

Joint Special Meetings of

Northern California Energy Authority

Northern California Gas Authority Number 1

Sacramento Municipal Utility District Financing Authority

Campbell Power Plant/McClellan Power Plant

Carson Power Plant

Cosumnes Power Plant

Procter & Gamble Power Plant

Date: December 12, 2024

Time: Immediately following the SMUD Board of Directors meeting scheduled to begin at 6:00 p.m.

Location: Auditorium, SMUD Headquarters Building,
6201 S Street, Sacramento, California



JOINT MEETING NOTICE AND AGENDA

SPECIAL MEETINGS OF THE NORTHERN CALIFORNIA ENERGY AUTHORITY (NCEA) NORTHERN CALIFORNIA GAS AUTHORITY NUMBER 1 (NCGA1), AND SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY (SFA)

**SMUD HEADQUARTERS BUILDING
AUDITORIUM – 6201 S STREET
SACRAMENTO, CALIFORNIA**

***December 12, 2024 – Immediately following adjournment of the
SMUD Board of Directors meeting scheduled to begin at 6:00 p.m.***

Virtual Viewing or Attendance:

Live video streams (view-only) and indexed archives of meetings are available at:

http://smud.granicus.com/ViewPublisher.php?view_id=16

Zoom Webinar Link: [Join Joint Special Meetings of NCEA, NCGA1 and SFA Here](#)

Webinar/Meeting ID: 160 761 7261

Passcode: 429777

Phone Dial-in Number: 1-669-254-5252 or 1-833-568-8864 (Toll Free)

Verbal Public Comment:

Members of the public may provide verbal public comment by:

- Completing a sign-up form at the table outside of the meeting room and giving it to SMUD Security.
- Using the “Raise Hand” feature in Zoom (or pressing *9 while dialed into the telephone/toll-free number) during the meeting at the time public comment is called. Microphones will be enabled for virtual or telephonic attendees when the commenter’s name is announced.

Written Public Comment:

Members of the public may provide written public comment on a specific agenda item or on items not on the agenda (general public comment) by submitting comments via email to PublicComment@smud.org or by mailing or bringing physical copies to the meeting. Email is not monitored during the meeting. Comments will not be read into the record but will be provided to the Commissioners and placed into the record of the meeting if received within two hours after the meeting ends.

Call to Order.

a. Roll Call.

1. Approval of the Agenda.

Comments from the public are welcome when these agenda items are called.

Consent Calendar:

2. Approval of the minutes of the joint annual meetings of **NCEA, NCGA1**, and **SFA** of April 18, 2024.
3. Approval of the minutes of the special meeting of **SFA** of September 19, 2024.
4.
 - a. Approve the proposed **2025 NCEA Budget**.
 - b. Approve the proposed **2025 NCGA1 Budget**.
 - c. Approve the proposed **2025 SFA Budget**.

Public Comment:

5. Items not on the agenda.

Summary of Commission Direction

Dated: December 4, 2024

Rosanna Herber, President
Northern California Energy Authority
Northern California Gas Authority Number 1
Sacramento Municipal Utility District Financing Authority

****The Auditorium is located in the lobby of the SMUD Headquarters Building, 6201 S Street, Sacramento, California.***

Members of the public shall have up to three (3) minutes to provide public comment on items on the agenda or items not on the agenda, but within the jurisdiction of the JPA. The total time allotted to any individual speaker shall not exceed nine (9) minutes.

Members of the public wishing to inspect public documents related to agenda items may click on the Information Packet link for this meeting on the [smud.org](https://www.smud.org) website or may call 1-916-732-7143 to arrange for inspection of the documents at the SMUD Headquarters Building, 6201 S Street, Sacramento, California.

ADA Accessibility Procedures: Upon request, SMUD will generally provide appropriate aids and services leading to effective communication for qualified persons with disabilities so that they can participate equally in this meeting. If you need a reasonable auxiliary aid or service for effective communication to participate, please email Toni.Stelling@smud.org, or contact by phone at 1-916-732-7143, no later than 48 hours before this meeting.

Sacramento, California

April 18, 2024

The joint annual meetings of the Commissioners of the Northern California Energy Authority (NCEA), Northern California Gas Authority Number 1 (NCGA1), and the Sacramento Municipal Utility District Financing Authority (SFA) were held simultaneously in the Auditorium of the Sacramento Municipal Utility District (SMUD) Headquarters Building at 6201 S Street, Sacramento, and via virtual meeting (online) at 7:40 p.m.

Presiding: President Herber

Present: Commissioners Rose, Fishman, Kerth, Tamayo, and Sanborn

Absent: Commissioner Bui-Thompson

Present also were Frankie McDermott, acting Chief Executive Officer and General Manager; Laura Lewis, Chief Legal & Government Affairs Officer and General Counsel and Secretary; members of SMUD's executive management; and SMUD employees and visitors.

At the request of President Herber, Ms. Lewis briefly reviewed the purpose, organization and responsibilities of NCEA, which is authorized to purchase gas, electricity and capacity, acquire, finance, and build gas and electrical transmission facilities, and acquire, finance, and build gas and electrical generation storage facilities, NCGA1, which is authorized to acquire, construct, and operate natural gas related facilities and engage in the purchase and sale of natural gas; and SFA, which currently owns and operates the Cosumnes Power Plant, the Campbell Power Plant, the

McClellan Power Plant, the Carson Power Plant, and the Procter & Gamble Power Plant.

As required by state law, the Chief Legal & Government Affairs Officer and General Counsel notified the public that the Commissioners of NCEA, NCGA1, and SFA were not receiving additional compensation as a result of the Commission meetings.

President Herber called for approval of the joint agenda. Commissioner Tamayo moved for approval of the joint agenda, Commissioner Kerth seconded, and the joint agenda was approved by a vote of 6-0, with Commissioner Bui-Thompson absent.

President Herber turned to the Consent Calendar. No public comment was forthcoming on the Consent Calendar. Commissioner Fishman moved for approval of the consent calendar, Commissioner Tamayo seconded, and the Consent Calendar was approved by a vote of 6-0, with Commissioner Bui-Thompson absent.

President Herber then turned to Informational Items 4 and 5.

President Herber stated that public comment on the informational items would be heard after the informational items concluded and would be taken during the general public comment period.

Pedro Juarez, Manager of Thermal Generation Assets, gave a presentation on agenda item 4, regarding highlights of this past year's operations for SFA. A copy of the slides used in his presentation is attached to these minutes.

Jennifer Restivo, Director of Planning & Revenue Strategy, gave a presentation on agenda item 5, the financial reports for the year ending December 31,

2023, for SFA, NCEA, and NCGA1. A copy of the slides used in her presentation is attached to these minutes.

President Herber then turned to agenda item 6, statements from the public regarding items not on the agenda.

No public comment was forthcoming for agenda item 6.

There were no items for the Summary of Commission Direction.

No further business appearing, the joint annual meetings were adjourned at 8:20 p.m.

Approved:

President

Secretary

Exhibit to Agenda Item #4

Review of activities and performance for **SFA** during the 2023 calendar year.

Joint Annual Meetings of the Joint Powers Agencies (JPAs)

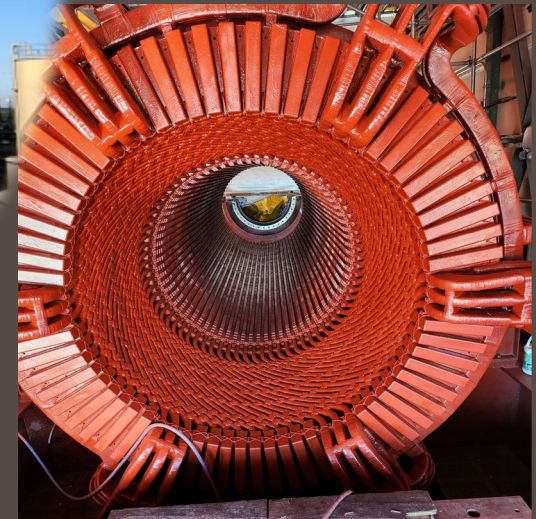
Thursday, April 18, 2024, immediately following the SMUD Board of Directors Meeting scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Annual SMUD Thermal Load (Gigawatt hours)



SFA -- Cosumnes Power Plant (CPP)



SFA Cosumnes Power Plant (CPP)

- 602 MW Combined Cycle 2x1 facility
 - 2 General Electric (GE) Frame 7FA Gas Turbines (7241FA)
 - Mitsubishi Steam Turbine
- Operated by EthosEnergy Power Plant Services

SFA Cosumnes Power Plant (CPP)

Operational Performance Data:

	2022	2023
Equivalent Forced Outage Factor (EFOF)	19.38%	0.78%
IEEE* Equivalent Availability (online or ready to run)	44.50%	77.80%
Gross Capacity Factor (based on 602 MW)	17.90%	56.90%

**Institute of Electrical and Electronics Engineers*

- ❑ There were no lost time or California Occupational Safety and Health Administration (OSHA)-recordable injuries at the Cosumnes Power Plant during 2023.
- ❑ All regulatory requirements were satisfactorily met during 2023.
- ❑ The plant completed STG Stator repair and CT#2 Major overhaul.

SFA -- Cosumnes Power Plant (CPP)



SFA -- Cosumnes Power Plant (CPP)



SFA – Campbell Power Plant (CSG)



SFA – Campbell Power Plant (CSG)

- 160 MW Combined Cycle 1x1 facility
 - Siemens industrial frame gas turbine (V84.2)
 - Westinghouse Steam Turbine (ENK90)
- Operated by EthosEnergy Power Plant Services

SFA – Campbell Power Plant (CSG)

Operational Performance Data:

	2022	2023
Equivalent Forced Outage Factor (EFOF)	0.10%	0.10%
IEEE* Equivalent Availability (online or ready to run)	94.34%	80.20%
Gross Capacity Factor (based on 159.8 MW)	65.90%	45.34%

**Institute of Electrical and Electronics Engineers*

- ❑ There were no lost time or California Occupational Safety and Health Administration (OSHA) – recordable injuries at Campbell.
- ❑ All regulatory requirements were satisfactorily met during 2023.
- ❑ The plant completed a Major CTG Overhaul.

SFA – Campbell Power Plant (CSG)



SFA – Procter & Gamble Power Plant (PGG)



SFA – Procter & Gamble Power Plant (PGG)

- 164.3 MW Combined Cycle 2x1 plus peaking unit facility
 - 120.3 MW Combined Cycle
 - 44 MW Simple Cycle Peaking Unit
 - 3 General Electric (GE) Aero Gas Turbines (LM6000)
 - 1 General Electric (GE) Steam Turbine
- 2 Auxiliary Boilers
- Operated by EthosEnergy Power Plant Services
- Steam Sales Agreement (Extended through 2028):

SFA – Procter & Gamble Power Plant (PGG)

Operational Performance Data:	2022	2023
Equivalent Forced Outage Factor (EFOF)	0.97%	0.17%
IEEE* Equivalent Availability (online or ready to run)	94.29%	92.73%
Combined Cycle Gross Capacity Factor (based on 120.3 MW)	70.40%	59.81%
Peaker Gross Capacity Factor (based on 44 MW)	05.17%	04.56%

**Institute of Electrical and Electronics Engineers*

- ❑ There was 1 lost time or California Occupational Safety and Health Administration (OSHA)-recordable injuries at Procter & Gamble Power Plant during 2023.
- ❑ All permit and regulatory requirements were satisfactorily met during 2023.
- ❑ *Spare unit came back from major overhaul in 2023*

SFA – Procter & Gamble Power Plant (PGG)



SFA – Carson Power Plant (CIG)



SFA – Carson Power Plant (CIG)

- 99.9 MW Combined cycle 1x1 facility plus peaking unit
 - 57.4 MW Cogeneration
 - 42.5 MW Simple Cycle Peaking Unit
 - 2 General Electric (GE) Aero Gas Turbines (LM6000)
 - 1 Siemens Steam Turbine
- 2 Auxiliary boilers
- Operated by EthosEnergy Power Plant Services
- Commodities Agreement (expires in 2025)

SFA – Carson Power Plant (CIG)

Operational Performance Data:	2022	2023
Equivalent Forced Outage Factor (EFOF)	0.14%	5.88%
IEEE* Equivalent Availability (online or ready to run)	90.52%	82.44%
Combined Cycle Gross Capacity Factor (based on 57.4 MW)	43.40%	31.20%
Peaker Gross Capacity Factor (based on 42.5 MW)	2.24%	1.40%

**Institute of Electrical and Electronics Engineers*

- ☐ There were no lost time or California Occupational Safety and Health Administration (OSHA)-recordable injuries at the Carson Cogeneration Project during 2023.
- ☐ All regulatory requirements were satisfactorily met during 2023.
- ☐ In October during an inspection of the STG turbine, stage 13 blade liberation was discovered.

SFA – Carson Power Plant (CIG)



SFA –McClellan Power Plant (MCC)



SFA –McClellan Power Plant (MCC)

- 72 MW Simple Cycle Peaking Unit
 - General Electric (GE) industrial frame gas turbine (Frame 7E)
- Operated by EthosEnergy Power Plant Services

SFA –McClellan Power Plant (MCC)

Operational Performance Data:

	2022	2023
Equivalent Forced Outage Factor (EFOF)	0.79%	0.35%
IEEE* Equivalent Availability (online or ready to run)	95.39%	97.27%
Gross Capacity Factor (based on 72 MW)	0.58%	0.40%

**Institute of Electrical and Electronics Engineers*

- ❑ There were no lost time or California Occupational Safety and Health Administration (OSHA) – recordable injuries at McClellan during 2023.
- ❑ All regulatory requirements were satisfactorily met during 2023.

Exhibit to Agenda Item #5

- a. Review the financial performance for **SFA** for the year ended December 31, 2023.
- b. Review the financial performance for **NCEA** for the year ended December 31, 2023.
- c. Review the financial performance for **NCGA1** for the year ended December 31, 2023.

Joint Annual Meetings of the Joint Powers Agencies (JPAs)

Thursday, April 18, 2024, immediately following the SMUD Board of Directors Meeting scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium



Joint Power Agencies (JPAs) – SFA, NCGA1, NCEA

Change in Net Position* – Year Ended December 31, 2023

	Actual (Millions)	Budget (Millions)	Variance (Millions)
Sacramento Municipal Utility District Financing Authority (SFA)	\$23	(\$1)	\$24
Northern California Gas Authority No. 1 (NCGA1)	(\$1)	(\$1)	\$0
Northern California Energy Authority (NCEA)	\$6	\$6	\$0

Highlights:

- SFA –
 - \$14M insurance claim received for Cosumnes power plant repairs
 - \$8M of steam sales over plan

* Change in net position before distributions and contributions

Sacramento, California

September 19, 2024

The special meeting of the Commissioners of the Sacramento Municipal Utility District Financing Authority (SFA) was held simultaneously in the Auditorium of the Sacramento Municipal Utility District (SMUD) Headquarters Building at 6201 S Street, Sacramento, and via virtual meeting (online) at 6:44 p.m.

Presiding: President Herber

Present: Commissioners Rose, Bui-Thompson, Fishman, Kerth, and Sanborn

Absent: Commissioners Bui-Thompson and Tamayo

Present also were Paul Lau, Chief Executive Officer and General Manager; Laura Lewis, Chief Legal & Government Affairs Officer and General Counsel; members of SMUD's executive management; and SMUD employees and visitors.

At the request of President Herber, Ms. Lewis briefly reviewed the purpose, organization and responsibilities of the SFA, which currently owns and operates the Cosumnes Power Plant, the Campbell Power Plant, the McClellan Power Plant, the Carson Power Plant, and the Procter & Gamble Power Plant.

President Herber called for approval of the agenda. Commissioner Kerth moved for approval of the agenda, Commissioner Fishman seconded, and the agenda was approved by a vote of 5-0, with Commissioners Bui-Thompson and Tamayo absent.

President Herber called for statements from visitors for items on the agenda, but none were forthcoming.

President Herber turned to the Consent Calendar. Commissioner Rose moved for approval of the consent calendar, Commissioner Kerth seconded, and Resolution No. 24-SFA-09-01 was approved by a vote of 5-0, with Commissioners Bui-Thompson and Tamayo absent.

RESOLUTION NO. 24-SFA-09-01

WHEREAS, by Resolution No. 23-SFA-12-01, adopted on December 14, 2023, this Commission approved the 2024 Sacramento Municipal Utility District Financing Authority (SFA) Budget Resolution, including a line item expenditure for \$7,625,000 for Capital Expenditures; and

WHEREAS, there is now a need to augment the 2024 SFA Budget, which will increase the line item expenditure for Capital Expenditures by \$6,200,000, **NOW**, **THEREFORE**,

**BE IT RESOLVED BY THE COMMISSIONERS OF THE
SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY:**

Section 1. Section 2. of Resolution No. 23-SFA-12-01 is hereby amended to increase the funds budgeted for the line item for Capital Expenditures to \$13,825,000.

Section 2. In all other respects, the 2024 SFA Budget Resolution is reaffirmed.

Adopted: September 19, 2024

INTRODUCED BY COMMISSIONER ROSE				
SECONDED BY COMMISSIONER KERTH				
COMMISSIONER	AYE	NO	ABSTAIN	ABSENT
HERBER	X			
ROSE	X			
BUI-THOMPSON				X
FISHMAN	X			
KERTH	X			
TAMAYO				X
SANBORN	X			

President Herber then turned to agenda item 3, statements from the public regarding items not on the agenda.

No public comment was forthcoming for agenda item 3.

President Herber stated public comment for items not on the agenda would be provided to the Commissioners electronically and placed into the record if received within two hours after the meeting ended.

There were no items for the Summary of Commission Direction.

No further business appearing, the special meeting was adjourned at 6:48 p.m.

Approved:

President

Secretary

SSS No. CFO 24-013	<h1 style="text-align: center;">NCEA COMMISSION</h1> <h2 style="text-align: center;">AGENDA ITEM</h2> <h3 style="text-align: center;">NORTHERN CALIFORNIA ENERGY AUTHORITY</h3> <h3 style="text-align: center;">STAFFING SUMMARY SHEET</h3>	Committee Meeting & Date Finance and Audit – 11/06/24
		Board Meeting Date December 12, 2024

TO				TO							
1.	Scott Martin			6.							
2.	Lora Anguay			7.							
3.	Jose Bodipo-Memba			8.							
4.				9.	Legal						
5.				10.	CEO & General Manager						
Consent Calendar		X	Yes	No If no, schedule a dry run presentation.		Budgeted		X	Yes	No (If no, explain in Cost/Budgeted section.)	
FROM (IPR) Jennifer Restivo				DEPARTMENT Planning and Revenue Strategy				MAIL STOP A309		EXT. 5193	
								DATE SENT 10/24/24			

NARRATIVE:

Requested Action:

Approve the 2025 Northern California Energy Authority (NCEA) Budget.

Summary:

NCEA is a Joint Powers Authority (JPA) formed with SMUD and Sacramento Municipal Utility District Financing Authority (SFA) in 2018. The Authority issued bonds and used the proceeds to enter into a commodity prepayment agreement with J Aron and Company for a 30-year supply of natural gas or electricity, with a mandatory put date of August 1, 2030. The Authority has also entered into a Commodity Supply Contract with SMUD that provides for the sale of all the gas or electricity to SMUD. SMUD’s 2025 Budget Commodity line item includes the cost of the natural gas to be purchased from NCEA. NCEA will use proceeds from the natural gas sales to SMUD to pay for interest and principal on the NCEA bonds.

Board Policy:

Strategic Direction SD-3, Access to Credit Markets, and Strategic Direction SD-4, Reliability. The NCEA budget will support SD-3 and SD-4 by providing a reliable and discounted supply of natural gas for SMUD’s thermal generating plants. The 2025 Budget provides for the payment of interest, principal, and trustee fees on the NCEA bonds, and other administrative costs.

Benefits:

Approval of the 2025 NCEA Budget meets the requirements of the Municipal Utility District (MUD) Act and will authorize bond interest, trustee fee and other administrative payments within the limits prescribed.

Cost/Budgeted:

Approval of the 2025 NCEA Budget Resolution will authorize debt service and administrative payments within the limit prescribed.

Alternatives:

Approval of a budget is required before January 1, 2025, or the Northern California Energy Authority will not have authority to carry out gas transactions nor make required debt service payments.

Affected Parties:

Budget Office, Accounting, Treasury, Power Generation, and Legal.

Coordination:

Budget Office, Accounting, Treasury, Power Generation, and Legal.

Presenter:

Lora Anguay, Chief Zero Carbon Officer

Additional Links:

SUBJECT	Northern California Energy Authority (NCEA) 2025 Proposed Budget	ITEM NO. (FOR LEGAL USE ONLY)
		4a

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

RESOLUTION NO. _____

**BE IT RESOLVED BY THE COMMISSIONERS
OF THE NORTHERN CALIFORNIA ENERGY AUTHORITY:**

Section 1. This resolution may be referred to as the 2025 Northern California Energy Authority (NCEA) Budget Resolution.

Section 2. There is hereby appropriated from the Northern California Energy Authority (NCEA or Authority) Debt Service Fund sufficient monies for the payment of demands against the Authority which relate to obligations incurred for the purposes and within the amount specified for such purposes in the following projection of the Authority's programs for the period January 1, 2025, through December 31, 2025.

Interest Expense	\$	27,272,486
Bond Principal	\$	5,455,000
Administrative & General	\$	140,420

Section 3. Demands against the Authority may be paid without the prior specific approval of this Commission if they relate to obligations incurred for the purpose and within the amounts specified in Section 2, provided such demands are approved by the Chief Executive Officer and General Manager of the Authority, or his designee. It is the purpose and intent of this paragraph to delegate to the Chief Executive Officer and General Manager, or his designee, authority to make purchases, to negotiate and execute contracts, and expend funds in any manner necessary or appropriate to the administration of the

business affairs of the Authority, within the amounts and for the purposes set forth above, subject to duly adopted delegations of authority.

Section 4. There shall be deemed added contingency to the Debt Service and Administrative & General line items a 20% contingency, plus an additional \$2 million each.

Section 5. The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the **Budget** that, in his prudent judgment: (a) further the primary purpose of the **Budget**; (b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized **Budget** amounts and applicable contingencies.

SSS No. CFO 24-014	<h1 style="text-align: center;">NCGA1 COMMISSION</h1> <h2 style="text-align: center;">AGENDA ITEM</h2> <h3 style="text-align: center;">NORTHERN CALIFORNIA GAS AUTHORITY</h3> <h3 style="text-align: center;">NUMBER 1</h3> <h3 style="text-align: center;">STAFFING SUMMARY SHEET</h3>	Committee Meeting & Date
		Finance and Audit – 11/06/24
		Board Meeting Date
		December 12, 2024

TO				TO					
1.	Scott Martin			6.					
2.	Lora Anguay			7.					
3.	Jose Bodipo-Memba			8.					
4.				9.	Legal				
5.				10.	CEO & General Manager				
Consent Calendar	X	Yes		No	If no, schedule a dry run presentation.				
Budgeted		Yes	X	No	(If no, explain in Cost/Budgeted section.)				
FROM (IPR)		DEPARTMENT		MAIL STOP		EXT.		DATE SENT	
Jennifer Restivo		Planning and Revenue Strategy		A309		5193		10/24/24	

NARRATIVE:

Requested Action:

Approve the 2025 Northern California Gas Authority Number 1 (NCGA1) Budget.

Summary:

NCGA1 is a Joint Powers Authority (JPA) between SMUD and Sacramento Municipal Utility District Financing Authority (SFA) formed in 2007. The Authority issued bonds and used the proceeds to enter into a prepayment agreement with Morgan Stanley Capital Group, Inc. for a 20-year supply of a fixed quantity of natural gas. The Authority has also entered into a Gas Supply Contract with SMUD that provides for the sale of all the gas to SMUD. SMUD’s 2025 Budget Commodity line item includes the cost of the natural gas to be purchased form NCGA1, and this is the source of funds to be used to pay interest and principal on the NCGA1 bonds.

Board Policy:

The 2025 Budget provides for the payment of interest, principal, and trustee fees on the NCGA1 bonds and other administrative costs, and indirectly supports the Board’s strategic directives Strategic Direction SD-3, Access to Credit Markets, and Strategic Direction SD-4, Reliability by providing a reliable supply of natural gas for SMUD’s thermal generating plants. Governance Process GP-3, Board Job Description subsection (f) states, Board will “[a]dopt the SMUD budget on an annual basis.”

Benefits:

Approval of the 2025 NCGA1 Budget meets the requirements of the MUD Act and will authorize bond interest, principal, trustee fee, and other administrative payments within the limits prescribed.

Cost/Budgeted:

Approval of the 2025 NCGA1 Budget Resolution will authorize debt service and administrative payments within the limit prescribed.

Alternatives:

Approval of a budget is required before January 1, 2025, or the Joint Powers Authority would not have authority to make required debt service payments.

Affected Parties:

Budget Office, Accounting, Treasury, Power Generation, and Legal.

Coordination:

Budget Office, Accounting, Treasury, Power Generation, and Legal.

Presenter:

Lora Anguay, Chief Zero Carbon Officer

Additional Links:

SUBJECT	ITEM NO. (FOR LEGAL USE ONLY)
Northern California Gas Authority Number 1 (NCGA1) 2025 Proposed Budget	4b

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

RESOLUTION NO. _____

BE IT RESOLVED BY THE COMMISSIONERS
OF THE NORTHERN CALIFORNIA GAS AUTHORITY NUMBER 1:

Section 1. This resolution may be referred to as the 2025 Northern California Gas Authority Number 1 (NCGA1) Budget Resolution.

Section 2. There is hereby appropriated from the Northern California Gas Authority Number 1 (NCGA1 or Authority) Debt Service Fund sufficient monies for the payment of demands against the Authority which relate to obligations incurred for the purposes and within the amount specified for such purposes in the following projection of the Authority's programs for the period January 1, 2025, through December 31, 2025.

Interest Expense	\$ 3,460,094
Bond Principal	\$ 28,295,000
Administrative & General	\$ 373,192

Section 3. Demands against the Authority may be paid without the prior specific approval of this Commission if they relate to obligations incurred for the purpose and within the amounts specified in Section 2, provided such demands are approved by the Chief Executive Officer and General Manager of the Authority, or his designee. It is the purpose and intent of this paragraph to delegate to the Chief Executive Officer and General Manager, or his designee, authority to make purchases, to negotiate and execute contracts, and expend funds in any manner necessary or appropriate to the administration of the

business affairs of the Authority, within the amounts and for the purposes set forth above, subject to duly adopted delegations of authority.

Section 4. There shall be deemed added contingency to the Debt Service and Administrative & General line items a 20% contingency, plus an additional \$2 million each.

Section 5. The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the **Budget** that, in his prudent judgment: (a) further the primary purpose of the **Budget**; (b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized **Budget** amounts and applicable contingencies.

SSS No. SFA JPA 24-0004

SFA COMMISSION

AGENDA ITEM

SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY STAFFING SUMMARY SHEET

Committee Meeting & Date
Finance & Audit – 11/06/24
Board Meeting Date
December 12, 2024

TO					TO										
1.	Jennifer Restivo				6.	Jose Bodipo-Memba									
2.	Russell Mills				7.										
3.	Josh Langdon				8.										
4.	Scott Martin				9.	Legal									
5.	Lora Anguay				10.	CEO & General Manager									
Consent Calendar		<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>		No <i>If no, schedule a dry run presentation.</i>		Budgeted		<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No <i>(If no, explain in Cost/Budgeted section.)</i>		
FROM (IPR) Laurie Johnson					DEPARTMENT Power Generation/Thermal Generation					MAIL STOP EA405		EXT. 4822		DATE SENT 10/24/2024	
NARRATIVE:															
<p>Requested Action: Approve the 2025 Sacramento Municipal Utility District Financing Authority Budget Resolution.</p> <p>Summary: Sacramento Municipal Utility District Financing Authority (SFA) is a Joint Powers Authority (JPA) formed by the Sacramento Municipal Utility District (SMUD) and the Modesto Irrigation District (MID) and its fleet of assets currently consists of five separate thermal plants: Campbell Power Plant, Carson Power Plant, Cosumnes Power Plant, McClellan Power Plant, and Procter & Gamble Power Plant. The 2025 Budget covers costs to be incurred by the JPA thermal fleet in operating and maintaining the power plants. The budget amount is based on the operations expected during a normal water year for SMUD.</p> <p>Board Policy: Strategic Direction SD-2, Competitive Rates; Strategic Direction SD-3, Access to Credit Markets; Strategic Direction SD-4, Reliability <i>(Number & Title)</i></p> <p>Benefits: Approval of the 2025 Budget Resolution will meet the requirements of the Annual Budget provisions and will authorize spending within the limits prescribed to maintain operations of the fleet.</p> <p>Cost/Budgeted: Approval of the Budget Resolution will authorize spending within the limits prescribed. Expenditures authorized under this action should offset expenditures under purchased power.</p> <p>Alternatives: Approval of a budget is required before January 1, 2025, or the Sacramento Municipal Utility District Financing Authority will not have the authority to make purchases or payments.</p> <p>Affected Parties: Budget Office, Accounting, Treasury, Power Generation, Legal</p> <p>Coordination: Budget Office, Accounting, Treasury, Power Generation, Legal</p> <p>Presenter: Lora Anguay, Chief Zero Carbon Officer</p>															

Additional Links:

SUBJECT

**Sacramento Municipal Utility District Financing Authority (SFA)
2025 Proposed Budget**

ITEM NO. (FOR LEGAL USE ONLY)

4c

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY
BUDGET SUMMARY
Dollars in Thousands

	2024	2025	NET CHANGE
	PLANT TOTAL	PLANT TOTAL	
GENERATION (MWh)	6,322,212	5,314,722	-16%
FUEL			
Combined Cycle Gas Expenses	\$ 218,910	\$ 158,301	-28%
Combined Cycle Biogas Expense	29,742	29,914	1%
Peaker Plant Gas Expenses	2,567	1,691	-34%
Digester Gas for Resale	1,501	1,749	17%
Auxiliary Boiler Fuel Costs	314	991	216%
TOTAL FUEL EXPENSES	253,034	192,646	-24%
OPERATIONS & MAINTENANCE			
Operator Fees & Bonuses	15,024	15,421	3%
Operator Reimbursable Expenses	17,698	19,170	8%
Operating Expenses	19,536	23,615	21%
Thermal Transition Studies	-	1,000	
Other Expenses	537	552	3%
TOTAL OPERATIONS & MAINTENANCE	52,795	59,758	13%
TOTAL OPERATING EXPENSES	305,829	252,404	-17%
ADMINISTRATIVE & GENERAL			
SMUD Labor	1,528	1,377	-10%
Outside Services	127	126	-1%
Insurance	11,442	14,877	30%
TOTAL ADMINISTRATIVE & GENERAL	13,097	16,380	25%
INTEREST EXPENSE			
Interest on Bonds	4,067	3,382	-17%
DEBT SERVICE PRINCIPAL REPAYMENT			
Principal Repayment	13,693	13,950	2%
TOTAL PRINCIPAL & INTEREST	17,760	17,332	-2%
CAPITAL EXPENDITURES			
Capital Improvements	7,625	33,399	338%
TOTAL CAPITAL EXPENDITURES	7,625	33,399	338%

RESOLUTION NO. _____

BE IT RESOLVED BY THE COMMISSIONERS
OF THE
SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY

Section 1. This resolution may be referred to as the 2025 Sacramento Municipal Utility District Financing Authority (SFA) Budget Resolution and includes:

SFA – Cosumnes Power Plant Budget
SFA – Campbell Power Plant Budget (includes McClellan Power Plant)
SFA – Procter & Gamble Power Plant Budget
SFA – Carson Power Plant Budget

Section 2. There is hereby appropriated from the Revenue Fund, Operating Fund, Debt Service Fund, and other funds as appropriate, sufficient monies for the payment of demands against the Authority which relate to obligations incurred for the purposes and within the amount specified for such purposes in the following projection of the Authority's programs for the period January 1, 2025, through December 31, 2025.

Operation and Maintenance	\$252,404,000
Administrative & General	\$ 16,380,000
Principal and Interest	\$ 17,332,000
Capital Expenditures	\$ 33,399,000

There shall be deemed added to the O&M and Capital line items a +20% increase with no limit to a decrease in the Operations and Maintenance Expense line items, plus an additional \$2 million each applicable to the overall budgets.

Section 3. Demands against the Authority may be paid without the prior specific approval of this Commission, if they relate to obligations incurred for the purpose and within the amounts specified in Section 2, provided such demands are approved by the General Manager of the Authority, or his designee. It is the purpose and intent of this paragraph to delegate to the General Manager, or his designee, authority to make purchases, to negotiate and execute contracts, and expend funds in any manner necessary or appropriate to the administration of the business affairs of the Authority, within the amounts and for the purposes set forth above, subject to duly adopted delegations of authority.

Section 4. The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the **Budget** that, in his prudent judgment: (a) further the primary purpose of the **Budget**; (b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized **Budget** amounts and applicable contingencies.