

## **M-S-R Public Power Agency**

MEETING OF THE COMMISSION  
Wednesday, September 22, 2021, 12:00 Noon

WEBINAR DIGITAL PLATFORM OR PHONE MEETING

GoTo Meeting Information:  
<https://global.gotomeeting.com/join/278689413>

Telephonic Meeting Information:

United States: +1 (786) 535-3211  
Access Code: 278-689-413

### **AGENDA** **Distribution:**

#### **Commissioners & Alternate Commissioners**

#### **Others**

##### **Modesto:**

James McFall<sup>1</sup> (President)  
Martin Caballero (Alt)

Steve Gross  
Alan Hockenson  
Martin Hopper<sup>1</sup>  
Scott Van Vuren  
Jill De Jong  
Ana Vigil  
Cindy Worley  
Toxie Buriss  
Tameka Garnett

##### **Santa Clara:**

Ann Hatcher<sup>2</sup> (V.P.)  
Basil Wong (Alt)

Kevin Kolnowski (Alt)  
Manual Pineda (Alt)

##### **Redding:**

Dan Beans<sup>3</sup>  
Nick Zettel (Alt)

Valerie Ibarra<sup>3</sup>  
Skylar Noetzel

---

<sup>1</sup> Please post agenda

<sup>2</sup> Please post agenda

<sup>3</sup> Please post agenda

## M-S-R Public Power Agency

MEETING OF THE COMMISSION  
Wednesday, September 22, 2021, 12:00 Noon

WEBINAR DIGITAL PLATFORM OR PHONE MEETING

GoTo Meeting Information:  
<https://global.gotomeeting.com/join/278689413>

Telephonic Meeting Information:

United States: +1 (786) 535-3211  
Access Code: 278-689-413

### 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](mailto: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 – 8: (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 May 19, 2021 and August 18, 2021
2. Report of Summary invoices paid for May – August 2021 totaling \$32,171,341.43 (summary attached)
3. May, June, July and August 2021 Treasurer's Reports (attached, Scott VanVuren)
4. Big Horn Wind Energy Project Operations Statistics Report (attached, Martin Hopper)
5. September 2021 WREGIS REC Transfers Status Report (attached, Martin Hopper)
6. September 2021 Outside Services Budget Versus Actual Report (attached, Martin Hopper)

7. Status Report Regarding 2021 Insurance Renewals (attached, Martin Hopper)
8. Extension of M-S-R Coordinator Contract (attached, Martin Hopper)

END OF CONSENT ITEMS

**ACTION ITEMS 9 - 10:**

9. Discussion and Possible Action Regarding General Manager's Report (attached, Martin Hopper)
10. Discussion and Possible Action Regarding Presentation of Annual Agency Strategic Plan (attached, Martin Hopper)

**CONVENE CLOSED SESSION:**

- a. Existing Litigation: Government Code §54956.9 (d)(1) – 2 Cases (NM-PRC 20-00222-UT, BPA BP-22-BPA)
- b. Significant Exposure To Litigation: Government Code §54956.9 (d)(2) – 1 Case
- c. Threat To Public Services Or Facilities: Government Code §54957 (a)
- d. 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 Parties: 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)
- e. Public Employee Performance Evaluation: Government Code §54957 – General Manager

**RECONVENE OPEN SESSION**

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.

**M-S-R PUBLIC POWER AGENCY  
DRAFT MINUTES  
MEETING OF THE COMMISSION  
MAY 19, 2021**

The Commission of the M-S-R Public Power Agency (M-S-R PPA) met for a regular meeting on May 19, 2021 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 were James McFall and Martin Caballero; present from Santa Clara was Ann Hatcher; and present from Redding was Dan Beans. Also present were General Manager Martin Hopper, General Counsel Steve Gross, and Bethany Ryers of Baker Tilly Virchow Krause LLP.

Mr. McFall called the meeting to order at 12:03 PM. A quorum was attained with the voting representatives being Mr. McFall, Ms. Hatcher, and Mr. Beans.

The Commission then considered approval of the Consent Calendar Items. It was moved by Commissioner Beans and seconded by Commissioner Hatcher to approve the Consent Calendar consisting of Items 1, 2, 3, 4, 5, and 6 as listed below. Upon the call of the roll, the motion carried unanimously.

1. Minutes of February 17, 2021 – approved.
2. Report of Summary invoices paid for February 2021 – April 2021 totaling \$20,988,942.21 – noted and filed.
3. February 2021 – April 2021 Treasurer’s Reports – accepted.
4. Big Horn Wind Energy Project Operations Statistics Report – noted and filed.
5. May 2021 WREGIS REC Transfers Status Report – noted and filed.
6. May 2021 Outside Services Budget Versus Actual Report – noted and filed.

Mr. Hopper introduced Bethany Ryers of Baker Tilly Virchow Krause, LLP (Baker Tilly) who presented the M-S-R PPA Financial Statements. Ms. Ryers reported the M-S-R PPA Financial Statements received an Unmodified Opinion which is the highest level of assurance an auditor can provide. She then reviewed the required communications by the

auditor including independent auditor responsibilities, management responsibilities, audit approach and results, internal control matters, accounting practices, accounting estimates, and other audit findings. Ms. Ryers also indicated there will be certain new accounting standards applicable to next year's reports. It was moved by Commissioner Beans and seconded by Commissioner Hatcher to accept the M-S-R Public Power Agency Financial Statements for years ending December 31, 2019 and December 31, 2020. Upon the call of the roll, the motion carried unanimously.

The General Manager provided a report on his activities and those of the General and Consultant for the past month. Mr. Hopper also briefly discussed the status of the Agency's budget and indicated that although there are apparent budget exceedances due to early-year efforts related to the BPA Rate Case and the PNM/Avangrid Merger Case, he expects year-end expenditures to track to the total budget. A detailed review and any internal budget re-allocations will be discussed at the mid-year budget review at the next Commission meeting. The Commission noted and filed the report.

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-PRC 20-00222-UT, BP-20E-BPA 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 Parties: 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 12:21 P.M. The Commission then recessed the Closed Session at 12:42 PM and reconvened the Closed Session at 12:58 PM. Upon the conclusion of the Closed Session at 1:19 P.M., General Counsel reported that the Commission unanimously approved a motion to approve a stipulation that would result in the settlement of Case NM-PRC 20-00222-UT in substantially the form presented, subject to such changes as are approved by the General Manager and

General Counsel as are necessary to settle the case and achieve the same result as would be accomplished by the current form of the stipulation. General Counsel further indicated there were no reportable items with respect to the remaining Closed Session items.

The Chair then called for Member Reports and Public Comment and there being none, the Chair announced the next regular meeting of the Commission will be held virtually on Wednesday, July 21, 2021 at 12:00 Noon due to ongoing public health concerns. The meeting was adjourned by the Chair at 1:25 P.M.

Martin R Hopper  
Assistant Secretary

DRAFT

**M-S-R PUBLIC POWER AGENCY  
DRAFT MINUTES  
SPECIAL MEETING OF THE COMMISSION  
AUGUST 18, 2021**

The Commission of the M-S-R Public Power Agency (M-S-R PPA) met for a special meeting on August 18, 2021 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; 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. McFall called the meeting to order at 12:03 PM. A quorum was attained with the voting representatives being Mr. McFall, Ms. Hatcher, and Mr. Beans.

Mr. Hopper then presented the August 2021 Outside Services Budget Versus Actual Report and Mid-Year Budget and Goals Review. He noted that the Agency is expected to complete the year with reported expense categories at 95% of the approved budget. He noted the total of the consulting and legal budgets will remain unchanged at \$622,000, but various rebalancings of line items will be implemented administratively in accordance with the previously expressed consensus of the Commission. Mr. Hopper also reviewed the status of San Juan Legacy Liability cost areas to be funded from the existing trusts and noted that the potential clean-break liability buy-outs can be funded within the bounds of the Agency's Strategic Reserve tranches associated with each potential liability. Mr. Hopper then reviewed the status of work on his 2021 workplan goals as provided in the report. It was the consensus of the Commission to note and file the report.

Mr. Hopper then presented the August 2021 M-S-R Strategic Reserve Funding Status Report and noted all projected balances are consistent with the expectations established in the 2021 M-S-R PPA Budget. He also reminded the Commission that at such time as clean-breaks may be achieved regarding the San Juan Legacy Liabilities, significant

funds could be available for possible disbursement to the Members as then directed by the Commission. It was the consensus of the Commission to note and file the report.

The Commission then retired into Closed Session pursuant to Government Code Section 54956.9(d)(2) – Conference with Legal Counsel – Significant Exposure to Litigation – 1 Case at 12:53 P.M. Upon the conclusion of the Closed Session at 1:15 P.M., General Counsel indicated there were no reportable items with respect to the Closed Session item.

The Chair then called for Member Reports and Public Comment and there being none, the Chair announced the next regular meeting of the Commission will be held virtually on Wednesday, September 22, 2021 at 12:00 Noon due to ongoing public health concerns. The meeting was adjourned by the Chair at 1:17 P.M.

Martin R Hopper  
Assistant Secretary

**M-S-R Public Power Agency  
Report of Summary Invoices Paid  
May, June, July and August 2021**

Payee	Description	Period Covered	Amount
MID	Accounting and Coordination	Mar-21	\$ 43,971.31
Law Offices of Susie Berlin	Legal Services	Feb-21	\$ 2,652.00
Law Offices of Susie Berlin	Legal Services	Mar-21	\$ 2,496.00
Baker Tilly LLP	Services for 2020 Audit	Apr-21	\$ 7,000.00
Martin Hopper Energy	General Manager Services	Apr-21	\$ 20,341.68
US Bank NA	Debt Service Series 2018R	May-21	\$ 2,308,322.64
Duncan, Weinberg, Genzer & Pemb	Legal Services	Mar-21	\$ 49,590.40
Westmoreland/San Juan Coal Com	Amended and Restated MRTFA	Apr-21	\$ 135,984.68
Porter Simon	General Legal Services	Apr-21	\$ 1,452.00
WREIGS	Transfer Volume Fee	Apr-21	\$ 205.86
Virtue & Najjar, PC	Professional Services	Apr-21	\$ 9,636.30
S&P Global Ratings	Analytical Services for SJ Project Revenue Bo	Mar-21	\$ 17,500.00
KBT, LLC	Consulting Services	Apr-21	\$ 11,634.00
Avangrid Big Horn Wind Project	Firm Energy	Apr-21	\$ 3,266,376.03
Avangrid Renewables	Shaping Fee	Apr-21	\$ 788,335.15
Avangrid Renewables	Big Horn 2 Contract Power	Apr-21	\$ 208,688.22
Avangrid Renewables	Big Horn 2 Contract Power-Managed	Apr-21	\$ 1,556,583.50
ME SJ Operating	San Juan Decommissioning and Trust Fund Ac	Apr-21	\$ 491.72
Virtue & Najjar, PC	Professional Services	Apr-21	\$ 2,072.24
MID	Accounting and Coordination	Apr-21	\$ 44,034.69
CMUA	Annual Dues	Jul-21	\$ 6,634.00
Martin Hopper Energy	General Manager Services	May-21	\$ 20,075.69
Virtue & Najjar, PC	Professional Services	May-21	\$ 7,197.54
Law Offices of Susie Berlin	Legal Services	Apr-21	\$ 1,677.00
Baker Tilly LLP	Services for 2020 Audit	May-21	\$ 5,136.00
Duncan, Weinberg, Genzer & Pemb	Legal Services	May-21	\$ 33,309.50
Westmoreland/San Juan Coal Com	Amended and Restated MRTFA	May-21	\$ 122,346.27
US Bank NA	Debt Service Series 2018R	Jun-21	\$ 2,308,322.64
WREGIS	Transfer Volume Fee	May-21	\$ 132.08
Porter Simon	General Legal Services	May-21	\$ 2,288.00
Avangrid Big Horn Wind Project	Firm Energy	May-21	\$ 2,613,740.89
Avangrid Renewables	Shaping Fee	May-21	\$ 600,554.28
Avangrid Renewables	Big Horn 2 Contract Power	May-21	\$ 211,359.99
Avangrid Renewables	Big Horn 2 Contract Power-Managed	May-21	\$ 1,105,128.91
KBT, LLC	Consulting Services	May-21	\$ 8,998.00
PNM	San Juan MRTFA O&M - A&G Statement	May-21	\$ 1,166.26
ME SJ Operating	San Juan Decommissioning and Trust Fund Ac	May-21	\$ 367.63
Arthur J Gallagher & Co. Insurance	2020 Insurance Renewals: D&O and Crime Po	Jun-21	\$ 53,417.45
Arthur J Gallagher & Co. Insurance	2021 Insurance Renewals: Excess Liability	Jun-21	\$ 87,494.05
Virtue & Najjar, PC	Professional Services	May-21	\$ 5,966.23
MID	Accounting and Coordination	May-21	\$ 44,034.69
Law Offices of Susie Berlin	Legal Services	May-21	\$ 1,872.00
Martin Hopper Energy	General Manager Services	Jun-21	\$ 20,046.69
Porter Simon	General Legal Services	Jun-21	\$ 2,332.00
WREGIS	Transfer Volume Fee	Jul-21	\$ 315.83
Westmoreland/San Juan Coal Com	Amended and Restated MRTFA	Jun-21	\$ 33,400.75
Virtue & Najjar, PC	Professional Services	Jun-21	\$ 4,491.48
US Bank NA	Debt Service Series 2018R	Jul-21	\$ 2,311,857.18
Avangrid Big Horn Wind Project	Firm Energy	Jun-21	\$ 2,438,863.80

Avangrid Renewables	Shaping Fee	Jun-21	\$ 716,791.44
Avangrid Renewables	Big Horn 2 Contract Power	Jun-21	\$ 218,615.30
Avangrid Renewables	Big Horn 2 Contract Power-Managed	Jun-21	\$ 977,239.56
ME SJ Operating	San Juan Decommissioning and Trust Fund Ac	Jun-21	\$ 388.05
PNM	San Juan MRTFA O&M - A&G Statement	Jun-21	\$ 971.77
Granicus	Doc Disclosure and eDisclosure Filer Subscrip	Nov-20	\$ 838.36
Granicus	Doc Disclosure and eDisclosure Filer Subscrip	Nov-21	\$ 838.36
Duncan, Weinberg, Genzer & Pemb	Legal Services	Jun-21	\$ 14,464.00
KBT, LLC	Consulting Services	Jun-21	\$ 9,754.00
Law Offices of Susie Berlin	Legal Services	Jun-21	\$ 4,797.00
PNM	Insurance Coverage - Excess and General Lia	Jun-21	\$ 84,963.37
Modesto Irrigation District	Resolution 2016-02 Final DS Revolving Fund F	Jun-20	\$ 1,650,000.00
City of Santa Calra	Resolution 2016-02 Final DS Revolving Fund F	Jun-20	\$ 1,155,000.00
City of Redding	Resolution 2016-02 Final DS Revolving Fund F	Jun-20	\$ 495,000.00
Union Bank Trust Department	Quarterly Custody Fee	Jun-21	\$ 250.00
Virtue & Najjar, PC	Professional Services	Jul-21	\$ 773.50
MID	Accounting and Coordination	Jun-21	\$ 44,034.69
Martin Hopper Energy	General Manager Services	Jul-21	\$ 23,137.16
Westmoreland/San Juan Coal Com	Amended and Restated MRTFA	Jul-21	\$ 93,784.23
Duncan, Weinberg, Genzer & Pemb	Legal Services	Jul-21	\$ 13,528.44
Porter Simon	General Legal Services	Jul-21	\$ 3,652.00
ME SJ Operating	San Juan Decommissioning and Trust Fund Ac	Jul-21	\$ 222.82
Avangrid Big Horn Wind Project	Firm Energy	Jul-21	\$ 2,319,998.91
Avangrid Renewables	Shaping Fee	Jul-21	\$ 521,173.76
Avangrid Renewables	Big Horn 2 Contract Power	Jul-21	\$ 210,891.15
Avangrid Renewables	Big Horn 2 Contract Power-Managed	Jul-21	\$ 764,201.11
PNM	Insurance Coverage - Excess and General Lia	Jun-21	\$ 880.41
PNM	San Juan MRTFA O&M - A&G Statement	Jul-21	\$ 24.39
US Bank NA	Debt Service Series 2018R	Aug-21	\$ 2,311,857.18
WREGIS	Transfer Volume Fee	Jul-21	\$ 225.11
Virtue & Najjar, PC	Professional Services	Jul-21	\$ 3,150.11

**To Commission September 22, 2021**

**\$32,171,341.43**

The background features three large, overlapping blue circles of varying sizes, each with a lighter blue ring around its center. These circles are connected by thin, light-colored lines that form a triangular shape. The overall aesthetic is clean and modern.

# Treasurer's Report

MAY 2021



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

Treasurer's Report for the Month of May 2021

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

    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 MAY 2021**

**FUND BALANCES**

	4/30/2021			5/31/2021		5/31/2021	5/31/2021	Unrealized Gain/Loss
	Cost Value	Receipts	Disbursements	Cost Value	Reserves: Mkt Value*	Mkt. Value*		
<b>UNRESTRICTED FUNDS</b>								
General Fund	40,096,318	0	0	39,773,441				
Debt Service Coverage Revolving Fund	2,475,000	275,000	0	2,750,000				
	42,571,318	8,696,908	8,744,785	42,523,441		42,523,441		0
<b>RESTRICTED FUNDS</b>								
MSR 2018 Series R	21,929,367	4,617,099	2,308,323	24,238,143	0	24,238,143		0
MSR SJ Coal Reclamation Trust	16,861,793	54	135,985	16,725,863	0	16,742,402		16,539
MSR SJ Decommissioning Trust	2,155,078	49	0	2,155,127	0	2,155,127		0
	40,946,238	4,617,202	2,444,307	43,119,133	0	43,135,672		16,539
<b>TOTAL FUNDS</b>	<b>83,517,556</b>	<b>13,314,110</b>	<b>11,189,092</b>	<b>85,642,573</b>	<b>0</b>	<b>85,659,112</b>		<b>16,539</b>

**CASH & INVESTMENTS**

DEMAND ACCOUNTS

Union Bank - General Fund

776,900

INVESTMENTS (See Attached)

	Standard per Gov't Code	Actual	
Bankers Acceptances	40%	0.0%	0
Certificates of Deposit(Coll./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	4.4%	3,700,000
Local Agency Investment Fund	\$75,000,000	49.2%	41,777,831
Money Market Accounts	No Limit	46.4%	39,419,133
Repurchase Agreements	No Limit	0.0%	0
U.S. Treasury Instruments	No Limit	0.0%	0
<b>TOTAL INVESTMENTS</b>		<u>100.0%</u>	<u>84,896,963</u>

Add: Deposits in transit

0

Less: Outstanding checks

(31,290)

**TOTAL CASH & INVESTMENTS**

85,642,573

\* 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 Vuren -- Treasurer

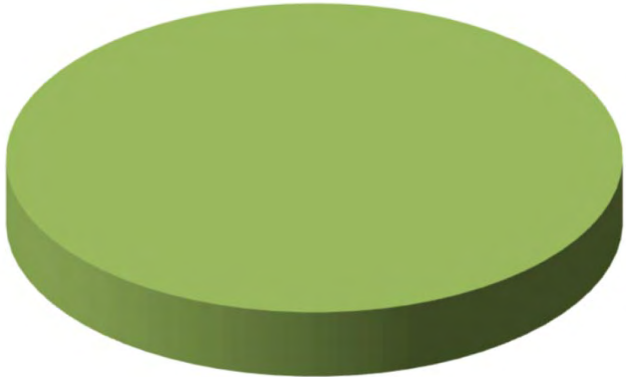


Ana Vigil -- Assistant Treasurer

# M-S-R Public Power Agency Investment Portfolio May 2021

Corp Medium Term  
Notes  
0.00%

Federal Agency Issues  
0.00%



Managed Pool Accounts  
(LAIF)  
100.00%

**MSR PUBLIC POWER AGENCY  
TREASURER'S REPORT  
FOR THE MONTH OF MAY 2021**

**FUND BALANCES**

	4/30/2021			5/31/2021		5/31/2021	Unrealized Gain/Loss
	Cost Value	Receipts	Disbursements	Cost Value	Reserves: Mkt Value*	Mkt. Value*	
<b>UNRESTRICTED FUNDS</b>							
General Fund	40,096,318	0	0	39,773,441			
Debt Service Coverage Revolving Fund	2,475,000	275,000	0	2,750,000			
	42,571,318	8,696,908	8,744,785	42,523,441		42,523,441	0
<b>RESTRICTED FUNDS</b>							
MSR 2018 Series R	21,929,367	4,617,099	2,308,323	24,238,143	0	24,238,143	0
MSR SJ Coal Reclamation Trust	16,861,793	54	135,985	16,725,863	0	16,742,402	16,539
MSR SJ Decommissioning Trust	2,155,078	49	0	2,155,127	0	2,155,127	0
	40,946,238	4,617,202	2,444,307	43,119,133	0	43,135,672	16,539
<b>TOTAL FUNDS</b>	83,517,556	13,314,110	11,189,092	85,642,573	0	85,659,112	16,539

**CASH & INVESTMENTS**

DEMAND ACCOUNTS

Union Bank - General Fund

776,900

INVESTMENTS (See Attached)

	Standard per Gov't Code	Actual	
Bankers Acceptances	40%	0.0%	0
Certificates of Deposit(Coll./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	4.4%	3,700,000
Local Agency Investment Fund	\$75,000,000	49.2%	41,777,831
Money Market Accounts	No Limit	46.4%	39,419,133
Repurchase Agreements	No Limit	0.0%	0
U.S. Treasury Instruments	No Limit	0.0%	0
<b>TOTAL INVESTMENTS</b>		<u>100.0%</u>	84,896,963

Add: Deposits in transit

0

Less: Outstanding checks

(31,290)

**TOTAL CASH & INVESTMENTS**

85,642,573

\* 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.

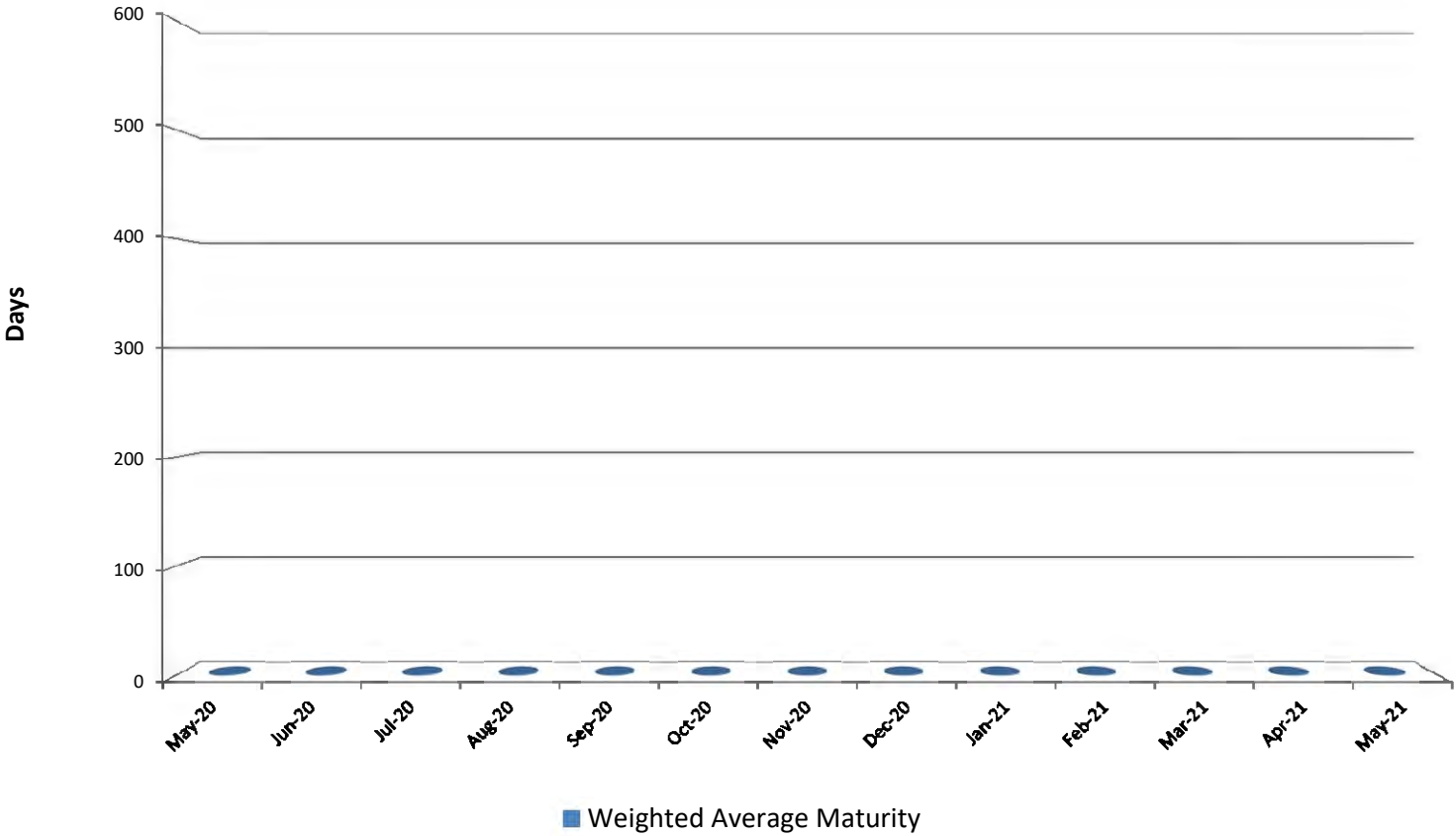


Scott Van Vuren -- Treasurer



Ana Vigil -- Assistant Treasurer

# General Fund Portfolio Average Maturity Report





**MSR Public Power Agency  
Portfolio Management  
Portfolio Summary  
May 31, 2021**

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

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 365 Equiv.</b>
Managed Pool Accounts	41,777,830.62	41,777,830.62	41,777,830.62	100.00	1	1	0.315
<b>Investments</b>	<b>41,777,830.62</b>	<b>41,777,830.62</b>	<b>41,777,830.62</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.315</b>
<b>Cash</b>							
Passbook/Checking (not included in yield calculations)	745,610.18	745,610.18	745,610.18		1	1	0.000
<b>Total Cash and Investments</b>	<b>42,523,440.80</b>	<b>42,523,440.80</b>	<b>42,523,440.80</b>		<b>1</b>	<b>1</b>	<b>0.315</b>

<b>Total Earnings</b>	<b>May 31 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	11,266.33	68,107.35
<b>Average Daily Balance</b>	<b>42,468,160.74</b>	
<b>Effective Rate of Return</b>	<b>0.31%</b>	

Scott Van Vuren, Treasurer

**MSR Public Power Agency  
Portfolio Management  
Portfolio Details - Investments  
May 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Managed Pool Accounts</b>												
SYSLAIF	LAIF	Local Agency Investment Fund			41,777,830.62	41,777,830.62	41,777,830.62	0.315		0.315	1	
		<b>Subtotal and Average</b>	<b>42,111,701.59</b>		<b>41,777,830.62</b>	<b>41,777,830.62</b>	<b>41,777,830.62</b>			<b>0.315</b>	<b>1</b>	
		<b>Total and Average</b>	<b>42,468,160.74</b>		<b>41,777,830.62</b>	<b>41,777,830.62</b>	<b>41,777,830.62</b>			<b>0.315</b>	<b>1</b>	

**MSR Public Power Agency  
 Portfolio Management  
 Portfolio Details - Cash  
 May 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Passbook/Checking Accounts</b>											
SYSGENERAL FUND	GENERAL	Union Bank of California		01/01/1999	745,610.18	745,610.18	745,610.18			0.000	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>42,468,160.74</b>		<b>42,523,440.80</b>	<b>42,523,440.80</b>	<b>42,523,440.80</b>			<b>0.315</b>	<b>1</b>

**MSR Public Power Agency  
Portfolio Management  
Investment Status Report - Investments  
May 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Managed Pool Accounts</b>												
SYSLAIF	LAIF	LAIF	41,777,830.62	0.315			0.311	0.315	01/15 - Quarterly		41,777,830.62	41,777,830.62
<b>Managed Pool Accounts Totals</b>			<b>41,777,830.62</b>				<b>0.311</b>	<b>0.315</b>		<b>0.00</b>	<b>41,777,830.62</b>	<b>41,777,830.62</b>
<b>Investment Totals</b>			<b>41,777,830.62</b>				<b>0.311</b>	<b>0.315</b>		<b>0.00</b>	<b>41,777,830.62</b>	<b>41,777,830.62</b>

**MSR Public Power Agency  
Portfolio Management  
Investment Status Report - Cash  
May 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Passbook/Checking Accounts</b>												
SYSGENERAL FUND	GENERAL	UBC	745,610.18		01/01/1999		0.000	0.000	/ - Monthly		745,610.18	745,610.18
<b>Cash Totals</b>			<b>745,610.18</b>							<b>0.00</b>	<b>745,610.18</b>	<b>745,610.18</b>
<b>Total Cash and Investments</b>			<b>42,523,440.80</b>				<b>0.311</b>	<b>0.315</b>		<b>0.00</b>	<b>42,523,440.80</b>	<b>42,523,440.80</b>

**MSR Public Power Agency  
Portfolio Management  
Activity By Type  
May 1, 2021 through May 31, 2021**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
<b>Managed Pool Accounts (Monthly Summary)</b>								
SYSLAIF	LAIF	Local Agency Investment Fund		0.315		0.00	450,000.00	
		<b>Subtotal</b>	<b>42,227,830.62</b>			<b>0.00</b>	<b>450,000.00</b>	<b>41,777,830.62</b>
<b>Passbook/Checking Accounts (Monthly Summary)</b>								
SYSGENERAL FUND	GENERAL	Union Bank of California				402,122.73	0.00	
		<b>Subtotal</b>	<b>343,487.45</b>			<b>402,122.73</b>	<b>0.00</b>	<b>745,610.18</b>
		<b>Total</b>	<b>42,571,318.07</b>			<b>402,122.73</b>	<b>450,000.00</b>	<b>42,523,440.80</b>



**MSR Public Power Agency**  
**Activity Report**  
**Issuer: Local Agency Investment Fund**  
**May 1, 2021 - May 31, 2021**

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

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: Local Agency Investment Fund</b>									
<b>Managed Pool Accounts</b>									
SYSLAIF	LAIF	Local Agency Investment Fund			0.315		0.00	450,000.00	
		<b>Subtotal and Balance</b>		<b>42,227,830.62</b>			<b>0.00</b>	<b>450,000.00</b>	<b>41,777,830.62</b>
		<b>Issuer Subtotal</b>	<b>98.247%</b>	<b>42,227,830.62</b>			<b>0.00</b>	<b>450,000.00</b>	<b>41,777,830.62</b>
		<b>Total</b>		<b>42,227,830.62</b>			<b>0.00</b>	<b>450,000.00</b>	<b>41,777,830.62</b>



**MSR Public Power Agency Trust**  
**Portfolio Management**  
**Portfolio Summary**  
**May 31, 2021**

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

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 365 Equiv.</b>
Federal Agency Issues - Coupon	3,700,000.00	3,716,539.00	3,700,000.00	100.00	1,826	120	1.450
<b>Investments</b>	<b>3,700,000.00</b>	<b>3,716,539.00</b>	<b>3,700,000.00</b>	<b>100.00%</b>	<b>1,826</b>	<b>120</b>	<b>1.450</b>
<b>Cash</b>							
Passbook/Checking (not included in yield calculations)	39,419,132.62	39,419,132.62	39,419,132.62		1	1	0.030
<b>Total Cash and Investments</b>	<b>43,119,132.62</b>	<b>43,135,671.62</b>	<b>43,119,132.62</b>		<b>1,826</b>	<b>120</b>	<b>1.450</b>

<b>Total Earnings</b>	<b>May 31</b>	<b>Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year		5,431.80	25,279.87
<b>Average Daily Balance</b>		<b>41,415,353.67</b>	
<b>Effective Rate of Return</b>		<b>0.15%</b>	

\_\_\_\_\_  
 Scott Van Vuren, Treasurer

**MSR Public Power Agency Trust  
Portfolio Management  
Portfolio Details - Investments  
May 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3136G36J9	17314	Federal Nat'l Mtg. Assoc.		09/29/2016	3,700,000.00	3,716,539.00	3,700,000.00	1.450		1.450	120	09/29/2021
		<b>Subtotal and Average</b>	<b>3,700,000.00</b>		<b>3,700,000.00</b>	<b>3,716,539.00</b>	<b>3,700,000.00</b>			<b>1.450</b>	<b>120</b>	
		<b>Total and Average</b>	<b>41,415,353.67</b>		<b>3,700,000.00</b>	<b>3,716,539.00</b>	<b>3,700,000.00</b>			<b>1.450</b>	<b>120</b>	

**MSR Public Power Agency Trust  
Portfolio Management  
Portfolio Details - Cash  
May 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Passbook/Checking Accounts</b>											
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust			13,025,863.01	13,025,863.01	13,025,863.01	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			83,579.44	83,579.44	83,579.44	0.030		0.030	1
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust			1,074,948.79	1,074,948.79	1,074,948.79	0.030		0.030	1
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust			23,079,614.42	23,079,614.42	23,079,614.42	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			2,155,126.96	2,155,126.96	2,155,126.96	0.030		0.030	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>41,415,353.67</b>		<b>43,119,132.62</b>	<b>43,135,671.62</b>	<b>43,119,132.62</b>			<b>1.450</b>	<b>120</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Investment Status Report - Investments  
May 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Federal Agency Issues - Coupon</b>												
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
<b>Federal Agency Issues - Coupon Totals</b>			<b>3,700,000.00</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>3,700,000.00</b>	<b>3,700,000.00</b>
<b>Investment Totals</b>			<b>3,700,000.00</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>3,700,000.00</b>	<b>3,700,000.00</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Investment Status Report - Cash  
May 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Passbook/Checking Accounts</b>												
SYS33000MONEY	33000MONEY	USBANK	13,025,863.01	0.030			0.030	0.030	09/01 - Monthly		13,025,863.01	13,025,863.01
SYS7000MONEY	7000MONEY	USBANK	0.00	0.030			0.030	0.030	01/01 - Monthly		0.00	0.00
SYS776000 MONEY	776000 MONEY	USBANK	83,579.44	0.030			0.030	0.030	08/01 - Monthly		83,579.44	83,579.44
SYS776001 MONEY	776001 MONEY	USBANK	1,074,948.79	0.030			0.030	0.030	08/01 - Monthly		1,074,948.79	1,074,948.79
SYS776002 MONEY	776002 MONEY	USBANK	23,079,614.42	0.030			0.030	0.030	08/01 - Monthly		23,079,614.42	23,079,614.42
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	2,155,126.96	0.030			0.030	0.030	04/01 - Monthly		2,155,126.96	2,155,126.96
<b>Cash Totals</b>			<b>39,419,132.62</b>							<b>0.00</b>	<b>39,419,132.62</b>	<b>39,419,132.62</b>
<b>Total Cash and Investments</b>			<b>43,119,132.62</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>43,119,132.62</b>	<b>43,119,132.62</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Activity By Type  
May 1, 2021 through May 31, 2021**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
<b>Passbook/Checking Accounts (Monthly Summary)</b>								
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust		0.030		54.41	135,984.68	
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust		0.030		2,308,324.54	2,308,322.64	
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust		0.030		214,978.51	0.00	
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust		0.030		2,093,795.45	0.00	
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust		0.030		48.89	0.00	
		<b>Subtotal</b>	<b>37,246,238.14</b>			<b>4,617,201.80</b>	<b>2,444,307.32</b>	<b>39,419,132.62</b>
<b>Federal Agency Issues - Coupon</b>								
		<b>Subtotal</b>	<b>3,700,000.00</b>					<b>3,700,000.00</b>
		<b>Total</b>	<b>40,946,238.14</b>			<b>4,617,201.80</b>	<b>2,444,307.32</b>	<b>43,119,132.62</b>



**MSR Public Power Agency Trust**  
**Received Interest**  
**Sorted by Date Received**  
**Received May 1, 2021 - May 31, 2021**

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	Amount Received
<b>Cash Accounts</b>							
<b>May 2021</b>	SYS33000MONEY	33000MONEY	PA1	13,025,863.01	0.030	05/03/2021	54.41
	SYS776000 MONEY	776000 MONEY	PA1	83,579.44	0.030	05/03/2021	1.90
	SYS776001 MONEY	776001 MONEY	PA1	1,074,948.79	0.030	05/03/2021	15.39
	SYS776002 MONEY	776002 MONEY	PA1	23,079,614.42	0.030	05/03/2021	435.93
	SYS88000MONEY	88000 MONEY	PA1	2,155,126.96	0.030	05/03/2021	48.89
						<b>Subtotal</b>	<b>556.52</b>
						<b>Total</b>	<b>556.52</b>



**MSR Public Power Agency Trust**  
**Realized Gains and Losses**  
 Sorted By Maturity/Sale/Call Date  
 Sales/Calls/Maturities: May 1, 2021 - May 31, 2021

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

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

# Treasurer's Report

JUNE 2021



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

Treasurer's Report for the Month of June 2021

Investment Portfolio Pie Chart

MSR / LAIF / US Treasury 2-Year

Average Maturity Report

Quarterly Comparison Chart – Second Quarter

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 JUNE 2021**

**FUND BALANCES**

	5/31/2021			6/30/2021		6/30/2021	6/30/2021	Unrealized Gain/Loss
	Cost Value	Receipts	Disbursements	Cost Value	Reserves: Mkt Value*	Mkt. Value*		
<b>UNRESTRICTED FUNDS</b>								
General Fund	39,773,441	0	0	39,946,763				
Debt Service Coverage Revolving Fund	2,750,000	275,000	0	3,025,000				
	42,523,441	7,561,062	7,112,739	42,971,763		42,971,763		0
<b>RESTRICTED FUNDS</b>								
MSR 2018 Series R	24,238,143	4,617,121	2,308,323	26,546,941	0	26,546,941		0
MSR SJ Coal Reclamation Trust	16,725,863	56	122,346	16,603,572	0	16,616,226		12,654
MSR SJ Decommissioning Trust	2,155,127	46	859	2,154,313	0	2,154,313		0
	43,119,133	4,617,222	2,431,528	45,304,827	0	45,317,481		12,654
<b>TOTAL FUNDS</b>	<b>85,642,573</b>	<b>12,178,284</b>	<b>9,544,267</b>	<b>88,276,590</b>	<b>0</b>	<b>88,289,244</b>		<b>12,654</b>

**CASH & INVESTMENTS**

**DEMAND ACCOUNTS**

Union Bank - General Fund 46,353

**INVESTMENTS (See Attached)**

	Standard per Gov't Code	Actual	
Bankers Acceptances	40%	0.0%	0
Certificates of Deposit(Coll./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	4.2%	3,700,000
Local Agency Investment Fund	\$75,000,000	48.7%	42,927,831
Money Market Accounts	No Limit	47.2%	41,604,827
Repurchase Agreements	No Limit	0.0%	0
U.S. Treasury Instruments	No Limit	0.0%	0
<b>TOTAL INVESTMENTS</b>		<b>100.0%</b>	<b>88,232,657</b>

Add: Deposits in transit 0  
Less: Outstanding checks (2,420)

**TOTAL CASH & INVESTMENTS 88,276,590**

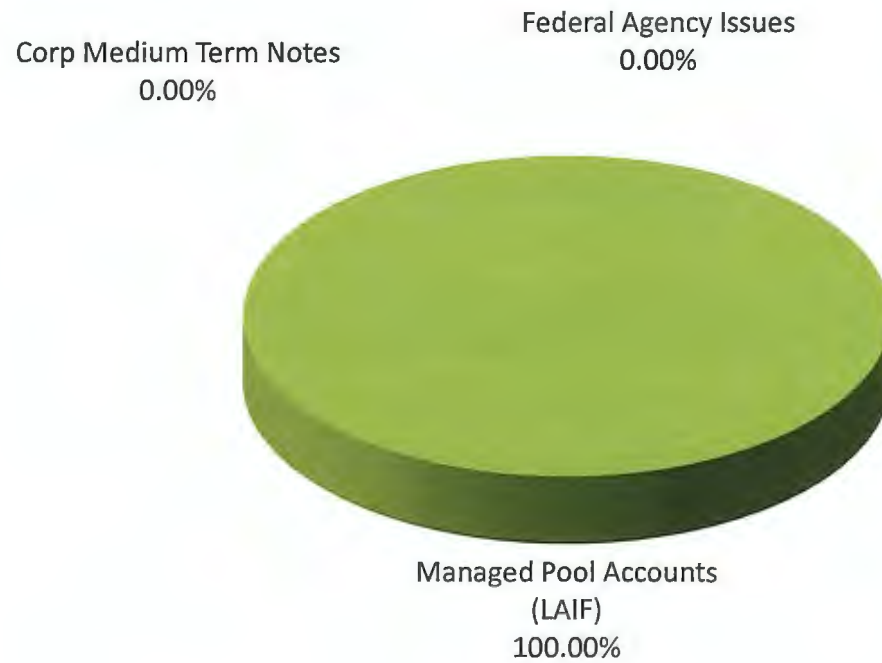
\* Source of Market Value Information is US Bank, Union Bank, and Bloomberg Financial Systems

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.

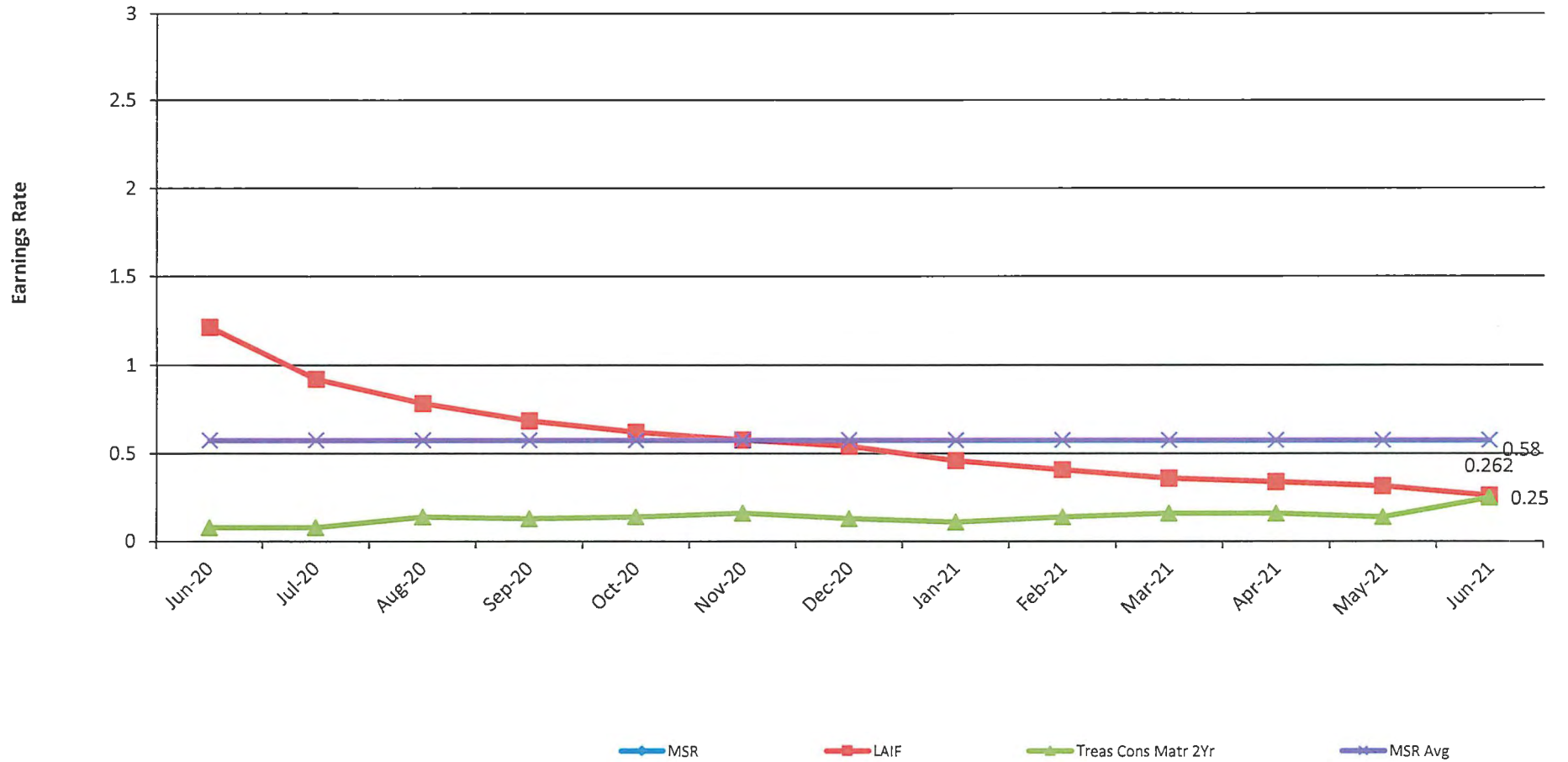
  
Scott Van Vuren -- Treasurer

  
Ana Vigil -- Assistant Treasurer

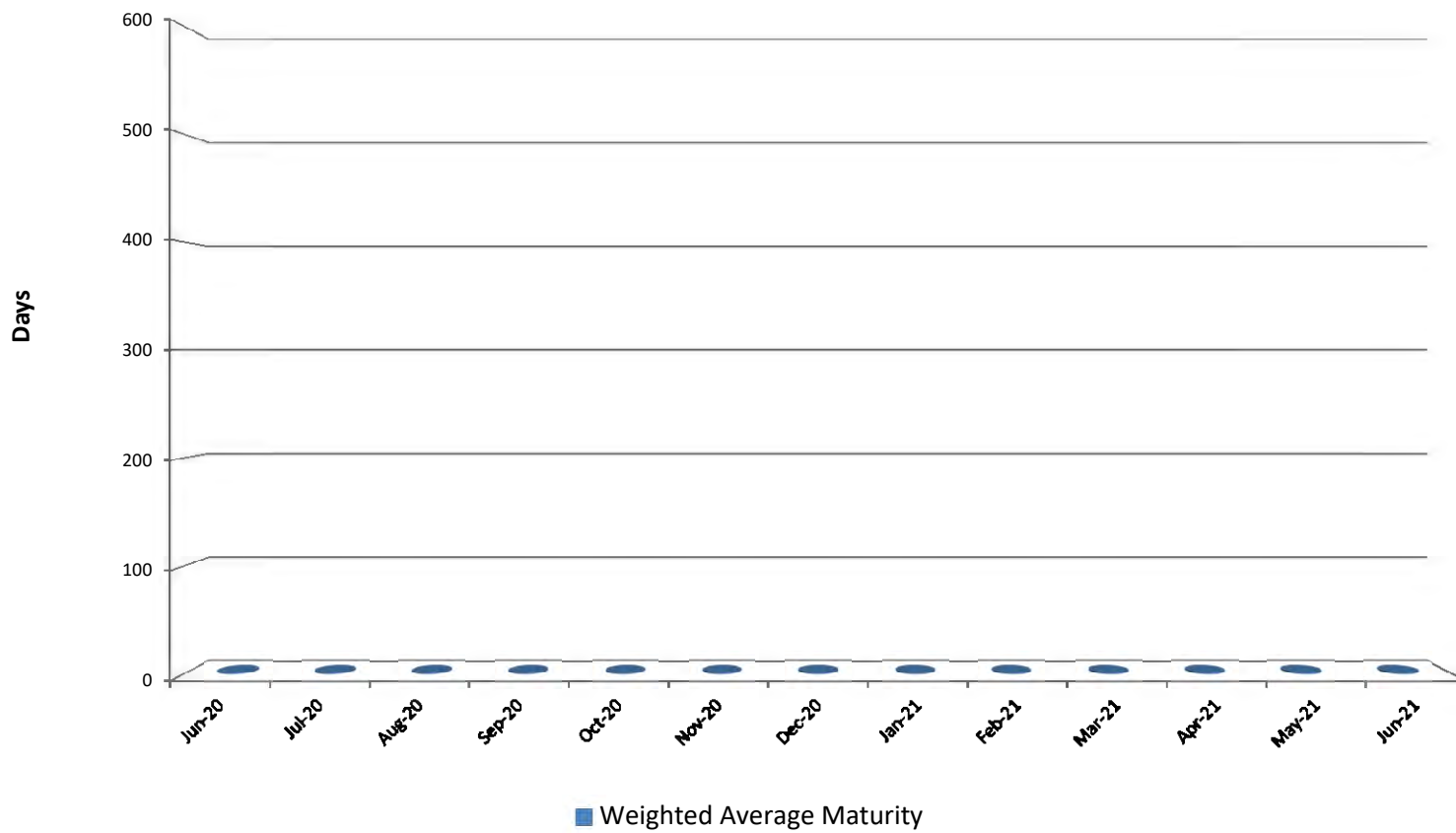
## M-S-R Public Power Agency Investment Portfolio June 2021



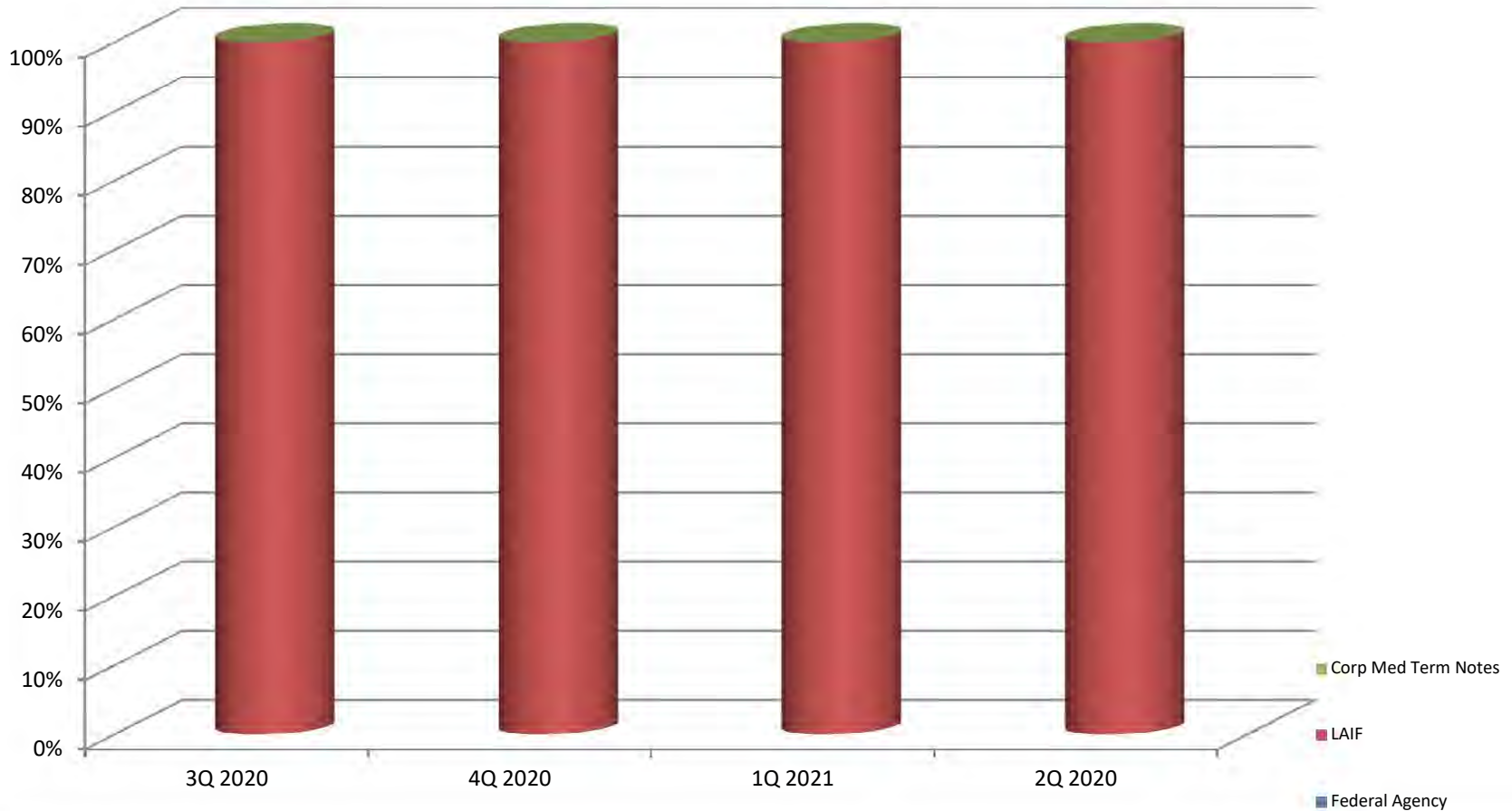
# MSR / LAIF / US Treasury 2-Year June 2021



## General Fund Portfolio Average Maturity Report



# M-S-R Public Power Agency Investment Portfolio Quarterly Comparison Second Quarter 2021





**MSR Public Power Agency  
Portfolio Management  
Portfolio Summary  
June 30, 2021**

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

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 365 Equiv.</b>
Managed Pool Accounts	42,927,830.62	42,927,830.62	42,927,830.62	100.00	1	1	0.262
<b>Investments</b>	<b>42,927,830.62</b>	<b>42,927,830.62</b>	<b>42,927,830.62</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.262</b>
<b>Cash</b>							
Passbook/Checking (not included in yield calculations)	43,932.48	43,932.48	43,932.48		1	1	0.000
<b>Total Cash and Investments</b>	<b>42,971,763.10</b>	<b>42,971,763.10</b>	<b>42,971,763.10</b>		<b>1</b>	<b>1</b>	<b>0.262</b>

<b>Total Earnings</b>	<b>June 30 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	9,013.05	77,120.40
<b>Average Daily Balance</b>	<b>42,576,718.21</b>	
<b>Effective Rate of Return</b>	<b>0.26%</b>	

\_\_\_\_\_  
Scott Van Vuren, Treasurer

**MSR Public Power Agency  
Portfolio Management  
Portfolio Details - Investments  
June 30, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Managed Pool Accounts</b>												
SYSLAIF	LAIF	Local Agency Investment Fund			42,927,830.62	42,927,830.62	42,927,830.62	0.262		0.262	1	
		<b>Subtotal and Average</b>	<b>41,854,497.29</b>		<b>42,927,830.62</b>	<b>42,927,830.62</b>	<b>42,927,830.62</b>			<b>0.262</b>	<b>1</b>	
		<b>Total and Average</b>	<b>42,576,718.21</b>		<b>42,927,830.62</b>	<b>42,927,830.62</b>	<b>42,927,830.62</b>			<b>0.262</b>	<b>1</b>	

**MSR Public Power Agency  
Portfolio Management  
Portfolio Details - Cash  
June 30, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Passbook/Checking Accounts</b>											
SYSGENERAL FUND	GENERAL	Union Bank of California		01/01/1999	43,932.48	43,932.48	43,932.48			0.000	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>42,576,718.21</b>		<b>42,971,763.10</b>	<b>42,971,763.10</b>	<b>42,971,763.10</b>			<b>0.262</b>	<b>1</b>

**MSR Public Power Agency  
Portfolio Management  
Investment Status Report - Investments  
June 30, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Managed Pool Accounts</b>												
SYSLAIF	LAIF	LAIF	42,927,830.62	0.262			0.258	0.262	01/15 - Quarterly		42,927,830.62	42,927,830.62
<b>Managed Pool Accounts Totals</b>			<b>42,927,830.62</b>				<b>0.258</b>	<b>0.262</b>		<b>0.00</b>	<b>42,927,830.62</b>	<b>42,927,830.62</b>
<b>Investment Totals</b>			<b>42,927,830.62</b>				<b>0.258</b>	<b>0.262</b>		<b>0.00</b>	<b>42,927,830.62</b>	<b>42,927,830.62</b>

**MSR Public Power Agency  
Portfolio Management  
Investment Status Report - Cash  
June 30, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Passbook/Checking Accounts</b>												
SYSGENERAL FUND	GENERAL	UBC	43,932.48			01/01/1999	0.000	0.000	/ - Monthly		43,932.48	43,932.48
<b>Cash Totals</b>			<b>43,932.48</b>							<b>0.00</b>	<b>43,932.48</b>	<b>43,932.48</b>
<b>Total Cash and Investments</b>			<b>42,971,763.10</b>				<b>0.258</b>	<b>0.262</b>		<b>0.00</b>	<b>42,971,763.10</b>	<b>42,971,763.10</b>

**MSR Public Power Agency  
Portfolio Management  
Activity By Type  
June 1, 2021 through June 30, 2021**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
<b>Managed Pool Accounts (Monthly Summary)</b>								
SYSLAIF	LAIF	Local Agency Investment Fund		0.262		1,150,000.00	0.00	
		<b>Subtotal</b>	<b>41,777,830.62</b>			<b>1,150,000.00</b>	<b>0.00</b>	<b>42,927,830.62</b>
<b>Passbook/Checking Accounts (Monthly Summary)</b>								
SYSGENERAL FUND	GENERAL	Union Bank of California				0.00	701,677.70	
		<b>Subtotal</b>	<b>745,610.18</b>			<b>0.00</b>	<b>701,677.70</b>	<b>43,932.48</b>
		<b>Total</b>	<b>42,523,440.80</b>			<b>1,150,000.00</b>	<b>701,677.70</b>	<b>42,971,763.10</b>



**MSR Public Power Agency**  
**Activity Report**  
**Issuer: Local Agency Investment Fund**  
**June 1, 2021 - June 30, 2021**

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

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: Local Agency Investment Fund</b>									
<b>Managed Pool Accounts</b>									
SYSLAIF	LAIF	Local Agency Investment Fund			0.262		1,150,000.00	0.00	
		<b>Subtotal and Balance</b>		<b>41,777,830.62</b>			<b>1,150,000.00</b>	<b>0.00</b>	<b>42,927,830.62</b>
		<b>Issuer Subtotal</b>	<b>99.898%</b>	<b>41,777,830.62</b>			<b>1,150,000.00</b>	<b>0.00</b>	<b>42,927,830.62</b>
		<b>Total</b>		<b>41,777,830.62</b>			<b>1,150,000.00</b>	<b>0.00</b>	<b>42,927,830.62</b>



**MSR Public Power Agency Trust**  
**Portfolio Management**  
**Portfolio Summary**  
**June 30, 2021**

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

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 365 Equiv.</b>
Federal Agency Issues - Coupon	3,700,000.00	3,712,654.00	3,700,000.00	100.00	1,826	90	1.450
<b>Investments</b>	<b>3,700,000.00</b>	<b>3,712,654.00</b>	<b>3,700,000.00</b>	<b>100.00%</b>	<b>1,826</b>	<b>90</b>	<b>1.450</b>
<b>Cash</b>							
Passbook/Checking (not included in yield calculations)	41,604,826.78	41,604,826.78	41,604,826.78		1	1	0.020
<b>Total Cash and Investments</b>	<b>45,304,826.78</b>	<b>45,317,480.78</b>	<b>45,304,826.78</b>		<b>1,826</b>	<b>90</b>	<b>1.450</b>

<b>Total Earnings</b>	<b>June 30 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	5,125.54	30,021.58
<b>Average Daily Balance</b>	<b>43,527,853.60</b>	
<b>Effective Rate of Return</b>	<b>0.14%</b>	

Scott Van Vuren, Treasurer

**MSR Public Power Agency Trust  
Portfolio Management  
Portfolio Details - Investments  
June 30, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3136G36J9	17314	Federal Nat'l Mtg. Assoc.		09/29/2016	3,700,000.00	3,712,654.00	3,700,000.00	1.450		1.450	90	09/29/2021
<b>Subtotal and Average</b>			<b>3,700,000.00</b>		<b>3,700,000.00</b>	<b>3,712,654.00</b>	<b>3,700,000.00</b>			<b>1.450</b>	<b>90</b>	
<b>Total and Average</b>			<b>43,527,853.60</b>		<b>3,700,000.00</b>	<b>3,712,654.00</b>	<b>3,700,000.00</b>			<b>1.450</b>	<b>90</b>	

**MSR Public Power Agency Trust  
Portfolio Management  
Portfolio Details - Cash  
June 30, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Passbook/Checking Accounts</b>											
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust			12,903,572.41	12,903,572.41	12,903,572.41	0.020		0.020	1
SYS7000MONEY	7000MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.020		0.020	1
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust			83,581.22	83,581.22	83,581.22	0.020		0.020	1
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust			1,289,931.08	1,289,931.08	1,289,931.08	0.020		0.020	1
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust			25,173,428.66	25,173,428.66	25,173,428.66	0.020		0.020	1
SYS776003 MONEY	776003 MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.020		0.020	1
SYS8000MONEY	8000MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.020		0.020	1
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust			2,154,313.41	2,154,313.41	2,154,313.41	0.020		0.020	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>43,527,853.60</b>		<b>45,304,826.78</b>	<b>45,317,480.78</b>	<b>45,304,826.78</b>			<b>1.450</b>	<b>90</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Investment Status Report - Investments  
June 30, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Federal Agency Issues - Coupon</b>												
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
<b>Federal Agency Issues - Coupon Totals</b>			<b>3,700,000.00</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>3,700,000.00</b>	<b>3,700,000.00</b>
<b>Investment Totals</b>			<b>3,700,000.00</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>3,700,000.00</b>	<b>3,700,000.00</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Investment Status Report - Cash  
June 30, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Passbook/Checking Accounts</b>												
SYS33000MONEY	33000MONEY	USBANK	12,903,572.41	0.020			0.020	0.020	09/01 - Monthly		12,903,572.41	12,903,572.41
SYS7000MONEY	7000MONEY	USBANK	0.00	0.020			0.020	0.020	01/01 - Monthly		0.00	0.00
SYS776000 MONEY	776000 MONEY	USBANK	83,581.22	0.020			0.020	0.020	08/01 - Monthly		83,581.22	83,581.22
SYS776001 MONEY	776001 MONEY	USBANK	1,289,931.08	0.020			0.020	0.020	08/01 - Monthly		1,289,931.08	1,289,931.08
SYS776002 MONEY	776002 MONEY	USBANK	25,173,428.66	0.020			0.020	0.020	08/01 - Monthly		25,173,428.66	25,173,428.66
SYS776003 MONEY	776003 MONEY	USBANK	0.00	0.020			0.020	0.020	07/01 - Monthly		0.00	0.00
SYS8000MONEY	8000MONEY	USBANK	0.00	0.020			0.020	0.020	01/01 - Monthly		0.00	0.00
SYS88000MONEY	88000 MONEY	USBANK	2,154,313.41	0.020			0.020	0.020	04/01 - Monthly		2,154,313.41	2,154,313.41
<b>Cash Totals</b>			<b>41,604,826.78</b>							<b>0.00</b>	<b>41,604,826.78</b>	<b>41,604,826.78</b>
<b>Total Cash and Investments</b>			<b>45,304,826.78</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>45,304,826.78</b>	<b>45,304,826.78</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Activity By Type  
June 1, 2021 through June 30, 2021**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
<b>Passbook/Checking Accounts (Monthly Summary)</b>								
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust		0.020		55.67	122,346.27	
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust		0.020		2,308,324.42	2,308,322.64	
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust		0.020		214,982.29	0.00	
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust		0.020		2,093,814.24	0.00	
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust		0.020		45.80	859.35	
	<b>Subtotal</b>		<b>39,419,132.62</b>			<b>4,617,222.42</b>	<b>2,431,528.26</b>	<b>41,604,826.78</b>
<b>Federal Agency Issues - Coupon</b>								
	<b>Subtotal</b>		<b>3,700,000.00</b>					<b>3,700,000.00</b>
	<b>Total</b>		<b>43,119,132.62</b>			<b>4,617,222.42</b>	<b>2,431,528.26</b>	<b>45,304,826.78</b>



**MSR Public Power Agency Trust**  
**Received Interest**  
**Sorted by Date Received**  
**Received June 1, 2021 - June 30, 2021**

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	Amount Received
<b>Cash Accounts</b>							
June 2021	SYS33000MONEY	33000MONEY	PA1	12,903,572.41	0.020	06/01/2021	55.67
	SYS776000 MONEY	776000 MONEY	PA1	83,581.22	0.020	06/01/2021	1.78
	SYS776001 MONEY	776001 MONEY	PA1	1,289,931.08	0.020	06/01/2021	19.17
	SYS776002 MONEY	776002 MONEY	PA1	25,173,428.66	0.020	06/01/2021	454.72
	SYS88000MONEY	88000 MONEY	PA1	2,154,681.04	0.020	06/01/2021	45.80
						<b>Subtotal</b>	<b>577.14</b>
						<b>Total</b>	<b>577.14</b>



**MSR Public Power Agency Trust**  
**Realized Gains and Losses**  
**Sorted By Maturity/Sale/Call Date**  
**Sales/Calls/Maturities: June 1, 2021 - June 30, 2021**

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

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

The background features three large, overlapping blue circles of varying sizes, each with a lighter blue ring around its center. These circles are connected by thin, light-colored lines that form a triangular shape. The overall aesthetic is clean and modern.

# Treasurer's Report

JULY 2021



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

Treasurer's Report for the Month of July 2021

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

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 JULY 2021**

**FUND BALANCES**

	6/30/2021			7/31/2021		7/31/2021	Unrealized Gain/Loss
	Cost Value	Receipts	Disbursements	Cost Value	Reserves: Mkt Value*	Mkt. Value*	
<b>UNRESTRICTED FUNDS</b>							
General Fund	39,946,763	0	0	39,991,035			
Debt Service Coverage Revolving Fund	3,025,000	275,000	3,300,000	0			
	42,971,763	10,680,974	13,661,703	39,991,035		39,991,035	0
<b>RESTRICTED FUNDS</b>							
MSR 2018 Series R	26,546,941	57,543,870	81,691,482	2,399,329	0	2,399,329	0
MSR SJ Coal Reclamation Trust	16,603,572	53	33,401	16,570,225	0	16,578,254	8,029
MSR SJ Decommissioning Trust	2,154,313	35	388	2,153,961	0	2,153,961	0
	45,304,827	57,543,959	81,725,271	21,123,515	0	21,131,544	8,029
<b>TOTAL FUNDS</b>	<b>88,276,590</b>	<b>68,224,933</b>	<b>95,386,974</b>	<b>61,114,550</b>	<b>0</b>	<b>61,122,579</b>	<b>8,029</b>

**CASH & INVESTMENTS**

<b>DEMAND ACCOUNTS</b>			
Union Bank - General Fund			542,472
<b>INVESTMENTS (See Attached)</b>			
	<u>Standard per Gov't Code</u>	<u>Actual</u>	
Bankers Acceptances	40%	0.0%	0
Certificates of Deposit(Coll./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	6.1%	3,700,000
Local Agency Investment Fund	\$75,000,000	65.1%	39,462,176
Money Market Accounts	No Limit	28.8%	17,423,515
Repurchase Agreements	No Limit	0.0%	0
U.S. Treasury Instruments	No Limit	0.0%	0
<b>TOTAL INVESTMENTS</b>		<u>100.0%</u>	<u>60,585,691</u>
Add: Deposits in transit			0
Less: Outstanding checks			(13,613)
<b>TOTAL CASH &amp; INVESTMENTS</b>			<u><u>61,114,550</u></u>

\* 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.

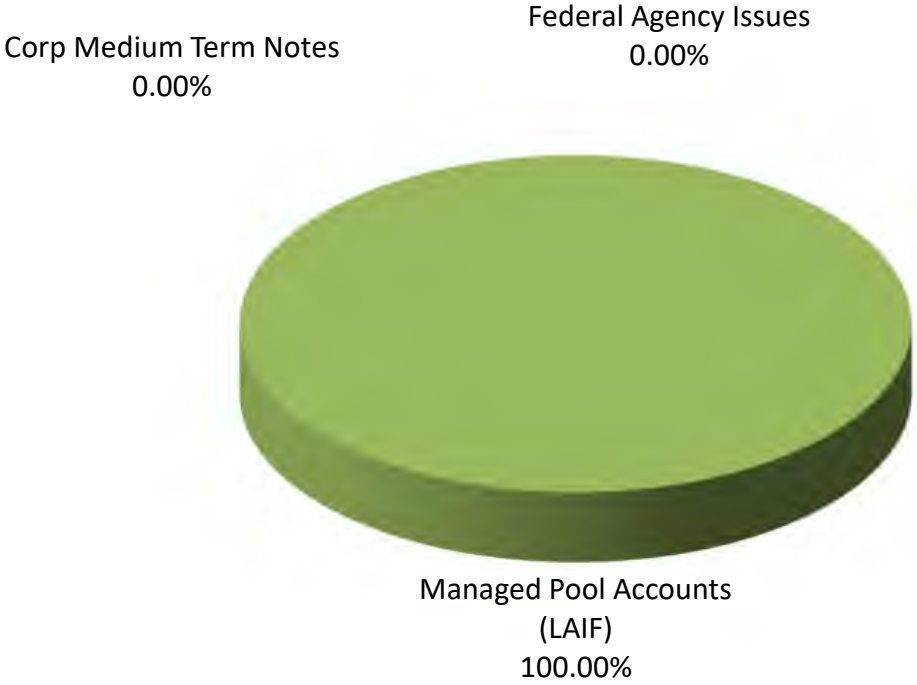


Scott Van Vuren -- Treasurer

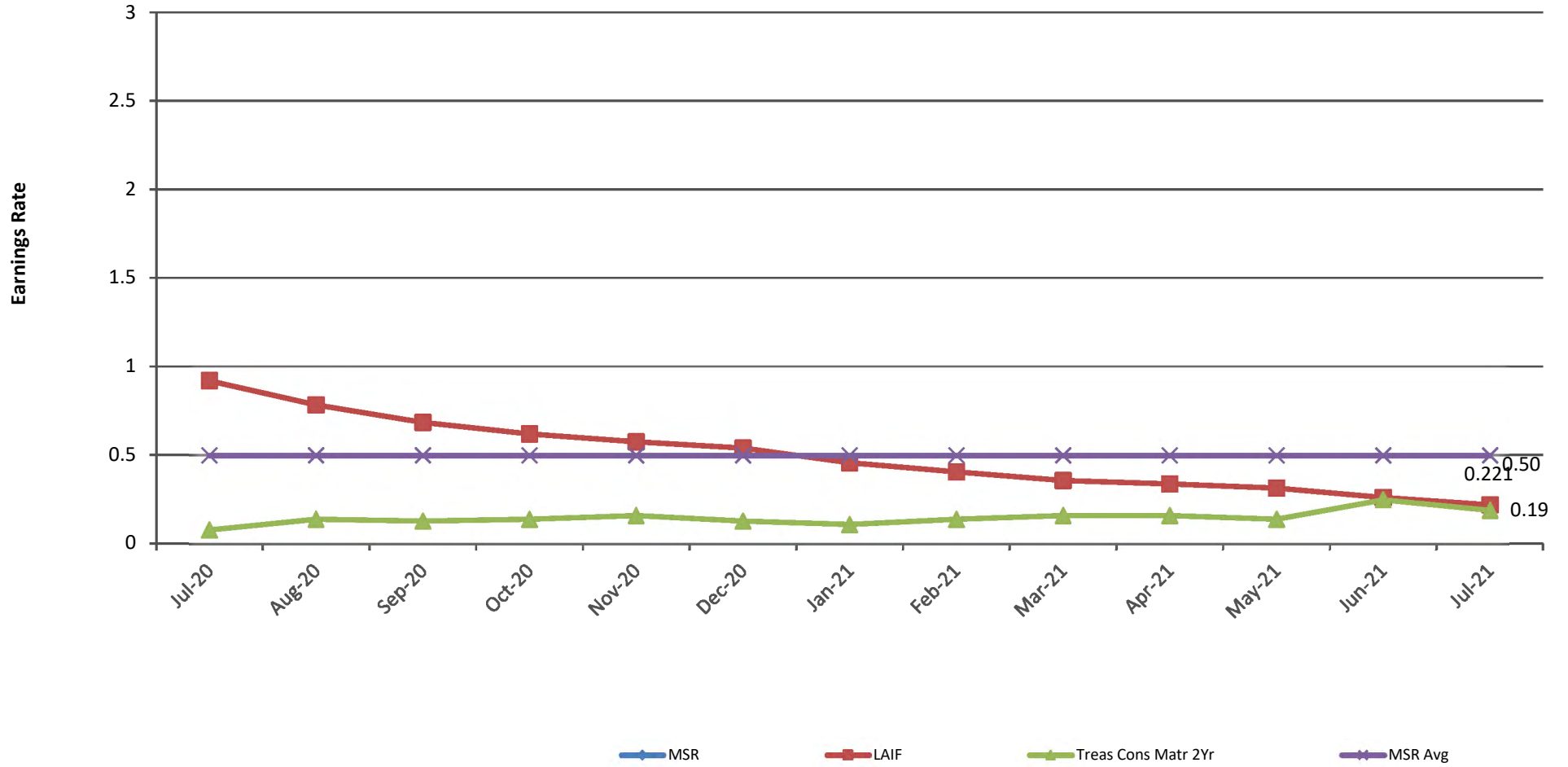


Ana Vigil -- Assistant Treasurer

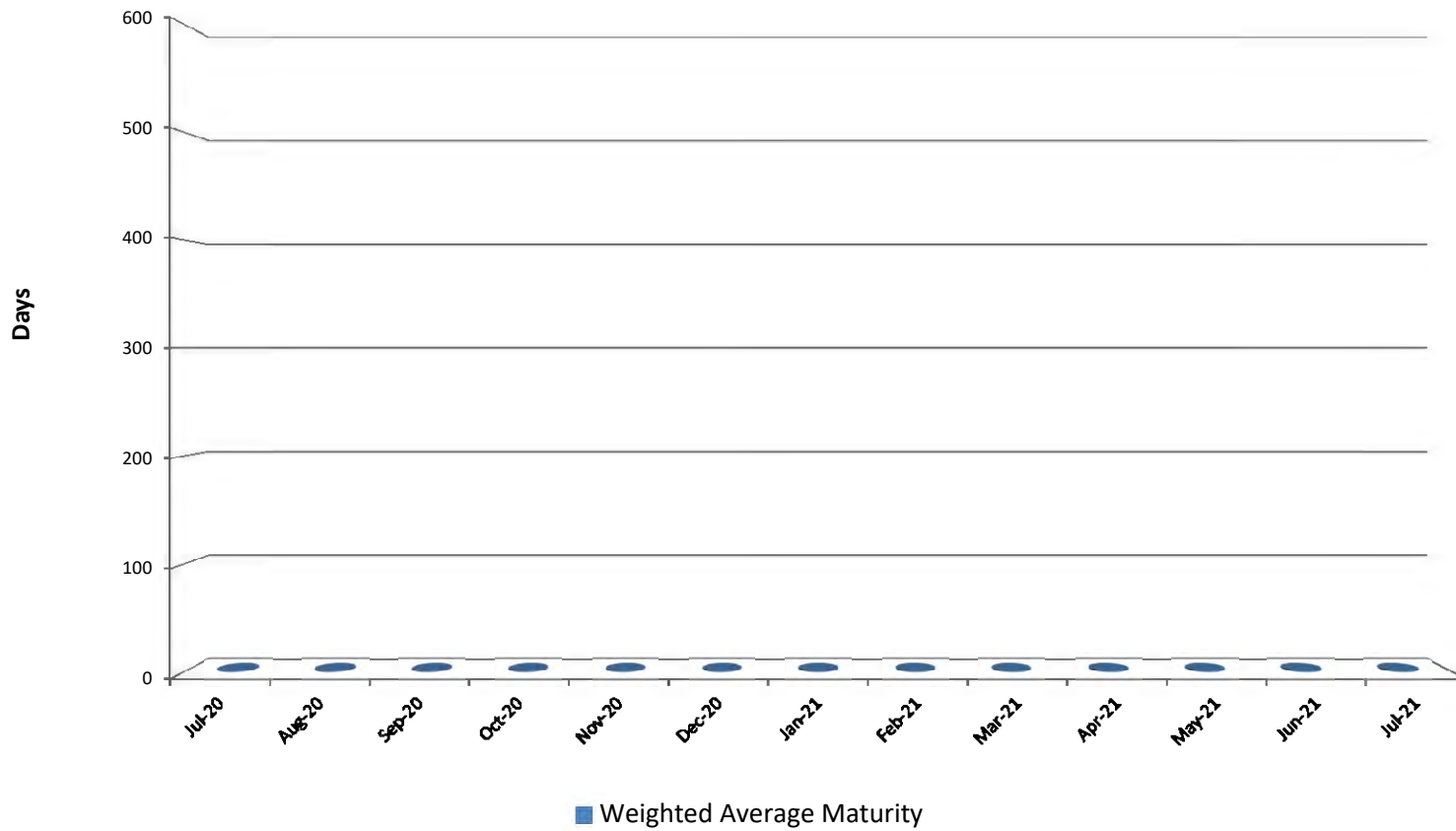
# M-S-R Public Power Agency Investment Portfolio July 2021



# MSR / LAIF / US Treasury 2-Year July 2021



## General Fund Portfolio Average Maturity Report





**MSR Public Power Agency  
Portfolio Management  
Portfolio Summary  
July 31, 2021**

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

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 365 Equiv.</b>
Managed Pool Accounts	39,462,175.74	39,462,175.74	39,462,175.74	100.00	1	1	0.221
<b>Investments</b>	<b>39,462,175.74</b>	<b>39,462,175.74</b>	<b>39,462,175.74</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.221</b>
<b>Cash</b>							
Passbook/Checking (not included in yield calculations)	528,859.07	528,859.07	528,859.07		1	1	0.000
<b>Total Cash and Investments</b>	<b>39,991,034.81</b>	<b>39,991,034.81</b>	<b>39,991,034.81</b>		<b>1</b>	<b>1</b>	<b>0.221</b>

<b>Total Earnings</b>	<b>July 31 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	7,930.85	87,356.91
<b>Average Daily Balance</b>	<b>42,312,691.93</b>	
<b>Effective Rate of Return</b>	<b>0.22%</b>	

\_\_\_\_\_  
Scott Van Vuren, Treasurer

**MSR Public Power Agency  
Portfolio Management  
Portfolio Details - Investments  
July 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Managed Pool Accounts</b>												
SYSLAIF	LAIF	Local Agency Investment Fund			39,462,175.74	39,462,175.74	39,462,175.74	0.221		0.221	1	
		<b>Subtotal and Average</b>	<b>42,253,116.65</b>		<b>39,462,175.74</b>	<b>39,462,175.74</b>	<b>39,462,175.74</b>			<b>0.221</b>	<b>1</b>	
		<b>Total and Average</b>	<b>42,312,691.93</b>		<b>39,462,175.74</b>	<b>39,462,175.74</b>	<b>39,462,175.74</b>			<b>0.221</b>	<b>1</b>	

**MSR Public Power Agency  
Portfolio Management  
Portfolio Details - Cash  
July 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Passbook/Checking Accounts</b>											
SYSGENERAL FUND	GENERAL	Union Bank of California		01/01/1999	528,859.07	528,859.07	528,859.07			0.000	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>42,312,691.93</b>		<b>39,991,034.81</b>	<b>39,991,034.81</b>	<b>39,991,034.81</b>			<b>0.221</b>	<b>1</b>

**MSR Public Power Agency  
Portfolio Management  
Investment Status Report - Investments  
July 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Managed Pool Accounts</b>												
SYSLAIF	LAIF	LAIF	39,462,175.74	0.221			0.218	0.221	01/15 - Quarterly		39,462,175.74	39,462,175.74
<b>Managed Pool Accounts Totals</b>			<b>39,462,175.74</b>				<b>0.218</b>	<b>0.221</b>		<b>0.00</b>	<b>39,462,175.74</b>	<b>39,462,175.74</b>
<b>Investment Totals</b>			<b>39,462,175.74</b>				<b>0.218</b>	<b>0.221</b>		<b>0.00</b>	<b>39,462,175.74</b>	<b>39,462,175.74</b>

**MSR Public Power Agency  
Portfolio Management  
Investment Status Report - Cash  
July 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Passbook/Checking Accounts</b>												
SYSGENERAL FUND	GENERAL	UBC	528,859.07		01/01/1999		0.000	0.000	/ - Monthly		528,859.07	528,859.07
<b>Cash Totals</b>			<b>528,859.07</b>							<b>0.00</b>	<b>528,859.07</b>	<b>528,859.07</b>
<b>Total Cash and Investments</b>			<b>39,991,034.81</b>				<b>0.218</b>	<b>0.221</b>		<b>0.00</b>	<b>39,991,034.81</b>	<b>39,991,034.81</b>

**MSR Public Power Agency  
Portfolio Management  
Activity By Type  
July 1, 2021 through July 31, 2021**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
<b>Managed Pool Accounts (Monthly Summary)</b>								
SYSLAIF	LAIF	Local Agency Investment Fund		0.221		34,345.12	3,500,000.00	
		<b>Subtotal</b>	<b>42,927,830.62</b>			<b>34,345.12</b>	<b>3,500,000.00</b>	<b>39,462,175.74</b>
<b>Passbook/Checking Accounts (Monthly Summary)</b>								
SYSGENERAL FUND	GENERAL	Union Bank of California				484,926.59	0.00	
		<b>Subtotal</b>	<b>43,932.48</b>			<b>484,926.59</b>	<b>0.00</b>	<b>528,859.07</b>
		<b>Total</b>	<b>42,971,763.10</b>			<b>519,271.71</b>	<b>3,500,000.00</b>	<b>39,991,034.81</b>



**MSR Public Power Agency**  
**Received Interest**  
**Sorted by Date Received**  
**Received July 1, 2021 - July 31, 2021**

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

Date Received	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Received	Interest Amount Received
<b>Cash Accounts</b>							
July 2021	SYSLAIF	LAIF	LA1	39,462,175.74	0.221	07/15/2021	34,345.12
						<b>Subtotal</b>	<b>34,345.12</b>
						<b>Total</b>	<b>34,345.12</b>



**MSR Public Power Agency**  
**Activity Report**  
**Issuer: Local Agency Investment Fund**  
**July 1, 2021 - July 31, 2021**

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

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: Local Agency Investment Fund</b>									
<b>Managed Pool Accounts</b>									
SYSLAIF	LAIF	Local Agency Investment Fund			0.221		34,345.12	3,500,000.00	
		<b>Subtotal and Balance</b>		<b>42,927,830.62</b>			<b>34,345.12</b>	<b>3,500,000.00</b>	<b>39,462,175.74</b>
		<b>Issuer Subtotal</b>	<b>98.678%</b>	<b>42,927,830.62</b>			<b>34,345.12</b>	<b>3,500,000.00</b>	<b>39,462,175.74</b>
		<b>Total</b>		<b>42,927,830.62</b>			<b>34,345.12</b>	<b>3,500,000.00</b>	<b>39,462,175.74</b>



**MSR Public Power Agency Trust  
Portfolio Management  
Portfolio Summary  
July 31, 2021**

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

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 365 Equiv.</b>
Federal Agency Issues - Coupon	3,700,000.00	3,708,029.00	3,700,000.00	100.00	1,826	59	1.450
<b>Investments</b>	<b>3,700,000.00</b>	<b>3,708,029.00</b>	<b>3,700,000.00</b>	<b>100.00%</b>	<b>1,826</b>	<b>59</b>	<b>1.450</b>
<b>Cash</b>							
Passbook/Checking (not included in yield calculations)	17,423,514.96	17,423,514.96	17,423,514.96		1	1	0.020
<b>Total Cash and Investments</b>	<b>21,123,514.96</b>	<b>21,131,543.96</b>	<b>21,123,514.96</b>		<b>1,826</b>	<b>59</b>	<b>1.450</b>

<b>Total Earnings</b>	<b>July 31 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	4,735.47	34,597.15
<b>Average Daily Balance</b>	<b>19,279,948.45</b>	
<b>Effective Rate of Return</b>	<b>0.29%</b>	

\_\_\_\_\_  
Scott Van Vuren, Treasurer

**MSR Public Power Agency Trust  
Portfolio Management  
Portfolio Details - Investments  
July 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3136G36J9	17314	Federal Nat'l Mtg. Assoc.		09/29/2016	3,700,000.00	3,708,029.00	3,700,000.00	1.450		1.450	59	09/29/2021
		<b>Subtotal and Average</b>	<b>3,700,000.00</b>		<b>3,700,000.00</b>	<b>3,708,029.00</b>	<b>3,700,000.00</b>			<b>1.450</b>	<b>59</b>	
		<b>Total and Average</b>	<b>19,279,948.45</b>		<b>3,700,000.00</b>	<b>3,708,029.00</b>	<b>3,700,000.00</b>			<b>1.450</b>	<b>59</b>	

**MSR Public Power Agency Trust  
Portfolio Management  
Portfolio Details - Cash  
July 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Passbook/Checking Accounts</b>											
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust			12,870,224.97	12,870,224.97	12,870,224.97	0.020		0.020	1
SYS7000MONEY	7000MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.020		0.020	1
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust			83,582.59	83,582.59	83,582.59	0.020		0.020	1
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust			110,166.22	110,166.22	110,166.22	0.020		0.020	1
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust			2,205,580.40	2,205,580.40	2,205,580.40	0.020		0.020	1
SYS776003 MONEY	776003 MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.020		0.020	1
SYS8000MONEY	8000MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.020		0.020	1
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust			2,153,960.78	2,153,960.78	2,153,960.78	0.020		0.020	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>19,279,948.45</b>		<b>21,123,514.96</b>	<b>21,131,543.96</b>	<b>21,123,514.96</b>			<b>1.450</b>	<b>59</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Investment Status Report - Investments  
July 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Federal Agency Issues - Coupon</b>												
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
<b>Federal Agency Issues - Coupon Totals</b>			<b>3,700,000.00</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>3,700,000.00</b>	<b>3,700,000.00</b>
<b>Investment Totals</b>			<b>3,700,000.00</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>3,700,000.00</b>	<b>3,700,000.00</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Investment Status Report - Cash  
July 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Passbook/Checking Accounts</b>												
SYS33000MONEY	33000MONEY	USBANK	12,870,224.97	0.020			0.020	0.020	09/01 - Monthly		12,870,224.97	12,870,224.97
SYS7000MONEY	7000MONEY	USBANK	0.00	0.020			0.020	0.020	01/01 - Monthly		0.00	0.00
SYS776000 MONEY	776000 MONEY	USBANK	83,582.59	0.020			0.020	0.020	08/01 - Monthly		83,582.59	83,582.59
SYS776001 MONEY	776001 MONEY	USBANK	110,166.22	0.020			0.020	0.020	08/01 - Monthly		110,166.22	110,166.22
SYS776002 MONEY	776002 MONEY	USBANK	2,205,580.40	0.020			0.020	0.020	08/01 - Monthly		2,205,580.40	2,205,580.40
SYS776003 MONEY	776003 MONEY	USBANK	0.00	0.020			0.020	0.020	07/01 - Monthly		0.00	0.00
SYS8000MONEY	8000MONEY	USBANK	0.00	0.020			0.020	0.020	01/01 - Monthly		0.00	0.00
SYS88000MONEY	88000 MONEY	USBANK	2,153,960.78	0.020			0.020	0.020	04/01 - Monthly		2,153,960.78	2,153,960.78
<b>Cash Totals</b>			<b>17,423,514.96</b>							<b>0.00</b>	<b>17,423,514.96</b>	<b>17,423,514.96</b>
<b>Total Cash and Investments</b>			<b>21,123,514.96</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>21,123,514.96</b>	<b>21,123,514.96</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Activity By Type  
July 1, 2021 through July 31, 2021**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
<b>Passbook/Checking Accounts (Monthly Summary)</b>								
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust		0.020		53.31	33,400.75	
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust		0.020		28,771,733.55	28,771,732.18	
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust		0.020		1,399,985.14	2,579,750.00	
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust		0.020		27,372,151.74	50,340,000.00	
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust		0.020		35.42	388.05	
		<b>Subtotal</b>	<b>41,604,826.78</b>			<b>57,543,959.16</b>	<b>81,725,270.98</b>	<b>17,423,514.96</b>
<b>Federal Agency Issues - Coupon</b>								
		<b>Subtotal</b>	<b>3,700,000.00</b>					<b>3,700,000.00</b>
		<b>Total</b>	<b>45,304,826.78</b>			<b>57,543,959.16</b>	<b>81,725,270.98</b>	<b>21,123,514.96</b>



**MSR Public Power Agency Trust**  
**Received Interest**  
**Sorted by Date Received**  
**Received July 1, 2021 - July 31, 2021**

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	Amount Received
<b>Cash Accounts</b>							
July 2021	SYS33000MONEY	33000MONEY	PA1	12,870,224.97	0.020	07/01/2021	53.31
	SYS776000 MONEY	776000 MONEY	PA1	83,582.59	0.020	07/01/2021	1.37
	SYS776001 MONEY	776001 MONEY	PA1	110,166.22	0.020	07/01/2021	18.38
	SYS776002 MONEY	776002 MONEY	PA1	2,205,580.40	0.020	07/01/2021	386.32
	SYS88000MONEY	88000 MONEY	PA1	2,153,960.78	0.020	07/01/2021	35.42
						<b>Subtotal</b>	<b>494.80</b>
						<b>Total</b>	<b>494.80</b>



**MSR Public Power Agency Trust**  
**Realized Gains and Losses**  
**Sorted By Maturity/Sale/Call Date**  
**Sales/Calls/Maturities: July 1, 2021 - July 31, 2021**

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

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

The background features three large, overlapping blue circles of varying sizes, each with a lighter blue ring around its center. These circles are connected by thin, light-colored lines that form a triangular shape. The overall aesthetic is clean and modern.

# Treasurer's Report

AUGUST 2021



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

Treasurer's Report for the Month of August 2021

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

    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 AUGUST 2021**

**FUND BALANCES**

	7/31/2021			8/31/2021	8/31/2021	8/31/2021	Unrealized Gain/Loss
	Cost Value	Receipts	Disbursements	Cost Value	Reserves: Mkt Value*	Mkt. Value*	
<b>UNRESTRICTED FUNDS</b>							
General Fund	39,991,035	0	0	39,836,343			
Debt Service Coverage Revolving Fund	0	275,000	0	275,000			
	39,991,035	6,788,092	6,667,784	40,111,343		40,111,343	0
<b>RESTRICTED FUNDS</b>							
MSR 2018 Series R	2,399,329	4,623,723	2,311,857	4,711,195	0	4,711,195	0
MSR SJ Coal Reclamation Trust	16,578,254	55	101,813	16,476,495	0	16,480,565	4,070
MSR SJ Decommissioning Trust	2,153,961	37	223	2,153,775	0	2,153,775	0
	21,131,544	4,623,815	2,413,893	23,341,466	0	23,345,536	4,070
<b>TOTAL FUNDS</b>	<b>61,122,579</b>	<b>11,411,907</b>	<b>9,081,677</b>	<b>63,452,808</b>	<b>0</b>	<b>63,456,878</b>	<b>4,070</b>

**CASH & INVESTMENTS**

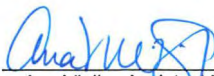
<b>DEMAND ACCOUNTS</b>			
Union Bank - General Fund			152,542
<b>INVESTMENTS (See Attached)</b>			
	<u>Standard per Gov't Code</u>	<u>Actual</u>	
Bankers Acceptances	40%	0.0%	0
Certificates of Deposit(Coll./Ins.)	No Limit	0.0%	0
Commercial Paper(A1/P1)	25%	0.0%	0
Corporate Notes-Medium Term	30%	0.0%	0
Federal Agencies	No Limit	5.8%	3,700,000
Local Agency Investment Fund	\$75,000,000	63.1%	39,962,176
Money Market Accounts	No Limit	31.0%	19,641,466
Repurchase Agreements	No Limit	0.0%	0
U.S. Treasury Instruments	No Limit	0.0%	0
<b>TOTAL INVESTMENTS</b>		<u>100.0%</u>	<u>63,303,641</u>
Add: Deposits in transit			0
Less: Outstanding checks			(3,375)
<b>TOTAL CASH &amp; INVESTMENTS</b>			<u><u>63,452,808</u></u>

\* 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 Vuren -- Treasurer



Ana Vigil -- Assistant Treasurer

# M-S-R Public Power Agency Investment Portfolio August 2021

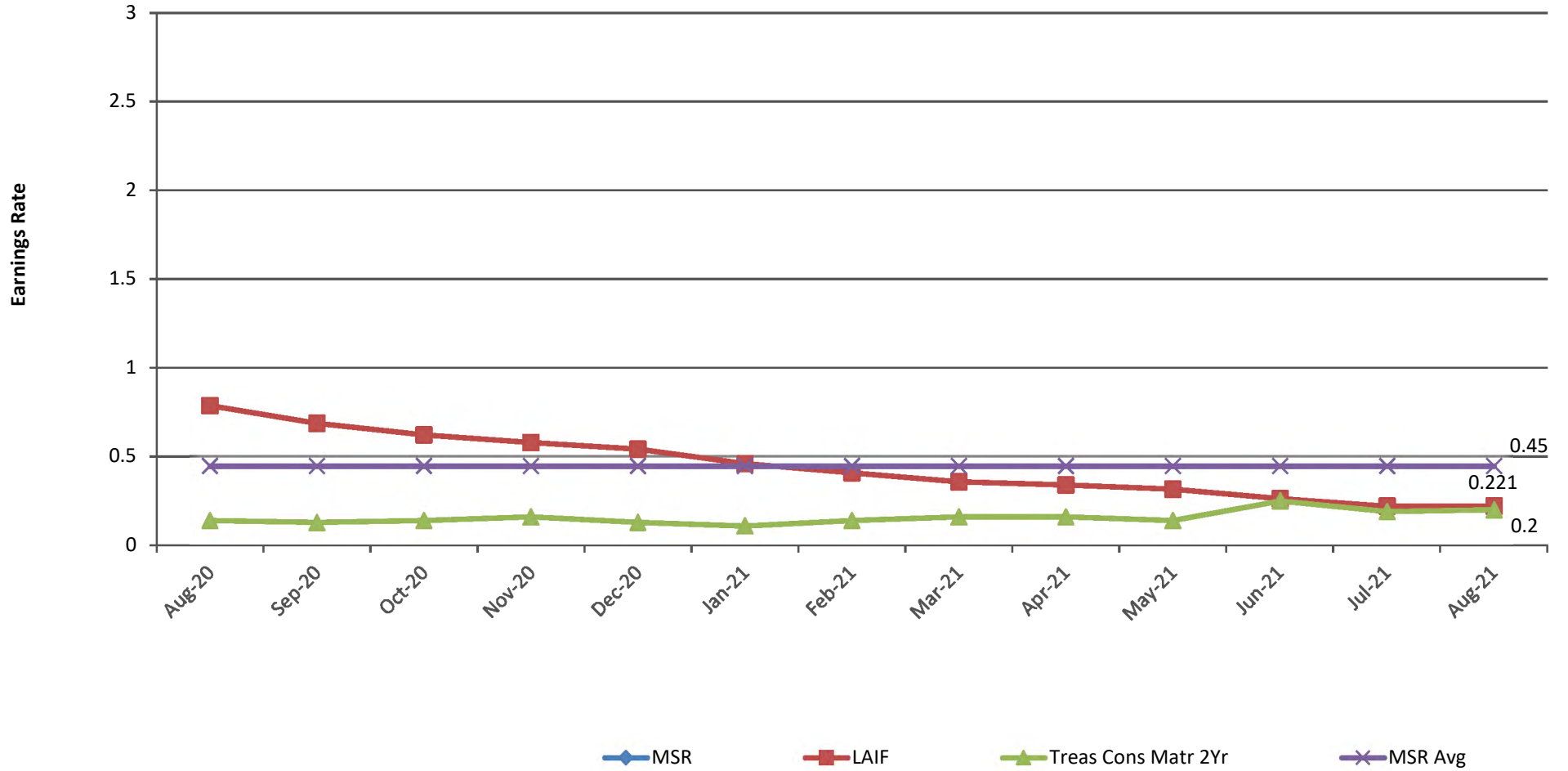
Corp Medium Term  
Notes  
0.00%

Federal Agency Issues  
0.00%

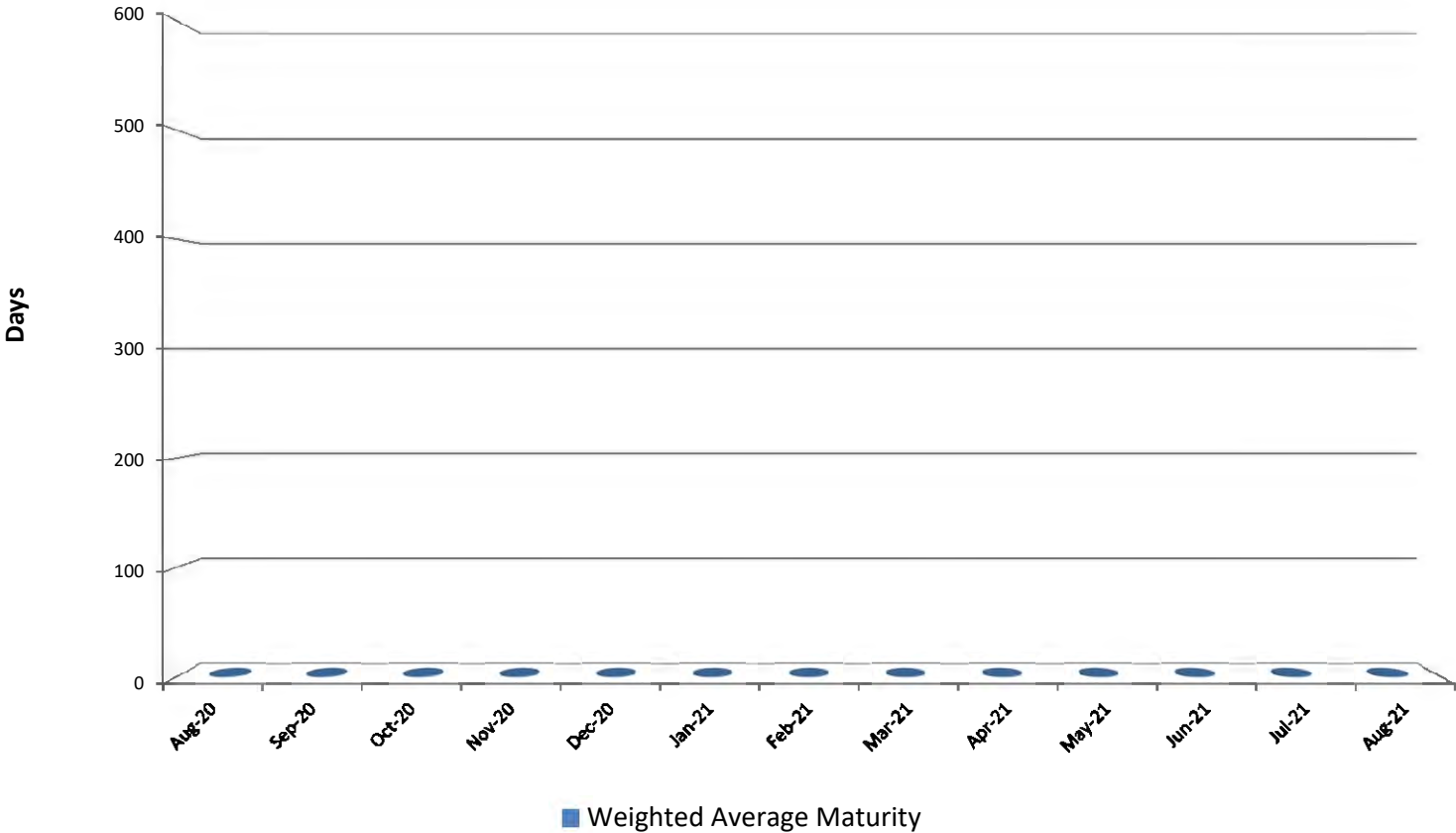


Managed Pool Accounts  
(LAIF)  
100.00%

# MSR / LAIF / US Treasury 2-Year August 2021



# General Fund Portfolio Average Maturity Report





**MSR Public Power Agency  
Portfolio Management  
Portfolio Summary  
August 31, 2021**

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

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 365 Equiv.</b>
Managed Pool Accounts	39,962,175.74	39,962,175.74	39,962,175.74	100.00	1	1	0.221
<b>Investments</b>	<b>39,962,175.74</b>	<b>39,962,175.74</b>	<b>39,962,175.74</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.221</b>
<b>Cash</b>							
Passbook/Checking (not included in yield calculations)	149,167.03	149,167.03	149,167.03		1	1	0.000
<b>Total Cash and Investments</b>	<b>40,111,342.77</b>	<b>40,111,342.77</b>	<b>40,111,342.77</b>		<b>1</b>	<b>1</b>	<b>0.221</b>

<b>Total Earnings</b>	<b>August 31 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	7,393.68	94,750.59
<b>Average Daily Balance</b>	<b>39,907,818.94</b>	
<b>Effective Rate of Return</b>	<b>0.22%</b>	

Scott Van Vuren, Treasurer

**MSR Public Power Agency  
Portfolio Management  
Portfolio Details - Investments  
August 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Managed Pool Accounts</b>												
SYSLAIF	LAIF	Local Agency Investment Fund			39,962,175.74	39,962,175.74	39,962,175.74	0.221		0.221	1	
		<b>Subtotal and Average</b>	<b>39,391,208.00</b>		<b>39,962,175.74</b>	<b>39,962,175.74</b>	<b>39,962,175.74</b>			<b>0.221</b>	<b>1</b>	
		<b>Total and Average</b>	<b>39,907,818.94</b>		<b>39,962,175.74</b>	<b>39,962,175.74</b>	<b>39,962,175.74</b>			<b>0.221</b>	<b>1</b>	

**MSR Public Power Agency  
 Portfolio Management  
 Portfolio Details - Cash  
 August 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Passbook/Checking Accounts</b>											
SYSGENERAL FUND	GENERAL	Union Bank of California		01/01/1999	149,167.03	149,167.03	149,167.03			0.000	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>39,907,818.94</b>		<b>40,111,342.77</b>	<b>40,111,342.77</b>	<b>40,111,342.77</b>			<b>0.221</b>	<b>1</b>

**MSR Public Power Agency  
Portfolio Management  
Investment Status Report - Investments  
August 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Managed Pool Accounts</b>												
SYSLAIF	LAIF	LAIF	39,962,175.74	0.221			0.218	0.221	01/15 - Quarterly		39,962,175.74	39,962,175.74
<b>Managed Pool Accounts Totals</b>			<b>39,962,175.74</b>				<b>0.218</b>	<b>0.221</b>		<b>0.00</b>	<b>39,962,175.74</b>	<b>39,962,175.74</b>
<b>Investment Totals</b>			<b>39,962,175.74</b>				<b>0.218</b>	<b>0.221</b>		<b>0.00</b>	<b>39,962,175.74</b>	<b>39,962,175.74</b>

**MSR Public Power Agency  
Portfolio Management  
Investment Status Report - Cash  
August 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Passbook/Checking Accounts</b>												
SYSGENERAL FUND	GENERAL	UBC	149,167.03		01/01/1999		0.000	0.000	/ - Monthly		149,167.03	149,167.03
<b>Cash Totals</b>			<b>149,167.03</b>							<b>0.00</b>	<b>149,167.03</b>	<b>149,167.03</b>
<b>Total Cash and Investments</b>			<b>40,111,342.77</b>				<b>0.218</b>	<b>0.221</b>		<b>0.00</b>	<b>40,111,342.77</b>	<b>40,111,342.77</b>

**MSR Public Power Agency  
Portfolio Management  
Activity By Type  
August 1, 2021 through August 31, 2021**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
<b>Managed Pool Accounts (Monthly Summary)</b>								
SYSLAIF	LAIF	Local Agency Investment Fund		0.221		950,000.00	450,000.00	
		<b>Subtotal</b>	<b>39,462,175.74</b>			<b>950,000.00</b>	<b>450,000.00</b>	<b>39,962,175.74</b>
<b>Passbook/Checking Accounts (Monthly Summary)</b>								
SYSGENERAL FUND	GENERAL	Union Bank of California				0.00	379,692.04	
		<b>Subtotal</b>	<b>528,859.07</b>			<b>0.00</b>	<b>379,692.04</b>	<b>149,167.03</b>
		<b>Total</b>	<b>39,991,034.81</b>			<b>950,000.00</b>	<b>829,692.04</b>	<b>40,111,342.77</b>



**MSR Public Power Agency**  
**Activity Report**  
**Issuer: Local Agency Investment Fund**  
**August 1, 2021 - August 31, 2021**

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

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: Local Agency Investment Fund</b>									
<b>Managed Pool Accounts</b>									
SYSLAIF	LAIF	Local Agency Investment Fund			0.221		950,000.00	450,000.00	
		<b>Subtotal and Balance</b>		<b>39,462,175.74</b>			<b>950,000.00</b>	<b>450,000.00</b>	<b>39,962,175.74</b>
		<b>Issuer Subtotal</b>	<b>99.628%</b>	<b>39,462,175.74</b>			<b>950,000.00</b>	<b>450,000.00</b>	<b>39,962,175.74</b>
		<b>Total</b>		<b>39,462,175.74</b>			<b>950,000.00</b>	<b>450,000.00</b>	<b>39,962,175.74</b>



**MSR Public Power Agency Trust  
Portfolio Management  
Portfolio Summary  
August 31, 2021**

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

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 365 Equiv.</b>
Federal Agency Issues - Coupon	3,700,000.00	3,704,070.00	3,700,000.00	100.00	1,826	28	1.450
<b>Investments</b>	<b>3,700,000.00</b>	<b>3,704,070.00</b>	<b>3,700,000.00</b>	<b>100.00%</b>	<b>1,826</b>	<b>28</b>	<b>1.450</b>
<b>Cash</b>							
Passbook/Checking (not included in yield calculations)	19,641,465.51	19,641,465.51	19,641,465.51		1	1	0.020
<b>Total Cash and Investments</b>	<b>23,341,465.51</b>	<b>23,345,535.51</b>	<b>23,341,465.51</b>		<b>1,826</b>	<b>28</b>	<b>1.450</b>

<b>Total Earnings</b>	<b>August 31</b>	<b>Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year		4,774.99	39,207.92
<b>Average Daily Balance</b>		<b>21,606,301.16</b>	
<b>Effective Rate of Return</b>		<b>0.26%</b>	

\_\_\_\_\_  
Scott Van Vuren, Treasurer

**MSR Public Power Agency Trust  
Portfolio Management  
Portfolio Details - Investments  
August 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>												
3136G36J9	17314	Federal Nat'l Mtg. Assoc.		09/29/2016	3,700,000.00	3,704,070.00	3,700,000.00	1.450		1.450	28	09/29/2021
		<b>Subtotal and Average</b>	<b>3,700,000.00</b>		<b>3,700,000.00</b>	<b>3,704,070.00</b>	<b>3,700,000.00</b>			<b>1.450</b>	<b>28</b>	
		<b>Total and Average</b>	<b>21,606,301.16</b>		<b>3,700,000.00</b>	<b>3,704,070.00</b>	<b>3,700,000.00</b>			<b>1.450</b>	<b>28</b>	

**MSR Public Power Agency Trust  
Portfolio Management  
Portfolio Details - Cash  
August 31, 2021**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Passbook/Checking Accounts</b>											
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust			12,776,495.48	12,776,495.48	12,776,495.48	0.020		0.020	1
SYS7000MONEY	7000MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.020		0.020	1
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust			83,584.01	83,584.01	83,584.01	0.020		0.020	1
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust			220,258.34	220,258.34	220,258.34	0.020		0.020	1
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust			4,407,353.12	4,407,353.12	4,407,353.12	0.020		0.020	1
SYS776003 MONEY	776003 MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.020		0.020	1
SYS8000MONEY	8000MONEY	U.S. Bank Corporate Trust			0.00	0.00	0.00	0.020		0.020	1
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust			2,153,774.56	2,153,774.56	2,153,774.56	0.020		0.020	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>21,606,301.16</b>		<b>23,341,465.51</b>	<b>23,345,535.51</b>	<b>23,341,465.51</b>			<b>1.450</b>	<b>28</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Investment Status Report - Investments  
August 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Federal Agency Issues - Coupon</b>												
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
<b>Federal Agency Issues - Coupon Totals</b>			<b>3,700,000.00</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>3,700,000.00</b>	<b>3,700,000.00</b>
<b>Investment Totals</b>			<b>3,700,000.00</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>3,700,000.00</b>	<b>3,700,000.00</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Investment Status Report - Cash  
August 31, 2021**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase	YTM 360	YTM 365	Payment Dates	Accrued Interest	Current Principal	Book Value
<b>Passbook/Checking Accounts</b>												
SYS33000MONEY	33000MONEY	USBANK	12,776,495.48	0.020			0.020	0.020	09/01 - Monthly		12,776,495.48	12,776,495.48
SYS7000MONEY	7000MONEY	USBANK	0.00	0.020			0.020	0.020	01/01 - Monthly		0.00	0.00
SYS776000 MONEY	776000 MONEY	USBANK	83,584.01	0.020			0.020	0.020	08/01 - Monthly		83,584.01	83,584.01
SYS776001 MONEY	776001 MONEY	USBANK	220,258.34	0.020			0.020	0.020	08/01 - Monthly		220,258.34	220,258.34
SYS776002 MONEY	776002 MONEY	USBANK	4,407,353.12	0.020			0.020	0.020	08/01 - Monthly		4,407,353.12	4,407,353.12
SYS776003 MONEY	776003 MONEY	USBANK	0.00	0.020			0.020	0.020	07/01 - Monthly		0.00	0.00
SYS8000MONEY	8000MONEY	USBANK	0.00	0.020			0.020	0.020	01/01 - Monthly		0.00	0.00
SYS88000MONEY	88000 MONEY	USBANK	2,153,774.56	0.020			0.020	0.020	04/01 - Monthly		2,153,774.56	2,153,774.56
<b>Cash Totals</b>			<b>19,641,465.51</b>							<b>0.00</b>	<b>19,641,465.51</b>	<b>19,641,465.51</b>
<b>Total Cash and Investments</b>			<b>23,341,465.51</b>				<b>1.430</b>	<b>1.450</b>		<b>0.00</b>	<b>23,341,465.51</b>	<b>23,341,465.51</b>

**MSR Public Power Agency Trust  
Portfolio Management  
Activity By Type  
August 1, 2021 through August 31, 2021**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
<b>Passbook/Checking Accounts (Monthly Summary)</b>								
SYS33000MONEY	33000MONEY	U.S. Bank Corporate Trust		0.020		54.74	93,784.23	
SYS776000 MONEY	776000 MONEY	U.S. Bank Corporate Trust		0.020		2,311,858.60	2,311,857.18	
SYS776001 MONEY	776001 MONEY	U.S. Bank Corporate Trust		0.020		110,092.12	0.00	
SYS776002 MONEY	776002 MONEY	U.S. Bank Corporate Trust		0.020		2,201,772.72	0.00	
SYS88000MONEY	88000 MONEY	U.S. Bank Corporate Trust		0.020		36.60	222.82	
		<b>Subtotal</b>	<b>17,423,514.96</b>			<b>4,623,814.78</b>	<b>2,405,864.23</b>	<b>19,641,465.51</b>
<b>Federal Agency Issues - Coupon</b>								
		<b>Subtotal</b>	<b>3,700,000.00</b>					<b>3,700,000.00</b>
		<b>Total</b>	<b>21,123,514.96</b>			<b>4,623,814.78</b>	<b>2,405,864.23</b>	<b>23,341,465.51</b>



**MSR Public Power Agency Trust**  
**Received Interest**  
**Sorted by Date Received**  
**Received August 1, 2021 - August 31, 2021**

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	Amount Received
<b>Cash Accounts</b>							
<b>August 2021</b>	SYS33000MONEY	33000MONEY	PA1	12,776,495.48	0.020	08/02/2021	54.74
	SYS776000 MONEY	776000 MONEY	PA1	83,584.01	0.020	08/02/2021	1.42
	SYS776001 MONEY	776001 MONEY	PA1	220,258.34	0.020	08/02/2021	0.36
	SYS776002 MONEY	776002 MONEY	PA1	4,407,353.12	0.020	08/02/2021	7.30
	SYS88000MONEY	88000 MONEY	PA1	2,153,774.56	0.020	08/02/2021	36.60
						<b>Subtotal</b>	<b>100.42</b>
						<b>Total</b>	<b>100.42</b>



**MSR Public Power Agency Trust**  
**Realized Gains and Losses**  
**Sorted By Maturity/Sale/Call Date**  
**Sales/Calls/Maturities: August 1, 2021 - August 31, 2021**

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

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

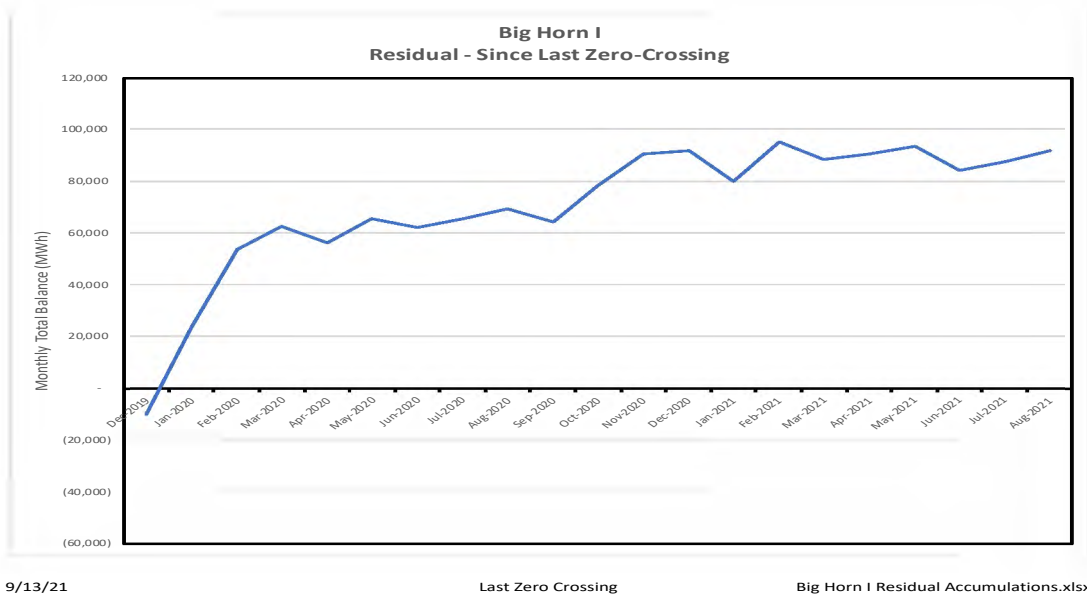
## M-S-R Public Power Agency Big Horn Operations

**Date:** September 16, 2021  
**From:** Martin Hopper, General Manager  
**To:** M-S-R PPA Commission  
**Subject:** Big Horn Operations Statistics

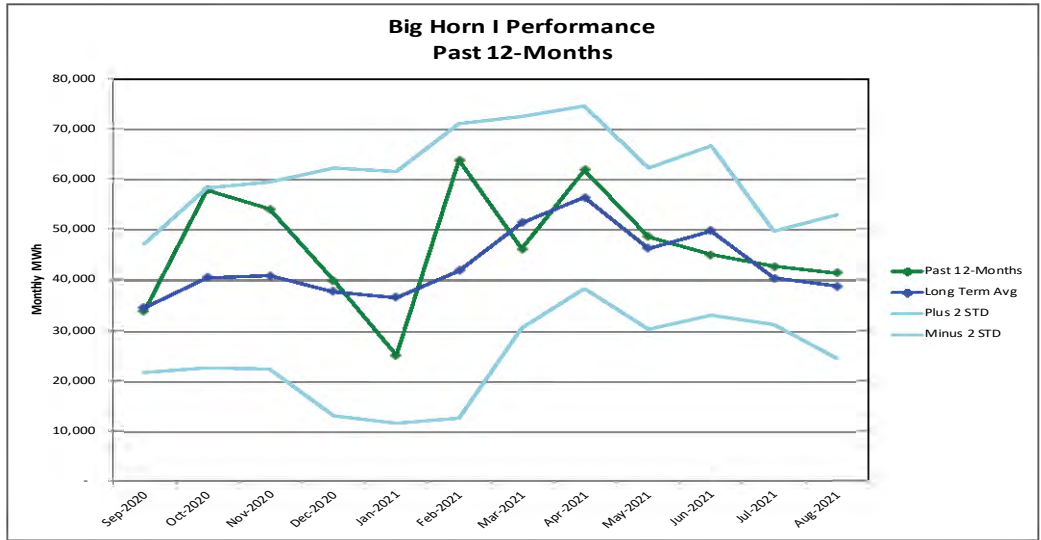
**Energy Production Statistics for the Big Horn Wind Energy Project:**

Big Horn I Operations	Production (MWh)	Monthly % of Contract Forecast	Cumulative Wind Year <sup>1</sup> (MWh)	Residual Energy Owing <sup>2</sup> (MWh)
June	45,199	90.0%	443,466	84,073
July	42,798	100.4%	486,264	87,346
August	41,543	122.5%	527,807	91,868
Contract Forecast	N/A	N/A	501,381	N/A
Annual Budget Forecast	N/A	N/A	510,000	N/A
Life of Project	N/A	N/A	7,661,471	N/A

August Big Horn I energy production was well above average levels and the current Wind Year remains on pace to be the second highest on record. On-Peak and Off-Peak Residual Energy accumulations both increased in August for a small net total increase as shown below.



<sup>1</sup> Big Horn I Wind Year runs October 1 through September 30.  
<sup>2</sup> Positive number owed by Avangrid. Negative number owed to Avangrid.



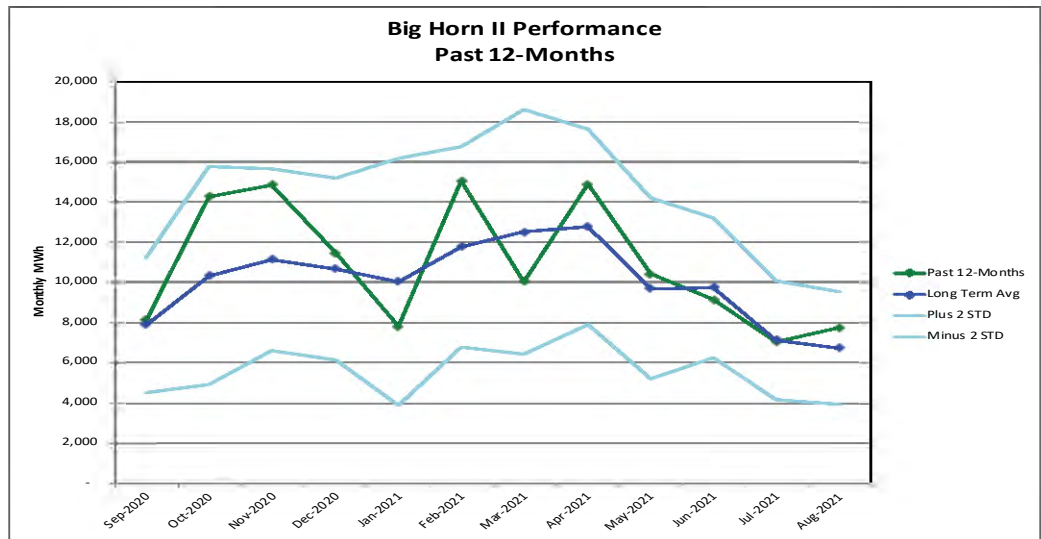
9/13/21

Past 12 Thru Aug 2021

Big Horn I Projections 2021.xlsx

Big Horn II Operations	Production (MWh)	Monthly % of Contract Forecast	Cumulative Wind Year <sup>3</sup> (MWh)
June	9,143	86.5%	93,603
July	7,037	91.3%	100,640
August	7,735	121.1%	108,375
Contract Forecast	N/A	N/A	123,088
Annual Budget Forecast	N/A	N/A	115,000
Life of Project Production	N/A	N/A	1,306,324

August Big Horn II energy production was also well above average and the current Wind Year is on pace to be the third highest on record.



9/13/21

Past 12 Thru Aug 2021

Big Horn II Projections 2021.xlsx

<sup>3</sup> Big Horn II Wind Year runs November 1 through October 31.

**Transmission Curtailments:**

<b>Curtailments</b>	<b>On-Peak (MWh)</b>	<b>Off-Peak (MWh)</b>	<b>Total (MWh)</b>
June	51	188	239
July	3,944	2,964	6,908
August	3	0	3
Year To Date	4,282	3,452	7,734
Historic Annual Average	1,698	1,112	2,810

August curtailments returned to de minimus amounts after the extreme wildfire-related curtailments in July severely reduced the transfer capability over the California-Oregon Intertie (COI).

## **M-S-R Public Power Agency Staff Report**

**Date:** September 8, 2021

**From:** Martin R. Hopper, General Manager

**To:** M-S-R PPA Commission

**Subject:** September 2021 WREGIS REC Transfers Status Report

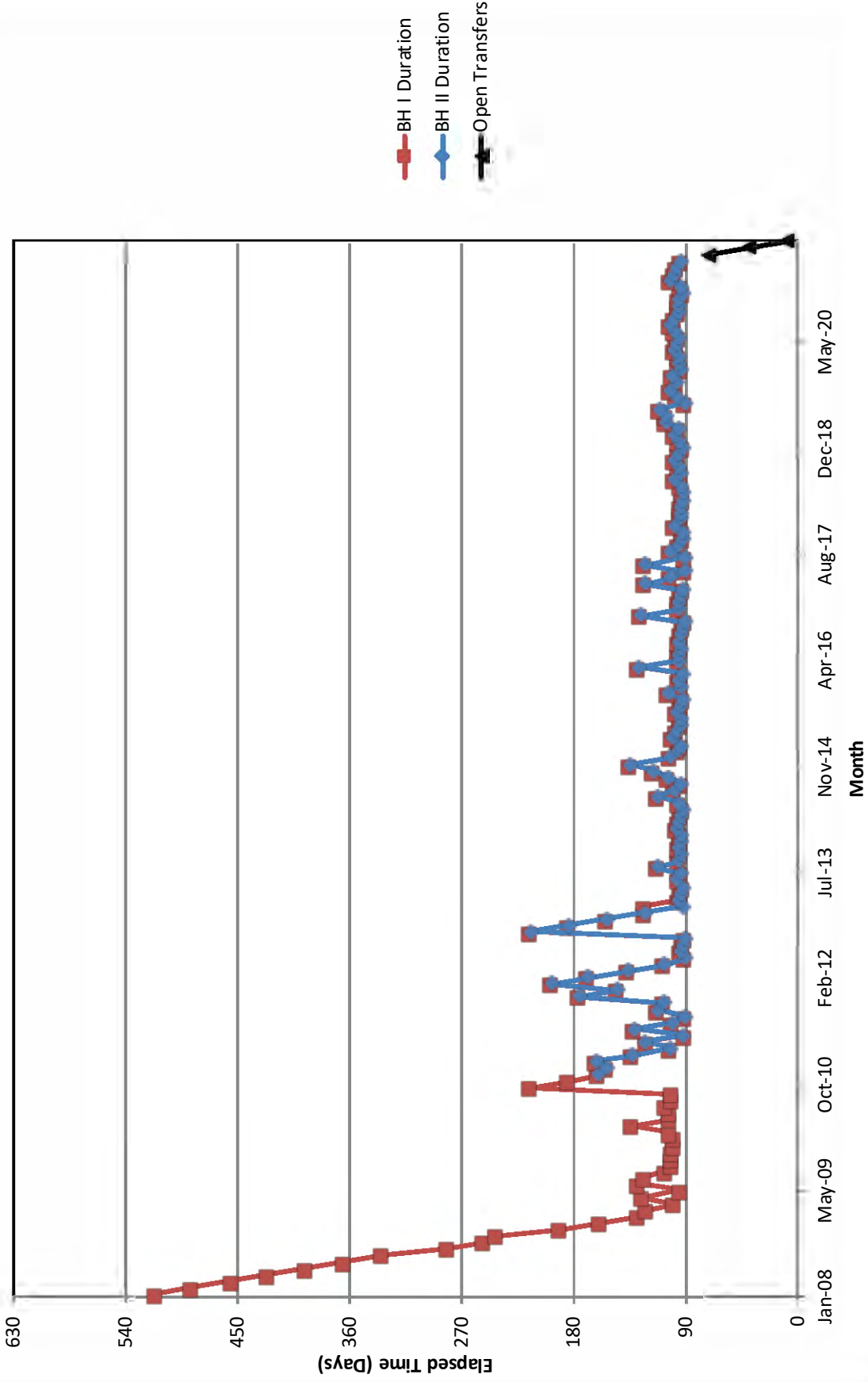
---

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. At the prior request of the Commission, this report was to be updated and presented at each regular meeting.

At its September 2, 2021 meeting, the Technical Committee reviewed this report and noted that no exceptions in REC delivery timing have been identified for several years. The information contained in this report is also provided monthly to the Members by the M-S-R Coordinator pursuant to the procedure for “WREGIS REC Accounting and Distribution” adopted August 31, 2009 (See Tab 46 to the M-S-R PPA Policies and Procedures Manual). Therefore, the consensus of the Technical Committee was that preparation and distribution of this report can be discontinued.

I recommend the Commission note and file the September 2021 WREGIS REC Transfers Status Report and that the Commission consent to the cessation of future presentations of this report.

# Big Horn I & II REC Transfers



## M-S-R Public Power Agency Staff Report

**Date:** August 27, 2021  
**From:** Martin R. Hopper, General Manager  
**To:** M-S-R PPA Commission  
**Subject:** September 2021 Outside Services Budget versus Actual Report

---

### **FISCAL YEAR 2021:**

#### Major Legal and Consulting Providers Reporting Are:

Duncan, Weinberg, Genzer, and Pembroke:	Through:	July 31, 2021
Law Offices of Susie Berlin:	Through:	July 30, 2021
Porter Simon:	Through:	August 31, 2021
KBT LLC:	Through:	August 31, 2021

As of the date of this report, year-end expenditures in this category are projected to be 95% of the annual budget.

#### Legacy Liability Providers Reporting Are:

PNM – Reclamation Management:	Through:	August 31, 2021
WSJM – Reclamation:	Through:	August 31, 2021
PNM – Decommissioning:	Through:	August 31, 2021

As of the date of this report, year-end expenditures in this category are projected to be 105% of the annual budget.

Detailed charts of monthly budget versus actual cost comparisons for each provider are attached. Note: Legacy Liability WSJM Reclamation budget adjusted to revised Annual Operating Plan provided by PNM April 16, 2021 and other Line Items are adjusted to incorporate the re-allocations recommended in the Mid-Year Budget Review.

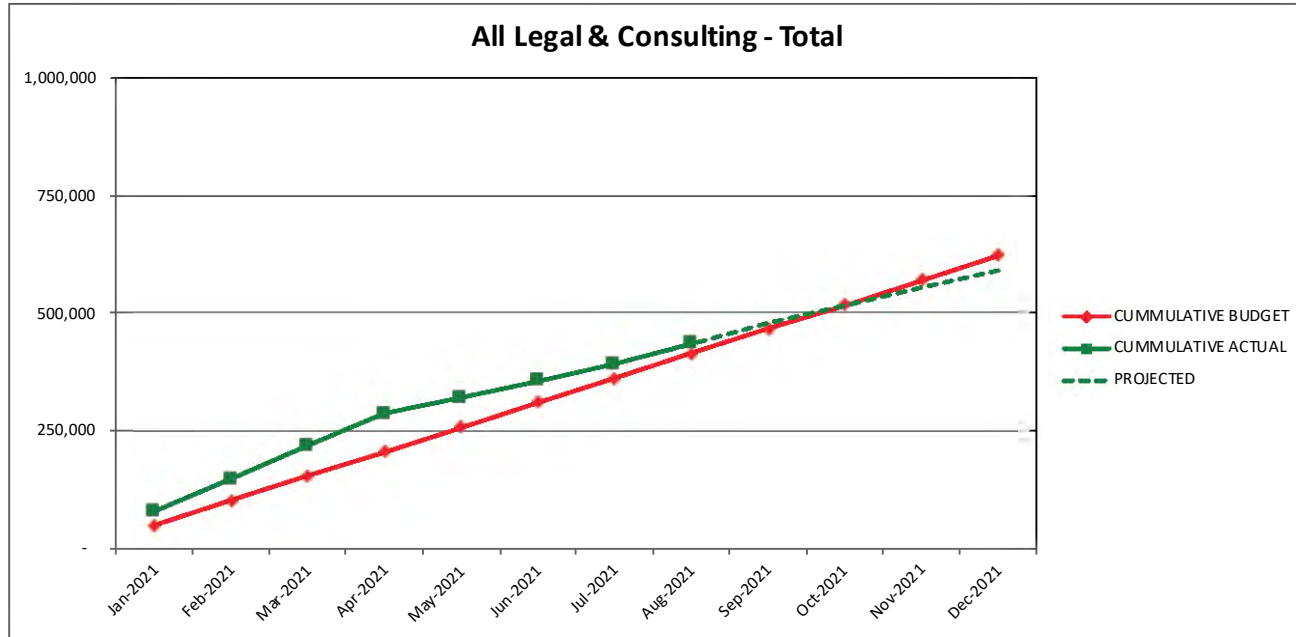
Please note any current and future period expenditures printed in *bold italics* are estimates.

### **Recommendation:**

I recommend the Commission note and file this report.

## M-S-R PPA All Legal & Consult Summary

Month of: **Aug-2021**



CURRENT MONTH				
By Function	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	6,750	7,452	(702)	110%
Gen - Other	5,500	10,526	(5,026)	191%
Renewables	3,667	3,044	623	83%
Rens - Other	28,750	<b>16,002</b>	12,748	56%
Reg & Comp	5,500	<b>5,500</b>	0	100%
Administrative	1,667	1,508	159	90%
<b>Total</b>	<b>51,833</b>	<b>44,032</b>	<b>7,801</b>	<b>85%</b>

YEAR TO DATE				
By Function	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	54,000	59,491	(5,491)	110%
Gen - Other	44,000	61,912	(17,912)	141%
Renewables	29,333	21,216	8,117	72%
Rens - Other	230,000	<b>243,496</b>	(13,496)	106%
Reg & Comp	44,000	<b>41,472</b>	2,528	94%
Administrative	13,333	7,944	5,389	60%
<b>Total</b>	<b>414,667</b>	<b>435,531</b>	<b>(20,864)</b>	<b>105%</b>

CURRENT MONTH				
By Provider	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Duncan	25,917	<b>16,500</b>	9,417	64%
Berlin	3,333	<b>3,500</b>	(167)	105%
Porter Simon	3,167	3,872	(705)	122%
KBT	13,917	9,634	4,283	69%
Others	5,500	10,526	(5,026)	191%
<b>Total</b>	<b>51,833</b>	<b>44,032</b>	<b>7,801</b>	<b>85%</b>

YEAR TO DATE				
By Provider	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Duncan	207,333	<b>238,653</b>	(31,320)	115%
Berlin	26,667	<b>21,908</b>	4,759	82%
Porter Simon	25,333	21,274	4,059	84%
KBT	111,333	92,876	18,457	83%
Others	44,000	60,820	(16,820)	138%
<b>Total</b>	<b>414,667</b>	<b>435,531</b>	<b>(20,864)</b>	<b>105%</b>

# M-S-R PPA Duncan Summary

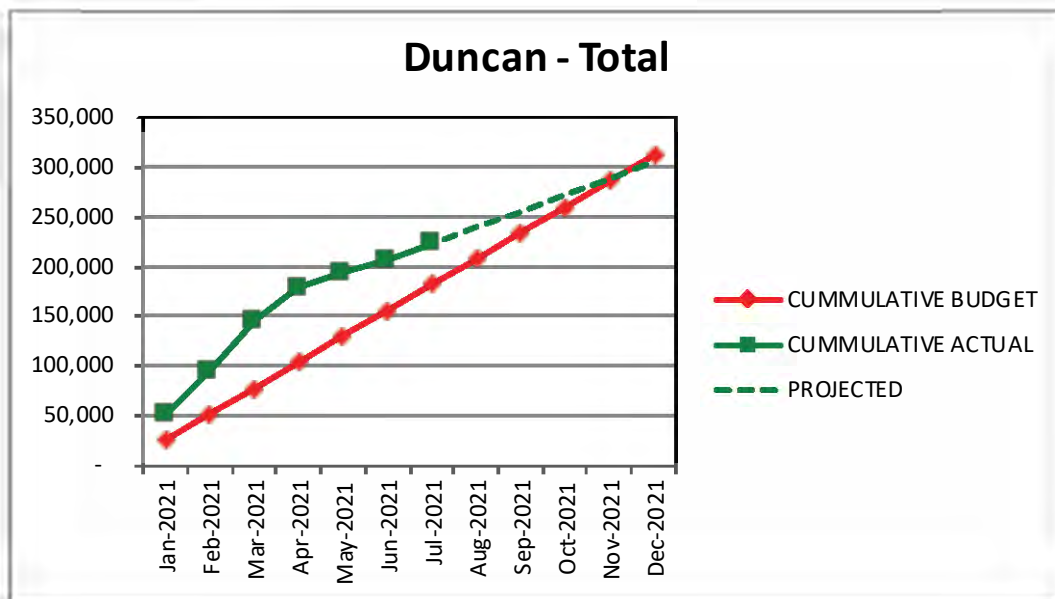
Month of: **Aug-2021**

## CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	500	0	500	0%
Gen - Other	0	0	0	0%
Renewables	0	0	0	0%
Rens - Other	22,917	14,000	8,917	61%
Reg & Comp	2,500	2,500	0	100%
Administrative	0	0	0	0%
<b>Total</b>	<b>25,917</b>	<b>16,500</b>	<b>9,417</b>	<b>64%</b>

## YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	4,000	5,955	(1,955)	149%
Gen - Other	0	0	0	0%
Renewables	0	0	0	0%
Rens - Other	183,333	212,556	(29,223)	116%
Reg & Comp	20,000	20,142	(142)	101%
Administrative	0	0	0	0%
<b>Total</b>	<b>207,333</b>	<b>238,653</b>	<b>(31,320)</b>	<b>115%</b>



# M-S-R PPA Berlin Summary

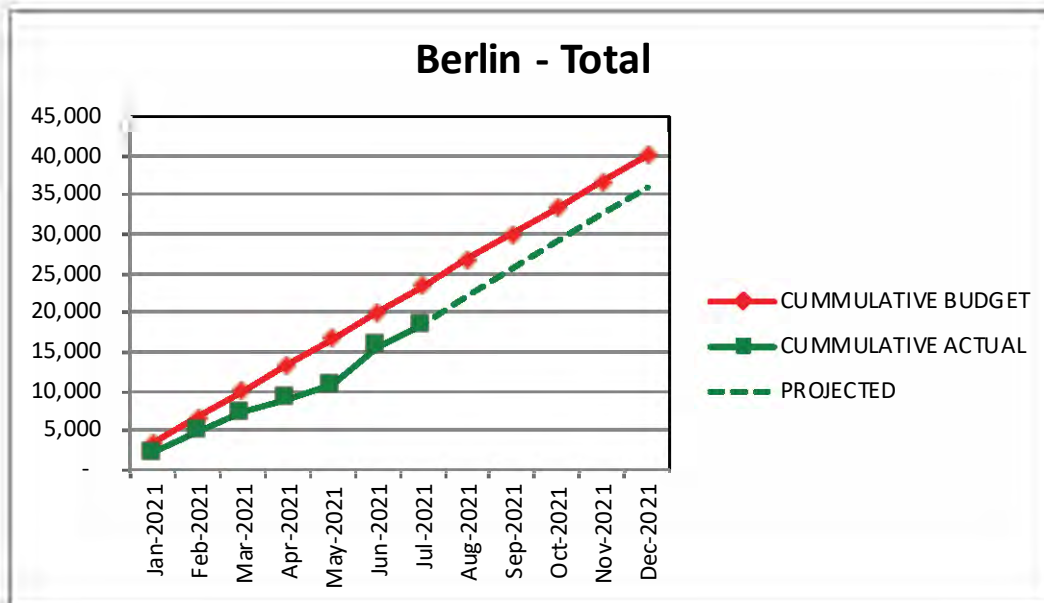
Month of: **Aug-2021**

## 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	417	<b>500</b>	<b>(83)</b>	120%
Rens - Other	0	0	0	0%
Reg & Comp	2,917	<b>3,000</b>	<b>(83)</b>	103%
Administrative	0	0	0	0%
<b>Total</b>	<b>3,333</b>	<b>3,500</b>	<b>(167)</b>	<b>105%</b>

## 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	3,333	<b>578</b>	2,755	17%
Rens - Other	0	0	0	0%
Reg & Comp	23,333	<b>21,330</b>	2,003	91%
Administrative	0	0	0	0%
<b>Total</b>	<b>26,667</b>	<b>21,908</b>	<b>4,759</b>	<b>82%</b>



# M-S-R PPA Misc Legal & Consult Summary

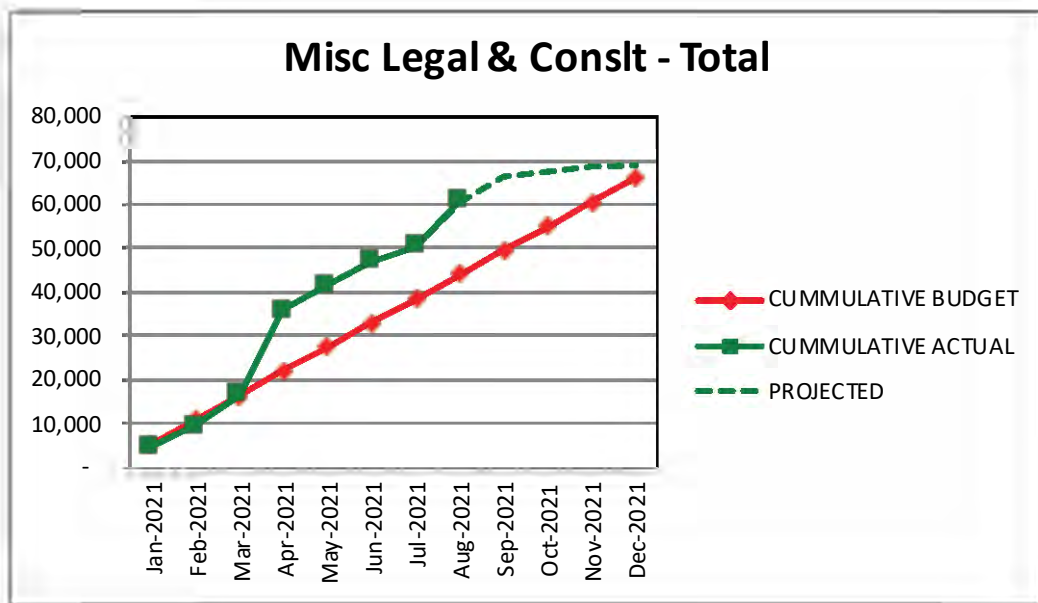
Month of: **Aug-2021**

## CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	5,417	10,526	(5,110)	194%
Renewables	0	0	0	0%
Rens - Other	0	0	0	0%
Reg & Comp	0	0	0	0%
Administrative	83	0	83	0%
<b>Total</b>	<b>5,500</b>	<b>10,526</b>	<b>(5,026)</b>	<b>191%</b>

## YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	0	0	0	0%
Gen - Other	43,333	60,820	(17,486)	140%
Renewables	0	0	0	0%
Rens - Other	0	0	0	0%
Reg & Comp	0	0	0	0%
Administrative	667	0	667	0%
<b>Total</b>	<b>44,000</b>	<b>60,820</b>	<b>(16,820)</b>	<b>138%</b>



# M-S-R PPA Porter Simon Summary

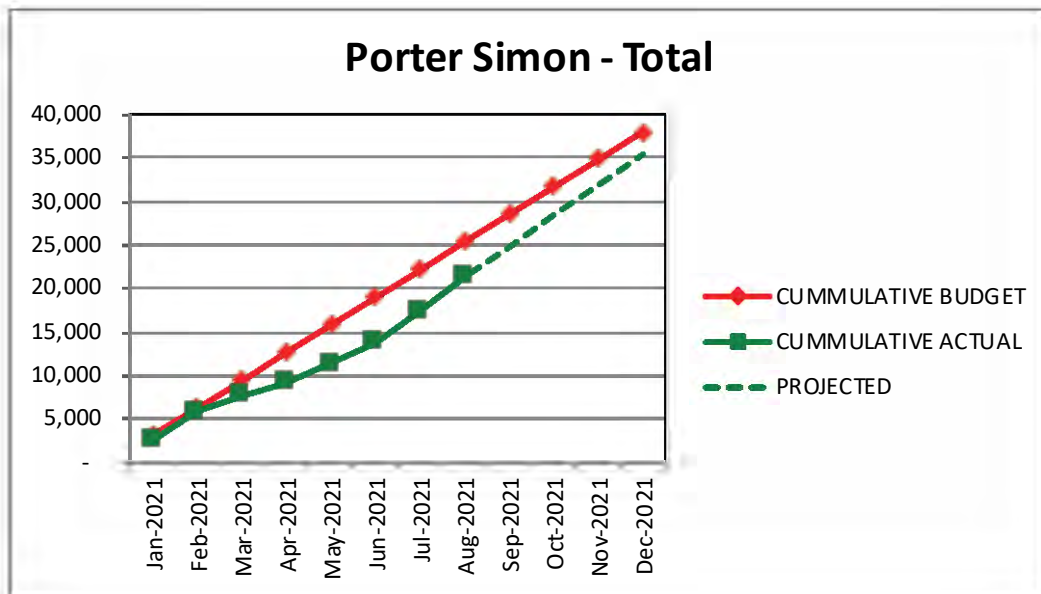
Month of: **Aug-2021**

## CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	2,083	3,212	(1,129)	154%
Gen - Other	0	0	0	0%
Renewables	167	0	167	0%
Rens - Other	0	0	0	0%
Reg & Comp	83	0	83	0%
Administrative	833	660	173	79%
<b>Total</b>	<b>3,167</b>	<b>3,872</b>	<b>(705)</b>	<b>122%</b>

## YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	16,667	17,072	(405)	102%
Gen - Other	0	0	0	0%
Renewables	1,333	286	1,047	21%
Rens - Other	0	0	0	0%
Reg & Comp	667	0	667	0%
Administrative	6,667	3,916	2,751	59%
<b>Total</b>	<b>25,333</b>	<b>21,274</b>	<b>4,059</b>	<b>84%</b>



# M-S-R PPA KBT Summary

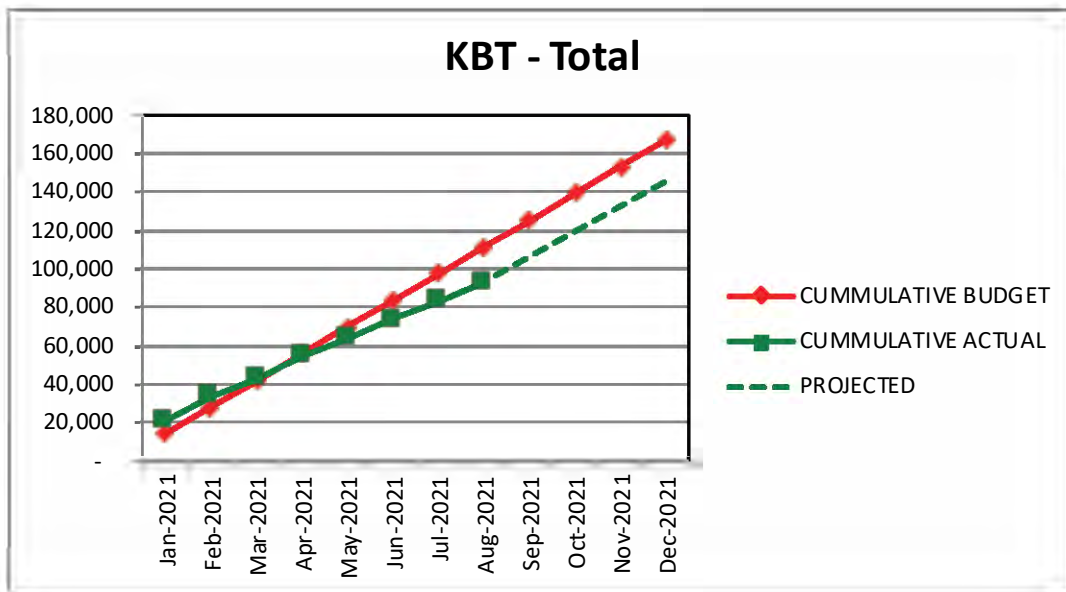
Month of: **Aug-2021**

## CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	4,167	4,240	(73)	102%
Gen - Other	83	0	83	0%
Renewables	3,083	2,544	539	83%
Rens - Other	5,833	2,002	3,831	34%
Reg & Comp	0	0	0	0%
Administrative	750	848	(98)	113%
<b>Total</b>	<b>13,917</b>	<b>9,634</b>	<b>4,283</b>	<b>69%</b>

## YEAR TO DATE

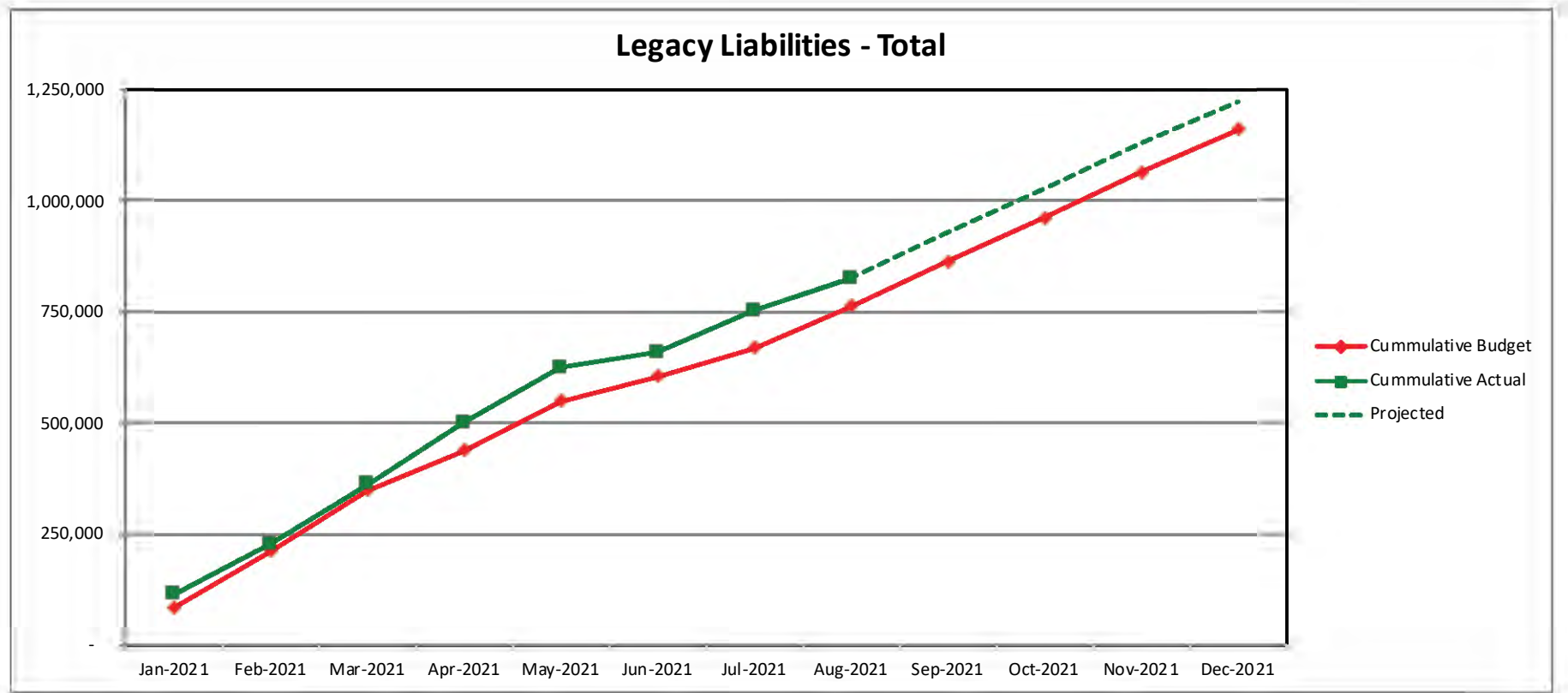
	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	33,333	36,464	(3,131)	109%
Gen - Other	667	1,092	(425)	164%
Renewables	24,667	20,352	4,315	83%
Rens - Other	46,667	30,940	15,727	66%
Reg & Comp	0	0	0	0%
Administrative	6,000	4,028	1,972	67%
<b>Total</b>	<b>111,333</b>	<b>92,876</b>	<b>18,457</b>	<b>83%</b>



Legal Costs - 2021	2021 Budget	Reallocated Budget	Jan-2021	Feb-2021	Mar-2021	Apr-2021	May-2021	Jun-2021	Jul-2021	Aug-2021	Sep-2021	Oct-2021	Nov-2021	Dec-2021	Total	Average	Year-End	Notes
<i>Italics = Estimates</i>			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	
<b>Legal</b>																		
<b>DWG&amp;P</b>																		
<b>Generation</b>																		
SJGS Agreements	-	6,000	-	-	-	1,629	4,326	-	-	-	-	-	-	-	5,955	496	5,955	
<b>Renewables</b>																		
BPA/PNW Gen1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Rens - Other</b>																		
BPA Rate Cases	275,000	275,000	48,455	42,128	46,840	28,432	7,926	11,220	13,555.00	14,000	14,000	14,000	14,000	14,000	268,556	22,380	268,556	
<b>Regulatory &amp; Comp</b>																		
FERC Gen1	75,000	30,000	2,343	2,291	2,751	3,249	2,212	2,309	2,488.50	2,500	2,500	2,500	2,500	2,500	30,142	2,512	30,142	
	350,000	311,000	50,798	44,419	49,590	33,310	14,464	13,528	16,043.50	16,500	16,500	16,500	16,500	16,500	304,653	25,388	304,653	98%
			16.33%	14.29%	15.96%	10.03%	4.63%	4.32%	5.17%	5.31%	5.31%	5.31%	5.31%	5.31%	97.96%		98%	
<b>Law Offices of Susie Berlin</b>																		
<b>Generation</b>																		
<b>Renewables</b>																		
RES/RPS	20,000	5,000	-	-	-	-	-	39	39.00	500	500	500	500	500	2,578	215	2,578	
<b>Regulatory &amp; Comp</b>																		
AB32/Cap & Trade/A&G	40,000	35,000	2,145	2,652	2,496	1,677	1,872	4,758	2,730.00	3,000	3,000	3,000	3,000	3,000	33,330	2,778	33,330	
	60,000	40,000	2,145	2,652	2,496	1,677	1,872	4,797	2,769.00	3,500	3,500.00	3,500.00	3,500	3,500	35,908	2,992	35,908	90%
			5.36%	11.99%	18.23%	12.43%	14.21%	39.10%	46.02%	54.77%	63.52%	72.27%	81.02%	89.77%			90%	
<i>Italics = Estimates</i>																		
<b>Others</b>																		
<b>Generation - Other</b>																		
Najar & Virtue	1,000	65,000	4,997	4,452	7,375	18,906	5,966	5,265	3,332	10,526.37	5,000	1,000	1,000	-	67,820	5,652	67,820	Richard Virtue
	1,000	65,000	4,997	4,452	7,375	18,906	5,966	5,265	3,332	10,526.37	5,000	1,000	1,000	-	67,820	5,652	67,820	
			7.69%	6.85%	11.35%	27.55%	9.19%	8.10%	5.17%	101.26%	102.80%	104.34%	104.34%				104%	
<b>Sub Total</b>	411,000	416,000	57,940	51,523	59,461	53,893	22,302	23,590	22,145	30,526	25,000	21,000	21,000	20,000	408,381	34,032	408,381	98%
			13.93%	12.39%	14.29%	12.92%	5.45%	5.76%	5.40%	7.43%	6.01%	5.06%	5.06%	4.90%	98.17%		98%	
<b>General Counsel</b>																		
<b>Porter Simon</b>																		
<b>M-S-R PPA</b>																		
<b>Generation</b>																		
Renewables	25,000	25,000	2,068	2,068	1,584	1,430	1,232	2,288	3,190	3,212.00	2,083	2,083	2,083	2,083	25,405	2,117	25,405	
<b>Regulatory &amp; Comp</b>																		
A&G	1,000	1,000	-	-	-	-	-	66	-	-	167	167	167	167	953	79	953	
	20,000	10,000	440	1,034	264	22	990	44	462	660.00	1,200	1,200	1,200	1,200	8,716	726	8,716	
	48,000	38,000	2,508	3,322	1,848	1,452	2,288	2,332	3,652	3,872.00	3,533	3,533	3,533	3,533	35,407	2,951	35,407	93%
			6.60%	15.34%	20.21%	24.03%	30.05%	36.18%	45.79%	55.98%	65.28%	74.58%	83.88%	93.18%			93%	
<b>Consulting</b>																		
<b>KBT</b>																		
<b>Generation</b>																		
General	35,000	50,000	3,604	3,604	3,392	5,088	4,452	5,724	6,360.00	4,240	3,500	3,500	3,500	3,500	50,464	4,205	50,464	
<b>Gen - Other</b>																		
SJGS Disposition	-	1,000	1,092	-	-	-	-	-	-	-	-	-	-	-	1,092	91	1,092	
<b>Renewables</b>																		
General	40,000	37,000	3,180	2,332	2,756	2,756	2,120	2,332	2,332.00	2,544	3,083	3,083	3,083	3,083	32,685	2,724	32,685	
<b>Rens - Other</b>																		
BP-22 Rate Case	70,000	70,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BP-22 Rate Case
KBT 2021-01			21,840	12,376	6,552	-	-	-	-	-	-	-	-	-	18,928	9,464	18,928	Jan - Feb
KBT 2021-02			14,560	-	-	3,094	2,730	-	-	-	-	-	-	-	5,824	2,912	5,824	Mar - Apr
KBT 2021-04			7,280	-	-	-	-	2,002	1,274	-	-	-	-	-	3,276	1,638	3,276	May - Jun
KBT 2021-05			7,280	-	-	-	-	-	-	910.00	2,002	-	-	-	2,912	1,456	2,912	Jul - Aug
KBT 2021-0x			-	-	-	-	-	-	-	-	-	5,833	5,833	-	11,667	5,833	11,667	Sep - Oct
KBT 2021-0x			-	-	-	-	-	-	-	-	-	-	-	5,833	5,833	11,667	Nov - Dec	
Sum		50,960	-	-	-	-	-	-	-	-	250	250	250	250	1,000	83	1,000	Meetings
			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	25.00%	50.00%	75.00%	100.00%			100%	
<b>Regulatory &amp; Comp</b>																		
<b>Administrative</b>																		
	15,000	9,000	424	424	212	1,060	424	424	212.00	848	750	750	750	750	7,028	586	7,028	
	160,000	167,000	50,960	20,676	12,912	9,454	11,634	8,998	9,754	9,814.00	9,634	13,167	13,167	13,167	145,543	34,742	145,543	87%
			12.38%	20.11%	25.77%	32.74%	38.13%	43.97%	49.85%	55.61%	63.50%	71.38%	79.27%	87.15%	145,543		87%	
<i>Italics = Estimates</i>																		
<b>Others</b>																		
<b>Administrative</b>																		
Navigant/Guidehou	3,000	1,000	-	-	-	-	-	-	-	-	250	250	250	250	1,000	83	1,000	Meetings
	3,000	1,000	-	-	-	-	-	-	-	-	250	250	250	250	1,000	83	1,000	
			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	25.00%	50.00%	75.00%	100.00%			100%	
<b>Sub Total</b>	163,000	168,000	20,676	12,912	9,454	11,634	8,998	9,754	9,814	9,634	13,417	13,417	13,417	13,417	146,543	34,826	146,543	87%
			12.31%	19.99%	25.62%	32.55%	37.90%	43.71%	49.55%	55.28%	63.27%	71.26%	79.24%	87.23%			87%	
<b>GRAND TOTAL</b>	622,000	622,000	81,124	67,757	70,763	66,979	33,588	35,676	35,611	44,032	41,950	37,950	37,950	36,950	590,331	71,808	590,331	94.91%
			13.04%	23.94%	35.31%	46.08%	51.48%	57.22%	62.94%	70.02%	76.77%	82.87%	88.97%	94.91%			94.91%	

## Legacy Liability - Total

Month of: **Aug-2021**



CURRENT MONTH					YEAR TO DATE				
By Function	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %	By Function	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
PNM - Reclamation	3,333	263	3,070	8%	PNM - Reclamation	26,667	9,827	16,839	37%
WSJM - Reclamation	85,926	72,275	13,652	84%	WSJM - Reclamation	704,731	777,952	(73,222)	110%
PNM - Decommission	4,000	366	3,634	9%	PNM - Decommission	32,000	38,419	(6,419)	120%
<b>Total</b>	<b>93,260</b>	<b>72,903</b>	<b>20,356</b>	<b>78%</b>	<b>Total</b>	<b>763,397</b>	<b>826,199</b>	<b>(62,802)</b>	<b>108%</b>

# PNM - Reclamation

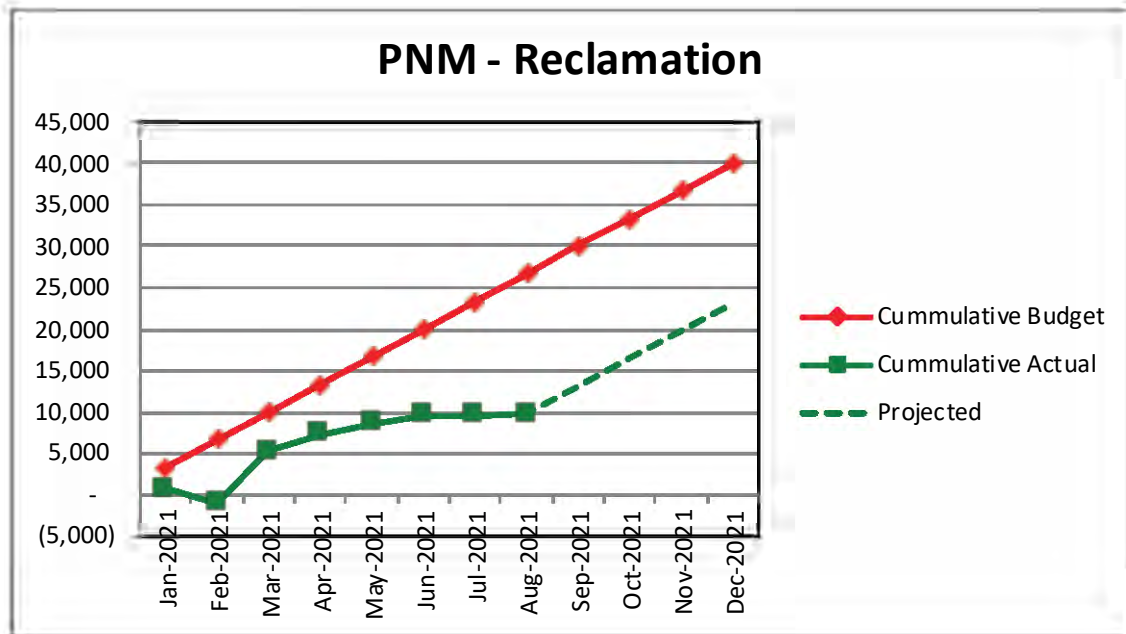
Month of: **Aug-2021**

## CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	3,333	263	3,070	8%
<b>Total</b>	<b>3,333</b>	<b>263</b>	<b>3,070</b>	<b>8%</b>

## YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	26,667	9,827	16,839	37%
<b>Total</b>	<b>26,667</b>	<b>9,827</b>	<b>16,839</b>	<b>37%</b>



# WSJM - Reclamation

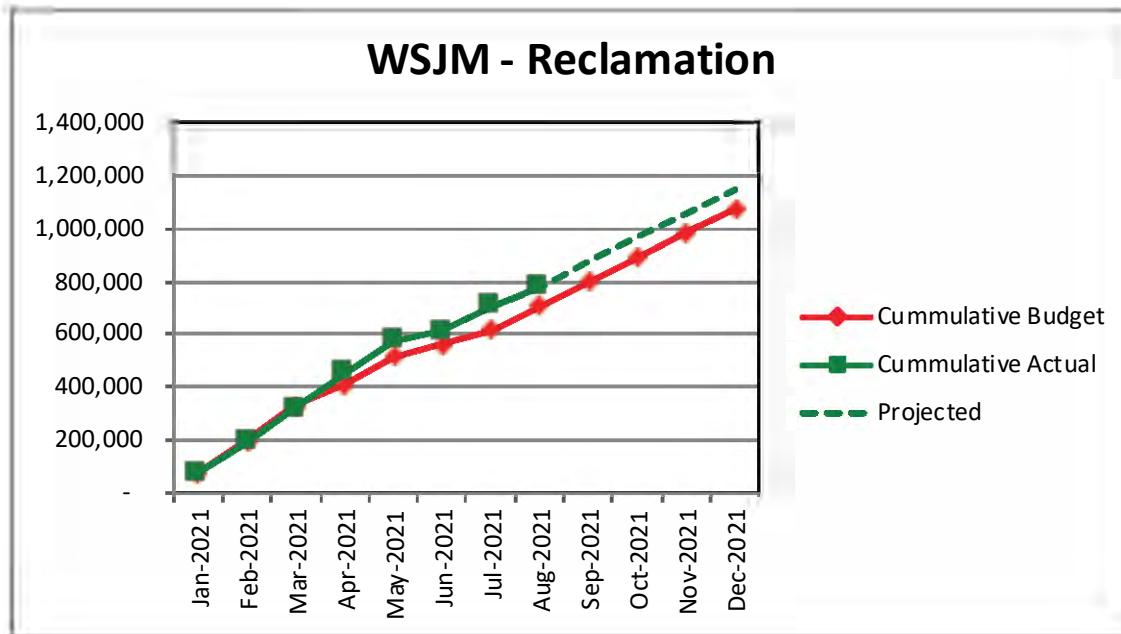
Month of: **Aug-2021**

## CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	85,926	72,275	13,652	84%
<b>Total</b>	<b>85,926</b>	<b>72,275</b>	<b>13,652</b>	<b>84%</b>

## YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	704,731	777,952	(73,222)	110%
<b>Total</b>	<b>704,731</b>	<b>777,952</b>	<b>(73,222)</b>	<b>110%</b>



# PNM - Decommissioning

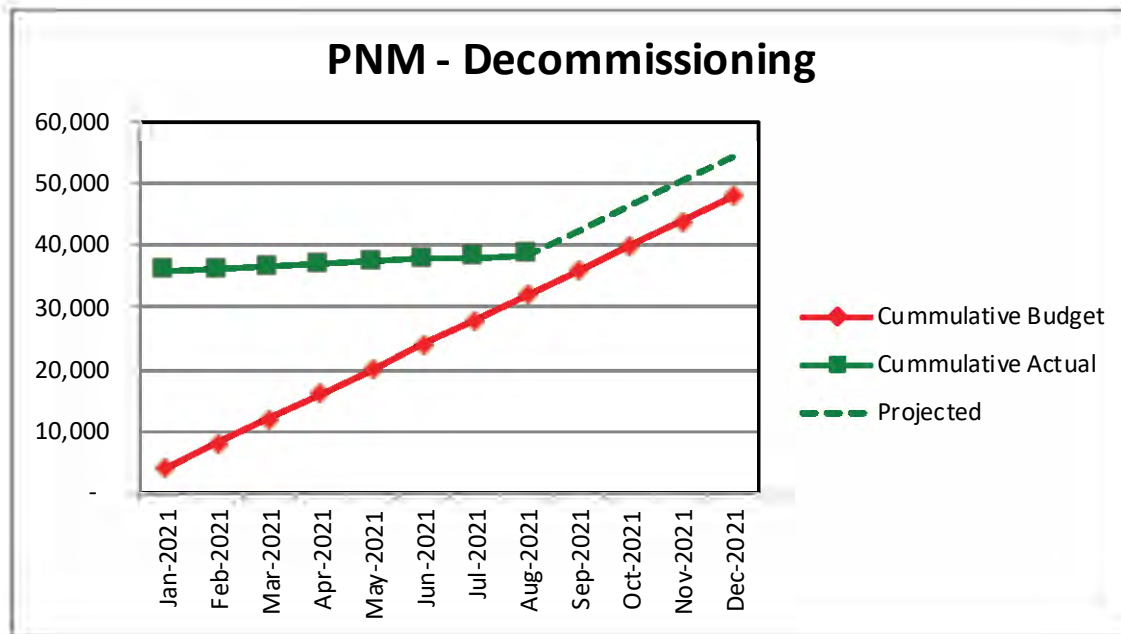
Month of: **Aug-2021**

## CURRENT MONTH

	Budget Current Month	Actual Current Month	Positive Variance	Actual v. Budget %
Generation	4,000	366	3,634	9%
<b>Total</b>	<b>4,000</b>	<b>366</b>	<b>3,634</b>	<b>9%</b>

## YEAR TO DATE

	Budget Year to Date	Actual Year to Date	Positive Variance	Actual v. Budget %
Generation	32,000	38,419	(6,419)	120%
<b>Total</b>	<b>32,000</b>	<b>38,419</b>	<b>(6,419)</b>	<b>120%</b>



Legacy Liability Costs - 2021	M-S-R 2021 Budget	Revised or A.O.P	Jan-2021 8.33%	Feb-2021 16.67%	Mar-2021 25.00%	Apr-2021 33.33%	May-2021 41.67%	Jun-2021 50.00%	Jul-2021 58.33%	Aug-2021 66.67%	Sep-2021 75.00%	Oct-2021 83.33%	Nov-2021 91.67%	Dec-2021 100.00%	Total	Average	Year-End Projection
<b>PNM - Reclamation - Budget</b>	40,000	40,000	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	40,000		
<b>Cummulative Budget</b>			3,333	6,667	10,000	13,333	16,667	20,000	23,333	26,667	30,000	33,333	36,667	40,000			
<b>Reclamation Trust Funds Operating Agent</b>			673	(1,691)	6,198	2,222	1,166	972	24	262.86	<b>3,333</b>	<b>3,333</b>	<b>3,333</b>	<b>3,333</b>	23,161	1,930	23,161
<b>Cummulative Actual</b>	40,000	40,000	673	(1,691)	6,198	2,222	1,166	972	24	262.86	3,333	3,333.33	3,333.33	3,333	23,161	1,930	23,161
			673	(1,018)	5,180	7,402	8,568	9,540	9,564	9,827	<b>13,161</b>	<b>16,494</b>	<b>19,827</b>	<b>23,161</b>			58%
			1.68%	-2.54%	12.95%	18.50%	21.42%	23.85%	23.91%	24.57%	32.90%	41.23%	49.57%	57.90%			
<b>WSJM - Reclamation - Budget</b>	925,000	1,072,463	78,389	120,172	128,336	82,729	104,568	47,270	57,341	85,926	94,355	90,726	94,927	87,725	1,072,463		
<b>Cummulative Budget</b>			78,389	198,561	326,897	409,626	514,193	561,463	618,804	704,731	799,085	889,811	984,738	1,072,463			
<b>San Juan - Surface</b>	925,000	1,072,463	78,389	113,437	128,336	135,985	122,346	33,401	93,784	72,274.89	<b>94,355</b>	<b>90,726</b>	<b>94,927</b>	<b>87,725</b>	<b>1,145,684</b>	95,474	1,145,684
<b>San Juan - Underground</b>			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Cummulative Actual</b>	925,000	1,072,463	78,389	113,437	128,336	135,985	122,346	33,401	93,784	72,274.89	94,355	90,726	94,926.57	87,725	<b>1,145,684</b>	95,474	1,145,684
			78,389	191,826	320,161	456,146	578,492	611,893	705,677	777,952	<b>872,307</b>	<b>963,033</b>	<b>1,057,959</b>	<b>1,145,684</b>			107%
			7.31%	17.89%	29.85%	42.53%	53.94%	57.05%	65.80%	72.54%	81.34%	89.80%	98.65%	106.83%			
<b>PNM - Decommissioning</b>	48,000	48,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000		
<b>Cummulative Budget</b>			4,000	8,000	12,000	16,000	20,000	24,000	28,000	32,000	36,000	40,000	44,000	48,000			
<b>Initial Decommissioning</b>			35,902	276	408	492	368	385	223	365.54	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	54,419	4,535	54,419
<b>Cummulative Actual</b>	48,000	48,000	35,902	276	408	492	368	385	223	365.54	4,000	4,000.00	4,000.00	4,000	<b>54,419</b>	4,535	54,419
			35,902	36,179	36,587	37,078	37,446	37,831	38,054	38,419	<b>42,419</b>	<b>46,419</b>	<b>50,419</b>	<b>54,419</b>			113.37%
			74.80%	75.37%	76.22%	77.25%	78.01%	78.81%	79.28%	80.04%	88.37%	96.71%	105.04%	113.37%			
<b>Total Legacy Liability</b>	1,013,000	1,160,463	114,965	112,022	134,942	138,698	123,880	34,758	94,031	72,903	101,688	98,059	102,260	95,058	1,223,264	101,939	1,223,264
			114,965	226,987	361,929	500,626	624,507	659,264	753,296	826,199	<b>927,887</b>	<b>1,025,946</b>	<b>1,128,206</b>	<b>1,223,264</b>			105%
			9.91%	19.56%	31.19%	43.14%	53.82%	56.81%	64.91%	71.20%	79.96%	88.41%	97.22%	105.41%			
<b>Cummulative Budget</b>			85,723	213,228	348,897	438,959	550,860	605,463	670,138	763,397	865,085	963,145	1,065,404	1,160,463			
<b>Cummulative Actual</b>			114,965	226,987	361,929	500,626	624,507	659,264	753,296	<b>826,199</b>	<b>927,887</b>	<b>1,025,946</b>	<b>1,128,206</b>	<b>1,223,264</b>			

*Italics = Estimated*

## **M-S-R Public Power Agency Staff Report**

**Date:** September 9, 2021  
**From:** Martin R. Hopper, General Manager  
**To:** M-S-R PPA Commission  
**Subject:** 2021 Insurance Renewals

---

The Agency has completed its annual Directors & Officers Liability, General Liability, and the Crime policy renewals. There were no significant changes made to the coverage levels for this renewal period. However, the net cost of the renewals will be \$13,820 higher than the prior premiums and fees for a total cost of \$140,911 as tabulated below:

Directors and Officers (D&O)

AEGIS renewed coverage and limits per expiring and increased the rate by 13% in net, from \$46,100 to \$52,420.

General Liability

AEGIS renewed coverage and limits per expiring and increased the net rate by 9%, from \$79,994 to \$87,494.

Crime Policy

The Hartford renewed coverage and limits per expiring and the premium remained essentially flat at \$997.

The Agency's insurance brokers, Arthur J. Gallagher & Co. Insurance Brokers of California, Inc. and Modesto Irrigation District's General Service Manager recommended the policies be renewed as proposed. I concurred in this recommendation and directed the coverages bound.

M-S-R PPA also remains a named insured on certain insurance policies maintained by PNM to address the Agency's retained liabilities pertaining to San Juan Generating Station environmental claims and will be a named insured under additional PNM liability insurance policies pursuant to Decommissioning Agreement requirements.

I recommend the Commission note and file this report.

## **M-S-R Public Power Agency Staff Report**

**Date:** September 9, 2021  
**From:** Martin R. Hopper, General Manager  
**To:** M-S-R PPA Commission  
**Subject:** 2022 M-S-R Coordinator Agreement Extension

---

The term of the current M-S-R Coordinator agreement with MID as extended expires February 28, 2022 and the agreement specifies that if M-S-R PPA is to extend the agreement for the second (of three) optional one-year extensions, we are to provide notice to MID no later than December 31, 2021.

The 2021 M-S-R PPA Strategic Plan addresses this issue as follows:

### **"Cost Containment – M-S-R Coordinator:**

M-S-R PPA awarded a contract to Modesto in 1999 to provide Coordinator services. This agreement was for a three-year term with three optional one-year extensions and expired April 1, 2005. The M-S-R PPA Commission awarded similarly structured successor contracts to Modesto in 2004, 2011 and 2018. The M-S-R Coordinator currently provides pre-scheduling, scheduling, real-time dispatch and settlements services for the Big Horn Wind Energy Projects.

### **Potential Actions:**

1. Continue to review cost efficacy of continued Modesto provision of M-S-R Coordinator services prior to the December 31, 2021 deadline to notify Modesto of the second one-year extension of the current agreement."

MID Staff has completed a review of the scope of services outlined in Exhibits A-1 and A-2 and concluded they remain complete and applicable to their duties regarding the Big Horn Wind Energy Projects and stated that they believe the payment provisions and amounts in Exhibit B remain fair and reasonable to MID and the Members.

At its September 2, 2021 the Technical Committee recommended the Commission approve a one-year extension of the M-S-R Coordinator Services Agreement for the period March 1, 2022 through February 28, 2023.

I recommend the Commission approve a one-year extension of the M-S-R Coordinator Services Agreement for the period March 1, 2022 through February 28, 2023.

## **M-S-R Public Power Agency Staff Report**

**Date:** September 15, 2021  
**From:** Martin R. Hopper, General Manager  
**To:** M-S-R PPA Commission  
**Subject:** September 2021 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.

### **General Manager:**

#### Administrative Activities – August 2021 (Approx. 50 hours)

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

Prepared for and conducted monthly status call with Commission President.

Refreshed update of Strategic Reserve models and preparation of semi-annual funding status report presentation to Commission.

Prepared and issued Commission meeting agenda for August 18, 2021 and presented Mid-Year Budget and Goals Review.

Prepared draft updates to PPA & EA 2022 Strategic Plans and incorporated Member comments into same for Technical Committee review.

Prepared PPA & EA Technical Committee meeting agenda packages for September 2, 2021 meetings.

Reviewed CARB SB100 Scoping Plan Proposals.

The General Manager also provided direction to consultants and counsel re emergent filings and regulatory matters. Reports on project activities and status were prepared as needed.

Project Activities:

San Juan – August 2021 (Approx. 77 hours):

Attended witness preparation, pre-hearing conference, and hearing (all virtual) regarding PNM/Avangrid merger. Reviewed draft joint position statement regarding hearing and stipulation terms.

Reviewed and negotiated form of Farmington/Enchant counter-offer proposal incorporating clean-break provisions regarding San Juan Reclamation, Decommissioning, and Environmental Liabilities. Attended (virtual) meetings regarding terms and strategies.

Attended San Juan Decommissioning Committee meeting (virtual) and review of 2021 Decommissioning Study process.

Requested back-up from PNM regarding 2021 insurance allocations for conformance with cost-sharing requirements of the Restructuring and Decommissioning Agreements.

Reviewed revised San Juan Reclamation Budget and Annual Operating Plan and prepared pro-forma M-S-R Legacy Liability Budget.

Big Horn – August 2021 (Approx. 13 hours):

Reviewed materials and coordinated with BPA Counsel regarding rates in BP-22 Final Record of Decision applicable to Big Horn Projects and updated financial models accordingly.

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

Key Meetings – August 2021

Commission President, Telephonic, August 3, 2021. Key Issues: PNM/Avangrid Merger and NM-PRC hearing processes and Settlement/Stipulation Issues, San Juan Decommissioning and Reclamation Clean-Break prospects, Farmington/Enchant Counter-Proposal, and annual Strategic Plan update processes and issues.

NM-PRC Hearings, Virtual, August 3, 9, 11, 12, 13, 16, 17 (Partial), 18 (Partial), & 19, 2021. Key Issue: Pre-Hearing, Public Hearing and Parties Testimony re PNM/Avangrid Merger and Stipulation.

BPA Quarterly Business Review, Virtual, August 17, 2021 (Partial.) Key Issue: Q2 2021 Costs and Expenses re Transmission and Power Business Units.

M-S-R PPA Commission, Virtual, August 18, 2021. Key Issues: Mid-Year Budget and Goals Reviews.

M-S-R/LAC Oversight Team, Virtual, August 23, 2021. Key Issues: Merger status, post-hearing briefings and stipulation implementation strategies.

M-S-R Owners Working Group, Virtual, August 23, 2021. Key Issue: Terms and Conditions for FMN/Enchant Counter-Proposal.

San Juan Decommissioning Committee, Virtual, August 26, 2021. Key Issue: Work schedule for 2021 Decommissioning Study.

**General Consultant:**

The General Consultant regularly prepares a summary of his activities as part of his monthly billing process. The General Consultant's September 2021 report is attached regarding 36 hours of support in August regarding San Juan, Renewable, and Administrative issues. Please note detailed update regarding San Juan Decommissioning Committee issues.

## **M-S-R Public Power Agency Staff Report**

**Date:** September 1, 2021  
**From:** Alan Hockenson  
**To:** Martin Hopper  
**Subject:** Specific Work Tasks for August 2021

---

During August, 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 (20 hours) – The San Juan Generating Station (San Juan) Decommissioning Committee (SJDC) held a meeting on August 26<sup>th</sup>. Several activities occurred in preparation for this meeting. These activities included providing comments on the draft minutes of the meeting on July 22<sup>nd</sup>, summarizing a list of the Decommissioning Agent obligations under the Decommissioning Agreement for use in developing Decommissioning Committee agendas, and coordinating related correspondence with the General Manager.

At the Decommissioning Committee meeting, the Decommissioning Agent attempted to push through a series of meeting minutes from earlier in 2021. I moved that such minutes be tabled until an additional 19 sets of early meeting minutes were prepared and reviewed as well. After a lengthy discussion, the motion was seconded and unanimously approved consistent with a parallel process by the Reclamation Committee. One other noteworthy admission by the Decommissioning Agent was that there was a contractual gap that has occurred that may preclude the Decommissioning Agent from billing Participants for certain Decommissioning Work after June 30, 2022. The M-S-R PPA General Manager suggested a “bridge agreement” may need to be considered to address the contractual gap. The Decommissioning Agent indicated an additional meeting may be necessary in September in addition to the one scheduled for the 23<sup>rd</sup>.

Due to lack of clarity regarding the June 24<sup>th</sup> processing of the Decommissioning Committee Resolution to authorize the 2021 Decommission Study, a series of events ensued that resulted in an additional Resolution to clarify and/or properly characterize the actions taken on that day. The ultimate result was a Notice to Proceed to Burns & McDonnell being issued for the 2021 Decommissioning Study on August 18<sup>th</sup>. Given the addition of three Owner Review periods in the project schedule totaling up to seven weeks, the Study may not be completed before April 2022.

A second activity involved the potential transfer of San Juan to the City of Farmington/Enchant Energy. A telephonic meeting was held on August 23 by the San Juan Participants (less Farmington) on the 23<sup>rd</sup> to discuss a draft Term Sheet for presentation to Farmington/Enchant.

This document was reviewed and internal comments were provided. In addition, Section 12 of the Decommissioning Agreement was reviewed as the Assignment Section likely provides opportunities and obstacles in this process. The next meeting of this group will be in September.

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 (12 hours) – Monthly operating data was received from Avangrid Renewables, Inc. (AR), and was reviewed. Information supplied by the Special Counsel on regulatory issues was reviewed.

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 (4 hours) – In addition to updating the Renewables Status Report, the July Curtailments Report was investigated for causation. Certain data supporting the update of the Strategic Plan was updated at the request of the General Manager. Finally, contact was made with the vendor to complete website update.

All meetings were attended telephonically.

## **M-S-R Public Power Agency Staff Report**

**Date:** September 7, 2021  
**From:** Martin R. Hopper, General Manager  
**To:** M-S-R PPA Commission  
**Subject:** 2022 M-S-R PPA Strategic Plan

---

Each year the M-S-R PPA Commission considers an update to the M-S-R PPA Strategic Plan to provide guidance for the preparation of the M-S-R PPA Budget and for the operations of the Agency. The proposed update aims to more explicitly identify goals, possible actions, and recommendations for each major issue or responsibility of the Agency. Although the major policy directions are consistent with past plans, the tenor of the Agency continues to evolve towards custodian rather than developer of projects.

The high-level goals of the Agency include:

- San Juan Mine Reclamation "Clean-Break":
  - Completion of negotiations with WSJM for buyout of liabilities.
- San Juan Decommissioning "Clean-Break":
  - Completion of negotiations for sale of Lake & River Station to USBR.
  - Approval of Demolition Plan or Sale of remaining facilities to Farmington/Enchant.
- Big Horn Wind Energy Projects:
  - Negotiation of conformed agreements and establishment/update of indices for Extension Period Operations.
  - Complete BPA Rate Case BP-22 post-decisional workshop processes and mitigate transmission rate impacts.
- Optimizing Agency Governance and Member oversight:
  - Implementing Working Capital Policies and maintaining specified Strategic Reserve Balances.
  - Streamlining of meeting schedules.
  - Reviewing territorial definitions to balance meeting location flexibility and reporting burdens.
  - Implementing Succession Plans as-needed to avoid management and operational gaps.

The discussions and analysis of issues within the M-S-R PPA (and M-S-R EA) Strategic Plans have also been reviewed by General Counsel for conformity with disclosure requirements and applicable legislative and regulatory obligations of the Agency and the Authority. The M-S-R PPA Technical Committee reviewed the draft plans in workshops held September 2, 2021 and will further review and update detailed status reports and workplans pertaining to BPA activities in a workshop to be held September 28, 2021. The proposed 2022 M-S-R PPA Strategic Plan is attached in clear and red-line format showing changes from the 2021 M-S-R PPA Strategic Plan.

I recommend the Commission adopt the proposed 2022 M-S-R PPA Strategic Plan.

**M-S-R PUBLIC POWER AGENCY**  
**2022 STRATEGIC PLAN**

Deleted: 2021



Effective January 1, 2022

Deleted: 2021

COMMISSION **REVIEW DRAFT**  
SEPTEMBER 22, 2021

Deleted: [redacted]

ADOPTED BY

Deleted: 30, 2020

**M-S-R PUBLIC POWER AGENCY STRATEGIC PLAN**  
Effective January 1, 2022

In 1997 the M-S-R PPA Commission directed the annual development of a strategic plan to address the issues faced by the Agency in the ensuing five-year period. The plan is updated and reviewed by the M-S-R PPA Commission in September of each year prior to the development of the annual M-S-R PPA Budget. The issues of Organizational Structure and Philosophy; Managing and Maintaining Assets; Financial Matters; and Joint Action Opportunities presented below characterize M-S-R PPA’s strategic vision through 2026.

**TABLE OF CONTENTS**

<u>I. INTRODUCTION .....</u>	<u>1</u>
<u>II. ORGANIZATIONAL STRUCTURE AND PHILOSOPHY .....</u>	<u>2</u>
<u>Recommendations:.....</u>	<u>2</u>
<u>III. MANAGE AND MAINTAIN ASSETS.....</u>	<u>3</u>
<u>San Juan Project:.....</u>	<u>3</u>
<u>Project Description and History:.....</u>	<u>3</u>
<u>Goals:.....</u>	<u>3</u>
<u>On-Going Management:.....</u>	<u>3</u>
<u>Legacy Liabilities – Mine Reclamation:.....</u>	<u>3</u>
<u>Potential Actions:.....</u>	<u>4</u>
<u>Legacy Liabilities – Plant Decommissioning:.....</u>	<u>4</u>
<u>Potential Actions:.....</u>	<u>5</u>
<u>Legacy Liabilities – Potential Environmental Remediation:.....</u>	<u>6</u>
<u>Potential Actions:.....</u>	<u>6</u>
<u>Recommendations:.....</u>	<u>6</u>
<u>Pacific Northwest Project:.....</u>	<u>7</u>
<u>Big Horn Wind Energy Project:.....</u>	<u>7</u>
<u>Project Description and History:.....</u>	<u>7</u>
<u>Goals:.....</u>	<u>7</u>
<u>On-Going Management:.....</u>	<u>8</u>
<u>Cost Containment – BPA Proceedings:.....</u>	<u>8</u>
<u>Potential Actions:.....</u>	<u>8</u>
<u>Cost Containment – EIM Proceedings:.....</u>	<u>8</u>
<u>Potential Actions:.....</u>	<u>9</u>
<u>Cost Containment – M-S-R Coordinator:.....</u>	<u>9</u>

**Deleted:** 2021

**Deleted:** 2025

**Deleted:** I. → INTRODUCTION → 3 ¶  
 II. → ORGANIZATIONAL STRUCTURE AND PHILOSOPHY → 4 ¶  
 Recommendations: → 4 ¶  
 III. → MANAGE AND MAINTAIN ASSETS → 5 ¶  
 San Juan Project: → 5 ¶  
 Project Description and History: → 5 ¶  
 Goals: → 5 ¶  
 On-Going Management: → 6 ¶  
 Legacy Liabilities – Mine Reclamation: → 6 ¶  
 Potential Actions: → 6 ¶  
 Legacy Liabilities – Plant Decommissioning: → 7 ¶  
 Potential Actions: → 8 ¶  
 Legacy Liabilities – Potential Environmental Remediation: → 8 ¶  
 Potential Actions: → 8 ¶  
 Recommendations: → 9 ¶  
 Pacific Northwest Project: → 10 ¶  
 Big Horn Wind Energy Project: → 10 ¶  
 Project Description and History: → 10 ¶  
 Goals: → 10 ¶  
 On-Going Management: → 11 ¶  
 Cost Containment – BPA Proceedings: → 11 ¶  
 Potential Actions: → 11 ¶  
 Cost Containment – EIM Proceedings: → 11 ¶  
 Potential Actions: → 12 ¶  
 Cost Containment – M-S-R Coordinator: → 12 ¶  
 Potential Actions: → 12 ¶  
 RPS Compliance – Qualifications: → 13 ¶  
 Potential Actions: → 13 ¶  
 RPS Compliance – Reporting and Certification: → 13 ¶  
 Potential Actions: → 14 ¶  
 Recommendations: → 14 ¶  
 IV. → FINANCIAL MATTERS → 16 ¶  
 Goals: → 16 ¶  
 Debt Management: → 16 ¶  
 Potential Actions: → 16 ¶  
 Funding of Legacy Liabilities: → 16 ¶  
 Potential Actions: → 18 ¶  
 Recommendations: → 18 ¶  
 V. → JOINT ACTION OPPORTUNITIES → 19 ¶  
 Background: → 19 ¶  
 Goals: → 19 ¶  
 Regulatory Monitoring and Compliance Program: → 19 ¶  
 Goals: → 20 ¶  
 Potential Actions: → 20 ¶  
 Recommendations: → 20 ¶  
 Legislative and Regulatory Advocacy Program: → 20 ¶  
 Goals: → 21 ¶  
 Potential Actions: → 21 ¶  
 Recommendations: → 21 ¶  
 M-S-R Public Power Agency Organization Chart: → 22 ¶

<u>Potential Actions:</u> .....	9
<u>RPS Compliance – Qualifications:</u> .....	10
<u>Potential Actions:</u> .....	10
<u>RPS Compliance – Reporting and Certification:</u> .....	10
<u>Potential Actions:</u> .....	11
<u>Recommendations</u> .....	11
IV. <u>FINANCIAL MATTERS</u> .....	12
<u>Goals:</u> .....	12
<u>Debt Management:</u> .....	13
<u>Potential Actions:</u> .....	13
<u>Funding of Legacy Liabilities:</u> .....	13
<u>Potential Actions:</u> .....	15
<u>Recommendations</u> .....	15
V. <u>JOINT ACTION MANAGEMENT AND OPPORTUNITIES</u> .....	15
<u>Background</u> .....	15
<u>Goals:</u> .....	15
<u>Agency Governance and Oversight</u> .....	15
<u>Goals:</u> .....	17
<u>Potential Actions:</u> .....	17
<u>Recommendations</u> .....	17
<u>Conflict of Interest Code</u> .....	17
<u>Goals:</u> .....	18
<u>Potential Actions:</u> .....	18
<u>Recommendations</u> .....	18
<u>Succession Planning</u> .....	18
<u>Goals:</u> .....	18
<u>Potential Actions:</u> .....	18
<u>Recommendations</u> .....	18
<u>Regulatory Monitoring and Compliance Program</u> .....	19
<u>Goals:</u> .....	19
<u>Potential Actions:</u> .....	19
<u>Recommendations</u> .....	19
<u>Legislative and Regulatory Advocacy Program</u> .....	20
<u>Goals:</u> .....	20

**Deleted:** 12

**Deleted:** 14

**Deleted:** 16

**Deleted:** 17

**Deleted:** 17

**Deleted:** 18

**Deleted:** 19

**Deleted:** Adopted by

**Deleted:** 30-20 - ii -

Potential Actions:..... 20  
Recommendations..... 20

**Deleted:** Adopted by  
**Deleted:** 30-20 - iii -

**M-S-R PPA STRATEGIC PLAN**  
Effective January 1, 2022

Deleted: 2021

**I. INTRODUCTION**

The M-S-R Public Power Agency (M-S-R PPA or Agency) was created on April 29, 1980, through a Joint Exercise of Powers Agreement among Modesto Irrigation District (Modesto or MID), the City of Santa Clara (Santa Clara or SVP), and the City of Redding (Redding or REU) – individually “Member” or collectively “Members,” for the purposes of acquiring, constructing, operating and maintaining any Project for the purpose of providing electrical energy or other Project benefits for public or private uses.

M-S-R PPA’s activities span the Pacific Northwest Project, including the Big Horn Wind Energy Projects, and certain plant decommissioning, mine reclamation, or environmental remediation obligations related to its former interests in Unit No. 4 of the San Juan Generating Station (SJGS). Unless otherwise provided in separate agreements the Joint Powers Agreement specifies participation in M-S-R PPA Projects is Modesto 50%, Santa Clara 35%, and Redding 15%.

M-S-R PPA’s purpose is to maximize the value of its existing assets for the benefit of the Members and to respond to Member needs where joint action rather than individual action is deemed to be in the Member’s best interests. M-S-R PPA is also intended to provide more responsive services to its Members than may be possible from larger or state-wide agencies or associations.

## II. ORGANIZATIONAL STRUCTURE AND PHILOSOPHY

Since its formation, M-S-R PPA has been a member-directed, member-supported organization. M-S-R PPA is governed by a three-member Commission appointed by and representing the governing bodies of Modesto, Santa Clara, and Redding. The General Manager and Commission are advised by the Technical Committee and the Financial Management Committee, each comprised of representatives of the technical and management staff of the Members. The Technical Committee's purview includes engineering, technical, and economic aspects of the Agency's Big Horn Wind Energy Projects, and San Juan Project Legacy Liabilities. The Financial Management Committee's purview includes the Agency's bonded debt and investments. Additionally, the Risk Management Committee was established by and administers the Agency's Risk Management Policy (pertaining to energy transactions) and reports to both the General Manager and the Financial Management Committee. A copy of the Agency's current organization chart is attached as Exhibit "A."

The organization of the Agency and descriptions of its authorities and delegations are documented in a comprehensive Policies and Procedures Manual. Key enabling documents and controls are appended to the manual to provide a one-stop operations and governance resource. The manual was completed in December 2013 and is reviewed on a biennial basis in even-numbered years in conjunction with the annual review of this strategic plan. The most recent update to the manual was completed in 2020.

### Recommendations:

1. No changes are recommended to the Agency's organization structure at this time.

Deleted: recommmended

### III. MANAGE AND MAINTAIN ASSETS

#### **San Juan Project:**

##### **Project Description and History:**

M-S-R PPA held a 28.8% ownership interest (or about 146 MW) in the 507 MW<sub>net</sub> SJGS Unit 4 (San Juan Unit 4) operated by the Public Service Company of New Mexico (PNM). These interests and related assets and liabilities are referred to as the San Juan Project.

M-S-R PPA purchased its interest in the San Juan Project on December 31, 1983, began taking direct deliveries of energy and capacity on May 1, 1995, and divested its interests on December 31, 2017. The Agency retains certain liabilities pertaining to its share of the costs of Mine Reclamation, Plant Decommissioning, and potential environmental contamination. Collectively these obligations are referred to as the “Legacy Liabilities.”

M-S-R PPA’s rights and obligations for this project are governed by the San Juan Project Restructuring Agreement (Restructuring Agreement), the Amended and Restated Mine Reclamation and Trust Funds Agreement (Reclamation Agreement), the San Juan Plant Decommissioning and Trust Funds Agreement (Decommissioning Agreement) and M-S-R PPA’s Bond Indentures (while any M-S-R PPA bonds remain in effect). The Members’ rights and obligations pertaining to the San Juan Project are specified in the Tucson/San Juan Project Power Sales Agreement.

The San Juan Project was purchased to provide baseload power and act as a hedge against rising costs of wholesale power purchases. The San Juan Project also played a critical role in meeting Member power needs through the California Energy Crisis (2000 – 2001).

##### **Goals:**

The Agency’s goals are to most efficiently and economically discharge Legacy Liabilities for the Members and to obtain clean-breaks where possible.

##### **On-Going Management:**

###### Legacy Liabilities – Mine Reclamation:

Pursuant to the Reclamation Agreement, M-S-R PPA retains liability for 8.7% of the pre-Exit Date Mine Reclamation costs until such time as the mine site is reclaimed and any Reclamation Bonds held by the State of New Mexico are released. The scope and timing of final reclamation is set by

the Mine Permit and State and Federal law. If the Farmington/Enchant SJGS project<sup>1</sup> occurs, an additional 13-years of SJGS operations could generate about 10,000,000 cubic yards of coal combustion residuals for burial in the mine and correspondingly delay final mine closure.

The San Juan owners are exploring a potential transaction where through the payment of a fixed sum, they will extinguish their outstanding reclamation obligations without further recourse. This transaction would become effective at or before the anticipated June 30, 2022, termination of SJGS operations and may also be applicable if the Farmington/Enchant SJGS project proceeds.

M-S-R PPA pays its share of both ongoing and final reclamation from funds on deposit in its Mine Reclamation Trust. Pursuant to the Reclamation Agreement, the value of M-S-R PPA's Mine Reclamation Trust needs to be sufficient as of the end of each calendar year to make all future payments as projected pursuant to the Reclamation Agreement. M-S-R PPA's Mine Reclamation Trust value requirement as of December 31, 2021, is about \$15.2 million. As discussed below (Section 4. Financial Matters – Legacy Liability Funding) the Agency has sufficient funds available to make any necessary future deposits and additions to the Mine Reclamation Trust without additional cash calls on the Members.

Deleted: 2020

Deleted: 17.7

Potential Actions:

1. Continue to manage reclamation liabilities pursuant to existing agreements.
2. Mitigate potential impacts of Farmington/Enchant SJGS project on reclamation liabilities.
3. Assign reclamation liabilities to third party at reasonable cost and without recourse to M-S-R PPA.

Legacy Liabilities – Plant Decommissioning:

Pursuant to the Decommissioning Agreement, M-S-R PPA retains liability for a share of the cost of SJGS decommissioning and demolition costs. This share started at 8.7% in 2018 and declines to about 7.6% given a 2022 SJGS shutdown. If Farmington/Enchant operates the SJGS for an additional 13-years, M-S-R PPA's share of SJGS decommissioning and demolition costs may decline pursuant to the Decommissioning Agreement and the scope of such liabilities may change.

<sup>1</sup> Pursuant to a San Juan Project Extender Rights Transfer Agreement dated August 16, 2019, the City of Farmington, NM and Enchant Energy LLC propose to continue to operate the SJGS after June 30, 2022, for a 13-year period utilizing carbon capture technology.

The United States Bureau of Reclamation (USBR) has proposed purchasing certain SJGS water diversion facilities including the Lake and River Stations and associated pipelines to incorporate in the proposed Navajo Gallup Water Supply Project (NGWSP). This purchase is intended by PNM to be consummated in 2022 and would obviate the need for future decommissioning and demolition of these facilities.

Deleted: would

Deleted: within the next two years

A detailed decommissioning study performed in 2019 by Burns and McDonnell indicated that unless it is presumed the SJGS is never demolished at any future time, the least cost alternative is to demolish the SJGS as soon as possible after final shut-down and that the highest cost alternatives are to retire the SJGS in-place and demolish at some future time. In August 2021 Burns and McDonnell was commissioned to perform a successor study utilizing a whole-life cost analysis basis as required under a stipulated settlement of the PNM-Avangrid merger case before the NM-PRC in Docket 20-00222. This study is expected to confirm that the least cost decommissioning alternative will be full demolition and site restoration suitable for future industrial re-use.

Deleted: indicates

Pursuant to the Decommissioning Agreement, the SJGS Participants are required to fund a share of \$30 million (M-S-R PPA's share at 7.6% is \$2.3 million – which has been deposited in its Decommissioning Trust) for an initial phase of asset removal and remediation activities (which are included as a part of the decommissioning costs estimated by Burns and McDonnell). At such time as the SJGS Participants reach agreement on a Decommissioning Plan, the funding requirements in the Decommissioning Agreement will be updated. As discussed below (Section 4. Financial Matters – Legacy Liability Funding) the Agency has sufficient funds available to fund the decommissioning and demolition scenarios studied by Burns and McDonnell without additional cash calls on the Members.

Deleted: in

Deleted: above

Deleted: costs

#### Potential Actions:

1. Continue to manage liabilities pursuant to existing agreements.
2. Mitigate potential impacts of Farmington/Enchant SJGS project on decommissioning liabilities.
3. Consummate a sale of the Lake and River Station and related facilities to the USBR.
4. Promote immediate full decommissioning and demolition of SJGS upon cessation of generation activities and discourage retirement in place scenarios.
5. Assign liabilities to a third party at reasonable cost and without recourse to M S R PPA.

Legacy Liabilities – Potential Environmental Remediation:

Pursuant to the Restructuring Agreement, M-S-R PPA is liable for pre-Exit Date environmental conditions requiring remediation. M-S-R PPA would not have responsibility for any remediation required as a result of post-Exit Date operations. At this time, it does not appear M-S-R PPA has any additional environmental remediation liabilities beyond those anticipated in the estimates for Decommissioning Liabilities. However, liability under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) although not currently identified, may exist. To mitigate environmental remediation risk, M-S-R PPA elected to maintain Continuing Coverage insurance regarding SJGS environmental liabilities pursuant to the Restructuring Agreement.

Deleted: general and

Potential Actions:

1. Continue to maintain Continuing Coverage insurance at reasonably allocated costs to mitigate potential environmental remediation liabilities.

**Recommendations:**

1. M-S-R PPA should continue to take all reasonable actions necessary to protect Members and bondholders from financial risk through final retirement of all San Juan Project bonds and through extinguishment of San Juan Legacy Liabilities, including cost reduction and mitigation of risk through insurance and assignments of liability.
2. M-S-R PPA should support efforts to transfer contractual liability for completion of mine reclamation requirements from the SJGS Participants to a responsible third party at a reasonable cost, provided such transfer can be made irrevocably and without recourse to M-S-R PPA.
3. M-S-R PPA should take all reasonable steps to advocate for adoption of contemporary rather than deferred demolition in the approved Decommissioning Plan for SJGS.
4. M-S-R PPA should support efforts to explore transfers of contractual liability for completion of SJGS decommissioning and demolition liability, including any potential environmental liabilities, or sale or transfer of salvageable assets, to qualified third parties at a reasonable cost, provided such transfers can be made irrevocably and without recourse to M-S-R PPA.
5. M-S-R PPA should take all reasonable steps to mitigate potential impacts of Farmington/Enchant SJGS project on reclamation and decommissioning legacy liabilities.

### **Pacific Northwest Project:**

The Pacific Northwest Project initially consisted of contracts with the Bonneville Power Administration (BPA) for the delivery of power to the California-Oregon Border (COB) and thence via the California-Oregon Transmission Project (COTP). The final agreement with BPA terminated on September 30, 2005. Currently the Pacific Northwest Project consists of the Big Horn Wind Energy Projects.

Deleted: :)

### **Big Horn Wind Energy Project:**

#### **Project Description and History:**

On June 1, 2005, M-S-R PPA entered into a series of agreements (as subsequently amended) with PPM Energy, Inc. – now known as Avangrid Renewables, LLC (Avangrid) – to purchase wind power energy at a negotiated price, with a nominal installed capacity of approximately 199.5 MW and an expected annual capacity factor of about 35%, as firmed, shaped, and delivered to COB for an initial 20-year period. Power deliveries commenced on October 1, 2006. Pursuant to amendments to these agreements effective December 1, 2008, M S R PPA has the right and obligation to continue to take the same output through September 30, 2031, or if the Big Horn Wind Energy Project is repowered before September 30, 2026, M S-R PPA will have a right of first offer to negotiate a long-term power purchase for such repowered project.

On December 2, 2009, M-S-R PPA entered into a further series of agreements with Avangrid to purchase wind power energy from the 50 MW Big Horn II Wind Energy Project for a 25-year term from November 1, 2010, through October 31, 2035.

#### **Goals:**

M-S-R PPA will continue to evaluate any options to reduce Big Horn Wind Energy Project costs and improve administrative efficiencies without placing the structure or benefits of the Firming and Shaping Agreement (Big Horn I) or Redelivery Agreement (Big Horn II) with Avangrid at risk.

The Agency also needs to maintain the significant benefits of the Big Horn Wind Energy Projects in meeting the Members Renewable Portfolio Standards (RPS) and carbon content requirements as laws and regulations evolve.

## On-Going Management:

### Cost Containment – BPA Proceedings:

BPA Transmission and Ancillary Service rates directly and indirectly affect the costs paid by M-S-R PPA to Avangrid for Firming and Shaping Services for the Big Horn Wind Energy Project and for pass-throughs by Avangrid of BPA Transmission and Ancillary Services charges for the Big Horn II Wind Energy Project<sup>2</sup>. The annual costs paid for these services by M-S-R PPA are about \$13 million.

BPA issued its Final Record of Decision (ROD) in rate case BP-22 on July 28, 2021, which increased BPA transmission and ancillary services rates primarily applicable to the Big Horn projects by about 5.3%. The Agency remains concerned that rates charged for these services remain excessive and that BPA cost allocations remain biased to the benefit of power rather than transmission customers. Other issues including the misallocation of costs between BPA power and transmission business units, remain active in workshops and other proceedings. We also note BPA is collecting revenues for transmission capital projects significantly in excess of its actual expenditures and is applying short-term revenue financing to long-term projects.

**Deleted:** 20

**Deleted:** 25, 2019

**Deleted:** included modest increases in

**Deleted:** .

**Deleted:** began preparing its BP-22 rate case during 2020. Initial BP-22 proposals indicate power costs will be held flat, but

**Deleted:** costs will continue to grow

### Potential Actions:

1. Continue to participate in the workshops and filings related to BPA rate cases to ensure costs are not allocated in a discriminatory manner for transmission and ancillary services.
2. Prepare annual Priorities Matrix and Action Plans in conjunction with BPA Counsel and use to manage the efforts of Staff, Counsel, and Consultants in BPA Rate Cases.

### Cost Containment – EIM Proceedings:

The California Independent System Operator (CAISO) has developed a market-based energy imbalance market (EIM) operating in the western interconnection. The operation of the EIM may affect the costs and deliverability of energy from the Big Horn Wind Energy Projects and other

<sup>2</sup> The cost reimbursement provisions of Modesto's Star Point Wind Energy Project contract with Avangrid are essentially identical to those in the Big Horn II Wind Energy Project.

Member resources. There are currently 15 active EIM participants<sup>3</sup> and 6 parties pending EIM participation in the near future<sup>4</sup>. Of particular concern to M-S-R PPA, BPA's participation in the EIM may affect costs of energy deliveries across the BPA system or the Pacific Northwest Interties. BPA's EIM implementation proposal indicates allocation of EIM costs to transmission functions such as those used by Avangrid to effect Big Horn Wind Energy Project deliveries. Furthermore, to most efficiently accommodate EIM activities, various BPA grid modernization projects have been proposed, including but not limited to a new transmission control center to be built in Vancouver, WA.

- Deleted:** 11
- Deleted:** 10
- Deleted:** activities of
- Deleted:** access to and pricing
- Deleted:** initial
- Deleted:** proposals indicate

Potential Actions:

1. Monitor EIM development activities, filings, and intervene in cases where EIM costs may be assigned to non-EIM participants especially regarding use of, or additions to, BPA transmission system.

Cost Containment – M-S-R Coordinator:

M-S-R PPA awarded a contract to Modesto in 1999 to provide Coordinator services. This agreement was for a three-year term with three optional one-year extensions and expired April 1, 2005. The M-S-R PPA Commission awarded similarly structured successor contracts to Modesto in 2004, 2011 and 2018. The M-S-R Coordinator currently provides pre-scheduling, scheduling, real-time dispatch and settlements services for the Big Horn Wind Energy Projects.

Potential Actions:

1. Continue to review cost efficacy of continued Modesto provision of M-S-R Coordinator services prior to the December 31, 2022, deadline to notify Modesto of the third one-year extension of the current agreement.
2. Conduct competitive review of current and potential service providers prior to expiration of the current agreement and award of future contracts.

- Deleted:** 2021
- Deleted:** second

<sup>3</sup> Active EIM participants as of January 1, 2022: Salt River Project, Seattle City Light, BANC, Idaho Power Company, PowerEx, Portland General Electric, Puget Sound Energy, Arizona Public Service, NV Energy, PacifiCorp, LADWP, PNM, Northwestern Energy, Turlock Irrigation District, and California ISO.

<sup>4</sup> EIM participation pending 2022: Avista, Tucson Electric Power Company, Tacoma Power, and Bonneville Power Administration, EIM participation pending 2023: Avangrid and El Paso Electric.

- Deleted:** 2021
- Deleted:** Rive
- Deleted:** (Phase 1),
- Deleted:** 2021: LADWP, PNM, Northwestern Energy, Turlock Irrigation District, and BANC (Phase2) → EIM participation pending
- Deleted:** ,
- Deleted:** Xcel Energy – Colorado

RPS Compliance – Qualifications:

Over the past decade, California Law has imposed ever more stringent RPS and carbon content requirements on electrical energy trading and generation. The most recent law, SB 100 adopted in 2018, further modified the RPS to a 60% obligation by December 31, 2030, and set a target of a 100% carbon-free emissions portfolio by 2045. RPS laws also require renewable energy projects to be “certified” by the California Energy Commission (CEC). In addition, the CEC requires renewable projects to be tracked through the Western Renewable Energy Generation Information System (WREGIS). Both the Big Horn Wind Project and Big Horn II Wind Energy Project have been certified as eligible by the CEC. Avangrid/Big Horn Wind Project LLC/Big Horn II Wind Project LLC has registered the Projects with WREGIS as generators, BPA has registered as the qualified reporting entity for the Projects, and M-S-R PPA has adopted procedures for the verification, accounting, and distribution of WREGIS RECs for these and future projects.

The Big Horn Projects are significant elements in each Member’s renewable energy portfolio as tabulated below:

Member	Big Horn I Participation	Big Horn II Participation	Wind Energy (GWh) <sup>1</sup> / <sub>2</sub> *
Modesto	12.5%	65%	146
Santa Clara	52.5%	35%	308
Redding	35.0%	-	172

Deleted: /5  
 Deleted: 143  
 Deleted: 180  
 Deleted: 1  
 Deleted: →<sup>5</sup>→  
 Deleted: II

\*Estimates are based on average annual Big Horn I & 2 production.

Potential Actions:

1. Monitor regulatory/legislative changes to assure Big Horn Wind Energy Projects remain as eligible RPS Resources through at least their respective September 30, 2031, and October 30, 2035, contract maturities.

RPS Compliance – Reporting and Certification:

The qualifications and reporting of emissions under California Air Resources Board (CARB) and CEC regulations and the accounting of the RECs associated with the Big Horn (and Star Point) Wind Energy Projects represent the majority of the Agency’s benefits under these contracts. Specifically, the treatment of the RECs as being so-called Bucket “0” must be preserved, to avoid reducing the benefits and economic value of these projects in satisfying Member RPS compliance requirements. Similarly, preservation of the RPS Adjustment under the CARB Mandatory

Reporting Regulation (MRR) has substantial value to the Members. On April 13, 2018, M-S-R PPA entered into letter agreements with Avangrid for both the Big Horn and Big Horn II Wind Energy Projects regarding “Process for Addressing RECs and California Carbon Allowances” and accounting for RPS Adjustments under CARB’s MRR. [In July 2021 the CARB initiated its 2022 Scoping Plan update.](#)

Potential Actions:

1. Continue to assure Big Horn Wind Energy Projects remain grandfathered as Bucket 0 RPS Resources.
2. Support potential regulatory/legislative changes to allow Big Horn Wind Energy Projects to be deemed Bucket 1 RPS Resources and that do not endanger grandfathered Bucket 0 RPS status.

**Recommendations**

1. M-S-R PPA should continue to administer the Big Horn I and II Wind Energy Project agreements to reduce costs and fees and maintain use of the Projects’ environmental attributes in satisfying the Members’ RPS or other requirements.
2. M-S-R should continue to examine any reasonable options to reduce costs regarding the Big Horn Wind Energy Projects, but not recommend further action upon such proposals until all economic, legislative, and regulatory risks and benefits can be appropriately quantified for consideration by the Members.
3. M-S-R PPA should actively monitor Avangrid Renewables’ obligations and performance under the current agreements with respect to changing rules and regulations. Additionally, M-S-R PPA should monitor Avangrid’s financial structure and capitalization.
4. M-S-R PPA should continue to follow and to actively participate (as directed by the M-S-R Commission) in BPA’s rate proceedings, and related Federal Energy Regulatory (FERC) and judicial hearings as long as such participation remains economically effective. Reports to Members and solicitation of direction regarding filings, positions, and meeting representation shall be timely and proactive. Periodic conference calls among Member staff will continue to solicit Member input and discuss the implications and appropriate responses to these emerging threats. Priorities have been identified as follows, and will be periodically ranked in annual Priorities Matrix and Action Plans:

- a. M-S-R PPA will continue to work to minimize inappropriate cost shifts between BPA business units,
  - b. M-S-R PPA will advocate for cost causation principles with emphasis on transmission and ancillary services customers paying only for services they actually receive,
  - c. M-S-R PPA will support BPA initiatives to maintain the reliability of the transmission and hydro generation system.
5. M-S-R PPA should continue to track and allocate renewable energy production and associated WREGIS RECs from the Big Horn I and II Wind Energy Projects for the benefit of the Members and take all necessary steps to ensure that such generation and credits remain eligible to meet all applicable California renewable energy production requirements.
  6. M-S-R PPA should track and actively comment, as appropriate, upon proposed legislation and regulations as they may affect uses and benefits of M-S-R PPA wind contracts to meet California RPS requirements and carbon reporting regulations.

**IV. FINANCIAL MATTERS**

The Financial Management Committee monitors the financial markets and advises the General Manager regarding the issuance and management of the Agency’s debt and similar liabilities. The activities of the Financial Management Committee are supported by an independent Financial Advisor, currently the firm of Montague, DeRose and Associates, LLC. M-S-R PPA maintains a Strategic Reserve as set forth in its Working Capital Policy to meet Bond Indenture requirements, to fund contingent liabilities, and to manage Member cash call requirements. As reported in the April 30, 2021, Treasurer’s Report, M-S-R PPA holds about \$84 million in operating funds and restricted and un-restricted reserves.

Deleted: June

Deleted: 2020

Deleted: 88

**Goals:**

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 Members and maximizing returns on invested funds.

**Debt Management:**

M-S-R PPA will have made its final debt-service payments and retired all San Juan Project Revenue Bonds as of July 1, 2022. Other bonds previously issued by the Agency have also been retired or defeased.

- Deleted: approximately \$26 million of outstanding
- Deleted: on its
- Deleted: 2021
- Deleted: either
- Deleted: Outstanding Series 2018R Bonds yield about 1.78% and are not callable before maturity.

**Potential Actions:**

1. Make final debt service payments and file closing reports as required by Continuing Disclosure Agreement.

- Deleted: all

**Funding of Legacy Liabilities:**

Pursuant to Resolution 2020-01, regarding Working Capital Policy, the Agency will fund the balance of the costs of San Juan Project Legacy Liabilities from its Strategic Reserves, including those specifically associated with the San Juan Project Legacy Liabilities Reserve tranches pertaining to Mine Reclamation and to San Juan Decommissioning.

- Deleted: Reserves

M-S-R PPA’s Mine Reclamation Trust value requirement as of December 31, 2021, is about \$15.2 million and is currently projected to end the year with a balance of \$16.3 million. The Working Capital Policy sets the objectives for the Mine Reclamation Contingency and Administration reserve tranche at target and minimum levels as shown below based on the Mid-Year 2021 M-S-R Strategic Reserve Funding Status Report.

- Deleted: 2020
- Deleted: 17.7
- Deleted: 17.4
- Deleted: , which indicates the need for a Reclamation Recovery Deposit...
- Deleted: 2021 Budget projections.
- Deleted: -

Similarly, Decommissioning Costs have been estimated for various scenarios and reserve requirements computed based on the same assumption (Retire-In-Place followed by demolition in 25-years) used in the preparation of the Agency’s Financial Statements. Updates to these cost estimates resulting from the 2021 Decommissioning Study are not yet available.

- Deleted:

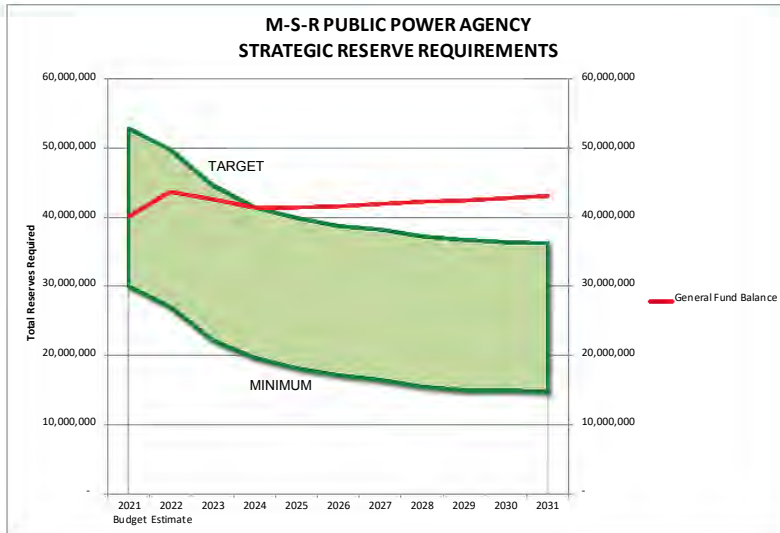
As tabulated below the estimated General Fund balances in 2022 are reasonably sufficient to satisfy minimum Reclamation and Decommissioning Cost Working Capital requirements (which are in addition to those amounts currently held in Trusts) without additional cash calls on the Members:

- Deleted: illustrated
- Deleted: 2021

Year-End <u>2022</u>	Target Working Capital	Minimum Working Capital
Net General Fund	\$43,685,000	\$43,685,000
Days of Working Capital Available	245	245
Working Capital Tranche 1 – Agency A&G	\$441,000	\$441,000
Working Capital Tranche 2 – Purchase Power	\$11,083,000	\$5,547,000
Working Capital Tranche 3 – San Juan Fixed	\$2,288,000	\$2,288,000
Working Capital Tranche 4 – Reclamation Legacy Liability Contingency	\$6,844,000	\$6,646,000
Working Capital Tranche 5 – Decommissioning Legacy Liability Cost	\$29,095,000	\$12,099,000
Sum of Tranches	\$49,752,000	\$27,021,000
Sum of Tranches in Days	279	152

- Deleted: 2021
- Deleted: 40,234
- Deleted: 40,234
- Deleted: 186
- Deleted: 186
- Deleted: Financial Advisor Recommended Minimum Days [2]
- Deleted: \$465
- Deleted: \$465
- Deleted: 116
- Deleted: 558
- Deleted: \$4,570
- Deleted: \$4,570
- Deleted: \$8,489
- Deleted: \$8,295
- Deleted: 272
- Deleted: 296
- Deleted: 53,912
- Deleted: 31,184
- Deleted: 250
- Deleted: 144
- Deleted: <object>

These factors are also illustrated below for the next 10-years:



**Potential Actions:**

1. Satisfy any funding requirements for either the Reclamation Trust Fund or Decommissioning Trust Fund from reserves currently held by the Agency.
2. Consider disbursements to the Members or other use of funds accessible to the Agency that are greater in amount than the highest projected reserve requirements for Decommissioning or Reclamation activities consistent with the Working Capital Policy. Pursuant to Resolution 2020-01 Section E, the first such disbursement opportunity is projected to occur in 2026.

**Recommendations**

1. M-S-R PPA's debt and investment structures should be periodically reviewed to maximize the benefits to M-S-R PPA and its members.
2. As required in Resolution 2020-01 regarding Working Capital Policy, M-S-R PPA should continue to reserve funds to cover future Legacy Liability payments.

**V. JOINT ACTION MANAGEMENT AND OPPORTUNITIES**

**Background**

Although M-S-R PPA has been instructed in the past by its Members to prefer individual pursuit of new projects rather than joint M-S-R PPA efforts, there are collective synergies between the Members for continuing and future joint action. The role of the Agency in managing Legacy Liabilities and the Big Horn Wind Energy Projects, as well as the role of the M-S-R Energy Authority in managing the Natural Gas Project, is expected to continue for at least two more decades.

**Goals:**

Utilize the organizational infrastructure of M-S-R PPA to efficiently and economically provide project management services to the Members.

**Agency Governance and Oversight**

The Agency's Commission and its Committees (Technical, Financial and Risk Management) are required to meet at least annually pursuant to either the Joint Powers Agreement or their bylaws.

Over the course of the year the mandatory functions of the Commission include election of officers, receipt of the audit, and approval of the budget. Discretionary functions of the Commission include a mid-year budget review and as prerequisites to the preparation of the annual budget, review and approval of an annual strategic plan, and biennial reviews of the Agency's policy manual and conflict of interest code. The only specified annual action of the Technical Committee is its review of the Agency's strategic plan. The Financial Management Committee has no time-triggered duties. The Risk Management Committee is to annually report on compliance with the Risk Management Policy. The duties of the Commission and Committees can be summarized as follows:

<u>Commission – Mandatory</u>	<u>Duty</u>	<u>Timing</u>
	<u>Election of Officers</u>	<u>Annual – First Meeting of year</u>
	<u>Receipt of Audit</u>	<u>Annual – Prior to May 31</u>
	<u>Approval of Budget</u>	<u>Annual – Prior to November 30</u>
	<u>Receipt of Treasurer's Reports (Funds and Disbursements)</u>	<u>Quarterly – Next Regular Meeting</u>
	<u>Strategic Plan</u>	<u>Annual – Prior to Budget Preparation</u>
	<u>Policy and Procedure Manual Update</u>	<u>Biennial per Resolution</u>
	<u>Approval of Conflict-of-Interest Code</u>	<u>Biennial (Even-Numbered Years) – Prior to October 1</u>
<u>Commission – Discretionary</u>	<u>Duty</u>	<u>Timing</u>
	<u>Mid-Year Budget Review</u>	<u>Mid-Year</u>
	<u>General Manager Performance</u>	<u>Annual</u>
	<u>Year-End Budget Review</u>	<u>After close of fiscal year</u>
	<u>Project and Legal Matters</u>	<u>As-Needed</u>

<u>Technical Committee – Mandatory</u>	<u>Duty</u>	<u>Timing</u>
	<u>Strategic Plan</u>	<u>Annual – Prior to Budget Preparation per Bylaws</u>
<u>Technical Committee – Discretionary</u>	<u>Duty</u>	<u>Timing</u>
	<u>Budget Workshop</u>	<u>Annual – Prior to Commission Budget Review</u>
	<u>Project and Legal Matters</u>	<u>As-Needed</u>

The Commission and Technical Committee currently meet on a modified quarterly schedule with an additional meeting in July to address the Mid-Year Budget Review and other emergent matters. The Technical Committee also schedules a single-day review of BPA-related activities as an adjunct to its annual Strategic Plan review. The Financial Management and Risk Management Committees meet only on an as-needed basis.

**Goals:**

Balance oversight roles of Commission and Committees with economy of meetings.

**Potential Actions:**

1. Maintain modified quarterly meeting schedules for Commission and Technical Committee and eliminate mid-year meetings.
2. Maintain Commission meetings when scheduled to be consecutive with TANC Commission meetings to minimize Commissioner travel.

**Recommendations**

1. Given that recent mid-year Budget reviews have not resulted in budget amendments or augmentations, eliminate mid-year budget review meetings.
2. Upon achievement of San Juan Legacy Liability Clean-Breaks:
  - a. Consider modifying strategic plan and other reviews to biennial or quadrennial bases.
  - b. Consider disbanding Brown Act or standing advisory committees.

**Conflict of Interest Code**

Pursuant to California Law, the Agency has adopted a Conflict-of-Interest Code. The requirements of the code center around the disclosure of Commissioner and Committee Member financial interests within the Agency's defined territory and are reported on FPPC Form 700. The Agency's defined territory is broadly delineated as being all of Northern California to allow flexibility in setting meeting locations. Although currently waived by the Governor's Executive Order pertaining to the COVID-19 pandemic, the Brown Act requires in-person meetings to be held within the Agency's defined territory.

**Goals:**

Balance the need for flexibility in meeting location with reporting burdens on Commissioners and Committee Members regarding financial interests in locations remote to the day-to-day activities of the Agency.

**Potential Actions:**

1. Eliminate remote locations from the Agency's defined territory to simplify financial interest reporting.

**Recommendations**

1. Consider elimination of remote counties from Agency's defined territory.

**Succession Planning**

The Agency's Policy and Procedures Manual now includes a General Manager Succession Plan addressing circumstances of Temporary or Short-Term Absences, Unplanned Absences (Long-term), and Retirement of the General Manager. The plan addresses coverage for the General Manager's roles in case of absence and outlines a process for the definition of future General Manager roles and for the recruitment of future General Managers.

**Goals:**

Implement the Succession Plan to avoid interruptions in the conduct of the Agency's business and provide for a smooth transition to future management structures or roles.

**Potential Actions:**

1. Begin preparation of a revised strategic plan, General Manager job description, and General Manager recruitment process upon receipt of notice of General Manger's intention to retire.

**Recommendations**

1. Implement General Manager succession processes within timelines specified in the Succession Plan contained in Tab 15 of the Policies and Procedures Manual upon any applicable trigger event.

### **Regulatory Monitoring and Compliance Program**

On behalf of its Members the Agency has actively participated in regulatory forums before the FERC, the CEC, the CARB, and the California Public Utilities Commission (CPUC). Proceedings before the CEC, CARB and CPUC regarding RPS compliance matters are included in the Agency's Pacific Northwest Project (Big Horn Wind Energy Projects) as described above. Proceedings before these same agencies regarding greenhouse gas controls, cap-and-trade programs, and CARB MRR have broad impact on the Agency and its Members and are allocated to the Regulatory and Compliance Program established pursuant to Resolution 2017-04.

To the extent possible, other entities such as TANC, BANC, or NCPA should take the lead role on activities such as PG&E, SCE, or SDG&E Transmission Revenue Requirement (TRR) filings. Only when specifically directed by the Members would M-S-R PPA support interventions before the FERC related to general or state-wide transmission cost issues. Remaining activities would typically only apply to issues potentially impacting deliveries of renewable wind energy beyond the BPA system.

#### **Goals:**

In harmony with the project-specific regulatory monitoring and compliance activities, participate in market-wide regulatory and compliance forums to safeguard the relevance of the Agency and Member's early action in renewable resource development and carbon reduction programs.

#### **Potential Actions:**

1. Monitor FERC filings regarding transmission rates and act in a clearinghouse role for the Members.
2. New interventions and protests before the FERC regarding transmission rates should only be entertained when the Members determine there is a common interest that can be more efficiently and effectively prosecuted by joint action.

#### **Recommendations**

1. Given that existing interventions and protests before the FERC regarding transmission rates have been completed, new interventions and protests regarding state-wide or specific transmission rate issues should only be entertained when the Members determine there is a common interest that can be more efficiently and effectively prosecuted by joint action.

2. M-S-R PPA should continue to participate in proceedings before the CEC, CARB and CPUC regarding greenhouse gas controls, cap-and-trade programs, and CARB MMRs and regarding SB 350, AB 398, and SB 100 implementation as directed by the Members.

### **Legislative and Regulatory Advocacy Program**

M-S-R PPA has actively participated in the past ~~ten~~ California legislative sessions in the monitoring and amendment of renewable resources legislation and other bills affecting the operation of M-S-R PPA and Member resources. Legislative advocates were retained and an informal structure for obtaining Member positions has evolved. M-S-R PPA has also participated as a non-voting member of the California Municipal Utilities Association (CMUA) Legislative and Regulatory Committee and CMUA Energy Policy Committee.

Deleted: nine

#### **Goals:**

Support legislative initiatives that preserve or enhance the value of early action renewable energy or carbon reduction projects, that simplify or streamline regulatory reporting requirements, and that respect the value of local control and decision-making.

#### **Potential Actions:**

1. ~~Update~~ California and Federal Legislative and Regulatory Representative Workplans ~~only as-needed~~.
2. Rely on Member coverage for California and Federal Legislative or Regulatory advocacy unless otherwise directed for specific issues, or as identified in ~~Workplans~~.

Deleted: Develop annual

Deleted: annual

#### **Recommendations**

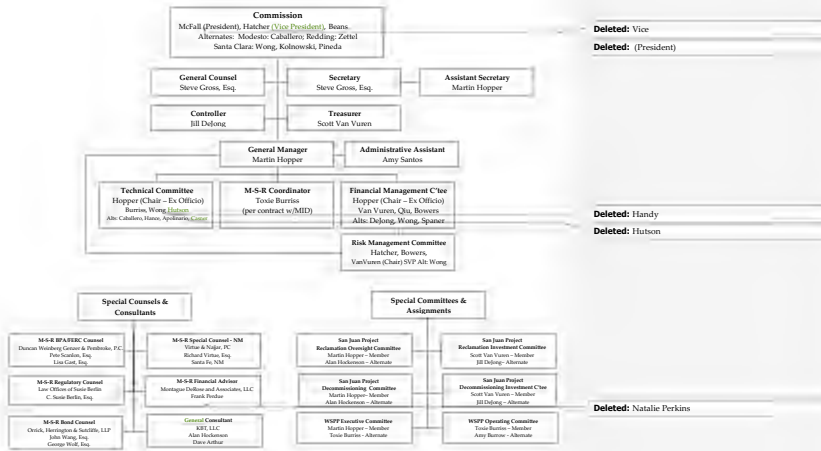
1. M-S-R PPA will take positions on only those bills and regulatory matters directly affecting M-S-R PPA resources or M-S-R PPA's duties to its Members. M-S-R PPA may also, by request of the Members, take positions on bills of common interest to the entire M-S-R PPA membership.
2. The M-S-R PPA General Manager will regularly consult with the Members to coordinate Agency and Member positions on bills and regulatory matters and to develop annual work plans for State and Federal legislative advocacy.

3. M-S-R PPA will retain legislative and regulatory advocates as needed to support its positions on proposed bills and regulations and will coordinate with Members and like-positioned entities and trade associations to promote M-S-R PPA's interests.

**Deleted:** Although M-S-R PPA no longer directly pays for transmission service from SCE or others, delivery of San Juan and Big Horn Project energy still incurs costs paid directly or indirectly by the Members. These costs result from services provided by the CAISO such as Transmission Access Charges (TAC), Wheeling Access Charges (WAC), etc. These charges may also be applicable to various deliveries of non-M-S-R related energy to the Members.

Exhibit "A"

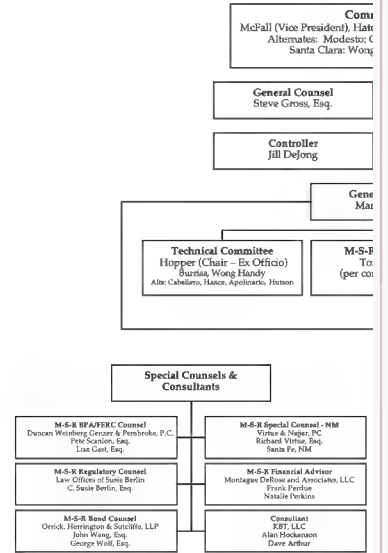
M-S-R Public Power Agency Organization Chart



Revised: September 22, 2021

Deleted: M-S-R Public Power Agency Organization Chart

M-S-R Public Power Agency



**Page i: [1] Deleted      Author 9/7/21 10:18:00 AM**

**Page 14: [2] Deleted      Author 9/7/21 10:18:00 AM**

**Page 21: [3] Deleted      Author 9/7/21 10:18:00 AM**

**M-S-R PUBLIC POWER AGENCY  
2022 STRATEGIC PLAN**



Effective January 1, 2022

COMMISSION REVIEW DRAFT  
SEPTEMBER 22, 2021

***M-S-R PUBLIC POWER AGENCY STRATEGIC PLAN***

Effective January 1, 2022

In 1997 the M-S-R PPA Commission directed the annual development of a strategic plan to address the issues faced by the Agency in the ensuing five-year period. The plan is updated and reviewed by the M-S-R PPA Commission in September of each year prior to the development of the annual M-S-R PPA Budget. The issues of Organizational Structure and Philosophy; Managing and Maintaining Assets; Financial Matters; and Joint Action Opportunities presented below characterize M S R PPA’s strategic vision through 2026.

**TABLE OF CONTENTS**

I. INTRODUCTION ..... 1

II. ORGANIZATIONAL STRUCTURE AND PHILOSOPHY..... 2

    Recommendations:..... 2

III. MANAGE AND MAINTAIN ASSETS..... 3

    San Juan Project:..... 3

        Project Description and History:..... 3

        Goals: ..... 3

        On-Going Management: ..... 3

            Legacy Liabilities – Mine Reclamation:..... 3

            Potential Actions:..... 4

            Legacy Liabilities – Plant Decommissioning: ..... 4

            Potential Actions:..... 5

            Legacy Liabilities – Potential Environmental Remediation: ..... 6

            Potential Actions:..... 6

        Recommendations:..... 6

    Pacific Northwest Project: ..... 7

    Big Horn Wind Energy Project:..... 7

        Project Description and History:..... 7

        Goals: ..... 7

        On-Going Management: ..... 8

            Cost Containment – BPA Proceedings: ..... 8

            Potential Actions:..... 8

            Cost Containment – EIM Proceedings:..... 8

            Potential Actions:..... 9

            Cost Containment – M-S-R Coordinator: ..... 9

Potential Actions:.....	9
RPS Compliance – Qualifications: .....	10
Potential Actions:.....	10
RPS Compliance – Reporting and Certification: .....	10
Potential Actions:.....	11
Recommendations.....	11
IV.    FINANCIAL MATTERS .....	12
Goals: .....	12
Debt Management:.....	13
Potential Actions:.....	13
Funding of Legacy Liabilities:.....	13
Potential Actions:.....	15
Recommendations.....	15
V.    JOINT ACTION MANAGEMENT AND OPPORTUNITIES.....	15
Background.....	15
Goals: .....	15
Agency Governance and Oversight .....	15
Goals: .....	17
Potential Actions:.....	17
Recommendations.....	17
Conflict of Interest Code.....	17
Goals: .....	18
Potential Actions:.....	18
Recommendations.....	18
Succession Planning.....	18
Goals: .....	18
Potential Actions:.....	18
Recommendations.....	18
Regulatory Monitoring and Compliance Program.....	19
Goals: .....	19
Potential Actions:.....	19
Recommendations.....	19
Legislative and Regulatory Advocacy Program .....	20
Goals: .....	20

Potential Actions:..... 20  
Recommendations..... 20

DRAFT

**M-S-R PPA STRATEGIC PLAN**  
Effective January 1, 2022

**I. INTRODUCTION**

The M-S-R Public Power Agency (M-S-R PPA or Agency) was created on April 29, 1980, through a Joint Exercise of Powers Agreement among Modesto Irrigation District (Modesto or MID), the City of Santa Clara (Santa Clara or SVP), and the City of Redding (Redding or REU) – individually “Member” or collectively “Members,” for the purposes of acquiring, constructing, operating and maintaining any Project for the purpose of providing electrical energy or other Project benefits for public or private uses.

M-S-R PPA’s activities span the Pacific Northwest Project, including the Big Horn Wind Energy Projects, and certain plant decommissioning, mine reclamation, or environmental remediation obligations related to its former interests in Unit No. 4 of the San Juan Generating Station (SJGS). Unless otherwise provided in separate agreements the Joint Powers Agreement specifies participation in M-S-R PPA Projects is Modesto 50%, Santa Clara 35%, and Redding 15%.

M-S-R PPA’s purpose is to maximize the value of its existing assets for the benefit of the Members and to respond to Member needs where joint action rather than individual action is deemed to be in the Member’s best interests. M-S-R PPA is also intended to provide more responsive services to its Members than may be possible from larger or state-wide agencies or associations.

## **II. ORGANIZATIONAL STRUCTURE AND PHILOSOPHY**

Since its formation, M-S-R PPA has been a member-directed, member-supported organization. M-S-R PPA is governed by a three-member Commission appointed by and representing the governing bodies of Modesto, Santa Clara, and Redding. The General Manager and Commission are advised by the Technical Committee and the Financial Management Committee, each comprised of representatives of the technical and management staff of the Members. The Technical Committee's purview includes engineering, technical, and economic aspects of the Agency's Big Horn Wind Energy Projects, and San Juan Project Legacy Liabilities. The Financial Management Committee's purview includes the Agency's bonded debt and investments. Additionally, the Risk Management Committee was established by and administers the Agency's Risk Management Policy (pertaining to energy transactions) and reports to both the General Manager and the Financial Management Committee. A copy of the Agency's current organization chart is attached as Exhibit "A."

The organization of the Agency and descriptions of its authorities and delegations are documented in a comprehensive Policies and Procedures Manual. Key enabling documents and controls are appended to the manual to provide a one-stop operations and governance resource. The manual was completed in December 2013 and is reviewed on a biennial basis in even-numbered years in conjunction with the annual review of this strategic plan. The most recent update to the manual was completed in 2020.

### **Recommendations:**

1. No changes are recommended to the Agency's organization structure at this time.

### **III. MANAGE AND MAINTAIN ASSETS**

#### **San Juan Project:**

##### **Project Description and History:**

M-S-R PPA held a 28.8% ownership interest (or about 146 MW) in the 507 MW<sub>net</sub> SJGS Unit 4 (San Juan Unit 4) operated by the Public Service Company of New Mexico (PNM). These interests and related assets and liabilities are referred to as the San Juan Project.

M-S-R PPA purchased its interest in the San Juan Project on December 31, 1983, began taking direct deliveries of energy and capacity on May 1, 1995, and divested its interests on December 31, 2017. The Agency retains certain liabilities pertaining to its share of the costs of Mine Reclamation, Plant Decommissioning, and potential environmental contamination. Collectively these obligations are referred to as the “Legacy Liabilities.”

M-S-R PPA’s rights and obligations for this project are governed by the San Juan Project Restructuring Agreement (Restructuring Agreement), the Amended and Restated Mine Reclamation and Trust Funds Agreement (Reclamation Agreement), the San Juan Plant Decommissioning and Trust Funds Agreement (Decommissioning Agreement) and M-S-R PPA’s Bond Indentures (while any M-S-R PPA bonds remain in effect). The Members’ rights and obligations pertaining to the San Juan Project are specified in the Tucson/San Juan Project Power Sales Agreement.

The San Juan Project was purchased to provide baseload power and act as a hedge against rising costs of wholesale power purchases. The San Juan Project also played a critical role in meeting Member power needs through the California Energy Crisis (2000 – 2001).

##### **Goals:**

The Agency’s goals are to most efficiently and economically discharge Legacy Liabilities for the Members and to obtain clean-breaks where possible.

##### **On-Going Management:**

###### **Legacy Liabilities – Mine Reclamation:**

Pursuant to the Reclamation Agreement, M-S-R PPA retains liability for 8.7% of the pre-Exit Date Mine Reclamation costs until such time as the mine site is reclaimed and any Reclamation Bonds held by the State of New Mexico are released. The scope and timing of final reclamation is set by

the Mine Permit and State and Federal law. If the Farmington/Enchant SJGS project<sup>1</sup> occurs, an additional 13-years of SJGS operations could generate about 10,000,000 cubic yards of coal combustion residuals for burial in the mine and correspondingly delay final mine closure.

The San Juan owners are exploring a potential transaction where through the payment of a fixed sum, they will extinguish their outstanding reclamation obligations without further recourse. This transaction would become effective at or before the anticipated June 30, 2022, termination of SJGS operations and may also be applicable if the Farmington/Enchant SJGS project proceeds.

M-S-R PPA pays its share of both ongoing and final reclamation from funds on deposit in its Mine Reclamation Trust. Pursuant to the Reclamation Agreement, the value of M-S-R PPA's Mine Reclamation Trust needs to be sufficient as of the end of each calendar year to make all future payments as projected pursuant to the Reclamation Agreement. M-S-R PPA's Mine Reclamation Trust value requirement as of December 31, 2021, is about \$15.2 million. As discussed below (Section 4. Financial Matters – Legacy Liability Funding) the Agency has sufficient funds available to make any necessary future deposits and additions to the Mine Reclamation Trust without additional cash calls on the Members.

Potential Actions:

1. Continue to manage reclamation liabilities pursuant to existing agreements.
2. Mitigate potential impacts of Farmington/Enchant SJGS project on reclamation liabilities.
3. Assign reclamation liabilities to third party at reasonable cost and without recourse to M-S-R PPA.

Legacy Liabilities – Plant Decommissioning:

Pursuant to the Decommissioning Agreement, M-S-R PPA retains liability for a share of the cost of SJGS decommissioning and demolition costs. This share started at 8.7% in 2018 and declines to about 7.6% given a 2022 SJGS shutdown. If Farmington/Enchant operates the SJGS for an additional 13-years, M-S-R PPA's share of SJGS decommissioning and demolition costs may decline pursuant to the Decommissioning Agreement and the scope of such liabilities may change.

---

<sup>1</sup> Pursuant to a San Juan Project Extender Rights Transfer Agreement dated August 16, 2019, the City of Farmington, NM and Enchant Energy LLC propose to continue to operate the SJGS after June 30, 2022, for a 13-year period utilizing carbon capture technology.

The United States Bureau of Reclamation (USBR) has proposed purchasing certain SJGS water diversion facilities including the Lake and River Stations and associated pipelines to incorporate in the proposed Navajo Gallup Water Supply Project (NGWSP). This purchase is intended by PNM to be consummated in 2022 and would obviate the need for future decommissioning and demolition of these facilities.

A detailed decommissioning study performed in 2019 by Burns and McDonnell indicated that unless it is presumed the SJGS is never demolished at any future time, the least cost alternative is to demolish the SJGS as soon as possible after final shut-down and that the highest cost alternatives are to retire the SJGS in-place and demolish at some future time. In August 2021 Burns and McDonnell was commissioned to perform a successor study utilizing a whole-life cost analysis basis as required under a stipulated settlement of the PNM-Avangrid merger case before the NM-PRC in Docket 20-00222. This study is expected to confirm that the least cost decommissioning alternative will be full demolition and site restoration suitable for future industrial re-use.

Pursuant to the Decommissioning Agreement, the SJGS Participants are required to fund a share of \$30 million (M-S-R PPA's share at 7.6% is \$2.3 million – which has been deposited in its Decommissioning Trust) for an initial phase of asset removal and remediation activities (which are included as a part of the decommissioning costs estimated by Burns and McDonnell.) At such time as the SJGS Participants reach agreement on a Decommissioning Plan, the funding requirements in the Decommissioning Agreement will be updated. As discussed below (Section 4. Financial Matters – Legacy Liability Funding) the Agency has sufficient funds available to fund the decommissioning and demolition scenarios studied by Burns and McDonnell without additional cash calls on the Members.

Potential Actions:

1. Continue to manage liabilities pursuant to existing agreements.
2. Mitigate potential impacts of Farmington/Enchant SJGS project on decommissioning liabilities.
3. Consummate a sale of the Lake and River Station and related facilities to the USBR.
4. Promote immediate full decommissioning and demolition of SJGS upon cessation of generation activities and discourage retirement in place scenarios.
5. Assign liabilities to a third party at reasonable cost and without recourse to M S R PPA.

### Legacy Liabilities – Potential Environmental Remediation:

Pursuant to the Restructuring Agreement, M-S-R PPA is liable for pre-Exit Date environmental conditions requiring remediation. M-S-R PPA would not have responsibility for any remediation required as a result of post-Exit Date operations. At this time, it does not appear M-S-R PPA has any additional environmental remediation liabilities beyond those anticipated in the estimates for Decommissioning Liabilities. However, liability under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) although not currently identified, may exist. To mitigate environmental remediation risk, M S-R PPA elected to maintain Continuing Coverage insurance regarding SJGS environmental liabilities pursuant to the Restructuring Agreement.

### Potential Actions:

1. Continue to maintain Continuing Coverage insurance at reasonably allocated costs to mitigate potential environmental remediation liabilities.

### **Recommendations:**

1. M-S-R PPA should continue to take all reasonable actions necessary to protect Members and bondholders from financial risk through final retirement of all San Juan Project bonds and through extinguishment of San Juan Legacy Liabilities, including cost reduction and mitigation of risk through insurance and assignments of liability.
2. M-S-R PPA should support efforts to transfer contractual liability for completion of mine reclamation requirements from the SJGS Participants to a responsible third party at a reasonable cost, provided such transfer can be made irrevocably and without recourse to M-S-R PPA.
3. M-S-R PPA should take all reasonable steps to advocate for adoption of contemporary rather than deferred demolition in the approved Decommissioning Plan for SJGS.
4. M-S-R PPA should support efforts to explore transfers of contractual liability for completion of SJGS decommissioning and demolition liability, including any potential environmental liabilities, or sale or transfer of salvageable assets, to qualified third parties at a reasonable cost, provided such transfers can be made irrevocably and without recourse to M-S-R PPA.
5. M-S-R PPA should take all reasonable steps to mitigate potential impacts of Farmington/Enchant SJGS project on reclamation and decommissioning legacy liabilities.

### **Pacific Northwest Project:**

The Pacific Northwest Project initially consisted of contracts with the Bonneville Power Administration (BPA) for the delivery of power to the California-Oregon Border (COB) and thence via the California-Oregon Transmission Project (COTP). The final agreement with BPA terminated on September 30, 2005. Currently the Pacific Northwest Project consists of the Big Horn Wind Energy Projects.

### **Big Horn Wind Energy Project:**

#### **Project Description and History:**

On June 1, 2005, M-S-R PPA entered into a series of agreements (as subsequently amended) with PPM Energy, Inc. – now known as Avangrid Renewables, LLC (Avangrid) – to purchase wind power energy at a negotiated price, with a nominal installed capacity of approximately 199.5 MW and an expected annual capacity factor of about 35%, as firmed, shaped, and delivered to COB for an initial 20-year period. Power deliveries commenced on October 1, 2006. Pursuant to amendments to these agreements effective December 1, 2008, M S R PPA has the right and obligation to continue to take the same output through September 30, 2031, or if the Big Horn Wind Energy Project is repowered before September 30, 2026, M S-R PPA will have a right of first offer to negotiate a long-term power purchase for such repowered project.

On December 2, 2009, M-S-R PPA entered into a further series of agreements with Avangrid to purchase wind power energy from the 50 MW Big Horn II Wind Energy Project for a 25-year term from November 1, 2010, through October 31, 2035.

#### **Goals:**

M-S-R PPA will continue to evaluate any options to reduce Big Horn Wind Energy Project costs and improve administrative efficiencies without placing the structure or benefits of the Firming and Shaping Agreement (Big Horn I) or Redelivery Agreement (Big Horn II) with Avangrid at risk.

The Agency also needs to maintain the significant benefits of the Big Horn Wind Energy Projects in meeting the Members Renewable Portfolio Standards (RPS) and carbon content requirements as laws and regulations evolve.

## **On-Going Management:**

### Cost Containment – BPA Proceedings:

BPA Transmission and Ancillary Service rates directly and indirectly affect the costs paid by M-S-R PPA to Avangrid for Firming and Shaping Services for the Big Horn Wind Energy Project and for pass-throughs by Avangrid of BPA Transmission and Ancillary Services charges for the Big Horn II Wind Energy Project<sup>2</sup>. The annual costs paid for these services by M-S-R PPA are about \$13 million.

BPA issued its Final Record of Decision (ROD) in rate case BP-22 on July 28, 2021, which increased BPA transmission and ancillary services rates primarily applicable to the Big Horn projects by about 5.3%. The Agency remains concerned that rates charged for these services remain excessive and that BPA cost allocations remain biased to the benefit of power rather than transmission customers. Other issues including the misallocation of costs between BPA power and transmission business units, remain active in workshops and other proceedings. We also note BPA is collecting revenues for transmission capital projects significantly in excess of its actual expenditures and is applying short-term revenue financing to long-term projects.

### Potential Actions:

1. Continue to participate in the workshops and filings related to BPA rate cases to ensure costs are not allocated in a discriminatory manner for transmission and ancillary services.
2. Prepare annual Priorities Matrix and Action Plans in conjunction with BPA Counsel and use to manage the efforts of Staff, Counsel, and Consultants in BPA Rate Cases.

### Cost Containment – EIM Proceedings:

The California Independent System Operator (CAISO) has developed a market-based energy imbalance market (EIM) operating in the western interconnection. The operation of the EIM may affect the costs and deliverability of energy from the Big Horn Wind Energy Projects and other

---

<sup>2</sup> The cost reimbursement provisions of Modesto's Star Point Wind Energy Project contract with Avangrid are essentially identical to those in the Big Horn II Wind Energy Project.

Member resources. There are currently 15 active EIM participants<sup>3</sup> and 6 parties pending EIM participation in the near future<sup>4</sup>. Of particular concern to M-S-R PPA, BPA's participation in the EIM may affect costs of energy deliveries across the BPA system or the Pacific Northwest Interties. BPA's EIM implementation proposal indicates allocation of EIM costs to transmission functions such as those used by Avangrid to effect Big Horn Wind Energy Project deliveries. Furthermore, to most efficiently accommodate EIM activities, various BPA grid modernization projects have been proposed, including but not limited to a new transmission control center to be built in Vancouver, WA.

Potential Actions:

1. Monitor EIM development activities, filings, and intervene in cases where EIM costs may be assigned to non-EIM participants especially regarding use of, or additions to, BPA transmission system.

Cost Containment – M-S-R Coordinator:

M-S-R PPA awarded a contract to Modesto in 1999 to provide Coordinator services. This agreement was for a three-year term with three optional one-year extensions and expired April 1, 2005. The M-S-R PPA Commission awarded similarly structured successor contracts to Modesto in 2004, 2011 and 2018. The M-S-R Coordinator currently provides pre-scheduling, scheduling, real-time dispatch and settlements services for the Big Horn Wind Energy Projects.

Potential Actions:

1. Continue to review cost efficacy of continued Modesto provision of M S R Coordinator services prior to the December 31, 2022, deadline to notify Modesto of the third one-year extension of the current agreement.
2. Conduct competitive review of current and potential service providers prior to expiration of the current agreement and award of future contracts.

---

<sup>3</sup> Active EIM participants as of January 1, 2022: Salt River Project, Seattle City Light, BANC, Idaho Power Company, PowerEx, Portland General Electric, Puget Sound Energy, Arizona Public Service, NV Energy, PacifiCorp, LADWP, PNM, Northwestern Energy, Turlock Irrigation District, and California ISO.

<sup>4</sup> EIM participation pending 2022: Avista, Tucson Electric Power Company, Tacoma Power, and Bonneville Power Administration EIM participation pending 2023: Avangrid and El Paso Electric.

RPS Compliance – Qualifications:

Over the past decade, California Law has imposed ever more stringent RPS and carbon content requirements on electrical energy trading and generation. The most recent law, SB 100 adopted in 2018, further modified the RPS to a 60% obligation by December 31, 2030, and set a target of a 100% carbon-free emissions portfolio by 2045. RPS laws also require renewable energy projects to be “certified” by the California Energy Commission (CEC). In addition, the CEC requires renewable projects to be tracked through the Western Renewable Energy Generation Information System (WREGIS). Both the Big Horn Wind Project and Big Horn II Wind Energy Project have been certified as eligible by the CEC. Avangrid/Big Horn Wind Project LLC/Big Horn II Wind Project LLC has registered the Projects with WREGIS as generators, BPA has registered as the qualified reporting entity for the Projects, and M-S-R PPA has adopted procedures for the verification, accounting, and distribution of WREGIS RECs for these and future projects.

The Big Horn Projects are significant elements in each Member’s renewable energy portfolio as tabulated below:

<b>Member</b>	<b>Big Horn I Participation</b>	<b>Big Horn II Participation</b>	<b>Wind Energy (GWh) _/*</b>
Modesto	12.5%	65%	146
Santa Clara	52.5%	35%	308
Redding	35.0%	-	172

\*Estimates are based on average annual Big Horn I & 2 production.

Potential Actions:

1. Monitor regulatory/legislative changes to assure Big Horn Wind Energy Projects remain as eligible RPS Resources through at least their respective September 30, 2031, and October 30, 2035, contract maturities.

RPS Compliance – Reporting and Certification:

The qualifications and reporting of emissions under California Air Resources Board (CARB) and CEC regulations and the accounting of the RECs associated with the Big Horn (and Star Point) Wind Energy Projects represent the majority of the Agency’s benefits under these contracts. Specifically, the treatment of the RECs as being so-called Bucket “0” must be preserved, to avoid reducing the benefits and economic value of these projects in satisfying Member RPS compliance requirements. Similarly, preservation of the RPS Adjustment under the CARB Mandatory

Reporting Regulation (MRR) has substantial value to the Members. On April 13, 2018, M-S-R PPA entered into letter agreements with Avangrid for both the Big Horn and Big Horn II Wind Energy Projects regarding “Process for Addressing RECs and California Carbon Allowances” and accounting for RPS Adjustments under CARB’s MRR. In July 2021 the CARB initiated its 2022 Scoping Plan update.

Potential Actions:

1. Continue to assure Big Horn Wind Energy Projects remain grandfathered as Bucket 0 RPS Resources.
2. Support potential regulatory/legislative changes to allow Big Horn Wind Energy Projects to be deemed Bucket 1 RPS Resources and that do not endanger grandfathered Bucket 0 RPS status.

**Recommendations**

1. M-S-R PPA should continue to administer the Big Horn I and II Wind Energy Project agreements to reduce costs and fees and maintain use of the Projects’ environmental attributes in satisfying the Members’ RPS or other requirements.
2. M-S-R should continue to examine any reasonable options to reduce costs regarding the Big Horn Wind Energy Projects, but not recommend further action upon such proposals until all economic, legislative, and regulatory risks and benefits can be appropriately quantified for consideration by the Members.
3. M-S-R PPA should actively monitor Avangrid Renewables’ obligations and performance under the current agreements with respect to changing rules and regulations. Additionally, M-S-R PPA should monitor Avangrid’s financial structure and capitalization.
4. M-S-R PPA should continue to follow and to actively participate (as directed by the M-S-R Commission) in BPA’s rate proceedings, and related Federal Energy Regulatory (FERC) and judicial hearings as long as such participation remains economically effective. Reports to Members and solicitation of direction regarding filings, positions, and meeting representation shall be timely and proactive. Periodic conference calls among Member staff will continue to solicit Member input and discuss the implications and appropriate responses to these emerging threats. Priorities have been identified as follows, and will be periodically ranked in annual Priorities Matrix and Action Plans:

- a. M-S-R PPA will continue to work to minimize inappropriate cost shifts between BPA business units,
  - b. M-S-R PPA will advocate for cost causation principles with emphasis on transmission and ancillary services customers paying only for services they actually receive,
  - c. M-S-R PPA will support BPA initiatives to maintain the reliability of the transmission and hydro generation system.
5. M-S-R PPA should continue to track and allocate renewable energy production and associated WREGIS RECs from the Big Horn I and II Wind Energy Projects for the benefit of the Members and take all necessary steps to ensure that such generation and credits remain eligible to meet all applicable California renewable energy production requirements.
  6. M-S-R PPA should track and actively comment, as appropriate, upon proposed legislation and regulations as they may affect uses and benefits of M-S-R PPA wind contracts to meet California RPS requirements and carbon reporting regulations.

#### **IV. FINANCIAL MATTERS**

The Financial Management Committee monitors the financial markets and advises the General Manager regarding the issuance and management of the Agency's debt and similar liabilities. The activities of the Financial Management Committee are supported by an independent Financial Advisor, currently the firm of Montague, DeRose and Associates, LLC. M-S-R PPA maintains a Strategic Reserve as set forth in its Working Capital Policy to meet Bond Indenture requirements, to fund contingent liabilities, and to manage Member cash call requirements. As reported in the April 30, 2021, Treasurer's Report, M-S-R PPA holds about \$84 million in operating funds and restricted and un-restricted reserves.

##### **Goals:**

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 Members and maximizing returns on invested funds.

### **Debt Management:**

M-S-R PPA will have made its final debt-service payments and retired all San Juan Project Revenue Bonds as of July 1, 2022. Other bonds previously issued by the Agency have also been retired or defeased.

### **Potential Actions:**

1. Make final debt service payments and file closing reports as required by Continuing Disclosure Agreement.

### **Funding of Legacy Liabilities:**

Pursuant to Resolution 2020-01, regarding Working Capital Policy, the Agency will fund the balance of the costs of San Juan Project Legacy Liabilities from its Strategic Reserves, including those specifically associated with the San Juan Project Legacy Liabilities Reserve tranches pertaining to Mine Reclamation and to San Juan Decommissioning.

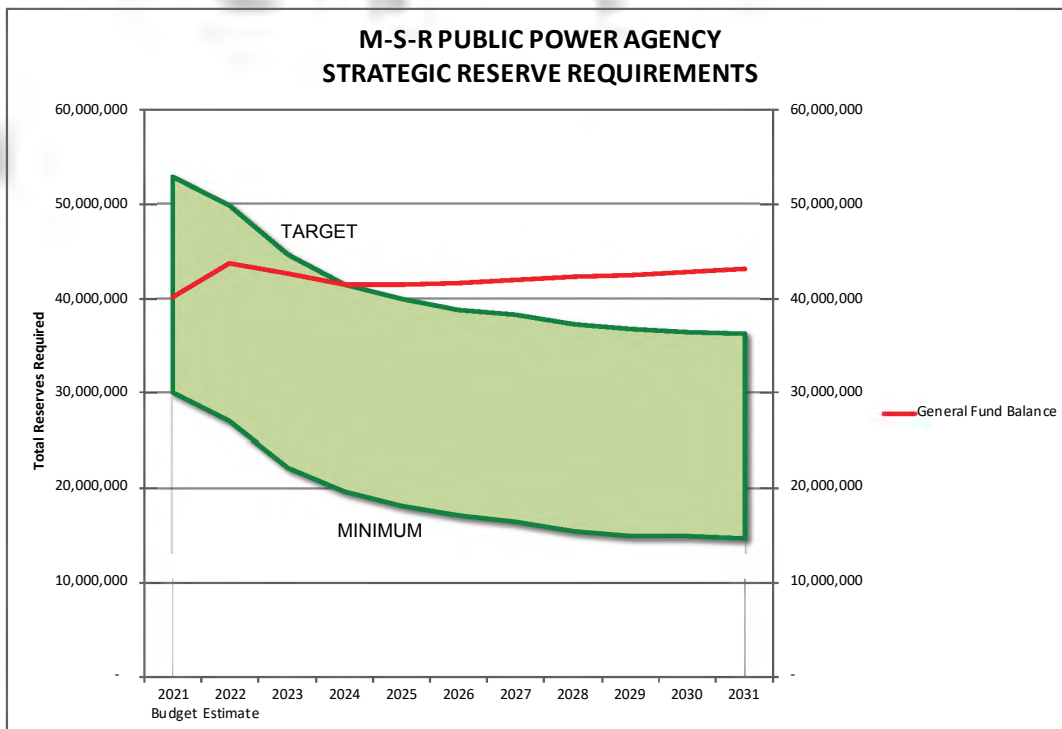
M-S-R PPA's Mine Reclamation Trust value requirement as of December 31, 2021, is about \$15.2 million and is currently projected to end the year with a balance of \$16.3 million. The Working Capital Policy sets the objectives for the Mine Reclamation Contingency and Administration reserve tranche at target and minimum levels as shown below based on the Mid-Year 2021 M-S-R Strategic Reserve Funding Status Report.

Similarly, Decommissioning Costs have been estimated for various scenarios and reserve requirements computed based on the same assumption (Retire-In-Place followed by demolition in 25-years) used in the preparation of the Agency's Financial Statements. Updates to these cost estimates resulting from the 2021 Decommissioning Study are not yet available.

As tabulated below the estimated General Fund balances in 2022 are reasonably sufficient to satisfy minimum Reclamation and Decommissioning Cost Working Capital requirements (which are in addition to those amounts currently held in Trusts) without additional cash calls on the Members:

Year-End 2022	Target Working Capital	Minimum Working Capital
Net General Fund	\$43,685,000	\$43,685,000
Days of Working Capital Available	245	245
Working Capital Tranche 1 – Agency A&G	\$441,000	\$441,000
Working Capital Tranche 2 – Purchase Power	\$11,083,000	\$5,547,000
Working Capital Tranche 3 – San Juan Fixed	\$2,288,000	\$2,288,000
Working Capital Tranche 4 – Reclamation Legacy Liability Contingency	\$6,844,000	\$6,646,000
Working Capital Tranche 5 – Decommissioning Legacy Liability Cost	\$29,095,000	\$12,099,000
Sum of Tranches	\$49,752,000	\$27,021,000
Sum of Tranches in Days	279	152

These factors are also illustrated below for the next 10-years:



### **Potential Actions:**

1. Satisfy any funding requirements for either the Reclamation Trust Fund or Decommissioning Trust Fund from reserves currently held by the Agency.
2. Consider disbursements to the Members or other use of funds accessible to the Agency that are greater in amount than the highest projected reserve requirements for Decommissioning or Reclamation activities consistent with the Working Capital Policy. Pursuant to Resolution 2020-01 Section E, the first such disbursement opportunity is projected to occur in 2026.

### **Recommendations**

1. M-S-R PPA's debt and investment structures should be periodically reviewed to maximize the benefits to M-S-R PPA and its members.
2. As required in Resolution 2020-01 regarding Working Capital Policy, M-S-R PPA should continue to reserve funds to cover future Legacy Liability payments.

## **V. JOINT ACTION MANAGEMENT AND OPPORTUNITIES**

### **Background**

Although M-S-R PPA has been instructed in the past by its Members to prefer individual pursuit of new projects rather than joint M-S-R PPA efforts, there are collective synergies between the Members for continuing and future joint action. The role of the Agency in managing Legacy Liabilities and the Big Horn Wind Energy Projects, as well as the role of the M S-R Energy Authority in managing the Natural Gas Project, is expected to continue for at least two more decades.

### **Goals:**

Utilize the organizational infrastructure of M-S-R PPA to efficiently and economically provide project management services to the Members.

### **Agency Governance and Oversight**

The Agency's Commission and its Committees (Technical, Financial and Risk Management) are required to meet at least annually pursuant to either the Joint Powers Agreement or their bylaws. Over the course of the year the mandatory functions of the Commission include election of officers,

receipt of the audit, and approval of the budget. Discretionary functions of the Commission include a mid-year budget review and as prerequisites to the preparation of the annual budget, review and approval of an annual strategic plan, and biennial reviews of the Agency’s policy manual and conflict of interest code. The only specified annual action of the Technical Committee is its review of the Agency’s strategic plan. The Financial Management Committee has no time-triggered duties. The Risk Management Committee is to annually report on compliance with the Risk Management Policy. The duties of the Commission and Committees can be summarized as follows:

<b><u>Commission – Mandatory</u></b>	<b><u>Duty</u></b>	<b><u>Timing</u></b>
	Election of Officers	Annual – First Meeting of year
	Receipt of Audit	Annual – Prior to May 31
	Approval of Budget	Annual – Prior to November 30
	Receipt of Treasurer’s Reports (Funds and Disbursements)	Quarterly – Next Regular Meeting
	Strategic Plan	Annual – Prior to Budget Preparation
	Policy and Procedure Manual Update	Biennial per Resolution
	Approval of Conflict-of-Interest Code	Biennial (Even-Numbered Years) – Prior to October 1
<b><u>Commission – Discretionary</u></b>	<b><u>Duty</u></b>	<b><u>Timing</u></b>
	Mid-Year Budget Review	Mid-Year
	General Manager Performance	Annual
	Year-End Budget Review	After close of fiscal year
	Project and Legal Matters	As-Needed

<b><u>Technical Committee – Mandatory</u></b>	<b><u>Duty</u></b>	<b><u>Timing</u></b>
	Strategic Plan	Annual – Prior to Budget Preparation per Bylaws
<b><u>Technical Committee – Discretionary</u></b>	<b><u>Duty</u></b>	<b><u>Timing</u></b>
	Budget Workshop	Annual – Prior to Commission Budget Review
	Project and Legal Matters	As-Needed

The Commission and Technical Committee currently meet on a modified quarterly schedule with an additional meeting in July to address the Mid-Year Budget Review and other emergent matters. The Technical Committee also schedules a single-day review of BPA-related activities as an adjunct to its annual Strategic Plan review. The Financial Management and Risk Management Committees meet only on an as-needed basis.

**Goals:**

Balance oversight roles of Commission and Committees with economy of meetings.

Potential Actions:

1. Maintain modified quarterly meeting schedules for Commission and Technical Committee and eliminate mid-year meetings.
2. Maintain Commission meetings when scheduled to be consecutive with TANC Commission meetings to minimize Commissioner travel.

**Recommendations**

1. Given that recent mid-year Budget reviews have not resulted in budget amendments or augmentations, eliminate mid-year budget review meetings.
2. Upon achievement of San Juan Legacy Liability Clean-Breaks:
  - a. Consider modifying strategic plan and other reviews to biennial or quadrennial bases.
  - b. Consider disbanding Brown Act or standing advisory committees.

**Conflict of Interest Code**

Pursuant to California Law, the Agency has adopted a Conflict-of-Interest Code. The requirements of the code center around the disclosure of Commissioner and Committee Member financial interests within the Agency’s defined territory and are reported on FPPC Form 700. The Agency’s defined territory is broadly delineated as being all of Northern California to allow flexibility in setting meeting locations. Although currently waived by the Governor’s Executive Order pertaining to the COVID-19 pandemic, the Brown Act requires in-person meetings to be held within the Agency’s defined territory.

**Goals:**

Balance the need for flexibility in meeting location with reporting burdens on Commissioners and Committee Members regarding financial interests in locations remote to the day-to-day activities of the Agency.

**Potential Actions:**

1. Eliminate remote locations from the Agency's defined territory to simplify financial interest reporting.

**Recommendations**

1. Consider elimination of remote counties from Agency's defined territory.

**Succession Planning**

The Agency's Policy and Procedures Manual now includes a General Manager Succession Plan addressing circumstances of Temporary or Short-Term Absences, Unplanned Absences (Long-term), and Retirement of the General Manager. The plan addresses coverage for the General Manager's roles in case of absence and outlines a process for the definition of future General Manager roles and for the recruitment of future General Managers.

**Goals:**

Implement the Succession Plan to avoid interruptions in the conduct of the Agency's business and provide for a smooth transition to future management structures or roles.

**Potential Actions:**

1. Begin preparation of a revised strategic plan, General Manager job description, and General Manager recruitment process upon receipt of notice of General Manager's intention to retire.

**Recommendations**

1. Implement General Manager succession processes within timelines specified in the Succession Plan contained in Tab 15 of the Policies and Procedures Manual upon any applicable trigger event.

## **Regulatory Monitoring and Compliance Program**

On behalf of its Members the Agency has actively participated in regulatory forums before the FERC, the CEC, the CARB, and the California Public Utilities Commission (CPUC). Proceedings before the CEC, CARB and CPUC regarding RPS compliance matters are included in the Agency's Pacific Northwest Project (Big Horn Wind Energy Projects) as described above. Proceedings before these same agencies regarding greenhouse gas controls, cap-and-trade programs, and CARB MRR have broad impact on the Agency and its Members and are allocated to the Regulatory and Compliance Program established pursuant to Resolution 2017-04.

To the extent possible, other entities such as TANC, BANC, or NCPA should take the lead role on activities such as PG&E, SCE, or SDG&E Transmission Revenue Requirement (TRR) filings. Only when specifically directed by the Members would M-S-R PPA support interventions before the FERC related to general or state-wide transmission cost issues. Remaining activities would typically only apply to issues potentially impacting deliveries of renewable wind energy beyond the BPA system.

### **Goals:**

In harmony with the project-specific regulatory monitoring and compliance activities, participate in market-wide regulatory and compliance forums to safeguard the relevance of the Agency and Member's early action in renewable resource development and carbon reduction programs.

### **Potential Actions:**

1. Monitor FERC filings regarding transmission rates and act in a clearinghouse role for the Members.
2. New interventions and protests before the FERC regarding transmission rates should only be entertained when the Members determine there is a common interest that can be more efficiently and effectively prosecuted by joint action.

### **Recommendations**

1. Given that existing interventions and protests before the FERC regarding transmission rates have been completed, new interventions and protests regarding state-wide or specific transmission rate issues should only be entertained when the Members determine there is a common interest that can be more efficiently and effectively prosecuted by joint action.

2. M-S-R PPA should continue to participate in proceedings before the CEC, CARB and CPUC regarding greenhouse gas controls, cap-and-trade programs, and CARB MMRs and regarding SB 350, AB 398, and SB 100 implementation as directed by the Members.

### **Legislative and Regulatory Advocacy Program**

M-S-R PPA has actively participated in the past ten California legislative sessions in the monitoring and amendment of renewable resources legislation and other bills affecting the operation of M-S-R PPA and Member resources. Legislative advocates were retained and an informal structure for obtaining Member positions has evolved. M-S-R PPA has also participated as a non-voting member of the California Municipal Utilities Association (CMUA) Legislative and Regulatory Committee and CMUA Energy Policy Committee.

#### **Goals:**

Support legislative initiatives that preserve or enhance the value of early action renewable energy or carbon reduction projects, that simplify or streamline regulatory reporting requirements, and that respect the value of local control and decision-making.

#### **Potential Actions:**

1. Update California and Federal Legislative and Regulatory Representative Workplans only as-needed.
2. Rely on Member coverage for California and Federal Legislative or Regulatory advocacy unless otherwise directed for specific issues, or as identified in Workplans.

#### **Recommendations**

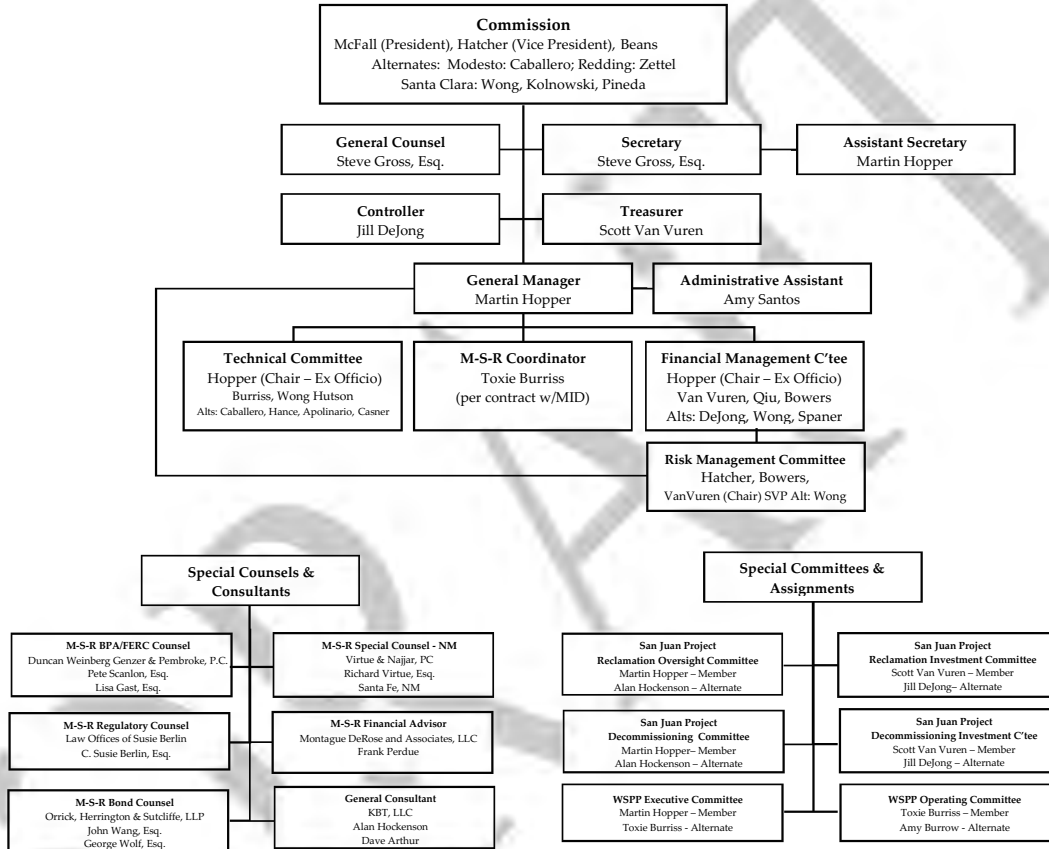
1. M-S-R PPA will take positions on only those bills and regulatory matters directly affecting M-S-R PPA resources or M S R PPA's duties to its Members. M-S-R PPA may also, by request of the Members, take positions on bills of common interest to the entire M-S-R PPA membership.
2. The M-S-R PPA General Manager will regularly consult with the Members to coordinate Agency and Member positions on bills and regulatory matters and to develop annual work plans for State and Federal legislative advocacy.

3. M-S-R PPA will retain legislative and regulatory advocates as needed to support its positions on proposed bills and regulations and will coordinate with Members and like-positioned entities and trade associations to promote M-S-R PPA's interests.

DRAFT

Exhibit “A”

M-S-R Public Power Agency Organization Chart



Revised: September 22, 2021