (PRF_PM1) 7.3.0
Report Ver. 7.3.11

MSR Public Power Agency Trust
Portfolio Management
Portfolio Details - Investments
September 30, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3135G0F73	17244	Federal Nat'l Mtg. Assoc.		11/30/2015	3,000,000.00	3,006,870.00	2,956,800.00	1.500		1.802	60	11/30/2020
3136G36J9	17314	Federal Nat'l Mtg. Assoc.		09/29/2016	3,700,000.00	3,746,879.00	3,700,000.00	1.450		1.450	363	09/29/2021
		Subtotal and Average	**6,656,800.00**		**6,700,000.00**	**6,753,749.00**	**6,656,800.00**			**1.607**	**228**	
		Total and Average	**24,784,696.89**		**6,700,000.00**	**6,753,749.00**	**6,656,800.00**			**1.607**	**228**	

MSR Public Power Agency Trust
Portfolio Management
Portfolio Details - Cash
September 30, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Passbook/Checking Accounts											
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust			10,716,340.83	10,716,340.83	10,716,340.83	0.050		0.050	1
SYS7000MONEY	7000MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.050		0.050	1
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust			84,299.53	84,299.53	84,299.53	0.050		0.050	1
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust			645,625.96	645,625.96	645,625.96	0.050		0.050	1
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust			6,329,956.13	6,329,956.13	6,329,956.13	0.050		0.050	1
SYS776003 MONEY	776003 MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.050		0.050	1
SYS8000MONEY	8000MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.050		0.050	1
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust			2,192,095.12	2,192,095.12	2,192,095.12	0.050		0.050	1
		Average Balance	**0.00**								**1**
		Total Cash and Investments	**24,784,696.89**		**26,668,317.57**	**26,722,066.57**	**26,625,117.57**			**1.607**	**228**

MSR Public Power Agency Trust
Portfolio Management
Investment Status Report - Investments
September 30, 2020

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
Federal Agency Issues - Coupon												
3135G0F73	17244	FNMA	3,000,000.00	1.500	11/30/202	11/30/2015	1.778	1.802	05/30 - 11/30		2,956,800.00	2,956,800.00
3136G36J9	17314	FNMA	3,700,000.00	1.450	09/29/202	09/29/2016	1.430	1.450	03/29 - 09/29		3,700,000.00	3,700,000.00
	Federal Agency Issues - Coupon Totals		**6,700,000.00**				**1.585**	**1.607**		**0.00**	**6,656,800.00**	**6,656,800.00**
		Investment Totals	**6,700,000.00**				**1.585**	**1.607**		**0.00**	**6,656,800.00**	**6,656,800.00**

MSR Public Power Agency Trust
Portfolio Management
Investment Status Report - Cash
September 30, 2020

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
Passbook/Checking Accounts												
SYS33000MONEY	33000MONEY	USBANK	10,716,340.83	0.050			0.049	0.050	09/01 - Monthly		10,716,340.83	10,716,340.83
SYS7000MONEY	7000MONEY	USBANK	0.00	0.050			0.049	0.050	01/01 - Monthly		0.00	0.00
SYS776000 MONEY	776000 MONEY	USBANK	84,299.53	0.050			0.049	0.050	08/01 - Monthly		84,299.53	84,299.53
SYS776001 MONEY	776001 MONEY	USBANK	645,625.96	0.050			0.049	0.050	08/01 - Monthly		645,625.96	645,625.96
SYS776002 MONEY	776002 MONEY	USBANK	6,329,956.13	0.050			0.049	0.050	08/01 - Monthly		6,329,956.13	6,329,956.13
SYS776003 MONEY	776003 MONEY	USBANK	0.00	0.050			0.049	0.050	07/01 - Monthly		0.00	0.00
SYS8000MONEY	8000MONEY	USBANK	0.00	0.050			0.049	0.050	01/01 - Monthly		0.00	0.00
SYS88000MONEY	88000 MONEY	USBANK	2,192,095.12	0.050			0.049	0.050	04/01 - Monthly		2,192,095.12	2,192,095.12
		Cash Totals	**19,968,317.57**							**0.00**	**19,968,317.57**	**19,968,317.57**
	Total Cash and Investments		**26,668,317.57**				**1.585**	**1.607**		**0.00**	**26,625,117.57**	**26,625,117.57**

MSR Public Power Agency Trust
Portfolio Management
Activity By Type
September 1, 2020 through September 30, 2020

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Passbook/Checking Accounts (Monthly Summary)								
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust		0.050		26,870.67	54,038.70	
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust		0.050		2,308,029.56	2,307,779.94	
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust		0.050		214,766.06	0.00	
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust		0.050		2,093,142.72	0.00	
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust		0.050		100.78	428.92	
		Subtotal	**17,687,655.34**			**4,642,909.79**	**2,362,247.56**	**19,968,317.57**
Federal Agency Issues - Coupon								
		Subtotal	**6,656,800.00**					**6,656,800.00**
		Total	**24,344,455.34**			**4,642,909.79**	**2,362,247.56**	**26,625,117.57**

MSR Public Power Agency Trust
Received Interest
Sorted by Date Received
Received September 1, 2020 - September 30, 2020

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

Date Received	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest Date Due	Interest Date Received	Interest Amount Due	Interest Amount Received	Variance
September 2020	3136G36J9	17314	FAC	3,700,000.00	1.450	09/29/2020	09/29/2020	26,825.00	26,825.00	-
							Subtotal	**26,825.00**	**26,825.00**	
							Total	**26,825.00**	**26,825.00**	
						Total Cash Overpayment		**0.00**		
						Total Cash Shortfall		**0.00**		

Data Updated: SET_MSR: 10/06/2020 15:36
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Portfolio MSRT
CP
RI (PRF_RI) 7.1.1
Report Ver. 7.3.11

MSR Public Power Agency Trust
Received Interest
Received September 1, 2020 - September 30, 2020

Date Received	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest Date Received	Interest Amount Received
Cash Accounts							
September 2020	SYS33000MONEY	33000MONEY	PA1	10,716,340.83	0.050	09/01/2020	45.67
	SYS776000 MONEY	776000 MONEY	PA1	84,299.53	0.050	09/01/2020	3.85
	SYS776001 MONEY	776001 MONEY	PA1	645,625.96	0.050	09/01/2020	11.83
	SYS776002 MONEY	776002 MONEY	PA1	6,329,956.13	0.050	09/01/2020	117.01
	SYS88000MONEY	88000 MONEY	PA1	2,192,524.04	0.050	09/01/2020	100.78
						Subtotal	**279.14**
						Total	**279.14**

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

MSR Public Power Agency Trust
Realized Gains and Losses
Sorted By Maturity/Sale/Call Date
Sales/Calls/Maturities: September 1, 2020 - September 30, 2020

Investment # / Issuer	Inv. Type	Purchase Date	Par Value / Current Rate	Sale Date / Maturity Date	Days Held / Term	Book Value	Maturity/Sale Proceeds	Realized Gain/Loss	Total Earnings	Total Net Earnings	Total Yield 365
			0.00		0	0.00	0.00	0.00	0.00	0.00	
No Sales or Maturities											

Treasurer's Report

OCTOBER 2020

M-S-R Public Power Agency
Treasurer's Report
Index

Treasurer's Report for the Month of October 2020

Investment Portfolio Pie Chart

MSR / LAIF / US Treasury 2-Year

Average Maturity Report

General Fund:

- Portfolio Summary
- Portfolio Details – Investments
- Portfolio Details – Cash
- Investment Status Report – Investments
- Investment Status Report – Cash
- Activity by Type
- Received Interest
- Activity Report LAIF

Trust Funds:

- Portfolio Summary
- Portfolio Details – Investments
- Portfolio Details – Cash
- Investment Status Report – Investments
- Investment Status Report – Cash
- Activity by Type
- Received Interest
- Realized Gains and Losses

MSR PUBLIC POWER AGENCY
TREASURER'S REPORT
FOR THE MONTH OF OCTOBER 2020

FUND BALANCES

UNRESTRICTED FUNDS	9/30/2020 Cost Value	Receipts	Disbursements	10/31/2020 Cost Value	10/31/2020 Reserves Mkt Value*	10/31/2020 Mkt Value*	Unrealized Gain/Loss
General Fund	39,910,400	197,629	0	39,946,465			
Debt Service Coverage Revolving Fund	550,000	275,000	0	825,000			
	40,460,400	6,243,994	5,332,900	40,771,465		40,771,465	0
RESTRICTED FUNDS							
MSR 2018 Series B	7,059,882	4,818,003	2,307,780	9,569,104	0	9,568,104	0
MSR SJ Coal Reclamation Trust	17,372,141	44	100,001	17,272,083	0	17,362,120	89,737
MSR SJ Decommissioning Trust	2,192,090	83	328	2,191,852	0	2,191,852	0
	26,626,118	4,818,130	2,408,909	29,032,339	0	29,922,076	89,737
TOTAL FUNDS	67,086,518	10,869,794	8,341,809	69,803,804	0	69,693,541	89,737

CASH & INVESTMENTS

	Standard per Gov't Code	Actual	
DEMAND ACCOUNTS			
Union Bank - General Fund			405,440
INVESTMENTS (See Attached)			
Bankers Acceptances	40%	0.0%	0
Certificates of Deposit(Cert.Ins.)	No Limit	0.0%	0
Commercial Paper(A1/P1)	25%	0.0%	0
Corporate Notes-Medium Term	30%	0.0%	0
Federal Agencies	No Limit	9.6%	6,653,000
Local Agency Investment Fund	$75,000,000	58.3%	40,379,988
Money Market Accounts	No Limit	32.0%	22,175,539
Repurchase Agreements	No Limit	0.0%	0
U.S. Treasury Instruments	No Limit	0.0%	0
TOTAL INVESTMENTS		100.0%	69,211,367
Add: Deposits in transit			0
Less: Outstanding checks			(12,943)
TOTAL CASH & INVESTMENTS			69,603,804

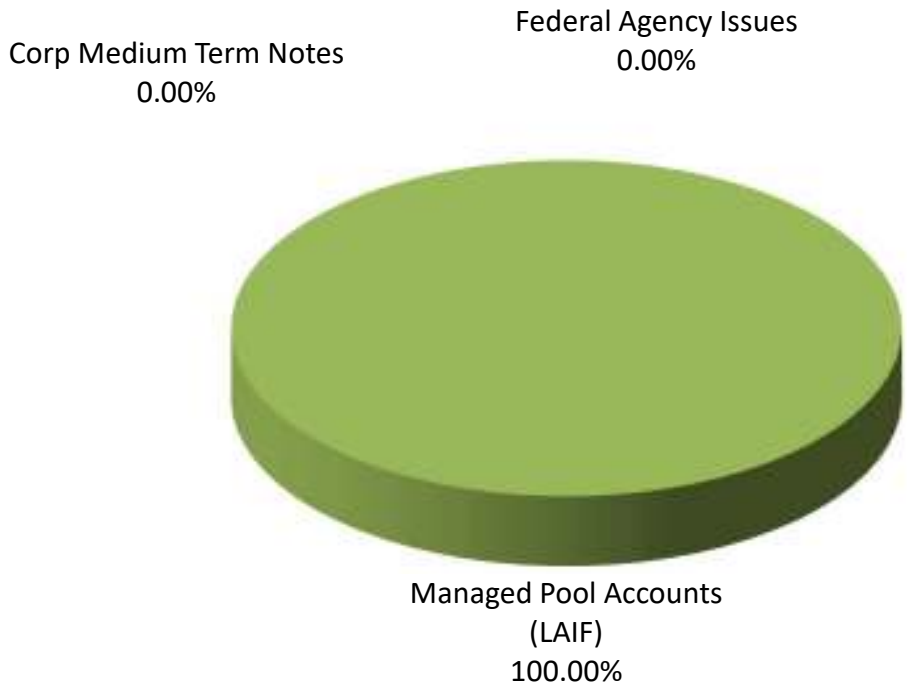
* Sources of Market Value Information is US Bank, Union Bank, and Bloomberg Financial Systems

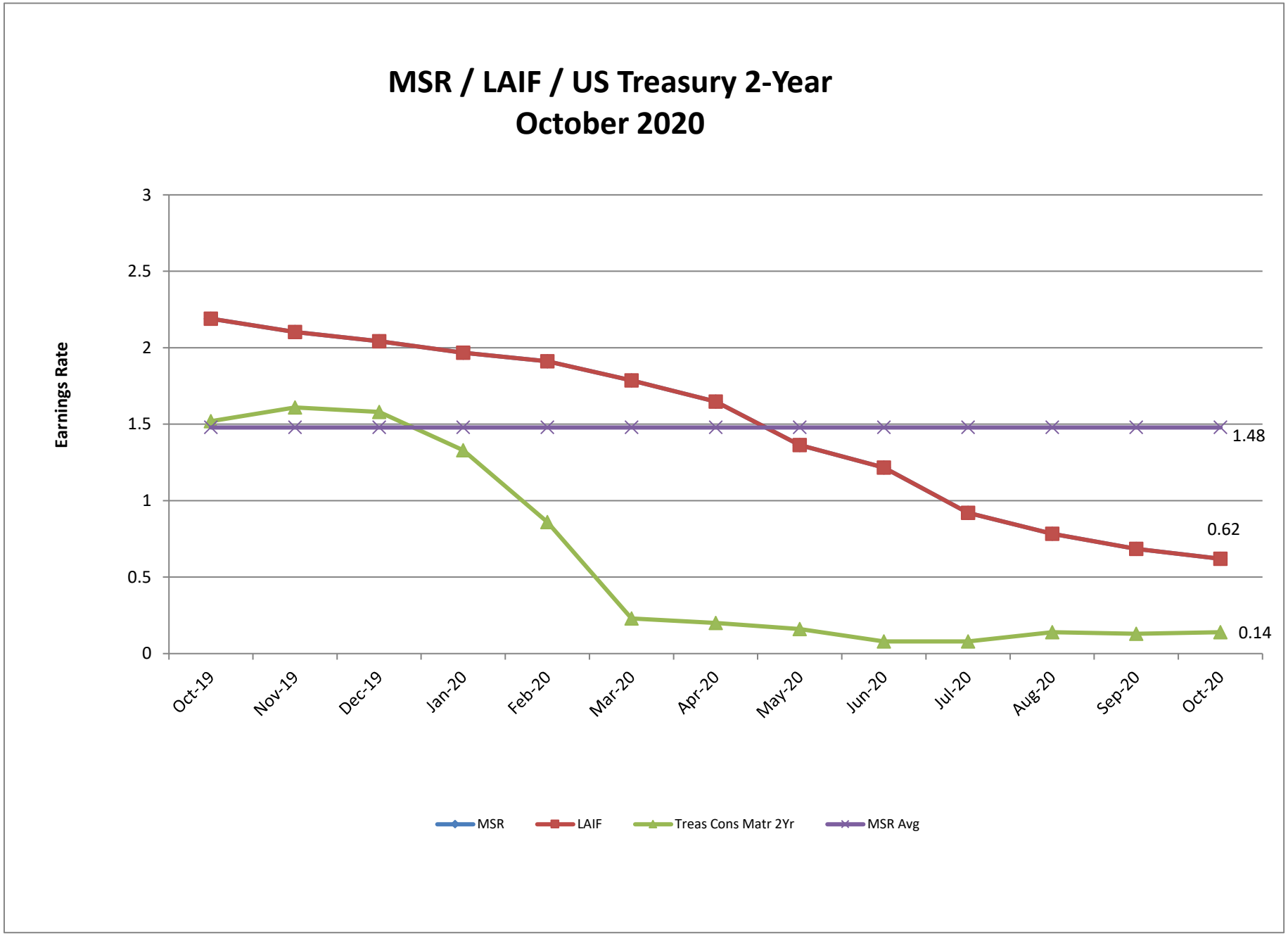
We certify that this statement is a true and correct record of transactions in the Treasury since the prior report. The agency has sufficient liquid assets on deposit to meet its obligations over the next 6 months. All investments are in compliance with the agency's investment policy guidelines.

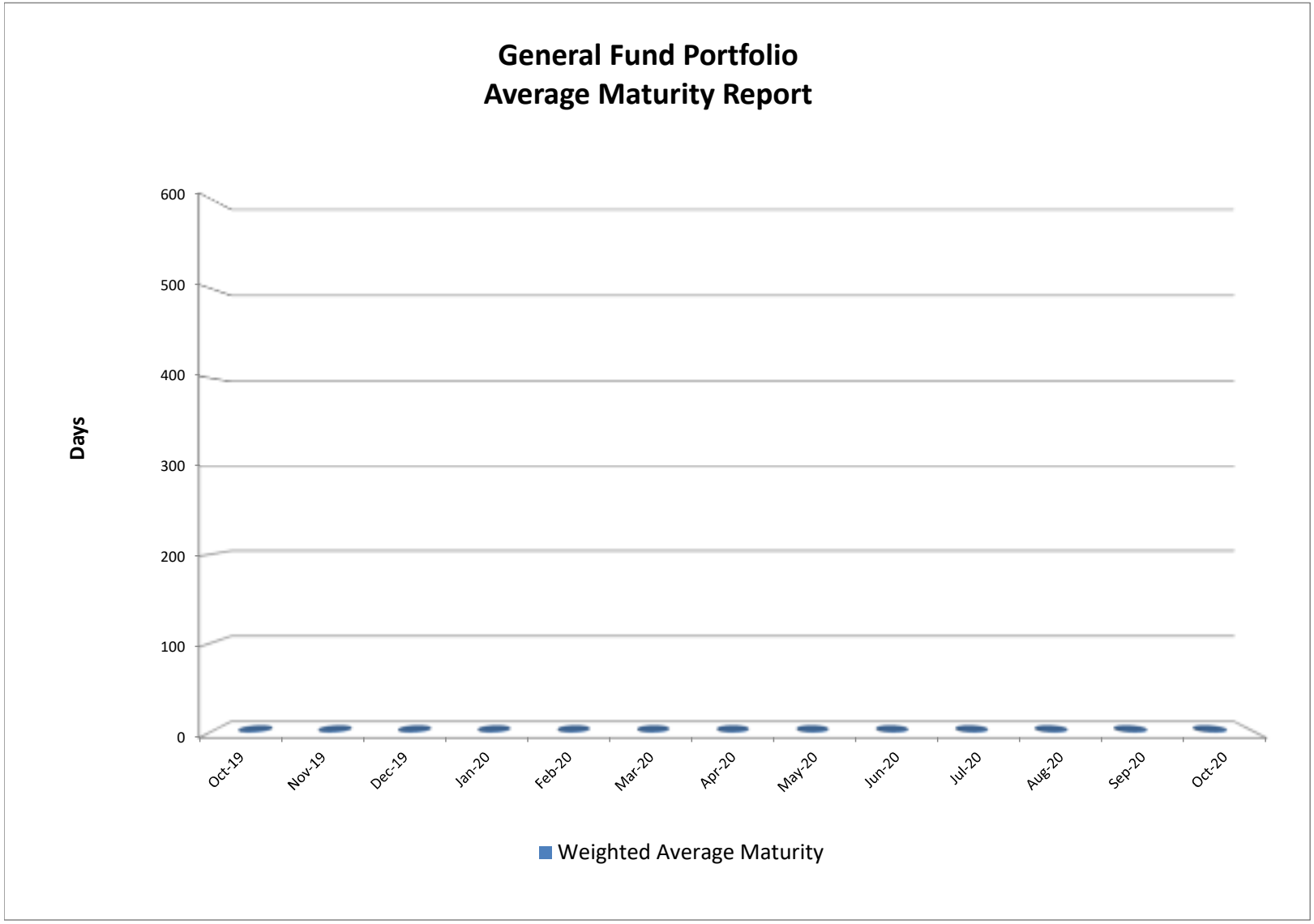
Scott Van Vuren – Treasurer

Ana Vigil – Assistant Treasurer

M-S-R Public Power Agency
Investment Portfolio October 2020




MSR / LAIF / US Treasury 2-Year
October 2020
Earnings Rate
3
2.5
2
1.5
1
0.5
0
Oct-19
Nov-19
Dec-19
Jan-20
Feb-20
Mar-20
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
Oct-20
1.48
0.62
0.14
MSR
LAIF
Treas Cons Matr 2Yr
MSR Avg


General Fund Portfolio
Average Maturity Report
Days
600
500
400
300
200
100
0
Oct-19
Nov-19
Dec-19
Jan-20
Feb-20
Mar-20
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
Oct-20
Weighted Average Maturity

MSR Public Power Agency
Portfolio Management
Portfolio Summary
October 31, 2020

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
Managed Pool Accounts	40,378,967.73	40,378,967.73	40,378,967.73	100.00	1	1	0.620
Investments	**40,378,967.73**	**40,378,967.73**	**40,378,967.73**	**100.00%**	**1**	**1**	**0.620**
Cash							
Passbook/Checking (not included in yield calculations)	392,496.84	392,496.84	392,496.84		1	1	0.000
Total Cash and Investments	**40,771,464.57**	**40,771,464.57**	**40,771,464.57**		**1**	**1**	**0.620**

Total Earnings	October 31 Month Ending	Fiscal Year To Date
Current Year	21,242.22	463,694.68
Average Daily Balance	**40,514,599.04**	
Effective Rate of Return	**0.62%**	

Scott Van Vuren, Treasurer

Reporting period 10/01/2020-10/31/2020
Data Updated: SET_MSRG: 11/06/2020 11:28
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Portfolio MSRG
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PM (PRF_PM1) 7.3.0
Report Ver. 7.3.11

MSR Public Power Agency
Portfolio Management
Portfolio Details - Investments
October 31, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
SYSLAIF	LAIF	Local Agency Investment Fund			40,378,967.73	40,378,967.73	40,378,967.73	0.620		0.620	1	
		Subtotal and Average	**40,340,323.77**		**40,378,967.73**	**40,378,967.73**	**40,378,967.73**			**0.620**	**1**	
		Total and Average	**40,514,599.04**		**40,378,967.73**	**40,378,967.73**	**40,378,967.73**			**0.620**	**1**	

MSR Public Power Agency
Portfolio Management
Portfolio Details - Cash
October 31, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Passbook/Checking Accounts											
SYSGENERAL FUND	GENERAL	Union Bank of California		01/01/1999	392,496.84	392,496.84	392,496.84			0.000	1
		Average Balance	**0.00**								**1**
		Total Cash and Investments	**40,514,599.04**		**40,771,464.57**	**40,771,464.57**	**40,771,464.57**			**0.620**	**1**

MSR Public Power Agency
Portfolio Management
Investment Status Report - Investments
October 31, 2020

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
Managed Pool Accounts												
SYSLAIF	LAIF	LAIF	40,378,967.73	0.620			0.612	0.620	01/15 - Quarterly		40,378,967.73	40,378,967.73
	Managed Pool Accounts Totals		**40,378,967.73**				**0.612**	**0.620**		**0.00**	**40,378,967.73**	**40,378,967.73**
		Investment Totals	**40,378,967.73**				**0.612**	**0.620**		**0.00**	**40,378,967.73**	**40,378,967.73**

MSR Public Power Agency
Portfolio Management
Investment Status Report - Cash
October 31, 2020

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
Passbook/Checking Accounts												
SYSGENERAL FUND	GENERAL	UBC	392,496.84			01/01/1999	0.000	0.000	/ - Monthly		392,496.84	392,496.84
		Cash Totals	**392,496.84**							**0.00**	**392,496.84**	**392,496.84**
	Total Cash and Investments		**40,771,464.57**				**0.612**	**0.620**		**0.00**	**40,771,464.57**	**40,771,464.57**

MSR Public Power Agency
Portfolio Management
Activity By Type
October 1, 2020 through October 31, 2020

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Managed Pool Accounts (Monthly Summary)								
SYSLAIF	LAIF	Local Agency Investment Fund		0.620		85,568.77	0.00	
		Subtotal	**40,293,398.96**			**85,568.77**	**0.00**	**40,378,967.73**
Passbook/Checking Accounts (Monthly Summary)								
SYSGENERAL FUND	GENERAL	Union Bank of California				225,495.62	0.00	
		Subtotal	**167,001.22**			**225,495.62**	**0.00**	**392,496.84**
		Total	**40,460,400.18**			**311,064.39**	**0.00**	**40,771,464.57**

MSR Public Power Agency
Received Interest
Sorted by Date Received
Received October 1, 2020 - October 31, 2020

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

Date Received	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest Date Received	Interest Amount Received
Cash Accounts							
October 2020	SYSLAIF	LAIF	LA1	40,378,967.73	0.620	10/15/2020	85,568.77
						Subtotal	**85,568.77**
						Total	**85,568.77**

Data Updated: SET_MSRG: 11/06/2020 11:28
Run Date: 11/06/2020 - 11:28

Portfolio MSRG
CP
RI (PRF_RI) 7.1.1
Report Ver. 7.3.11

MSR Public Power Agency
Activity Report
Issuer: Local Agency Investment Fund
October 1, 2020 - October 31, 2020

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Par Value Purchases or Deposits	Par Value Redemptions or Withdrawals	Par Value Ending Balance
Issuer: Local Agency Investment Fund									
Managed Pool Accounts									
SYSLAIF	LAIF	Local Agency Investment Fund			0.620		85,568.77	0.00	
		Subtotal and Balance		**40,293,398.96**			**85,568.77**	**0.00**	**40,378,967.73**
		Issuer Subtotal	**99.037%**	**40,293,398.96**			**85,568.77**	**0.00**	**40,378,967.73**
		Total		**40,293,398.96**			**85,568.77**	**0.00**	**40,378,967.73**

MSR Public Power Agency Trust
Portfolio Management
Portfolio Summary
October 31, 2020

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
Federal Agency Issues - Coupon	6,700,000.00	6,746,537.00	6,656,800.00	100.00	1,826	197	1.607
Investments	**6,700,000.00**	**6,746,537.00**	**6,656,800.00**	**100.00%**	**1,826**	**197**	**1.607**
Cash							
Passbook/Checking (not included in yield calculations)	22,175,539.19	22,175,539.19	22,175,539.19		1	1	0.030
Total Cash and Investments	**28,875,539.19**	**28,922,076.19**	**28,832,339.19**		**1,826**	**197**	**1.607**

Total Earnings	October 31 Month Ending	Fiscal Year To Date
Current Year	8,739.92	170,417.54
Average Daily Balance	**27,029,863.46**	
Effective Rate of Return	**0.38%**	

Scott Van Vuren, Treasurer

Reporting period 10/01/2020-10/31/2020
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Portfolio MSRT
CP
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.11

MSR Public Power Agency Trust
Portfolio Management
Portfolio Details - Investments
October 31, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3135G0F73	17244	Federal Nat'l Mtg. Assoc.		11/30/2015	3,000,000.00	3,003,210.00	2,956,800.00	1.500		1.802	29	11/30/2020
3136G36J9	17314	Federal Nat'l Mtg. Assoc.		09/29/2016	3,700,000.00	3,743,327.00	3,700,000.00	1.450		1.450	332	09/29/2021
		Subtotal and Average	**6,656,800.00**		**6,700,000.00**	**6,746,537.00**	**6,656,800.00**			**1.607**	**197**	
		Total and Average	**27,029,863.46**		**6,700,000.00**	**6,746,537.00**	**6,656,800.00**			**1.607**	**197**	

MSR Public Power Agency Trust
Portfolio Management
Portfolio Details - Cash
October 31, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Passbook/Checking Accounts											
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust			10,615,583.28	10,615,583.28	10,615,583.28	0.030		0.030	1
SYS7000MONEY	7000MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.030		0.030	1
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust			84,548.48	84,548.48	84,548.48	0.030		0.030	1
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust			860,398.10	860,398.10	860,398.10	0.030		0.030	1
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust			8,423,157.82	8,423,157.82	8,423,157.82	0.030		0.030	1
SYS776003 MONEY	776003 MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.030		0.030	1
SYS8000MONEY	8000MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.030		0.030	1
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust			2,191,851.51	2,191,851.51	2,191,851.51	0.030		0.030	1
		Average Balance	**0.00**								**1**
	Total Cash and Investments		**27,029,863.46**		**28,875,539.19**	**28,922,076.19**	**28,832,339.19**			**1.607**	**197**

MSR Public Power Agency Trust
Portfolio Management
Investment Status Report - Investments
October 31, 2020

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
Federal Agency Issues - Coupon												
3135G0F73	17244	FNMA	3,000,000.00	1.500	11/30/202	11/30/2015	1.778	1.802	05/30 - 11/30		2,956,800.00	2,956,800.00
3136G36J9	17314	FNMA	3,700,000.00	1.450	09/29/202	09/29/2016	1.430	1.450	03/29 - 09/29		3,700,000.00	3,700,000.00
	Federal Agency Issues - Coupon Totals		**6,700,000.00**				**1.585**	**1.607**		**0.00**	**6,656,800.00**	**6,656,800.00**
		Investment Totals	**6,700,000.00**				**1.585**	**1.607**		**0.00**	**6,656,800.00**	**6,656,800.00**

MSR Public Power Agency Trust
Portfolio Management
Investment Status Report - Cash
October 31, 2020

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
Passbook/Checking Accounts												
SYS33000MONEY	33000MONEY	USBANK	10,615,583.28	0.030			0.030	0.030	09/01 - Monthly		10,615,583.28	10,615,583.28
SYS7000MONEY	7000MONEY	USBANK	0.00	0.030			0.030	0.030	01/01 - Monthly		0.00	0.00
SYS776000 MONEY	776000 MONEY	USBANK	84,548.48	0.030			0.030	0.030	08/01 - Monthly		84,548.48	84,548.48
SYS776001 MONEY	776001 MONEY	USBANK	860,398.10	0.030			0.030	0.030	08/01 - Monthly		860,398.10	860,398.10
SYS776002 MONEY	776002 MONEY	USBANK	8,423,157.82	0.030			0.030	0.030	08/01 - Monthly		8,423,157.82	8,423,157.82
SYS776003 MONEY	776003 MONEY	USBANK	0.00	0.030			0.030	0.030	07/01 - Monthly		0.00	0.00
SYS8000MONEY	8000MONEY	USBANK	0.00	0.030			0.030	0.030	01/01 - Monthly		0.00	0.00
SYS88000MONEY	88000 MONEY	USBANK	2,191,851.51	0.030			0.030	0.030	04/01 - Monthly		2,191,851.51	2,191,851.51
		Cash Totals	**22,175,539.19**							**0.00**	**22,175,539.19**	**22,175,539.19**
	Total Cash and Investments		**28,875,539.19**				**1.585**	**1.607**		**0.00**	**28,832,339.19**	**28,832,339.19**

MSR Public Power Agency Trust
Portfolio Management
Activity By Type
October 1, 2020 through October 31, 2020

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Passbook/Checking Accounts (Monthly Summary)								
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust		0.030		43.94	100,801.49	
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust		0.030		2,308,028.89	2,307,779.94	
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust		0.030		214,772.14	0.00	
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust		0.030		2,093,201.69	0.00	
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust		0.030		82.88	326.49	
		Subtotal	**19,968,317.57**			**4,616,129.54**	**2,408,907.92**	**22,175,539.19**
Federal Agency Issues - Coupon								
		Subtotal	**6,656,800.00**					**6,656,800.00**
		Total	**26,625,117.57**			**4,616,129.54**	**2,408,907.92**	**28,832,339.19**

MSR Public Power Agency Trust
Received Interest
Sorted by Date Received
Received October 1, 2020 - October 31, 2020

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

Date Received	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest Date Received	Interest Amount Received
Cash Accounts							
October 2020	SYS33000MONEY	33000MONEY	PA1	10,615,583.28	0.030	10/01/2020	43.94
	SYS776000 MONEY	776000 MONEY	PA1	84,548.48	0.030	10/01/2020	3.18
	SYS776001 MONEY	776001 MONEY	PA1	860,398.10	0.030	10/01/2020	17.91
	SYS776002 MONEY	776002 MONEY	PA1	8,423,157.82	0.030	10/01/2020	175.98
	SYS88000MONEY	88000 MONEY	PA1	2,191,851.51	0.030	10/01/2020	82.88
						Subtotal	**323.89**
						Total	**323.89**

MSR Public Power Agency Trust
Realized Gains and Losses
Sorted By Maturity/Sale/Call Date
Sales/Calls/Maturities: October 1, 2020 - October 31, 2020

Modesto Irrigation District
1231 - 11th St.
Modesto, CA 95352
(209)526-7308

Investment # / Issuer	Inv. Type	Purchase Date	Par Value / Current Rate	Sale Date / Maturity Date	Days Held / Term	Book Value	Maturity/Sale Proceeds	Realized Gain/Loss	Total Earnings	Total Net Earnings	Total Yield 365
			0.00		0	0.00	0.00	0.00	0.00	0.00	
No Sales or Maturities											

Data Updated: SET_MSR: 11/06/2020 11:10
Run Date: 11/06/2020 - 11:10

Portfolio MSRT
CP
CG (PRF_CGR1) 7.1.1
Report Ver. 7.3.11

M-S-R Public Power Agency
Big Horn Operations

Date: November 12, 2020 (Revised)

From: Martin Hopper, General Manager

To: M-S-R PPA Commission

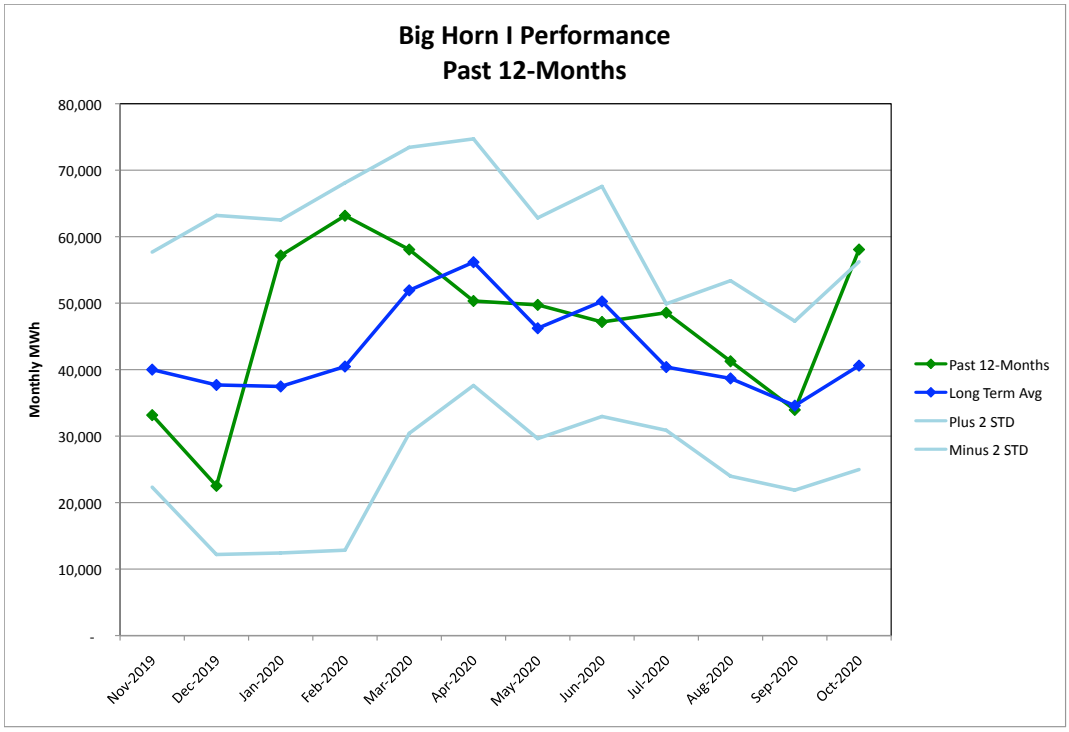
Subject: Big Horn Operations Statistics

Energy Production Statistics for the Big Horn Wind Energy Project:

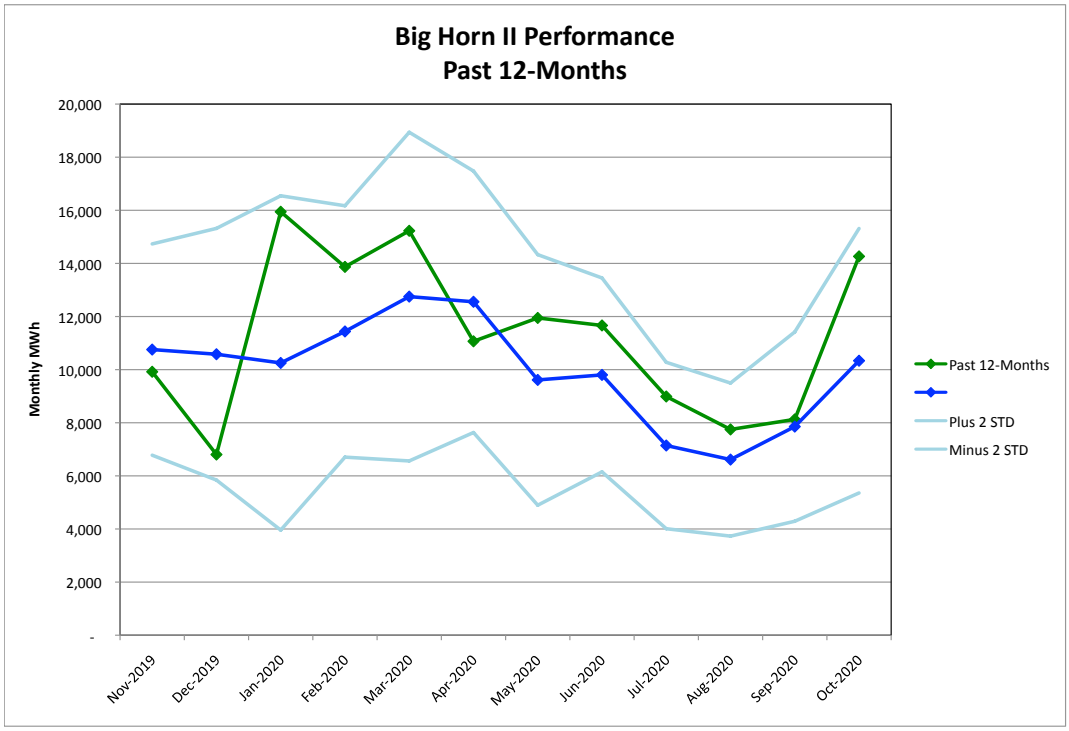
Big Horn I Operations	Production (MWh)	Monthly % of Forecast – Contract (5-Year)	Cumulative Wind Year Production (MWh)
August	41,257	119.0%	516,066
September	33,943	94.2%	550,009
October	58,068	143.3%	58,068
Annual Contract Forecast	N/A	N/A	501,894
Annual Budget Forecast	N/A	N/A	510,000
Life of Project Production	N/A	N/A	7,191,730

Big Horn II Operations	Production (MWh)	Monthly % of Forecast – Contract (5-Year)	Cumulative Wind Year Production (MWh)
August	7,748	115.4%	113,182
September	8,128	99.8%	121,309
October	14,265	131.2%	135,574
Annual Contract Forecast	N/A	N/A	116,651
Annual Budget Forecast	N/A	N/A	115,000
Life of Project Production	N/A	N/A	1,197,948

The Contract Year for Big Horn I ends in September of each year. The energy production for 2020 Big Horn I was at 114.9% of expected. For Big Horn II, energy production was at 116.6% of expected energy deliveries for the Delivery Year ending October 2020. Big Horn I energy production was an all-time record for the month, exceeding the prior record set in 2018. October 2020 Big Horn II energy production was the second-highest for the month, only exceeded by the prior record set in 2018.



11/10/20 Past 12 Thru Nov Oct 2020 Big Horn I Projections 2021.xlsx



11/10/20 Past 12 Thru Oct 2020 Big Horn II Projections 2020.xlsx

Transmission Curtailments:

Curtailments	On-Peak (MWh)	Off-Peak (MWh)	Total (MWh)
August	72	26	88
September	116	92	208
October	0	0	0
Year To Date	1,048	638	1,686
Historic Annual Average	1,370	824	2,194

Curtailments in September were primarily for reliability issues related to the extensive forest fires that covered the West Coast states. There were no curtailments recorded in October.

M-S-R Public Power Agency
Staff Report

Date: November 9, 2020

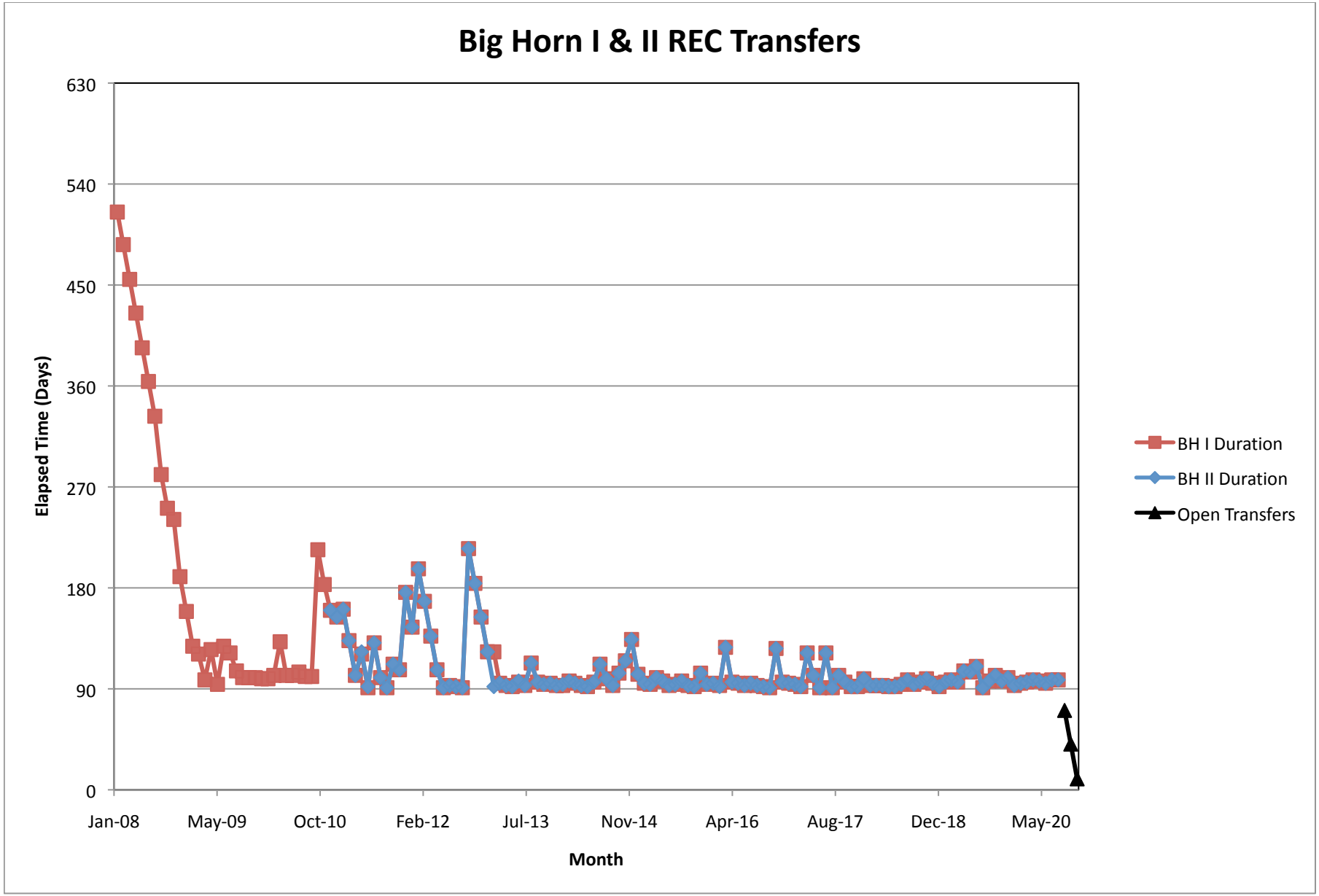
From: Martin R. Hopper, General Manager

To: M-S-R PPA Commission

Subject: November 2020 WREGIS REC Transfers Status Report

In 2013, the General Manager met with Iberdrola Renewables, Inc (now Avangrid Renewables, Inc.) regarding the status of its transfers of Western Renewable Energy Generation Information System (WREGIS) Renewable Energy Credits (RECs) for the Big Horn I and Big Horn II Wind Energy Projects to M-S-R PPA. Ideally, the WREGIS timelines would allow transfers of RECs to M-S-R PPA about 90-days after the close of a reporting month. At the time of that meeting, some transfers were as many as 215-days outstanding. Avangrid subsequently reviewed its internal procedures and has generally completed Big Horn I and Big Horn II transfers in a timely manner. The attached chart illustrates current and historic status of REC transfers. As requested by the Commission, this report will be updated and presented at each regular meeting.

<u>I recommend the Commission note and file the November 2020 WREGIS REC Transfers Status Report.</u>


Big Horn I & II REC Transfers
630
540
450
360
270
180
90
0
Elapsed Time (Days)
Jan-08
May-09
Oct-10
Feb-12
Jul-13
Nov-14
Apr-16
Aug-17
Dec-18
May-20
Month
BH I Duration
BH II Duration
Open Transfers

M-S-R Public Power Agency
Staff Report

Date: November 9, 2020

From: Martin R. Hopper, General Manager

To: M-S-R PPA Technical Committee

Subject: November 2020 Outside Services Budget versus Actual Report

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FISCAL YEAR 2020:

Major Legal Providers Reporting Are:

Duncan, Weinberg, Genzer, and Pembroke:	Through:	September 30, 2020
Law Offices of Susie Berlin:	Through:	September 30, 2020
Porter Simon:	Through:	October 31, 2020

Major Consulting Providers Reporting Are:

Navigant Consulting:	Through:	February 29, 2020
KBT LLC:	Through:	October 31, 2020

Legacy Liability Providers Reporting Are:

PNM – Reclamation Management:	Through:	September 30, 2020
Reclamation:	Through:	October 31, 2020
Decommissioning:	Through:	September 30, 2020

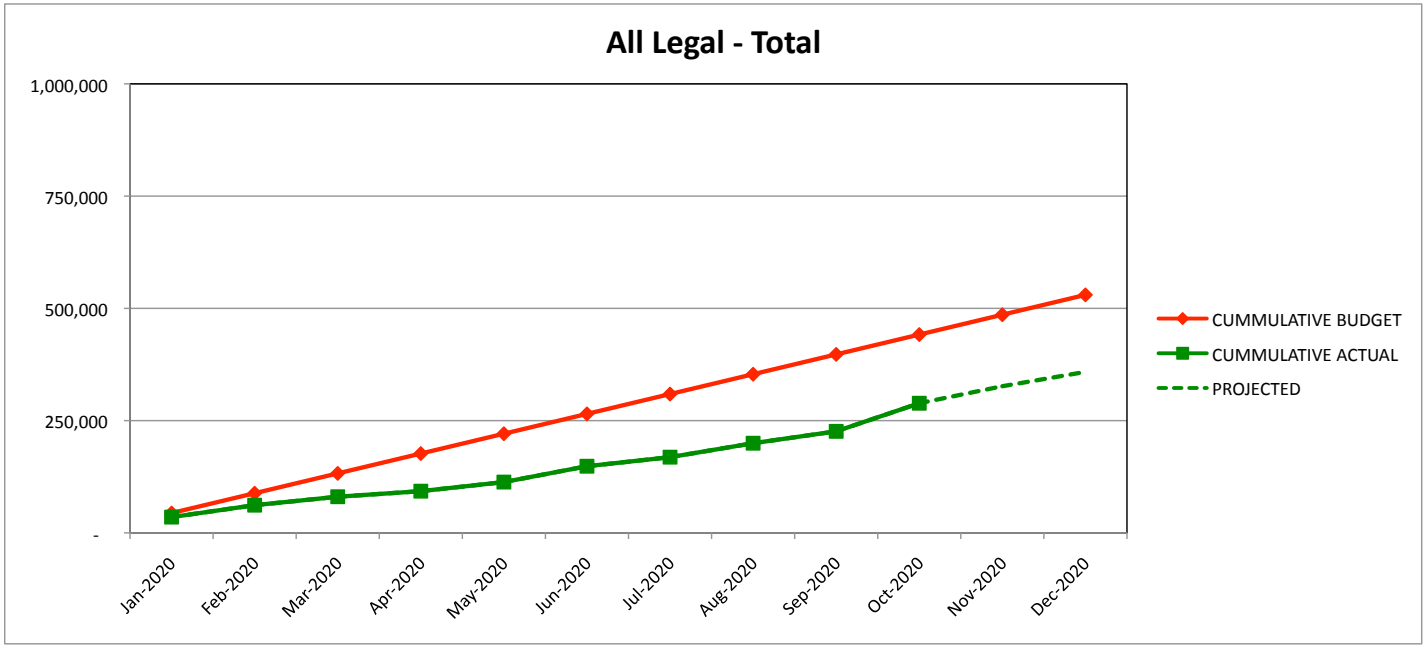
Detailed charts of monthly budget versus actual cost comparisons for each provider are attached. Please note the charts now include projected costs through year-end. Note: Any current period expenditures shown in attachments and printed in ***bold italics*** are estimates.

Recommendation:

I recommend the Committee note and file this report.

M-S-R PPA
All Legal Summary

Month of: **Oct-2020**



CURRENT MONTH

By Function	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	2,083	3,318	(1,234)	159%
Gen - Other	1,250	876	374	70%
Renewables	2,250	1,560	690	69%
Rens - Other	22,917	***15,419***	7,498	67%
Reg & Comp	14,667	3,507	11,160	24%
Administrative	1,000	1,782	(782)	178%
Total	44,167	26,461	17,705	60%

By Provider	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Duncan	31,500	***19,671***	11,829	62%
Berlin	8,083	***2,724***	5,359	34%
Porter Simon	3,333	3,190	143	96%
Others	1,250	876	374	70%
Total	44,167	26,461	17,705	60%

YEAR TO DATE

By Function	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	18,750	18,168	583	97%
Gen - Other	11,250	14,793	(3,543)	131%
Renewables	20,250	17,651	2,599	87%
Rens - Other	206,250	***103,185***	103,065	50%
Reg & Comp	132,000	64,203	67,797	49%
Administrative	9,000	8,147	853	91%
Total	397,500	226,146	171,354	57%

By Provider	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Duncan	283,500	***148,259***	135,241	52%
Berlin	72,750	***38,600***	34,150	53%
Porter Simon	30,000	24,493	5,507	82%
Others	11,250	14,793	(3,543)	131%
Total	397,500	226,146	171,354	57%

M-S-R PPA
Duncan Summary

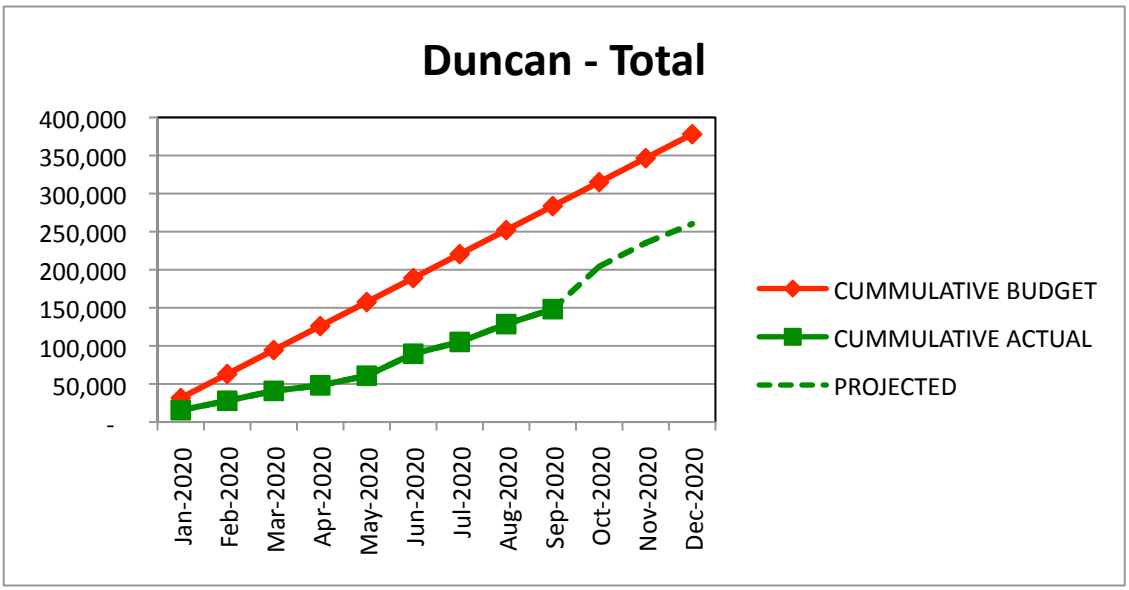
Month of: **Oct-2020**

CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	0	0	0	0%
Renewables	250	0	250	0%
Rens - Other	22,917	***50,000***	(27,083)	218%
Reg & Comp	8,333	***6,000***	2,333	72%
Administrative	0	0	0	0%
Total	31,500	56,000	(24,500)	178%

YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	0	1,910	(1,910)	#DIV/0!
Gen - Other	0	0	0	0%
Renewables	2,500	0	2,500	0%
Rens - Other	229,167	***153,185***	75,982	67%
Reg & Comp	83,333	***49,165***	34,168	59%
Administrative	0	0	0	0%
Total	315,000	204,259	110,741	65%



M-S-R PPA
Berlin Summary

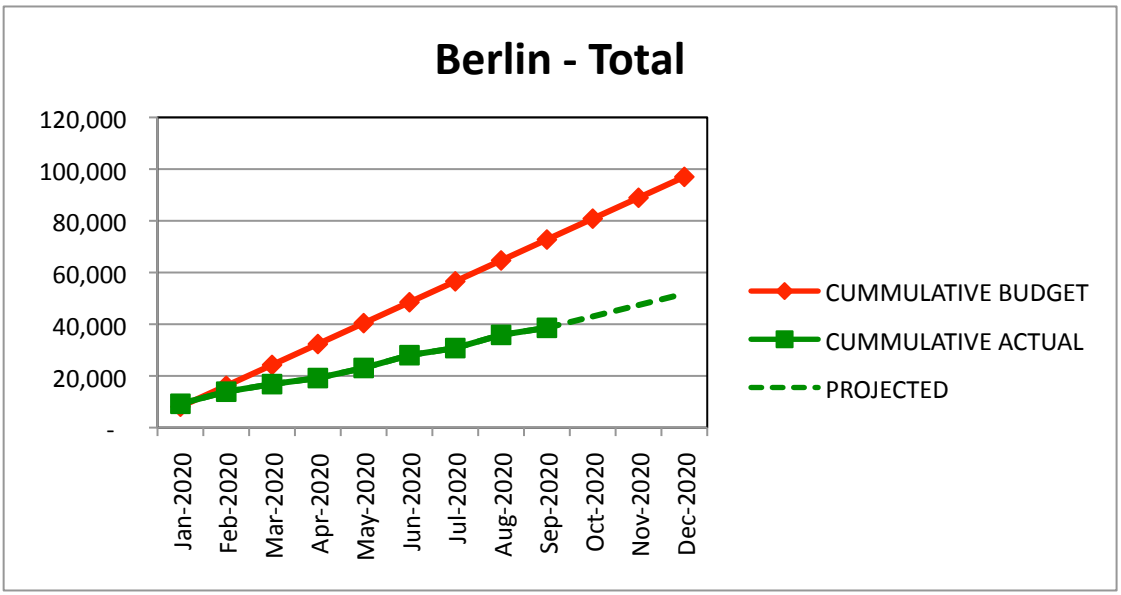
Month of: **Oct-2020**

CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	0	0	0	0%
Renewables	1,833	***1,400***	433	76%
Rens - Other	0	***0***	0	0%
Reg & Comp	6,250	***3,000***	3,250	48%
Administrative	0	0	0	0%
Total	8,083	4,400	3,683	54%

YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	0	0	0	0%
Renewables	18,333	***18,963***	(629)	103%
Rens - Other	0	***0***	0	0%
Reg & Comp	62,500	***24,038***	38,462	38%
Administrative	0	0	0	0%
Total	80,833	43,000	37,833	53%



M-S-R PPA
Misc Legal Summary

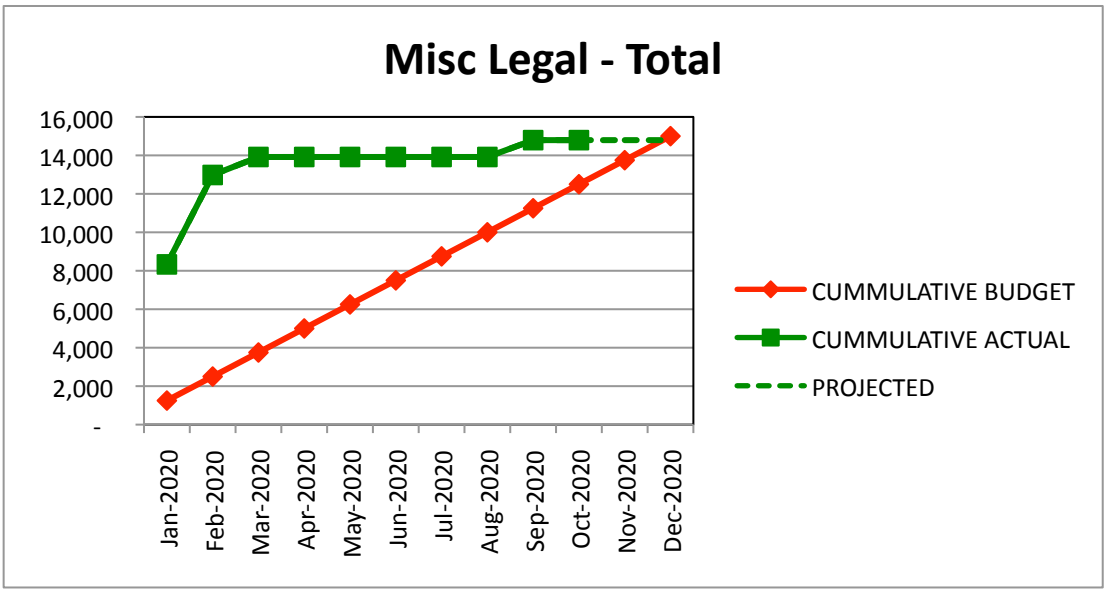
Month of: **Oct-2020**

CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	1,250	0	1,250	0%
Renewables	0	0	0	0%
Rens - Other	0	0	0	0%
Reg & Comp	0	0	0	0%
Administrative	0	0	0	0%
Total	1,250	0	1,250	0%

YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	12,500	14,793	(2,293)	118%
Renewables	0	0	0	0%
Rens - Other	0	0	0	0%
Reg & Comp	0	0	0	0%
Administrative	0	0	0	0%
Total	12,500	14,793	(2,293)	118%



M-S-R PPA
Porter Simon Summary

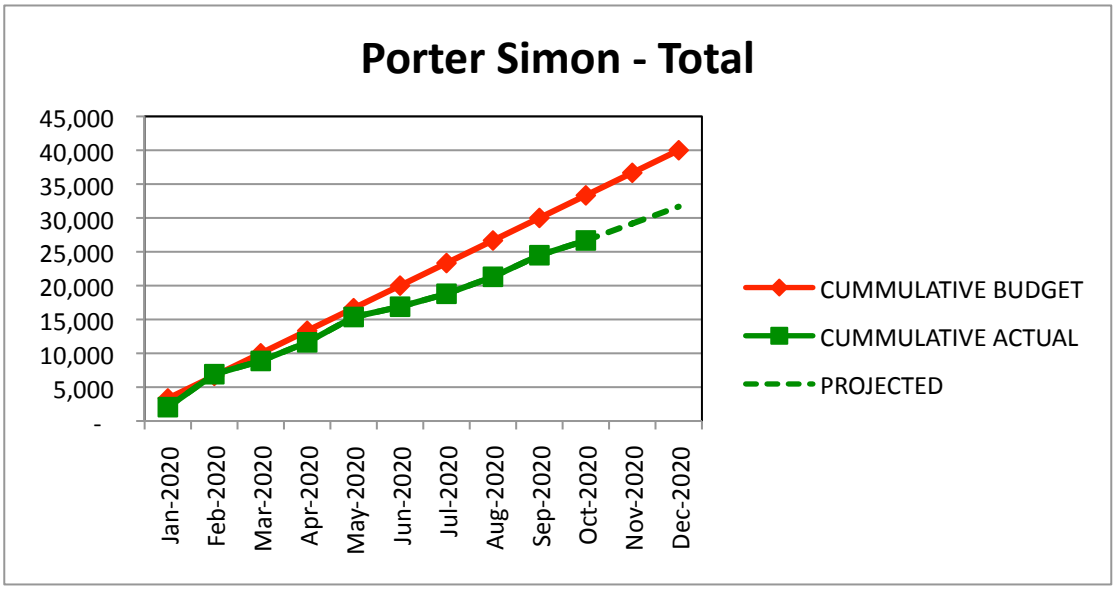
Month of: **Oct-2020**

CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	2,083	990	1,093	48%
Gen - Other	0	0	0	0%
Renewables	167	0	167	0%
Rens - Other	0	0	0	0%
Reg & Comp	83	0	83	0%
Administrative	1,000	1,188	(188)	119%
Total	3,333	2,178	1,155	65%

YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	20,833	17,248	3,585	83%
Gen - Other	0	0	0	0%
Renewables	1,667	88	1,579	5%
Rens - Other	0	0	0	0%
Reg & Comp	833	0	833	0%
Administrative	10,000	9,335	665	93%
Total	33,333	26,671	6,662	80%

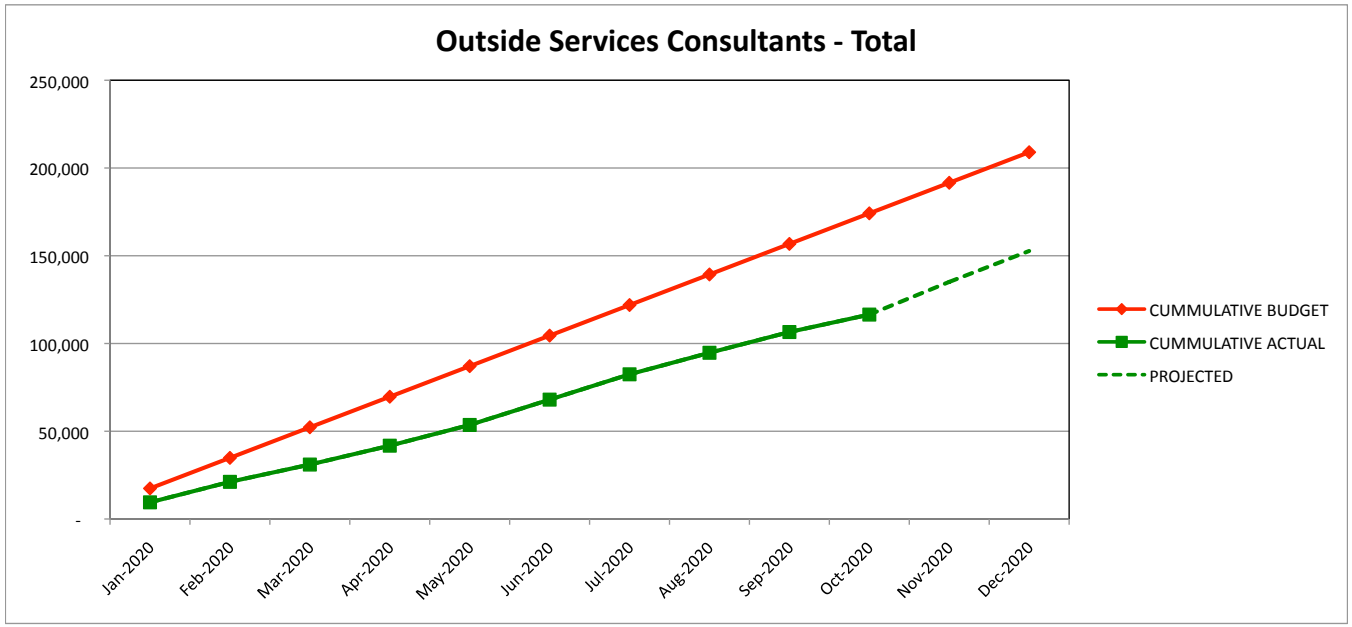


Legal Costs - 2020		2020 Budget	Reallocated Budget	Jan-2020	Feb-2020	Mar-2020	Apr-2020	May-2020	Jun-2020	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020	Total	Average	Year-End	Notes
Italics = Estimates				8.33%	16.67%	25.00%	33.33%	41.67%	50.00%	58.33%	66.67%	75.00%	83.33%	91.67%	100.00%			Projection	
DWG&P																			
Generation																			
	SJGS Agreements	-	-	-	-	-	-	-	-	-	-	1,909.50	-	-	-	1,910	159	1,910	
Renewables																			
	BPA/PNW Gen'l	10,000	3,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rens - Other																			
	BPA Rate Cases	275,000	275,000	7,903	8,930	4,494	3,486	7,560	21,742	12,482	21,169	15,418.75	***50,000***	***25,000***	***20,000***	198,185	16,515	198,185	
Regulatory & Comp																			
	FERC Gen'l	100,000	100,000	7,655	3,422	8,478	3,823	5,058	7,087	3,046	2,254	2,343.00	**6,000**	**6,000**	***5,000***	60,165	5,014	60,165	
		385,000	378,000	15,558	12,352	12,972	7,309	12,618	28,829	15,528	23,423	19,671.25	56,000	31,000	25,000	260,259	21,688	260,259	
				4.12%	7.38%	10.82%	12.75%	16.09%	23.71%	27.82%	34.02%	39.22%	54.04%	62.24%	68.85%			69%	
Law Offices of Susie Berlin																			
Generation		-	-	-	-											-	-	-	
Renewables																			
	RES/RPS	15,000	22,000	2,847	2,223	273	195	2,379	3,432	1,807	2,847	1,560.00	***1,400***	***1,400***	***1,400***	21,763	1,814	21,763	
Regulatory & Comp																			
	AB32/Cap & Trade/S	75,000	75,000	6,369	2,457	2,663	2,145	1,521	1,521	936	2,262	1,164.00	***3,000***	***3,000***	***3,000***	30,038	2,503	30,038	
A&G		2,000	-	-	-	-	-	-	-							-	-	-	
		92,000	97,000	9,216	4,680	2,936	2,340	3,900	4,953	2,743	5,109	2,724.00	4,400.00	4,400	4,400	51,800	4,317	51,800	
				9.50%	14.33%	17.35%	19.76%	23.79%	28.89%	31.72%	36.99%	39.79%	44.33%	48.87%	53.40%			53%	
Others								***Italics = Estimates***											
Generatiion - Other																			
	Najjar & Virtue	15,000	15,000	8,331	4,650	936	-	-	-	-	-	876.18	-	-	-	14,793	1,233	14,793	Richard Virtue
		15,000	15,000	8,331	4,650	936	-	-	-	-	-	876.18	-	-	-	14,793	1,233	14,793	
				55.54%	86.54%	92.78%	92.78%	92.78%	92.78%	92.78%	92.78%	98.62%	98.62%	98.62%	98.62%			99%	
																-		-	
Sub Total		492,000	490,000	33,105	21,682	16,843	9,649	16,518	33,782	18,270	28,532	23,271	60,400	35,400	29,400	326,853	27,238	326,853	
				6.76%	11.18%	14.62%	16.59%	19.96%	26.85%	30.58%	36.40%	41.15%	53.48%	60.70%	66.70%			67%	
Porter Simon																			
M-S-R PPA																			
Generation		15,000	25,000	2,046	2,090	1,716.00	2,728	1,848.00	1,408	1,474.00	1,540	1,408	990.00	***1,500***	***1,500***	20,248	1,687	20,248	
Renewables		2,000	2,000	-	-	-	-	-	-	-	88	-	-	-	-	88	7	88	
Regulatory & Comp		1,000	1,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A&G		30,000	12,000	-	2,779	242.00	22	1,892.00	110	440.00	880	1,782	1,188.00	***1,000***	***1,000***	11,335	945	11,335	
		48,000	40,000	2,046	4,869	1,958.00	2,750	3,740.00	1,518	1,914.00	2,508	3,190	2,178.00	2,500.00	2,500.00	31,671	2,639	31,671	
				5.12%	17.29%	22.18%	29.06%	38.41%	42.20%	46.99%	53.26%	61.23%	66.68%	72.93%	79.18%			79%	
GRAND TOTAL		540,000	530,000	35,151	26,552	18,801	12,399	20,258	35,300	20,184	31,040	26,461	62,578	37,900	31,900	358,524	29,877	358,524	
				6.63%	11.64%	15.19%	17.53%	21.35%	28.01%	31.82%	37.68%	42.67%	54.48%	61.63%	67.65%			67.65%	

		Legal Original 2020 Budget	Legal Revised 2020 Budget		
G		15,000	25,000	22,158	22,158
G - Other		15,000	15,000	14,793	14,793
R		27,000	27,000	21,851	21,851
R - Other		275,000	275,000	198,185	198,185
R&C		176,000	176,000	90,203	90,203
A		32,000	12,000	11,335	11,335
		540,000	530,000	358,524	358,524
	50/35/15	62,000	52,000	48,286	48,286
	Renew	302,000	302,000	220,035	220,035

M-S-R PPA
Total Outside Consult Summary

Month of: **Oct-2020**



CURRENT MONTH

By Function	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	3,000	3,392	(392)	113%
Gen - Other	0	0	0	0%
Renewables	5,750	3,604	2,146	63%
Rens - Other	5,833	2,730	3,103	47%
Reg & Comp	1,583	0	1,583	0%
Administrative	1,250	212	1,038	17%
Total	17,417	9,938	7,479	57%

By Provider	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Navigant	250	0	250	0%
KBT	14,000	9,938	4,062	71%
Others	3,167	0	3,167	0%
Total	17,417	9,938	7,479	57%

YEAR TO DATE

By Function	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	30,000	29,468	532	98%
Gen - Other	0	0	0	0%
Renewables	57,500	37,958	19,543	66%
Rens - Other	58,333	32,942	25,391	56%
Reg & Comp	15,833	5,098	10,736	32%
Administrative	12,500	11,012	1,488	88%
Total	174,167	116,477	57,690	67%

By Provider	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Navigant	2,500	412	2,088	16%
KBT	140,000	105,870	34,130	76%
Others	31,667	10,195	21,472	32%
Total	174,167	116,477	57,690	67%

M-S-R PPA
Navigant Summary

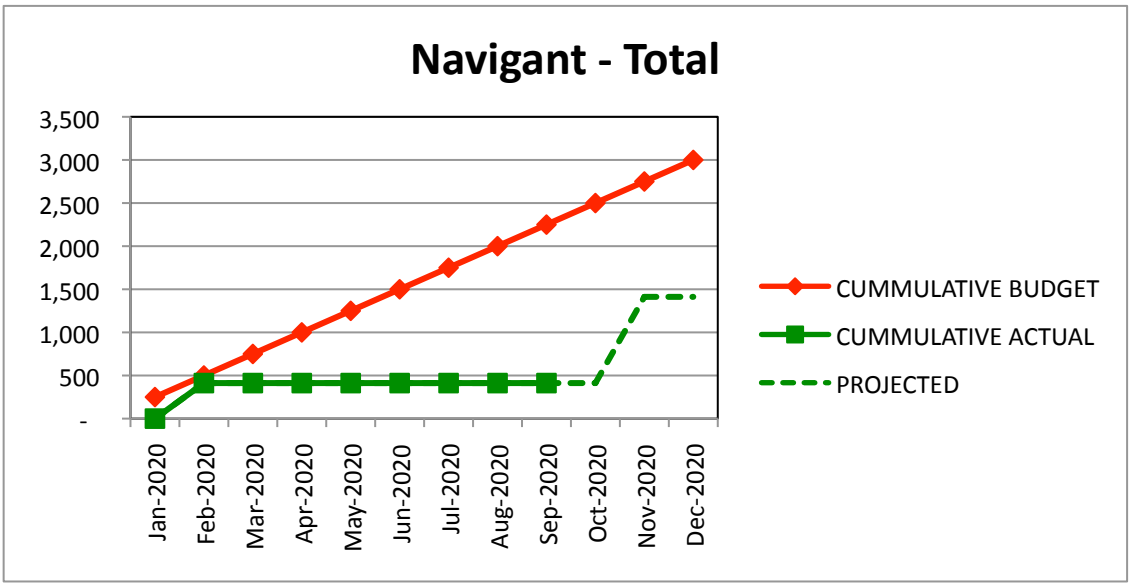
Month of: **Oct-2020**

CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	0	0	0	0%
Renewables	0	0	0	0%
Rens - Other	0	0	0	0%
Reg & Comp	0	0	0	0%
Administrative	250	0	250	0%
Total	250	0	250	0%

YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	0	0	0	0%
Renewables	0	0	0	0%
Rens - Other	0	0	0	0%
Reg & Comp	0	0	0	0%
Administrative	2,500	412	2,088	16%
Total	2,500	412	2,088	16%



M-S-R PPA
KBT Summary

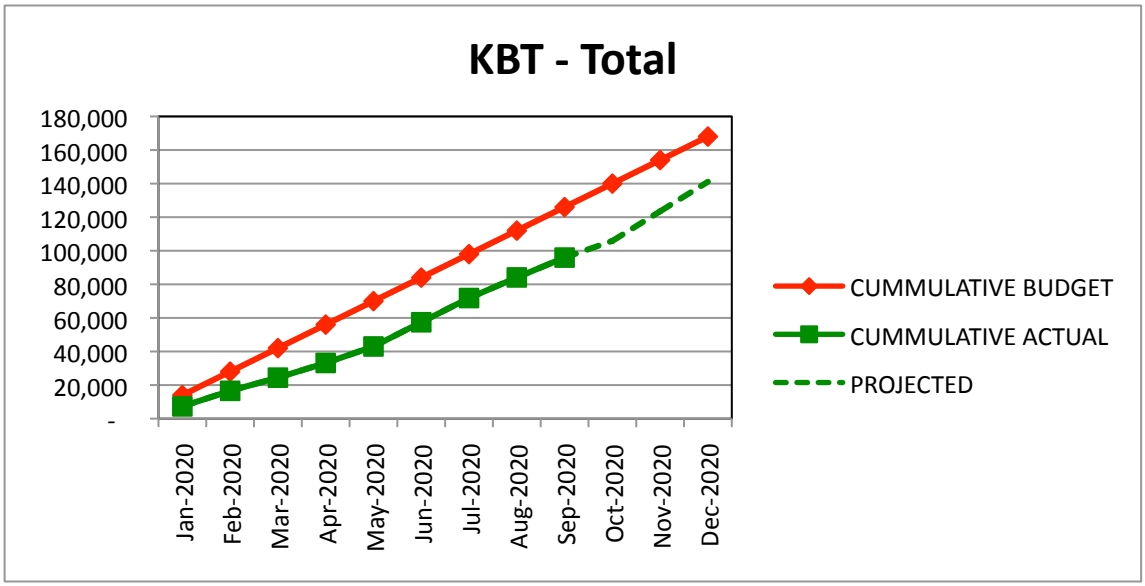
Month of: **Oct-2020**

CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	3,000	3,392	(392)	113%
Gen - Other	0	0	0	0%
Renewables	4,167	3,604	563	86%
Rens - Other	5,833	2,730	3,103	47%
Reg & Comp	0	0	0	0%
Administrative	1,000	212	788	21%
Total	14,000	9,938	4,062	71%

YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	27,000	26,076	924	97%
Gen - Other	0	0	0	0%
Renewables	37,500	29,256	8,244	78%
Rens - Other	52,500	30,212	22,288	58%
Reg & Comp	0	0	0	0%
Administrative	9,000	10,388	(1,388)	115%
Total	126,000	95,932	30,068	76%



M-S-R PPA
Misc Outside Services Summary

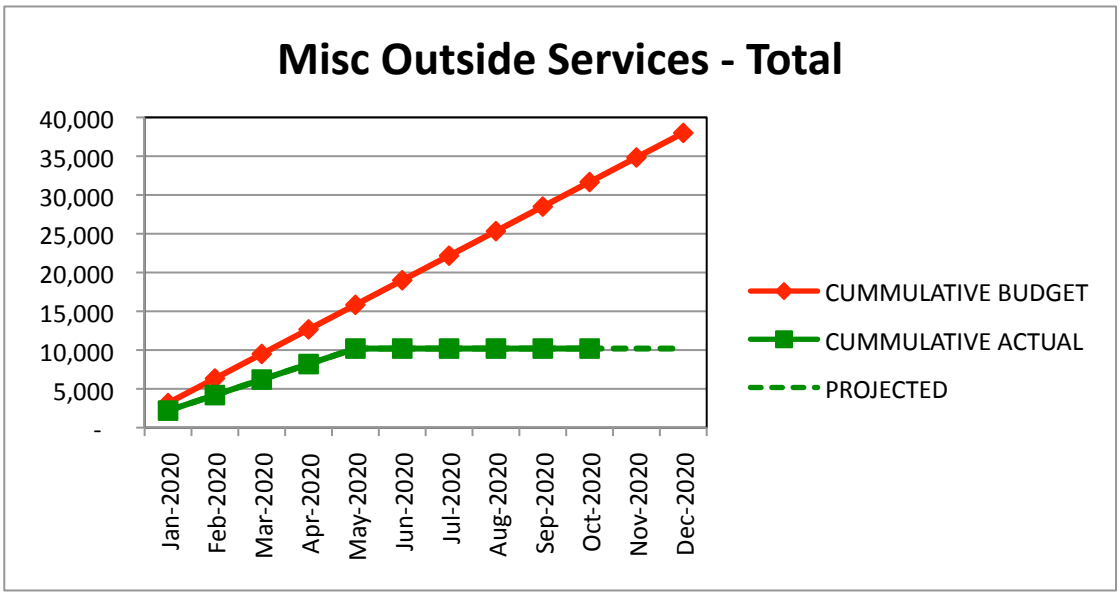
Month of: **Oct-2020**

CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	0	0	0	0%
Renewables	1,583	0	1,583	0%
Rens - Other	0	0	0	0%
Reg & Comp	1,583	0	1,583	0%
Administrative	0	0	0	0%
Total	3,167	0	3,167	0%

YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	0	0	0	0%
Renewables	15,833	5,098	10,736	32%
Rens - Other	0	0	0	0%
Reg & Comp	15,833	5,098	10,736	32%
Administrative	0	0	0	0%
Total	31,667	10,195	21,472	32%

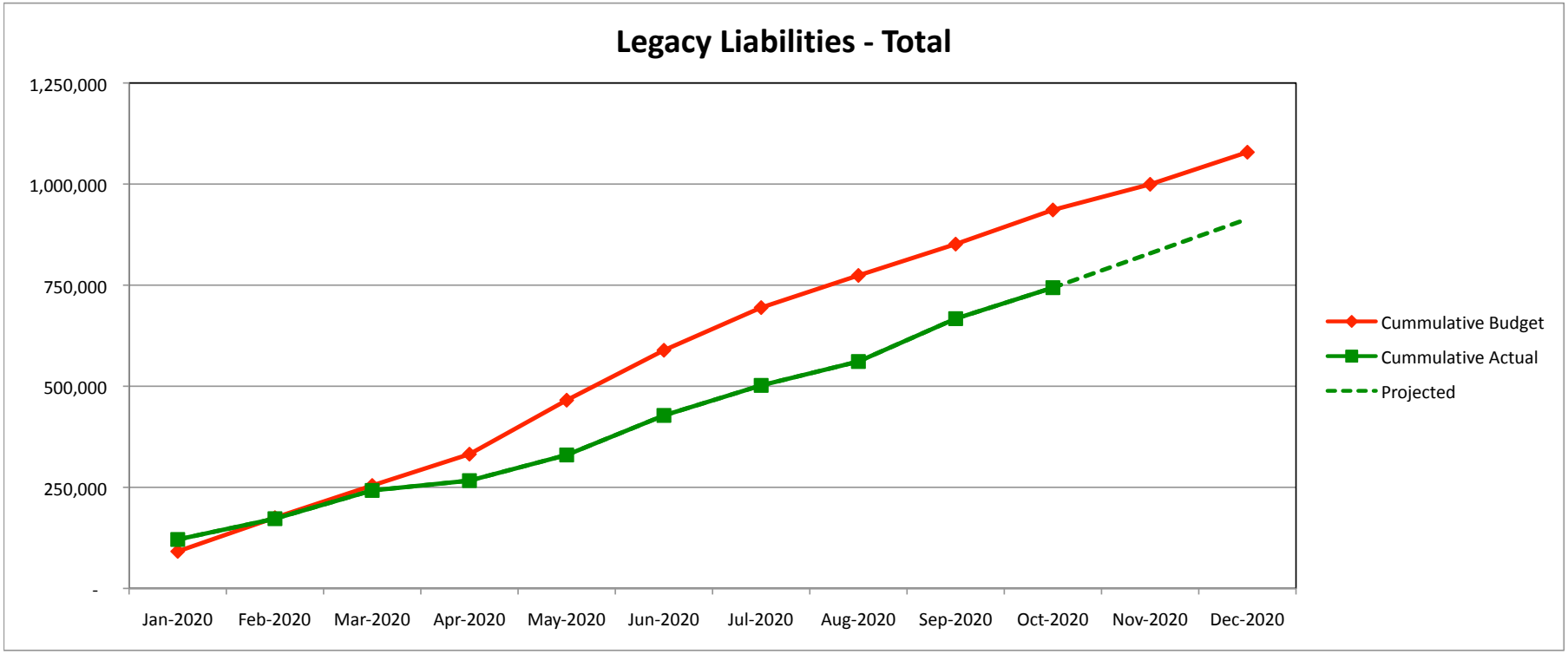


Consultant Costs - 2020		2020 Budget	Revised Budget	Task Orders	Jan-2020	Feb-2020	Mar-2020	Apr-2020	May-2020	Jun-2020	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020	Total	Average	Year-End	Notes
Italics = Estimates					8.33%	16.67%	25.00%	33.33%	41.67%	50.00%	58.33%	66.67%	75.00%	83.33%	91.67%	100.00%			Projection	
Navigant																				
Generation																				
	General	-			-												-	-	-	
Renewables		-	-		-												-	-	-	
Regulatory & Comp		-	-		-												-	-	-	
Administrative		5,000	3,000		-	412.14	-	-	-	-	-	-	-	-	***1,000***	-	1,412	118	1,412	
		5,000	3,000		-	412	-	-	-	-	-	-	-	-	1,000.00	-	1,412	118	1,412	
					0.00%	13.74%	13.74%	13.74%	13.74%	13.74%	13.74%	13.74%	13.74%	13.74%	47.07%	47.07%			47%	
KBT																				
Generation																				
	General	21,000	36,000		2,120	3,180	3,392	2,120	3,816	3,816	1,696	2,544	3,392	3,392.00	***2,800***	***2,800***	35,068	2,922	35,068	
Gen - Other																				
	SJGS Disposition				-												-	-	-	
Renewables																				
	General	50,000	50,000		3,604	3,604	2,968	3,816	3,180	2,544	4,452	2,544	2,544	3,604.00	***3,000***	***3,000***	38,860	3,238	38,860	
Rens - Other																				
	BP-20 Rate Case	70,000	70,000														-			BP-20 Rate Case
	KBT 2020-01			2,912	728	1,638											2,366	1,183	2,366	Jan - Feb
	KBT 2020-02			2,912			637	910									1,547	774	1,547	Mar - Apr
	KBT 2020-03			12,740					2,184	7,644							9,828	4,914	9,828	May - Jun
	KBT 2020-04			21,840							5,733	5,278					11,011	5,506	11,011	Jul - Aug
	KBT 2020-05			21,840									5,460	2,730.00			8,190	4,095	8,190	Sep - Oct
	KBT 2020-06			21,840											***10,920***	***10,920***	21,840	10,920	21,840	Nov - Dec
	Sum			84,084													54,782		54,782	
Regulatory & Comp					-												-	-	-	
Administrative		15,000	12,000		848	848	848	1,908	636	424	2,544	1,908	424	212.00	***900***	***900***	12,400	1,033	12,400	
		156,000	168,000	84,084	7,300	9,270	7,845	8,754	9,816	14,428	14,425	12,274	11,820	9,938.00	*17,620.00*	*17,620.00*	141,110	34,585	141,110	
					4.35%	9.86%	14.53%	19.74%	25.59%	34.17%	42.76%	50.07%	57.10%	63.02%	73.51%	83.99%			84%	
																141,110				
SUBTOTAL		161,000	171,000		7,300	9,682	7,845	8,754	9,816	14,428	14,425	12,274	11,820	9,938	18,620	17,620	142,522	34,703	142,522	
					4.53%	10.55%	15.42%	20.86%	26.95%	35.92%	44.88%	52.50%	59.84%	66.01%	77.58%	88.52%			83%	
Outside Services										***Italics = Estimates***										
Generation					-												-	-	-	
Renewables																				
	Ferguson Group	5,000	5,000		-												-	-	-	
	Politico Group	14,000	14,000		1,098	1,000	1,000	1,000	1,000	-	-	-	-	-	-	-	5,098	425	5,098	
Rens - Other																				
Regulatory & Comp																				
	Ferguson Group	5,000	5,000		-												-	-	-	
	Politico Group	14,000	14,000		1,098	1,000	1,000	1,000	1,000	-	-	-	-	-	-	-	5,098	425	5,098	
Administrative																				
		38,000	38,000		2,195	2,000	2,000	2,000	2,000	-	-	-	-	-	-	-	10,195	850	10,195	
					5.78%	11.04%	16.30%	21.57%	26.83%	26.83%	26.83%	26.83%	26.83%	26.83%	26.83%	26.83%			27%	
GRAND TOTAL		199,000	209,000		9,495	11,682	9,845	10,754	11,816	14,428	14,425	12,274	11,820	9,938	18,620	17,620	152,717	35,552	152,717	
					4.77%	10.64%	15.59%	20.99%	26.93%	34.18%	41.43%	47.60%	53.54%	58.53%	67.89%	76.74%			73%	

		Original 2020 Budget	Revised 2020 Budget	
G		21,000	36,000	35,068
G - Other		-	-	-
R		69,000	69,000	43,958
R - Other		70,000	70,000	54,782
R&C		19,000	19,000	5,098
A		20,000	15,000	13,812
		199,000	209,000	152,717
	50/35/15	41,000	51,000	48,880
	Renew	139,000	139,000	98,740

Legacy Liability - Total

Month of: **Oct-2020**



CURRENT MONTH

By Function	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
PNM - Reclamation	3,500	5,000	(1,500)	143%
SJCC - Reclamation	81,000	71,664	9,336	88%
PNM - Decommission	0	0	0	0%
Total	84,500	76,664	7,836	91%

YEAR TO DATE

By Function	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
PNM - Reclamation	35,000	31,387	3,613	90%
SJCC - Reclamation	901,000	674,875	226,125	75%
PNM - Decommission	0	37,523	(37,523)	#DIV/0!
Total	936,000	743,785	192,215	79%

PNM - Reclamation

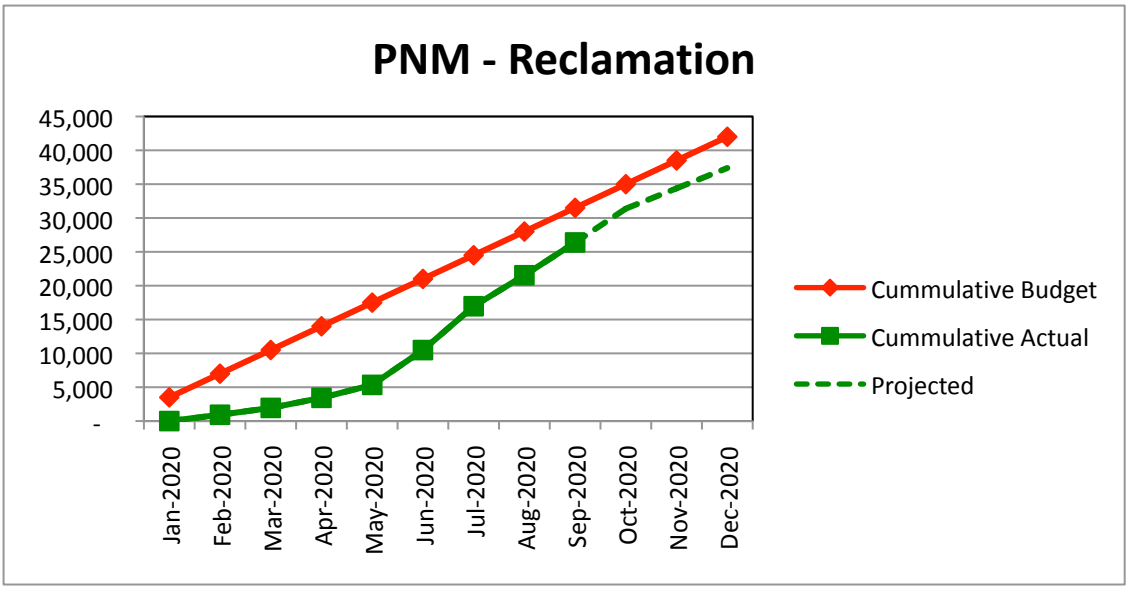
Month of: **Oct-2020**

CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	3,500	***5,000***	(1,500)	143%
Total	3,500	5,000	(1,500)	143%

YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	35,000	31,387	3,613	90%
Total	35,000	31,387	3,613	90%



SJCC - Reclamation

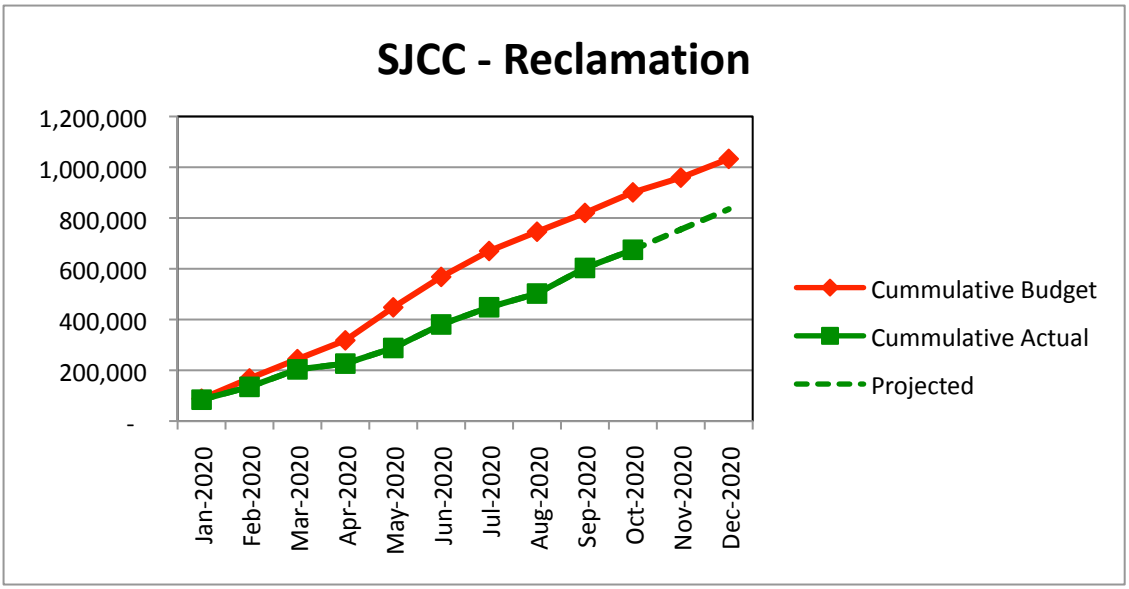
Month of: **Oct-2020**

CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	74,000	71,664	2,336	97%
Total	74,000	71,664	2,336	97%

YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	820,000	674,875	145,125	82%
Total	820,000	674,875	145,125	82%



PNM - Decommissioning

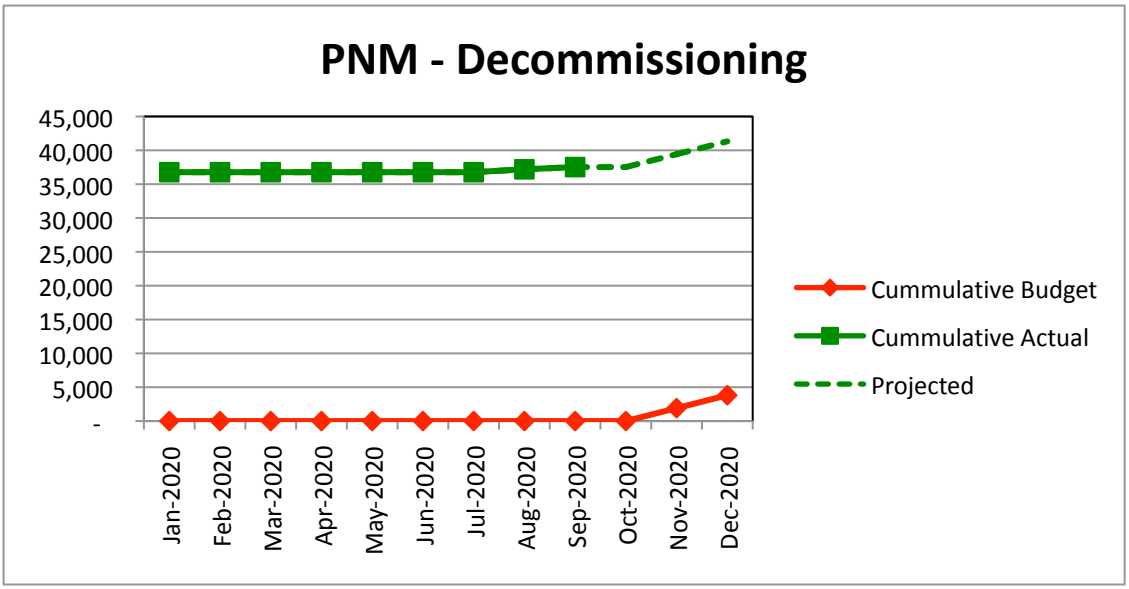
Month of: **Oct-2020**

CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Total	0	0	0	0%

YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	0	37,523	(37,523)	#DIV/0!
Total	0	37,523	(37,523)	#DIV/0!



Lagacy Liability Costs - 2020	M-S-R 2020 Budget	Revised or A.O.P	Jan-2020	Feb-2020	Mar-2020	Apr-2020	May-2020	Jun-2020	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020	Total	Average	Year-End Projection
			8.33%	16.67%	25.00%	33.33%	41.67%	50.00%	58.33%	66.67%	75.00%	83.33%	91.67%	100.00%			
PNM - Reclamation - Budget	42,000	42,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000		
Cummulative Budget			3,500	7,000	10,500	14,000	17,500	21,000	24,500	28,000	31,500	35,000	38,500	42,000			
Reclamation Trust Funds Operating Agent			-	930	1,012	1,490	1,912	5,144	6,477	4,574	4,846.22	***5,000***	***3,000***	***3,000***	37,387	3,116	37,387
	42,000	42,000	-	930	1,012	1,490	1,912	5,144	6,477	4,574	4,846.22	5,000	3,000.00	3,000	37,387	3,116	37,387
Cummulative Actual			-	930	1,943	3,432	5,345	10,489	16,966	21,540	26,387	31,387	34,387	37,387			
			0.00%	2.22%	4.63%	8.17%	12.73%	24.97%	40.40%	51.29%	62.83%	74.73%	81.87%	89.02%			89%
SJCC - Reclamation - Budget			88,000	80,000	76,000	74,000	130,000	120,000	102,000	76,000	74,000	81,000	58,000	74,000	1,033,000		
Cummulative Budget			88,000	168,000	244,000	318,000	448,000	568,000	670,000	746,000	820,000	901,000	959,000	1,033,000			
			88,000	168,000	244,000	318,000	448,000	568,000	670,000	746,000	820,000	901,000	959,000	1,033,000			
San Juan - Surface	1,033,000	1,033,000	84,228	50,500	68,861	22,783	61,560	92,613	67,827	54,039	100,801	71,664.32	***80,000***	***80,000***	834,875	69,573	834,875
San Juan - Underground		-	-												-	-	-
	1,033,000	1,033,000	84,228	50,500	68,861	22,783	61,560	92,613	67,827	54,039	100,801	71,664.32	80,000.00	80,000	834,875	69,573	834,875
Cummulative Actual			84,228	134,728	203,589	226,371	287,931	380,544	448,371	502,410	603,211	674,875	754,875	834,875			
			8.15%	13.04%	19.71%	21.91%	27.87%	36.84%	43.40%	48.64%	58.39%	65.33%	73.08%	80.82%			81%
PNM - Decommissioning	-	3,812	-	-	-	-	-	-	-	-	-	-	1,906	1,906	3,812		
Cummulative Budget			-	-	-	-	-	-	-	-	-	-	1,906	3,812			
Initial Decommissioning			36,768	-	-	-	-	-	-	429	326.49	-	***1,900***	***1,900***	41,323	3,444	41,323
	-	3,812	36,768	-	-	-	-	-	-	429	326.49	-	1,900.00	1,900	41,323	3,444	41,323
Cummulative Actual			36,768	36,768	36,768	36,768	36,768	36,768	36,768	37,197	37,523	37,523	39,423	41,323			
			964.61%	964.61%	964.61%	964.61%	964.61%	964.61%	964.61%	975.86%	984.43%	984.43%	1034.27%	1084.12%			1084.12%
Total Legacy Liability		1,078,812	120,996	51,430	69,873	24,272	63,472	97,757	74,304	59,042	105,974	76,664	84,900	84,900	913,585	76,132	913,585
			120,996	172,426	242,299	266,572	330,044	427,800	502,105	561,147	667,121	743,785	828,685	913,585			
			11.22%	15.98%	22.46%	24.71%	30.59%	39.65%	46.54%	52.02%	61.84%	68.94%	76.81%	84.68%			85%
Cummulative Budget			91,500	175,000	254,500	332,000	465,500	589,000	694,500	774,000	851,500	936,000	999,406	1,078,812			
Cummulative Actual			120,996	172,426	242,299	266,572	330,044	427,800	502,105	561,147	667,121	743,785	828,685	913,585			

Italics = Estimated

M-S-R Public Power Agency
Staff Report

Date: November 9, 2020

From: Martin R. Hopper, General Manager

To: M-S-R PPA Commission

Subject: Annual Review of SB 272 Catalog of Electronic Enterprise Systems

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In October 2015 Governor Brown signed SB 272 which amended the California Public Records Act to require local public agencies such as M-S-R PPA and its Members to create catalogs of electronic enterprise systems or systems containing information about the public that store original records and post such catalogs on their agency websites no later than July 1, 2016.

The General Manager and General Counsel reviewed materials prepared by other agencies and materials provided by the Municipal Information Systems Association of California (MISAC) and concluded that the only systems maintained by M-S-R PPA (and M-S-R EA) that met the definitions in the Public Records Act to require cataloging were the Agency's e-mail systems. A SB 272 Compliance catalog page was timely created and posted to the M-S-R PPA website.

SB 272 also requires that SB 272 Compliance catalog pages be reviewed and updated as needed on an annual basis. The General Manager reviewed the Agency's systems and its website postings and concluded that no changes or additions have been made to the Agency's disclosable electronic enterprise systems and that no changes are required to the posted catalog pages.

<u>I recommend the Commission find that no changes or updates are required to the Agency's SB 272 Compliance catalog pages for calendar year 2020.</u>

M-S-R Public Power Agency
Staff Report

Date: November 12, 2020

From: Martin R. Hopper, General Manager

To: M-S-R PPA Commission

Subject: Approval of Extension of Agreement With Montague DeRose and Associates LLC For Professional Financial Advisor Services

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On December 2, 2009, upon the recommendation of the Finance Committee and on the basis of a thorough competitive solicitation for Financial Advisory Services, the Commission approved an agreement with Montague DeRose and Associates LLC for a three-year term with three optional one-year extensions. This agreement was further extended January 1, 2016, for an additional three year-term with three further optional one-year extensions, of which the Commission approved the first two extensions through December 31, 2020. The services provided by Montague DeRose and Associates LLC have met the Agency's requirements and we recommend exercising the second one-year extension of the 2016 agreement for calendar year 2021.

Issues to be addressed in the current year may include response to inquiries by Rating Agencies, and general support for the activities of the Financial Management Committee and Agency management.

<u>I recommend the Commission approve a one-year extension of the "Consulting Agreement For M-S-R Public Power Agency Professional Financial Advisor Services" with Montague DeRose and Associates, LLC for the period January 1, 2021, through December 31, 2021.</u>

M-S-R PUBLIC POWER AGENCY
Staff Report

Date: November 10, 2020

From: Martin R. Hopper, General Manager

To: M-S-R PPA Commission

Subject: Approval of Engagement Letter With Baker Tilly Virchow Krause, LLP for Independent Accountant Services

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The proposed Engagement Letter With Baker Tilly Virchow Krause, LLP for Independent Accountant Services will cover preparation of audits commencing with the fiscal year beginning January 1, 2020 and continuing for five years thereafter and also provides for two additional option years. The proposed audit fees lock in the current annual fee of $50,000 for three-years and would raise to $51,500 for the final two-years and for the option years. The fees have also been separated into audit and not-to-exceed expenses components to allow capture of savings when portions of the audit are performed remotely rather than on-premises.

The Agency's Controller and accounting staff have expressed their satisfaction with the quality and responsiveness of Baker Tilly Virchow Krause, LLP's work and are supportive of the extension of these services through the proposed engagement letter. Baker Tilly Virchow Krause, LLP is also engaged as independent accountant for the M-S-R Energy Authority under an existing agreement and has proposed an identical successor agreement terms to those proposed for the Agency. It should also be noted that the Modesto Irrigation District also retains Baker Tilly Virchow Krause, LLP as independent accountant, which provides further economies of scale and consistency in the provision of services.

<u>I recommend the M-S-R PPA Commission approve the Engagement Letter With Baker Tilly Virchow Krause, LLP for Independent Accountant Services.</u>

bakertilly

October 13, 2020

Baker Tilly US, LLP
Ten Terrace Ct
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bakertilly.com

Mr. Martin Hopper, General Manager
MSR Public Power Agency
P.O. Box 4060
Modesto, CA 95352

Dear Mr. Hopper:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of MSR Public Power Agency (you, your).

Service and Related Report

We will audit the financial statements of MSR Public Power Agency as of and for the years ended December 31, 2020 through December 31, 2024, and the related notes to the financial statements. Upon completion of our audit, we will provide MSR Public Power Agency with our audit report on the financial statements referred to below. If, for any reasons caused by or relating to the affairs or management of MSR Public Power Agency, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis, to supplement MSR Public Power Agency financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. As part of our engagement, we will apply certain limited procedures to MSR Public Power Agency's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis

Our Responsibilities and Limitations

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. The audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management and the audit committee or equivalent group charged with governance of their responsibilities.

Baker Tilly US, LLP, trading as Baker Tilly, is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Revised 2021

The audit will include obtaining an understanding of MSR Public Power Agency and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal controls or to identify deficiencies in internal control. However, during the audit, we will communicate to management and the audit committee or equivalent group charged with governance internal control matters that are required to be communicated under professional standards.

We will design our audit to obtain reasonable, but not absolute, assurance of detecting misstatements due to errors or fraud that would have a material effect on the financial statements as well as other illegal acts having a direct and material effect on financial statement amounts. An audit is not designed to detect error or fraud that is immaterial to the financial statements. Our audit will not include a detailed audit of transactions, such as would be necessary to disclose errors or fraud that did not cause a material misstatement of the financial statements. It is important to recognize that there are inherent limitations in the auditing process. Audits are based on the concept of selective testing of the data underlying the financial statements, which involves judgment regarding the areas to be tested and the nature, timing, extent and results of the tests to be performed. Our audit is not a guarantee of the accuracy of the financial statements and, therefore, is subject to the limitation that material errors or fraud or other illegal acts having a direct and material financial statement impact, if they exist, may not be detected. Because of the characteristics of fraud, particularly those involving concealment through collusion, falsified documentation and management's ability to override controls, an audit designed and executed in accordance with GAAS may not detect a material fraud. Further, while effective internal control reduces the likelihood that errors, fraud or other illegal acts will occur and remain undetected, it does not eliminate that possibility. For these reasons, we cannot ensure that errors, fraud or other illegal acts, if present, will be detected. However, we will communicate to you, as appropriate, any such matters that we identify during our audit.

We are also responsible for determining that the audit committee or equivalent group charged with governance is informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiences and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that the audit committee or equivalent group charged with governance receives copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

Management's Responsibilities

MSR Public Power Agency's management is responsible for the financial statements referred to above. In this regard, management is responsible for establishing policies and procedures that pertain to the maintenance of adequate accounting records and effective internal controls over financial reporting, the selection and application of accounting principles, the authorization of receipts and disbursements, the safeguarding of assets, the proper recording of transactions in the accounting records, and for reporting financial information in conformity with accounting principles generally accepted in the United States of America (GAAP).

Management is also responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us in the management representation letter (i) about all known or suspected fraud affecting MSR Public Power Agency involving: (a) management, (b) employees who have significant roles in internal control over financial reporting, and (c) others where the fraud or illegal acts could have a material effect on the financial statements; and (ii) of its knowledge of any allegations of fraud or suspected fraud affecting MSR Public Power Agency received in communications from employees, former employees, analysts, grantors, regulators or others.

You are responsible for the preparation of the supplementary information in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (a) you are responsible for presentation of the supplementary information in accordance with GAAP; (b) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for (i) adjusting the financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that MSR Public Power Agency complies with the laws and regulations applicable to its activities.

As part of management's responsibility for the financial statements and the effectiveness of its system of internal control over financial reporting, management is responsible for making available to us, on a timely basis, all of your original accounting records and related information and for the completeness and accuracy of that information and your personnel to whom we may direct inquiries. As required by GAAS, we will make specific inquiries of management and others about the representations embodied in the financial statements and the effectiveness of internal control over financial reporting. GAAS also requires that we obtain written representations covering audited financial statements from certain members of management. The results of our audit tests, the responses to our inquiries, and the written representations, comprise the evidential matter we intend to rely upon in forming our opinion on the financial statements.

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to MSR Public Power Agency; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

Nonattest Services

Prior to or as part of our audit engagement, it may be necessary for us to perform certain nonattest services. For purposes of this letter, nonattest services include services that *Government Auditing Standards* refers to as nonaudit services.

Nonattest services that we will be providing are as follows:

- Financial statement preparation

- Proposing adjusting or correcting journal entries to your financial statements

None of these nonattest services constitute an audit under generally accepted auditing standards including *Government Auditing Standards*.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.

- Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.

- Evaluate the adequacy and results of the nonattest services we perform.

- Accept responsibility for the results of our nonattest services.

- Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

Other Documents

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.

If you intend to reproduce or publish the financial statements in an official statement, unless we establish a separate agreement to be involved in the issuance, any official statements issued by MSR Public Power Agency must contain a statement that Baker Tilly is not associated with the official statement, which shall read "Baker Tilly US, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Baker Tilly US, LLP, has also not performed any procedures relating to this official statement."

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. If we are required by law, regulation or professional standards to make certain documentation available to regulators, MSR Public Power Agency hereby authorizes us to do so.

Timing and Fees

Completion of our work is subject to, among other things, (i) appropriate cooperation from MSR Public Power Agency's personnel, including timely preparation of necessary schedules, (ii) timely responses to our inquiries, and (iii) timely communication of all significant accounting and financial reporting matters. When and if for any reason MSR Public Power Agency is unable to provide such schedules, information, and assistance, Baker Tilly and you may mutually revise the fee to reflect additional services, if any, required of us to complete the audit. Delays in the issuance of our audit report beyond the date that was originally contemplated may require us to perform additional auditing procedures which will likely result in additional fees.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.

Year	Audit Fees	Not-to-exceed expenses	Totals
2020	$ 40,000	$ 10,000	$ 50,000
2021	40,000	10,000	50,000
2022	40,000	10,000	50,000
2023	41,500	10,000	51,500
2024	41,500	10,000	51,500
2025 (option)	41,500	10,000	51,500
2026 (option)	41,500	10,000	51,500

In the event subsequent California legislation conflicts with the length of term of this engagement, either party (Baker Tilly US, LLP or MSR Public Power Agency) may void the remaining years outlined in this engagement letter.

Invoices for these fees will be rendered each month as work progresses and are payable on presentation. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals.

Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these service providers, but are committed to maintaining the confidentiality and security of your information.

To the extent the Services require Baker Tilly receive personal data or personal information from Client, Baker Tilly may process any personal data or personal information, as those terms are defined in applicable privacy laws, in accordance with the requirements of the applicable privacy law relevant to the processing in providing services hereunder. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor in relation to Client personal data and personal information, as those terms are defined respectively under the CCPA/GDPR. Client is responsible for notifying Baker Tilly of any data privacy laws the data provided to Baker Tilly is subject to and Client represents and warrants it has all necessary authority (including any legally required consent from data subjects) to transfer such information and authorize Baker Tilly to process such information in connection with the Services described herein.

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at dataprotectionofficer@bakertilly.com.

Baker Tilly does not treat de-identified data or aggregate consumer information as personal data or personal information, and we reserve the right to convert Client personal data or personal information into de-identified data or aggregate consumer information for our own purposes. As a benefit of benchmarking MSR Public Power Agency to others in your industry, you allow us to enter your confidential accounting and/or financial data into the third party benchmarking software that we utilize. By signing this Engagement Letter, you expressly authorize us to make such disclosure of your confidential accounting and/or financial data, as we may elect within our discretion, with the understanding that, in doing so, you will not be specifically identified.

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify MSR Public Power Agency, unless otherwise prohibited. In the event we are requested by MSR Public Power Agency or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to MSR Public Power Agency, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

Our fees are based on known circumstances at the time of this Engagement Letter. Should circumstances change significantly during the course of this engagement, we will discuss with you the need for any revised audit fees. This can result from changes at MSR Public Power Agency, such as the turnover of key accounting staff, the addition of new funds or significant federal or state programs or changes that affect the amount of audit effort from external sources, such as new accounting and auditing standards that become effective that increase the scope of our audit procedures. This Engagement Letter currently includes all auditing and accounting standards and the current single audit guidance in effect as of the date of this letter.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide MSR Public Power Agency with any other services you may find necessary or desirable.

Resolution of Disagreements

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. In no event shall a demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim would be barred under the applicable statute of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

Limitation on Damages and Indemnification

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim.

Other Matters

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

Our dedication to client service is carried out through our employees who are integral in meeting this objective. In recognition of the importance of our employees, it is hereby agreed that MSR Public Power Agency will not solicit our employees for employment or enter into an independent contractor arrangement with any individual who is or was an employee of Baker Tilly for a period of twelve (12) months following the date of the conclusion of this engagement. If MSR Public Power Agency violates this nonsolicitation clause, MSR Public Power Agency agrees to pay to Baker Tilly a fee equal to the hired person's annual salary at the time of the violation so as to reimburse Baker Tilly for the costs of hiring and training a replacement.

The Services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP, trading as Baker Tilly, is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter constitutes the entire agreement between the MSR Public Power Agency and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto.

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration will survive and continue to bind both parties. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the MSR Public Power Agency's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact Bethany Ryers, the firm director on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. Bethany Ryers is available at 608 240 2382, or at Bethany.Ryers@bakertilly.com.

Sincerely,

BAKER TILLY US, LLP

Baker Tilly US, LLP

The services and terms as set forth in this Engagement Letter are agreed to by:

_____
Official's Name

_____
Official's Signature

_____
Title

_____
Date

M-S-R Public Power Agency
Staff Report

Date: November 10, 2020

From: Martin R. Hopper, General Manager

To: M-S-R PPA Commission

Subject: November 2020 General Manager Report

Overview:

This report will provide an overview of the General Manager's major activities and those of specified Agency contractors and consultants. Based on feedback from Commissioners and interested parties, the format and content of these reports will evolve.

Also included in this report as Attachment 'A' is an initial discussion of Avangrid's announced acquisition of PNM and potential implications regarding M-S-R PPA's San Juan Project Legacy Liabilities.

General Manager:

Administrative Activities – October 2020 (Approx. 64 hours)

The General Manager reviewed and approved Check Requests prepared by the Administrative Assistant and updated Budget v. Actuals Reports.

Issued approved minutes of prior Commission meetings and prepared draft minutes of September meetings

Assembled and issued final versions of PPA & EA Strategic Plans and Policy Manuals.

Coordinated with NCPA, TANC, BANC and CMUA regarding 2021 meeting dates and prepared draft 2021 JPA Calendar.

Prepared for and conducted monthly status call with Commission President.

Coordinated with Financial Advisor regarding alternative structures for replacement of natural gas commodity with renewable electricity or other alternatives regarding 2009 pre-pay transaction.

Coordinated with contractor regarding website overhaul project and initiated work. Target completion December 2020.

Prepared proposed 2021 Budget recommendations and coordinated with Senior Accountant regarding preparation of proposed 2021 Budget documents for PPA & EA. As part of Budget review documentation, extracted data and determined form for reporting of Strategic Reserve Status in accordance with newly adopted Working Capital Policies.

Set agendas and prepared November 2020 Technical Committee packages.

The General Manger also provided direction to consultants and counsel re emergent filings and regulatory matters. Reports on reclamation issues, decommissioning activities, and project status were requested and prepared.

Project Activities:

San Juan – October 2020 (Approx 29 hours):

Continued review of terms, conditions and economics of Westmoreland San Juan Mining Company proposal for buy-out of Mine Reclamation funding liabilities. Reviewed mining consultant report regarding updated mine reclamation cost estimate. Reviewed and modeled impacts of index reductions, return expectations, and inflation/escalation estimates and coordinated with PNM and other participants re same. Attended (telephonic) Reclamation Oversight Committee and negotiating team meetings re same.

Researched potential implications of proposed acquisition of PNM by Avangrid on San Juan Legacy Liabilities.

Big Horn – October 2020 (Approx 45 hours):

Reviewed materials and coordinated with FERC Counsel regarding preparation of BPA Day presentations. Attended and facilitated BPA Day. Review and direction to FERC Counsel re BPA Priority Matrix updates for presentation to Tech C'tee in November.

Reviewed CARB materials regarding Cap and Trade accounting and CMUA response re same. Coordinated with Members and Regulatory Counsel re PCC-0 and PCC-1 grandfathered resources issues.

Prepared long-term updated Big Horn 1 and Big Horn 2 cost forecasts and provided to Member Staff as requested for budget input and analysis.

Reviewed Big Horn energy production records and trends and updated periodic status reports.

Key Meetings – October 2020

Commission President, October 2 and 15, 2020. Key Issues: Annual goals review and GM evaluation processes.

NCPA Public Power Policy Forum, Telephonic, October 6, 2020. Key Issues: Implications of change in administrations regarding public power polices, renewable energy economics and policy implications.

PPA Technical Committee, Telephonic, October 15, 2020. Key Issues: Annual BPA Day review of PNW activities, issues, and cost impacts on Big Horn deliveries.

Dan Hartman, PFM, Telephonic, October 22, 2020. Key Issues: Restructuring Opportunities (Cost Reduction) regarding renewable energy projects.

San Juan Reclamation Oversight Committee, October 28, 2020. Key Issues: Reclamation Cost review study and Reclamation Trust Funding Curve implications, 2021 Reclamation AOP, and Westmoreland status.

General Consultant:

The General Consultant regularly prepares a summary of his activities as part of his monthly billing process. A copy of General Consultant's November 2020 report is attached regarding 34 hours of support in October regarding San Juan, Renewable, and Administrative issues.

BPA Consultant:

Our BPA Consultant, Dr. David Arthur, [will/has] provide[d] an update on his activities through October 2020 and 15 hours of support. [Notes] – TBD as of 11/10/20.

M-S-R Public Power Agency
Staff Report

Date: November 2, 2020

From: Alan Hockenson

To: Martin Hopper

Subject: Specific Work Tasks for October 2020

During October, I spent time working on specific tasks on behalf of the M-S-R Public Power Agency (M-S-R PPA). These activities can be segregated into the categories of Generation, Renewable, and Administrative. There was no activity in the category of Transmission.

Generation (16 hours) – There were three specific lines of activity related to the decommissioning of the San Juan Generating Station (San Juan) and the reclamation of the San Juan mines.

The San Juan Generating Station Decommissioning Committee (SJDC) meeting held on October 23, 2020 was held with the issues discussed being the 2021 Decommissioning Work budget, allocation of insurance premiums, and the effort to avoid a 2021 surety bond requirement from the New Mexico Environmental Department (NMED). Additional communications were also held with the Decommissioning Agent and the General Manager.

The Reclamation Oversight Committee held meetings on October 14 and 28, 2020 which included a number of topics. The primary issues are the potential buy out of mine reclamation work by Westmoreland and the process to update the reclamation costs for trust purposes.

Two specific actions both happened on October 21, 2020. First, the regional transmission agency in the Inland Southwest, WestConnect, approved the application by Avangrid Renewables, Inc. (Avangrid) as a Member effective November 21, 2020. In addition, PNM announced it was in the process of being purchased by Avangrid. If this sale is completed, Avangrid will have a competitive advantage in transmission planning as Members of WestConnect have an easier path to gain recognition of transmission projects compared to independent transmission developers.

A brief weekly monitoring of PNM's public activities was undertaken to assure PNM is still willing and capable of performing its duties as the San Juan Decommissioning Agent and living up to its obligations under the Trust Agreements for both Decommissioning and Reclamation.

Renewable (17 hours) – Monthly operating data was received from Avangrid Renewables, Inc. (AR), and was reviewed. Materials distributed by Agency's Special Counsel on Bonneville Power Administration matters were reviewed. The key activity for October was attendance of

the annual closed session presentation provided by Special Counsel – BPA known as "BPA Day."

The WECC is the key forum for utility discussions and policy determinations in the Western Interconnection. Policies that emanate from the WECC can affect transmission providers and balancing authorities in how business is transacted. The weekly summaries of activities and meetings issued by the WECC were briefly reviewed. I researched the activities of the Federal Energy Regulatory Commission (FERC) to assure I am familiar with the issues of importance to M-S-R PPA.

Administrative (1 hour) – The activity in September was limited to updating the Renewable Status Report and reviewing the Commission Meeting package of materials. .

All meetings were attended telephonically.

ATTACHMENT 'A'

M-S-R Public Power Agency
Staff Report

Date: October 28, 2020

From: Martin R. Hopper, General Manager

To: M-S-R PPA Commission

Subject: Avangrid Acquisition of PNM

On Wednesday, October 21, 2020 the proposed acquisition of PNM Resources by Avangrid Inc. (parent and guarantor of Avangrid Renewables, LLC, M-S-R PPA's counterparty in the Big Horn Wind Energy Projects) through its merger subsidiary NM Green Holdings, Inc. was announced. The all cash transaction is valued at $4.3 billion based on a proposed price of $50.30 for PNM Resources shares.

The proposed transaction is expected by Avangrid and PNM to take about one-year to close and the following major approvals and time-lines have been identified by the transacting parties:

1. Federal Authorities:
    a. Federal Energy Regulation Commission (FERC) — 3 –6 months
    b. Department of Justice (Hart Scott-Rodino Clearance) — 1 month
    c. Committee on Foreign Investment in the United States (CFIUS) — 3 months
    d. Federal Communications Commission — 1 month
    e. Nuclear Regulatory Commission — 6 –8 months
2. State Authorities:
    a. New Mexico Public Regulation Commission (NMPRC) — 8 –14 months
    b. Public Utility Commission of Texas (PUCT) — 6 –8 months

PNM Resources will operate under the umbrella of Avangrid Networks which currently encompasses Maine Natural Gas, New York State Electric & Gas and other utility operations in New York, Connecticut, Massachusetts and Maine, including Central Maine Power. Avangrid CEO Dennis Arriola, who will remain as CEO of the combined company, called the merger a "strategic fit" and said it would enhance Avangrid's position in clean-energy distribution and transmission and expand its leadership in renewables.

Avangrid also touts being committed to UN Sustainable Development Goals. These 17 goals include the production and efficient consumption of affordable and clean energy, and investing in land restoration for improving livelihoods, reducing vulnerabilities, and reducing risks for the economy. These commitments, coupled with Iberdrola S.A.'s access to low-cost capital may augur well for the resolution of San Juan Generating Station legacy liabilities pertaining to the environment, mine reclamation, and plant demolition/site restoration.

M-S-R Public Power Agency
Staff Report

Date: November 10, 2020

From: Martin R. Hopper, General Manager

To: M-S-R PPA Commission

Subject: Approval of 2021 M-S-R Public Power Agency Budget

The proposed 2021 M-S-R PPA Budget has been prepared in conformance with our Bond Indentures and the policies and priorities established in the 2021 M-S-R PPA Strategic Plan adopted by this Commission on September 30, 2020.

Total expenditures under the budget, excluding Debt Service Revolving Fund distributions and receipts and Legacy Liability expenses either paid from Trusts or non-billable under Resolution 2016-04, will be $78.81 million, which is about $0.12 million lower than the 2020 M-S-R PPA Budget and are $0.18 million lower than the 2021 Budget Estimate in the 2020 Budget.

San Juan Legacy Liability (Plant Decommissioning, Mine Reclamation, and Environmental) expenses are funded pursuant to Resolution 2016-04 and are neither invoiced to the Members nor offset by Budget revenues. These items are shown as Generation Plant Expense and include Decommissioning Agent costs, liability insurance premiums associated with decommissioning activities, and environmental insurance premiums pursuant to the Restructuring, Decommissioning and Reclamation Agreements.

The net budget costs and changes are summarized below:

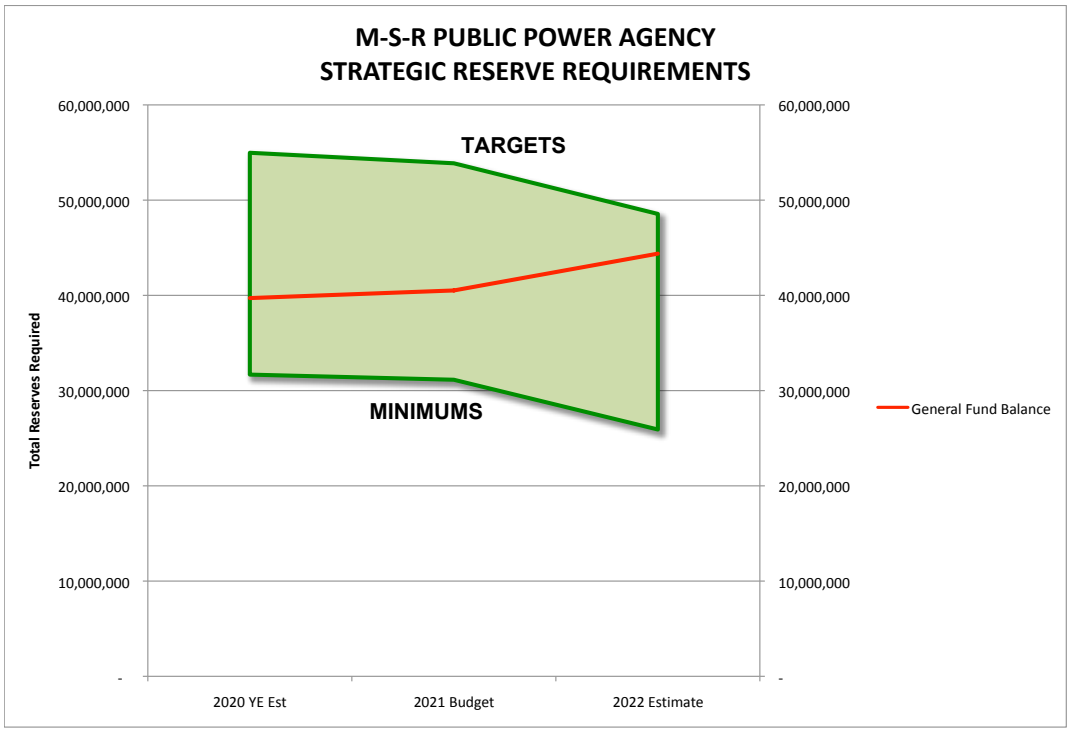
Category	Adopted 2020 Budget	Proposed 2021 Budget	% Change	Comment
Agency and Debt Admin	0.56	0.48	-14.7%	Decrease due to reduction in meeting and association cost.
Generation (San Juan)	27.90	27.92	0.1%	Per Debt Service schedule.
Renewables (Big Horn I & II)	50.23	50.27	0.1%	Generation based on historic performance projections.
Regulatory & Compliance	0.24	0.15	-38.9%	Reduction due to completion of certain FERC activities.
Totals	78.93	78.81	-0.1%	

The following table shows expected status of the Agency's Working Capital Policy's Strategic Reserve computed in conformance with Resolution 2020-01 adopted earlier this year:

M-S-R PPA STRATEGIC RESERVE – TARGETS			
Category	**2020 Estimated Year End**	**2021 Year End Projection**	**2022 Year End Projection**
Net Annual Budget	78,931,000	78,620,000	65,033,000
General Fund Available	39,716,000	40,516,000	44,382,000
General Fund In Days	176	188	249
Reserve Target In Days	243	250	272
Administrative & Operations Reserve Tranche	382,000	423,000	441,000
Purchase Power Reserve Tranche	12,061,000	11,116,000	11,164,000
San Juan Fixed Cost Reserve Tranche	4,569,000	4,569,000	0
Reserve for Mine Reclamation Tranche	8,599,000	8,489,000	7,941,000
Reserve for San Juan Decommissioning Tranche	29,362,000	29,272,000	29,006,000
Total Strategic Reserve Target	54,104,000	53,869,000	48,552,000
Potential Surplus Over General Fund	-15,257,000	-13,353,000	-4,171,000

M-S-R PPA STRATEGIC RESERVE – MINIMUMS			
Category	**2020 Estimated Year End**	**2021 Year End Projection**	**2022 Year End Projection**
Net Annual Budget	78,931,000	78,620,000	65,033,000
General Fund Available	39,716,000	40,516,000	44,382,000
General Fund In Days	176	188	249
Reserve Minimum In Days	140	145	145
Administrative & Operations Reserve Tranche	382,000	423,000	441,000
Purchase Power Reserve Tranche	6,031,000	5,558,000	5,582,000
San Juan Fixed Cost Reserve Tranche	4,569,000	4,569,000	0
Reserve for Mine Reclamation Tranche	8,394,000	8,295,000	7,763,000
Reserve for San Juan Decommissioning Tranche	12,305,000	12,296,000	12,131,000
Total Strategic Reserve Minimum	31,681,000	31,141,000	25,917,000
Potential Surplus Over General Fund	8,035,000	9,375,000	18,465,000

Illustrated graphically, the Agency's General Fund Balance exceeds the Minimum Requirement in each year and is trending to the Target Amount as anticipated when the Working Capital Policy was approved.



The proposed 2021 M-S-R PPA Budget was reviewed by Member Staff in a workshop held November 6, 2020.

<u>I recommend the Commission adopt the proposed 2021 M-S-R PPA Budget.</u>

Public Power Agency

2021 Proposed Budget

MSR PUBLIC POWER AGENCY
SUMMARY
2021 BUDGET

	2020 Budget	2020 Year To Date Estimated	2021 Budget	2022 Budget Estimate
FUNDS PROVIDED:				
Operating Revenue	82,230,799	86,380,515	82,114,394	66,705,895
Other Revenue	900,000	780,000	800,000	700,000
Fund Provided	83,130,799	87,160,515	82,914,394	67,405,895
FUNDS APPLIED:				
Agency Administration & General	512,490	397,497	434,690	461,690
Agency Debt Administrative	50,000	45,418	45,000	48,000
Generation Administrative & General	152,000	176,189	172,000	172,000
Generation Plant Costs	3,402,000	3,300,000	3,437,000	1,802,000
Renewable Administrative	507,000	414,513	486,000	510,000
Coordinating Services	465,000	437,593	475,000	485,000
Regulatory & Compliance	235,000	123,929	146,000	160,000
Purchase Power-Big Horn 1	34,368,291	36,915,618	34,368,264	34,368,264
Purchase Power-Big Horn 2	14,892,271	16,821,005	14,939,420	14,880,820
Interest Expense-Generation	3,063,750	3,063,750	1,950,500	660,625
Principal Payments-Generation	24,685,000	24,685,000	25,797,500	13,212,500
Funds Applied	82,332,802	86,380,515	82,251,374	66,858,501
SURPLUS (DEFICIT) REVENUE	797,997	780,000	663,020	547,394

MSR PUBLIC POWER AGENCY
2021 Budget Summary

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
REVENUE FROM MEMBERS													
Modesto Irrigation District	2,505,315	2,712,010	2,791,237	2,541,002	2,026,281	2,075,830	2,307,704	2,205,742	2,311,724	2,456,179	2,647,870	2,517,064	30,299,097
City of Santa Clara	2,740,020	2,550,440	3,307,821	3,488,022	3,036,000	3,146,479	2,717,420	2,042,428	2,934,812	2,788,764	2,885,779	2,764,216	34,921,742
City of Redding	1,305,821	1,270,866	1,522,359	1,712,166	1,416,384	1,582,672	1,354,589	1,327,258	1,285,255	1,342,142	1,355,147	1,306,961	17,022,620
TOTAL	6,550,155	6,530,116	7,715,420	7,742,015	7,039,424	7,310,081	6,379,713	5,575,428	6,101,821	6,611,075	6,738,836	6,578,162	82,114,361
BUDGET AMOUNTS / TRUE UP YEAR END													
Agency Administration & General	41,319	41,307	41,307	41,307	41,307	41,307	21,140	21,140	21,140	21,140	21,140	21,140	494,000
Agency Debt Administration	3,755	3,749	3,749	3,749	3,749	3,749	3,749	3,749	3,749	3,749	3,749	3,749	45,000
Generation Administrative & General	14,235	14,233	14,233	14,233	14,233	14,233	14,233	14,233	14,233	14,233	14,233	14,233	170,800
Generation Fixed Costs	206,410	206,410	206,410	206,410	206,410	206,410	206,410	206,410	206,410	206,410	206,410	206,410	2,477,000
Generation Fixed Costs-Non Billable	(11,410)	(11,410)	(11,410)	(11,410)	(11,410)	(11,410)	(11,410)	(11,410)	(11,410)	(11,410)	(11,410)	(11,410)	(137,000)
Interest Expense-Generation	214,059	214,059	214,059	214,059	214,059	110,104	110,104	110,104	110,104	110,104	110,104	110,104	1,860,820
Principal Payments-Generation	2,097,500	2,097,500	2,097,500	2,097,500	2,097,500	2,202,500	2,202,500	2,202,500	2,202,500	2,202,500	2,202,500	2,202,500	26,797,500
ALLOCATED 60%&16	2,566,859	2,566,808	2,566,858	2,566,808	2,566,808	2,566,858	2,566,407	2,566,400	2,566,400	2,566,400	2,566,400	2,566,400	31,990,819
BUDGET AMOUNTS / TRUE UP YEAR END													
Renewable Administrative	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500	486,000
ALLOCATED 20%&20													
MID	9,815	9,815	9,815	9,815	9,815	9,815	9,815	9,815	9,815	9,815	9,815	9,815	
SC	18,045	18,045	18,045	18,045	18,045	18,045	18,045	18,045	18,045	18,045	18,045	18,045	
REU	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	
Coordinating Services	39,565	39,565	39,565	39,565	39,565	39,565	39,565	39,565	39,565	39,565	39,565	39,565	475,000
Regulatory & Compliance	12,170	12,190	12,190	12,190	12,190	12,190	12,170	12,190	12,190	12,190	12,190	12,190	146,020
ALLOCATED 40%&20	51,735	51,745	51,745	51,745	51,745	51,745	51,735	51,745	51,745	51,745	51,745	51,745	621,020
MID	20,702	20,702	20,702	20,702	20,702	20,702	20,702	20,702	20,702	20,702	20,702	20,702	
SC	20,702	20,700	20,700	20,700	20,700	20,700	20,702	20,700	20,700	20,700	20,700	20,700	
REU	10,351	10,350	10,350	10,350	10,350	10,350	10,351	10,350	10,350	10,350	10,350	10,350	
Renewable & Overheads	92,255	92,242	92,242	92,242	92,242	92,242	92,255	92,242	92,242	92,242	92,242	92,242	1,107,020
ACTUAL VARIABLE AMOUNTS													
Purchase Power-Big Hom 1	2,534,139	2,730,000	3,434,743	3,387,802	3,028,285	3,315,255	2,715,063	2,678,442	2,354,729	2,367,702	2,691,708	2,560,240	34,305,904
Purchase Power-Big Hom 2	1,277,070	1,400,103	1,537,777	1,613,075	1,211,011	1,270,750	960,167	970,227	1,031,703	1,240,034	1,229,407	1,311,247	14,031,420
Generation Fuel	0	0	0	0	0	0	0	0	0	0	0	0	0
Transmission Losses	0	0	0	0	0	0	0	0	0	0	0	0	0
	3,811,209	4,131,103	4,972,520	5,013,775	4,240,302	4,610,005	3,675,230	3,678,669	3,375,142	3,607,410	3,921,246	3,871,486	48,337,324
ACTUAL AMOUNTS (OWNERSHIP SHARE)													
Generation Operation & Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Generation Capital	0	0	0	0	0	0	0	0	0	0	0	0	0
Transmission Capital	0	0	0	0	0	0	0	0	0	0	0	0	0
ALLOCATED 60%&16	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	6,550,155	6,570,116	7,710,407	7,002,857	7,030,423	7,810,050	6,380,993	6,245,527	6,104,200	6,511,074	6,739,004	6,543,155	82,114,374

MSR PUBLIC POWER AGENCY
2022 Budget Summary

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
REVENUE PROVIDERS													
Modesto Irrigation District	2,919,241	2,910,012	2,706,225	2,818,245	2,041,013	2,693,928	1,078,641	997,688	1,121,013	1,106,312	1,207,606	1,227,668	22,593,270
City of Santa Clara	3,230,900	2,664,900	3,349,793	3,443,875	3,019,004	3,531,094	1,314,427	1,739,300	1,054,910	1,001,124	1,933,224	1,351,869	28,433,605
City of Redding	1,307,206	1,207,621	1,621,716	1,713,833	1,497,725	1,395,438	377,288	342,190	551,037	564,374	988,019	914,819	14,223,686
TOTAL	6,672,708	6,882,709	7,702,542	7,976,953	7,001,462	7,622,160	3,434,646	3,047,100	3,724,010	4,060,810	4,100,119	3,993,500	65,250,560
BUDGET AMOUNTS (TRUE UP YEAR END)													
Agency Administration & General	55,810	55,807	66,807	66,807	66,807	55,807	21,146	21,140	21,140	21,140	21,140	21,140	491,000
Agency Debt Administrative	4,993	4,949	4,346	4,349	4,349	4,349	3,499	3,416	3,416	3,416	3,416	3,416	42,000
Generation Administrative & General	14,333	14,333	14,333	14,333	14,333	14,333	14,333	14,333	14,333	14,333	14,333	14,333	172,000
Generation Plant Costs	297,996	297,997	297,997	297,997	297,997	297,997	12,666	12,667	12,667	12,667	12,667	12,667	1,973,000
Generation Plant Costs-Non Billable	(12,667)	(12,667)	(12,667)	(12,667)	(12,667)	(12,667)	(12,667)	(12,667)	(12,667)	(12,667)	(12,667)	(12,667)	(152,000)
Interest Expense-Generation	110,104	110,104	110,104	110,104	110,104	110,104	0	0	0	0	0	0	550,000
Principal Payments-Generation	2,909,083	2,909,083	2,909,083	2,909,083	2,909,083	2,909,083	0	0	0	0	0	0	17,454,500
ALLOCATED 03/04/05	3,381,670	3,381,570	3,381,570	3,381,570	3,381,570	3,381,570	39,000	39,009	39,009	39,009	39,009	39,009	20,315,017
BUDGET AMOUNTS (TRUE UP YEAR END)													
Renewable Administrative	42,495	42,501	42,501	42,501	42,501	42,501	42,495	42,501	42,501	42,501	42,501	42,501	510,000
ALLOCATED 23/24/25													
NID	9,774	9,775	9,775	9,775	9,775	9,775	9,774	9,775	9,775	9,775	9,775	9,775	
SC	20,829	20,829	20,829	20,829	20,829	20,829	20,829	20,829	20,829	20,829	20,829	20,829	
REU	11,900	11,900	11,900	11,900	11,900	11,900	11,900	11,900	11,900	11,900	11,900	11,900	
Coordinating Revenue	40,416	40,417	40,417	40,417	40,417	40,417	40,416	40,417	40,417	40,417	40,417	40,417	485,000
Regulatory & Compliance	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	160,000
ALLOCATED 40/60/00	53,750	53,750	53,750	53,750	53,750	53,750	53,750	53,750	53,750	53,750	53,750	53,750	645,000
NID	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	
SC	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	21,500	
REU	10,750	10,750	10,750	10,750	10,750	10,750	10,750	10,750	10,750	10,750	10,750	10,750	
Renewable & Overheads	95,249	96,251	96,251	96,251	95,251	95,251	95,249	96,251	96,251	95,251	95,251	95,251	1,156,000
ACTUAL VARIABLE AMOUNTS													
Purchase Power-Big Hydro 1	2,524,130	2,790,870	2,434,343	3,697,900	3,279,285	3,320,365	2,715,863	2,209,442	2,354,370	2,651,750	2,251,709	2,546,243	34,296,264
Purchase Power-Big Hydro 2	1,290,686	1,406,104	1,640,508	1,520,226	1,214,348	1,193,393	557,859	100,522	1,094,500	1,244,080	1,222,797	1,314,020	14,180,620
Generation Fuel	0	0	0	0	0	0	0	0	0	0	0	0	0
Transmission Losses	0	0	0	0	0	0	0	0	0	0	0	0	0
	3,814,816	4,196,973	4,074,710	5,218,127	4,493,633	4,513,758	3,273,722	2,311,224	3,448,870	3,895,830	3,474,506	3,860,263	48,476,884
ACTUAL AMOUNTS (OWNERSHIP SHARE)													
Generation Operation & Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Generation Capital	0	0	0	0	0	0	0	0	0	0	0	0	0
Transmission Capital	0	0	0	0	0	0	0	0	0	0	0	0	0
ALLOCATED 50/50/15	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	6,512,721	6,882,707	7,732,543	7,275,994	7,151,469	7,522,161	3,886,649	3,547,124	3,624,019	4,232,091	4,155,720	3,966,324	68,098,321

MSR PUBLIC POWER AGENCY
PROJECTED DEBT SERVICE CALCULATION

Debt Service Requirements		2021		2022
Series 2018R Bonds Interest Expense		1,950,500		660,625
Series 2018R Bonds Principal Expense		25,797,500		13,212,500
Total Debt Service		27,748,000		13,873,125
Operating Revenue	82,114,394		66,706,895	
Other Revenue	800,000		700,000	
Operating Expense	(82,114,374)		(66,706,901)	
Interest Expense included in Operating Expenses	1,950,500		660,625	
Debt Service Principal included in Operating Expenses	25,797,500		13,212,500	
Capital included in Operating Expenses	-		-	
San Juan Reclamation Trust included in Operating Expense	3,300,000		1,650,000	
Subtotal - Net Revenue	31,848,020		16,223,119	
Debt Service Coverage		1.148		1.169
Required Debt Service Coverage		1.100		1.100
Net Revenue Required (110% of Debt Service)		30,522,800		15,260,438
Net Revenue		31,848,020		16,223,119
Additional Revenue Required for Coverage		(1,325,220)		(962,681)

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Operating Revenue

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
	Modesto Irrigation District	$30,307,243	$31,758,133	$15,840,555	$14,429,132	$30,269,697	$15,877,228	98,666,048	$22,565,276
	City of Santa Clara	34,869,367	36,751,445	18,533,330	16,288,417	34,821,747	18,561,980	10,871,725	29,433,885
	City of Redding	17,054,189	17,870,937	9,088,528	7,934,422	17,022,950	9,098,523	5,611,411	14,709,934
		$82,230,799	$85,380,515	$43,462,423	$38,651,971	$82,114,394	$43,537,711	$23,169,184	$66,706,895

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Other Revenue

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
750130.4190000	Interest Income - General Fund	$600,000	$580,000	$300,000	$300,000	$600,000	$300,000	$300,000	$600,000
750131.4190000	Interest Income - Reserve Funds	300,000	200,000	100,000	100,000	200,000	100,000	0	100,000
		$900,000	$780,000	$400,000	$400,000	$800,000	$400,000	$300,000	$700,000

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Generation Plant Cost

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
302301.9230000	San Juan Audit Fees-Moved to A&G	0	0	0	0	0	0	0	0
301303.4081000 *	Reclamation Agent	42,000	32,540	20,000	20,000	40,000	25,500	25,500	51,000
301303.5060000 *	San Juan Decommissioning/Enviromental Insurance	60,000	93,133	48,500	48,500	97,000	50,500	50,500	101,000
**	Debt Service Coverage Fund	3,300,000	3,300,000	1,650,000	1,550,000	3,300,000	1,650,000	0	1,550,000
		$3,402,000	$3,425,673	$1,718,500	$1,718,500	$3,437,000	$1,726,000	$76,000	$1,802,000

* These cost are not included in revenue and will paid from former San Juan Working Capital Resolution 2015-04 planned through 2028

** Debt Service Coverage Fund Moved from Other Revenue to Generation Plant Cost in order to be included in funds applied

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Purchase Power

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
504313.55500xx	Purchase Power-Big Horn 1	$34,368,291	$35,915,619	$18,796,781	$15,571,483	$34,368,264	$18,796,781	$15,571,483	$34,368,264
504313.5550012	Purchase Power-Big Horn 2	14,892,271	15,921,005	8,170,917	6,768,503	14,939,420	8,193,963	6,786,857	14,980,820
		$49,260,562	$53,736,623	$26,967,698	$22,339,986	$49,307,684	$26,990,744	$22,358,340	$49,349,084

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Agency Administration & General

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
701202.9250000	General Insurance	$189,400	$141,151	$156,000	$0	$156,000	$163,000	$0	$163,000
701205.9210000	Postage	100	0	50	50	100	50	50	100
701207.9210000	Office Supplies	100	0	50	50	100	50	50	100
701209.9230000	Registration License	11,350	7,484	4,975	4,975	9,950	4,975	4,975	9,950
701301.9230000	Audit Fees	61,500	50,000	37,500	12,500	50,000	37,500	12,500	50,000
710310.9230000	Administration Services	70,000	56,000	30,000	30,000	60,000	30,000	30,000	60,000
701315.9230000	Bank Fees	10,000	14,000	7,500	7,500	15,000	7,500	7,500	15,000
		$342,450	$266,515	$236,075	$55,075	$291,150	$253,075	$55,075	$318,150

Audit Fees includes the budget and estimated cost for the San Juan Audit

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Agency Debt Administrative

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
702204.9230000	Arbitrage Rebate	$0	$0	$0	$0	$0	$0	$0	$0
702203.9230000	Bond Counsel	10,000	0	5,000	5,000	10,000	5,000	5,000	10,000
702203.9230001	Bond Counsel-Other	0	0	0	0	0	0	0	0
702308.9230000	Financial Services	25,000	36,037	12,500	12,500	25,000	15,500	15,500	31,000
702314.9230000	Trustee Fees	15,000	9,381	5,000	5,000	10,000	5,000	0	5,000
		$50,000	$45,418	$22,500	$22,500	$45,000	$25,500	$20,500	$46,000

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Consulting/Engineering

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
302304.9230000	Generation	$21,000	$33,684	$17,500	$17,500	$35,000	$17,500	$17,500	$35,000
302304.9230001	Generation-Other	0	0	0	0	0	0	0	0
503304.9230000	Renewable	50,000	38,712	20,000	20,000	40,000	32,500	32,500	65,000
503304.9230001	Renewable -Other	70,000	68,432	35,000	35,000	70,000	35,000	35,000	70,000
601304.9230000	Regulatory & Compliance	0	0	0	0	0	0	0	0
701304.9230000	Administrative & General	20,000	14,865	9,000	9,000	18,000	9,000	9,000	18,000
701304.9230001	Administrative & General-Other	0	0	0	0	0	0	0	0
		$161,000	$155,693	$81,500	$81,500	$163,000	$94,000	$94,000	$188,000

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Coordinating Services

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
302311.5560000	Generation	$0	$0	$0	$0	$0	$0	$0	$0
503311.5560000	Renewable	465,000	437,595	237,500	237,500	475,000	242,500	242,500	485,000

2018 Forward, Coordinator costs are allocated to members based on contract count.
Big Horn 1 (3 contracts), Big Horn (2 contracts).
Modesto 40%, Santa Clara 40%, Redding 20%

$465,000	$437,595	$237,500	$237,500	$475,000	$242,500	$242,500	$485,000

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY General Counsel

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
302305.9230000	Generation	$15,000	$20,850	$12,500	$12,500	$25,000	$12,500	$12,500	$25,000
503305.9230000	Renewable	2,000	120	1,000	1,000	2,000	1,000	1,000	2,000
601305.9230000	Regulatory & Compliance	1,000	0	500	500	1,000	500	500	1,000
701305.9230000	Administrative & General	30,000	10,365	10,000	10,000	20,000	10,000	10,000	20,000
		$48,000	$31,335	$24,000	$24,000	$48,000	$24,000	$24,000	$48,000

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY General Manager

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
302306.9230000	Generation	$100,000	$105,862	$55,000	$55,000	$110,000	$55,000	$55,000	$110,000
503306.9230000	Renewable	60,000	45,582	30,000	30,000	60,000	30,000	30,000	60,000
601306.9230000	Regulatory & Compliance	40,000	19,389	15,000	15,000	30,000	15,000	15,000	30,000
701306.9230000	Administrative & General	100,000	77,238	50,000	50,000	100,000	50,000	50,000	100,000
		$300,000	$247,671	$150,000	$150,000	$300,000	$150,000	$150,000	$300,000

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Outside Legal Services

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
302309.9230000	Generation	$0	$1,000	$0	$0	$0	$0	$0	$0
302309.9230001	Generation-Other	$15,000	$14,793	$500	$500	$1,000	$500	$500	$1,000
503309.9230000	Renewable	25,000	22,103	10,000	10,000	20,000	7,500	7,500	15,000
503309.9230001	Renewable -Other	275,000	231,597	137,500	137,500	275,000	137,500	137,500	275,000
601309.9230000	Regulatory & Compliance	175,000	99,442	57,500	57,500	115,000	57,500	57,500	115,000
701309.9230000	Administrative & General	2,000	0	0	0	0	0	0	0
701309.9230001	Administrative & General-Other	0	0	0	0	0	0	0	0
		$492,000	$368,935	$205,500	$205,500	$411,000	$203,000	$203,000	$406,000

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Outside Service

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
302312.9230000	Generation	$0	$0	$0	$0	$0	$0	$0	$0
500312.9230000	Renewable	23,000	7,967	9,000	9,000	18,000	9,000	9,000	18,000
601312.9230000	Regulatory & Compliance	19,000	5,098	0	0	0	7,000	7,000	14,000
701312.9230000	Administrative & General	17,040	26,614	2,770	2,770	5,540	2,770	2,770	5,540
		$59,040	$39,679	$11,770	$11,770	$23,540	$18,770	$18,770	$37,540

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Travel & Meetings

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
302203.5210000	Generation	$1,000	$0	$500	$500	$1,000	$500	$500	$1,000
503203.5210000	Renewable	2,000	0	500	500	1,000	2,500	2,500	5,000
701203.5210000	Administrative & General	1,000	0	0	0	0	0	0	0
		$4,000	$0	$1,000	$1,000	$2,000	$3,000	$3,000	$6,000

2022 Proposed Big Horn Tour

MSR PUBLIC POWER AGENCY
2021 BUDGET

ACTIVITY Other Expenditures

Account Code	DESCRIPTION	2020 REVISED BUDGET	YTD ESTIMATED 12/31/20	2021 JAN-JUN BUDGET	2021 JUL-DEC BUDGET	2021 TOTAL BUDGET	2022 JAN-JUN BUDGET	2022 JUL-DEC BUDGET	2022 PROJECTED BUDGET
750150.427xxxx	Interest Expense-Generation	$3,063,750	$3,063,750	$1,289,875	$660,625	$1,950,500	$660,625	$0	$660,625
100000.221xxxx	Principal Payments-Generation	24,685,000	24,685,000	12,585,000	13,212,500	25,797,500	13,212,500	0	13,212,500
		$27,748,750	$27,748,750	$13,874,875	$13,873,125	$27,748,000	$13,873,125	$0	$13,873,125

2021 MSR PURCHASE POWER BUDGET

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
RENEWABLE, Big Horn I	2,534,130	2,720,876	3,434,213	3,697,902	3,079,295	3,330,364	2,715,862	2,609,442	2,354,379	2,651,763	2,691,788	2,548,249	34,368,264
RENEWABLE, Big Horn II	1,277,268	1,400,124	1,536,077	1,515,868	1,211,010	1,230,568	955,156	900,227	1,031,763	1,240,654	1,329,458	1,311,246	14,939,420
TOTAL MSR	3,811,398	4,121,000	4,970,290	5,213,770	4,290,305	4,560,932	3,671,018	3,509,669	3,386,143	3,892,417	4,021,246	3,859,496	49,307,684

2021 MSR PURCHASE POWER BUDGET

			JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Renewable Power (PPM) Big Horn I															
12.5% of contract.	MID	MWh	4,654	5,027	6,450	6,976	5,742	6,243	5,017	4,805	4,296	4,889	4,969	4,682	63,750
52.5% of contract.	SNCL	MWh	19,548	21,113	27,091	29,301	24,117	26,221	21,071	20,179	18,042	20,534	20,869	19,666	267,749
35.0% of contract.	REDD	MWh	13,032	14,075	18,061	19,534	16,078	17,480	14,047	13,453	12,028	13,689	13,913	13,111	178,500
		TOTAL MWh (1)	37,234	40,215	51,602	55,811	45,936	49,944	40,135	38,436	34,365	39,112	39,751	37,460	510,000
Dollars (Energy + F&S)	MID	$	295,448	319,101	409,451	442,850	364,498	396,298	318,466	304,987	272,681	310,347	315,425	297,237	4,046,791
	SNCL	$	1,222,312	1,320,168	1,693,960	1,832,134	1,507,981	1,639,543	1,317,541	1,261,776	1,128,122	1,283,952	1,304,896	1,229,711	16,742,095
	REDD	$	814,875	880,112	1,129,307	1,221,423	1,005,321	1,093,029	878,360	841,184	752,081	855,968	869,972	819,807	11,161,438
Dollars (WIC Rate)	MID	$	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	302,243
	SNCL	$	105,785	105,785	105,785	105,785	105,785	105,785	105,785	105,785	105,785	105,785	105,785	105,785	1,269,419
	REDD	$	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	846,279
		TOTAL $	2,534,130	2,720,876	3,434,213	3,697,902	3,079,295	3,330,364	2,715,862	2,609,442	2,354,379	2,651,763	2,691,788	2,548,249	34,368,264
Renewable Power (PPM) Big Horn II															
65.0% of contract.	MID	MWh	6,425	7,168	7,990	7,868	6,024	6,142	4,476	4,144	4,940	6,203	6,740	6,630	74,750
35.0% of contract.	SNCL	MWh	3,459	3,860	4,302	4,236	3,244	3,307	2,410	2,231	2,660	3,340	3,629	3,570	40,250
0.0% of contract.	REDD	MWh	0	0	0	0	0	0	0	0	0	0	0	0	0
		TOTAL MWh (2)	9,884	11,027	12,292	12,104	9,268	9,449	6,887	6,376	7,600	9,543	10,370	10,200	115,000
Dollars (Energy + See Note 4	MID	$	690,442	770,298	858,668	845,532	647,374	660,087	481,069	445,365	530,864	666,643	724,365	712,528	8,033,233
	SNCL	$	371,776	414,776	462,360	455,286	348,586	355,431	259,037	239,812	285,850	358,961	390,043	383,669	4,325,587
Dollars (WIC Rate)	MID	$	34,125	34,125	34,125	34,125	34,125	34,125	34,125	34,125	34,125	34,125	34,125	34,125	409,500
	SNCL	$	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	220,500
Dollars (Transmission Service	MID	$	105,658	105,658	105,658	105,658	105,658	105,658	105,658	105,658	105,658	105,658	105,658	105,658	1,267,890
	SNCL	$	56,893	56,893	56,893	56,893	56,893	56,893	56,893	56,893	56,893	56,893	56,893	56,893	682,710
		TOTAL $	1,277,268	1,400,124	1,536,077	1,515,868	1,211,010	1,230,568	955,156	900,227	1,031,763	1,240,654	1,329,458	1,311,246	14,939,420
		MSR TOTAL	3,811,398	4,121,000	4,970,290	5,213,770	4,290,305	4,560,932	3,671,018	3,509,669	3,386,143	3,892,417	4,021,246	3,859,496	49,307,684

NOTES:

(1) Renewable Power projected output forecast and pricing projections for 2021 & 2022 as per Martin Hopper email dated 10/9/2020 (spreadsheet: "Big Horn I Projections 2021.xlsx" and "Big Horn II Projections 2021.xlsx")

(2) Big Horn II Dollars include $/MWh charges for Energy per PPA Annex H, Assumes escalation of 2% on $15/MWh effective 1-1-11; Redelivery per RA Section 2.6.1; Transmission Losses,RA Section 2.6.3 - assumes BPATS Incremental Replacement Power at $60/MWh; and Operating Reserves per RA Section 2.6.4

2022 MSR PURCHASE POWER BUDGET

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
RENEWABLE, Big Horn I	2,534,130	2,720,876	3,434,213	3,697,902	3,079,295	3,330,364	2,715,862	2,609,442	2,354,379	2,651,763	2,691,788	2,548,249	34,368,264
RENEWABLE, Big Horn II	1,280,826	1,404,094	1,540,503	1,520,225	1,214,347	1,233,970	957,635	902,522	1,034,499	1,244,090	1,333,191	1,314,918	14,980,820
TOTAL MSR	3,814,957	4,124,970	4,974,716	5,218,127	4,293,641	4,564,334	3,673,497	3,511,965	3,388,879	3,895,852	4,024,979	3,863,168	49,349,084

2022 MSR PURCHASE POWER BUDGET

			JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Renewable Power (PPM) Big Horn I															
12.5% of contract.	MID	MWh	4,654	5,027	6,450	6,976	5,742	6,243	5,017	4,805	4,296	4,889	4,969	4,682	63,750
52.5% of contract.	SNCL	MWh	19,548	21,113	27,091	29,301	24,117	26,221	21,071	20,179	18,042	20,534	20,869	19,666	267,749
35.0% of contract.	REDD	MWh	13,032	14,075	18,061	19,534	16,078	17,480	14,047	13,453	12,028	13,689	13,913	13,111	178,500
		TOTAL MWh (1)	37,234	37,992	53,965	55,855	48,984	50,669	39,315	40,786	34,729	38,715	41,106	39,739	510,000
Dollars (Energy + F&S)	MID	$	295,448	319,101	409,451	442,850	364,498	396,298	318,466	304,987	272,681	310,347	315,425	297,237	4,046,791
	SNCL	$	1,222,312	1,320,168	1,693,960	1,832,134	1,507,981	1,639,543	1,317,541	1,261,776	1,128,122	1,283,952	1,304,896	1,229,711	16,742,095
	REDD	$	814,875	880,112	1,129,307	1,221,423	1,005,321	1,093,029	878,360	841,184	752,081	855,968	869,972	819,807	11,161,438
Dollars (WIC Rate)	MID	$	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	302,243
	SNCL	$	105,785	105,785	105,785	105,785	105,785	105,785	105,785	105,785	105,785	105,785	105,785	105,785	1,269,419
	REDD	$	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	846,279
		TOTAL $	2,534,130	2,720,876	3,434,213	3,697,902	3,079,295	3,330,364	2,715,862	2,609,442	2,354,379	2,651,763	2,691,788	2,548,249	34,368,264
Renewable Power (PPM) Big Horn II															
65.0% of contract.	MID	MWh	6,425	7,168	7,990	7,868	6,024	6,142	4,476	4,144	4,940	6,203	6,740	6,630	74,750
35.0% of contract.	SNCL	MWh	3,459	3,860	4,302	4,236	3,244	3,307	2,410	2,231	2,660	3,340	3,629	3,570	40,250
0.0% of contract.	REDD	MWh	0	0	0	0	0	0	0	0	0	0	0	0	0
		TOTAL MWh (2)	9,884	11,027	12,292	12,104	9,268	9,449	6,887	6,376	7,600	9,543	10,370	10,200	115,000
Dollars (Energy + See Note 4	MID	$	692,755	772,879	861,544	848,364	649,543	662,298	482,680	446,857	532,642	668,876	726,791	714,915	8,060,143
	SNCL	$	373,022	416,165	463,908	456,811	349,754	356,622	259,905	240,615	286,807	360,164	391,349	384,954	4,340,077
Dollars (WIC Rate)	MID	$	34,125	34,125	34,125	34,125	34,125	34,125	34,125	34,125	34,125	34,125	34,125	34,125	409,500
	SNCL	$	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	18,375	220,500
Dollars (Transmission Service	MID	$	105,658	105,658	105,658	105,658	105,658	105,658	105,658	105,658	105,658	105,658	105,658	105,658	1,267,890
	SNCL	$	56,893	56,893	56,893	56,893	56,893	56,893	56,893	56,893	56,893	56,893	56,893	56,893	682,710
		TOTAL $	1,280,826	1,404,094	1,540,503	1,520,225	1,214,347	1,233,970	957,635	902,522	1,034,499	1,244,090	1,333,191	1,314,918	14,980,820
		MSR TOTAL	3,814,957	4,124,970	4,974,716	5,218,127	4,293,641	4,564,334	3,673,497	3,511,965	3,388,879	3,895,852	4,024,979	3,863,168	49,349,084

NOTES:

(1) Renewable Power projected output forecast and pricing projections for 2021 & 2022 as per Martin Hopper email dated 10/9/2020 (spreadsheet: "Big Horn I Projections 2021.xlsx" and "Big Horn II Projections 2021.xlsx")

(2) Big Horn II Dollars include $/MWh charges for Energy per PPA Annex H, Assumes escalation of 2% on $15/MWh effective 1-1-11; Redelivery per RA Section 2.6.1; Transmission Losses,RA Section 2.6.3 - assumes BPATS Incremental Replacement Power at $60/MWh; and Operating Reserves per RA Section 2.6.4

M-S-R Public Power Agency
Staff Report

Date: November 9, 2020

From: Martin R. Hopper, General Manager

To: M-S-R PPA Commission

Subject: Approval of 2021 Regular Meeting Dates

The following meeting dates are based on the customary schedule for M-S-R PPA as adjusted for known conflicts. Due to the COVID-19 pandemic, meetings are assumed to be held virtually until further notice.

Attachment "A" regarding Meeting Cost Analyses discusses the savings accrued by holding virtual rather than in-person meetings. The Members may wish to elect to continue to hold certain meetings virtually even after in-person meetings are again permissible to capture some of these savings.

For the Commissioner's information a copy of the Draft 2021 California JPA Meeting Calendar is attached.

Month	Technical Committee Date/Time	Technical Committee Note	Commission Date/Time	Commission Note
February 2021	4 10:00 AM	Virtual Meeting	17 12:00 Noon	Virtual Meeting
May 2021	6 10:00 AM	Virtual Meeting	19 12:00 Noon	Virtual Meeting
July 2021	15 10:00 AM	Virtual Meeting	21 12:00 Noon	Limited Agenda
September 2021	2 9:00 AM 28 10:00 AM	Virtual Meeting BPA Day	22 12:00 Noon	Virtual Meeting
November 2021	Oct 27 9:00 AM	Virtual Meeting	17 12:00 Noon	Virtual Meeting

Financial Management Committee: 1:00 PM, Thursday, May 6, 2021.

If required by emergent business, Special Meetings of the Commission would be called for the same day as TANC Commission meetings.

<u>I recommend the M-S-R PPA Commission adopt the above schedule for the Agency's 2021 Regular meetings.</u>

2021 California JPA Meeting Calendar

BANC Commission (2:00 PM 4th Weds)	CMUA Regulatory & Legislative C'tees	CMUA Board Meeting	M-S-R Technical C'tees	M-S-R PPA & EA Commissions (Noon)	NCPA Facilities/ Pooling C'tees	NCPA LEC PPC C'tee	NCPA L&R C'tee	NCPA Commission Meeting	SCPPA Board (3rd Thurs)	TANC Commission (10:00 AM)
Jan 27	Jan 14	Jan 26			Jan 6	Jan 11		Jan 28	Jan 21	Jan 22
Feb 24	Feb 11		Feb 4	Feb 17	Feb 3	Feb 8	Feb 24	Feb 25	Feb 18	Feb 17
Mar 24	Mar 11				Mar 3	Mar 8		Mar 25	Mar 18	Mar 17
Apr 28	Apr 8	Apr 13 *Ann Conf*			Apr 7	Apr 12	Apr 28	Apr 29	Apr 15	Apr 21
May 26	May 13		May 6	May 19	May 5	May 10		May 27	May 20	May 19
Jun 23?	Jun 10				Jun 2	Jun 7		Jun 17	No meeting	Jun 30
Jul 28	Jul 8	Jul 16	Jul 15	Jul 21 *Ltd Agenda*	Jul 7	Jul 12		Jul 29	Jul 15	July 21
Aug 25	Aug 12				Aug 4	Aug 9	Aug 25	Aug 26	Aug 19	Aug 18
Sep 22	Sep 9		Sep 2 & 28	Sep 22	Sep 1	Sep 13	Sep 29 *Ann Conf*	Oct 1 *Ann Conf*	Sep 16	Sep 22
Oct 27	Oct 14		Oct 27		Oct 6	Oct 11		Oct 28	Oct 21	Oct 20
Nov 24	Nov 4	Nov 16		Nov 17	Nov 3	Nov 15		No meeting	Nov 18	Nov 17
Dec 22					Dec 1	Dec 6	Dec 1	Dec 2	Dec 16	Dec 22

APPA Joint Action Workshop – CNX
NCPA Strategic Issues Conference – CNX
CMUA Capitol Day – Jan 25, 2021, Virtual
APPA CEO Roundtable – CNX
APPA/ACWA Legislative Rally & Conference – Mar 1 – 3, 2021, Virtual

CMUA Annual Meeting – Apr 11 – 13, 2021, San Diego, CA
APPA National Conference – June 18 – 23, 2020, Chicago, IL
NCPA Annual Conference – Sept 29 – Oct 1, 2021, Napa, CA
NCPA/NWPPA Federal Policy Forum – TBA: Fall 2021, Washington, DC

DRAFT

Revised: 11/9/20

Attachment "A"

M-S-R Public Power Agency
Staff Report

Date: November 9, 2020

From: Martin R. Hopper, General Manager

To: M-S-R PPA Commission

Subject: In-Person and Virtual Meeting Cost Analyses

Subsequent to our February 2020 in-person meetings, the Agency/Authority Commissions and the Agency/Authority Committees have been meeting virtually without any physical presence. Although Brown Act requirements allow telephonic meetings provided there is at least one physical location within an entity's service territory (which for the M-S-R entities is all of California except the counties of Ventura, Los Angeles, San Bernardino, Orange, Riverside, San Diego and Imperial), this restriction has been suspended by Executive Order of the Governor during the pendency of the pandemic.

For the period January 1, 2019 through February 28, 2020 the Agency (including M-S-R Energy Authority) incurred $12,900 in-person meeting cost (attorney travel time, mileage, and meeting room/meal cost) for an average cost per meeting of about $500. These costs exclude General Manager salary, General Counsel or FERC Counsel costs of meeting participation since these items do not vary between in-person and virtual meetings. The Agency's incremental cost of hosting virtual meetings is zero because the Agency maintains a flat-rate subscription to GoTo Meeting of $49 per month - which is a fixed cost. Member travel-time costs are excluded from this analysis but are not inconsequential.

The Agency and Authority have continued to operate effectively over the past few months. Routine business has been efficiently maintained and major policies have been reviewed and updated. As it has been said that a significant portion of successful communication is non-verbal, Member staff should be commended for their patience in reaching consensus and completing these projects without meeting face-to-face.

Looking forward to post-pandemic conditions, the Technical Committee should plan to reserve in-person meetings for more in-depth discussions such as those associated with Strategic Plan reviews, BPA Day and priority matrix development, and the annual budget workshop. Virtual meetings would be reserved for routine reporting and business updates. In-person meetings would also be called as-needed to address San Juan Clean-Break negotiations and other sensitive matters.

Future meetings of the Commission should be conducted in-person for Commissioner convenience if TANC and BANC also return to in-person meetings. If TANC and BANC continue to meet virtually, in-person meetings of the Commission could be reserved for in-depth discussions of sensitive or detailed matters. However, the Agency/Authority will be required, even for virtual meetings, to maintain one location accessible to the public in conformance with Brown Act requirements once the Governor's Brown Act waivers expire.

M-S-R Public Power Agency
Staff Report

Date: November 9, 2020

From: Daniel Beans, President

To: M-S-R PPA Commission

Subject: Annual Performance Bonus pursuant to Section 1 of Amendment 8 to Amended and Restated Management Services Agreement with Martin Hopper Energy Consulting

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Section 1 of Amendment 8 to Amended and Restated Management Services Agreement with Martin Hopper Energy Consulting provides:

> "Upon satisfactory performance review of the Contract Executive by the Commission, where the review finds activities have successfully aligned with expressed goals of administrative cost reductions of the Agency and risk management of the San Juan Legacy Liabilities, such as through negotiated "clean break", at its discretion, the Commission may grant the Contract Executive an annual bonus at the end of each calendar year of up to 5% of the annual sum of the Monthly Fee paid to the Contract Executive."

The Commission has completed an annual performance review of the Contract Executive and concluded satisfactory performance towards such goals has been met. Therefore it is appropriate that the Commission grant Contract Executive a 5% annual bonus for calendar year 2020.

<u>I recommend the Commission approve an annual bonus in the amount of 5% of the annual sum of the Monthly Fee specified in Section 4 (a) of the Amended and Restated Management Services Agreement with Martin Hopper Energy Consulting, payable on or before December 31, 2020.</u>