

AMENDMENT NO. 1
PROJECT AGREEMENT
NO. 3 BETWEEN AND
AMONG
THE TRANSMISSION AGENCY OF NORTHERN CALIFORNIA
AND ITS MEMBERS

This Amendment No. 1 to Project Agreement No. 3 (“Agreement”) by and among the Transmission Agency of Northern California, hereinafter referred to as “TANC,” and its Members the Cities of Alameda, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, and Ukiah; the Sacramento Municipal Utility District; the Modesto Irrigation District; the Turlock Irrigation District; and the Plumas- Sierra Rural Electric Cooperative, hereinafter referred to as “Members,” is hereby made and entered into as of _____, 2026 (“Amendment Effective Date”), based upon the following:

RECITALS

WHEREAS, TANC and its Members desire to modify certain provisions of the Agreement as provided herein;

WHEREAS, TANC and its Members seek to clarify that changes to Transfer Capability may be made without formally amending the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, TANC and its Members agree as follows:

AMENDMENTS

1. The Table of Contents is revised to delete “Participation Percentages” and replace it with Participation Percentages (N-S)” as Appendix C.
2. The Table of Contents is revised to add as Appendix C-1 “Participation Percentages (S-N)”, following Appendix C: Participation Percentages (N-S).
3. The Table of Contents is revised to add as Appendix C-2 “Return of Layoff Percentages”, following Appendix C-1: Participation Percentages (S-N).
4. The definition of “Betterment” in Section 1.4 of the Agreement is revised by deleting the phrase “or sixteen hundred (1600) megawatts, whichever is less”.
5. The definition of “Executive Committee” in Section 1.8 of the Agreement is deleted in its entirety and replaced with “[Intentionally omitted]”.
6. The definition of “Fiscal Year” in Section 1.9 of the Agreement is revised by deleting “September” and replacing it with “June”.
7. Section 1.22 of the Agreement is revised to add “and Appendix C-1” after “Appendix C”.

8. Section 1.30 of the Agreement is revised by deleting “Section 15060” and replacing it with “Part 101, Definition 34”.
9. Section 2.3.1 of the Agreement is revised to add “and Appendix C-1” after “Appendix C”.
10. Section 2.3.2 of the Agreement is deleted in its entirety and replaced with the following: “In the event that TANC’s entitlement to Transfer Capability changes, the Members’ Participation Percentages will be unchanged except as provided in this Agreement. Changes to Members’ Participation Percentages shall be permitted without an amendment to this Agreement as follows:
 - 2.3.2.1 All revisions of Participation Percentages pursuant to this Section 2.3.2 shall require an affirmative vote of the Commission using the voting procedures provided in the Joint Powers Agreement.
 - 2.3.2.2 Members shall be permitted to revise their Participation Percentages if one or more Members agree to accept an offsetting change in Participation Percentage. All Members whose Participation Percentage change must consent to the change in writing.
 - 2.3.2.3 Members shall be permitted to acquire Transfer Capability from outside of TANC and transfer that capability to TANC, without amendment to this Agreement subject to an affirmative vote of the Commission using the voting procedures provided in the Joint Powers Agreement and written consent of the Members acquiring the Transfer Capability. Participation Percentages of all Members shall be changed so that the Member acquiring the Transfer Capability retains its existing Transfer Capability and obtains the additional Transfer Capability it has acquired, and is subject to, all the rights and obligations associated with the transfer.
 - 2.3.2.4 Participation Percentage revisions shall (a) be recorded with an administrative amendment to Appendix C and Appendix C-1; and (b) result in the aggregate Participation Percentages of the Members of one hundred (100) percent.”
11. Section 2.3.3 of the Agreement is revised by deleting “Column D” and replacing it with “or Appendix C-1”.
12. Section 3.1 of the Agreement is revised by deleting “its Executive Committee or”.
13. Section 4.1.1 of the Agreement is revised by deleting “the California Department of Water Resources,”.
14. Section 5.3 of the Agreement is revised by adding an internal cross-reference to “Section 2.3.2 and” before “Section 8.3”.
15. Section 7.4 of the Agreement is revised by deleting “, Column E” and replacing it with “and Appendix C-1”.

16. Section 12.1 of the Agreement is revised by deleting “telephone or in writing within twenty-four (24 hour)” and replacing it with “telephone, in writing, or by electronic media within twenty-four (24) hours” both times this language is used.
17. Section 16.1 of the Agreement is revised by adding an internal cross-reference to Section “2.3.2,” after “Sections”.
18. Section 19 of the Agreement is revised to add “C-1, C-2,” between “Appendices A, B, C,” and “D, and E attached.....”
19. Appendix C of the Agreement is deleted and replaced with the following table of the Current North to South Participation Percentages:

NEW (ENTITLEMENT AND SCHEDULING)

TANC Member	Member Percentage	Member MW Entitlement (North to South)	MW Scheduling Rights (North to South)	MW Scheduling Rights % (North to South)
SMUD	37.8074%	569.2140	558	37.7793%
MID	23.0546%	347.1014	341	23.0873%
TID	17.1458%	258.1407	253	17.1293%
Santa Clara	9.8108%	147.7077	145	9.8172%
Redding	10.0398%	151.1555	148	10.0203%
Roseville	2.1416%	32.2431	32	2.1666%
Alameda	0.0000%	-	-	0.0000%
Healdsburg	0.0000%	-	-	0.0000%
Lodi	0.0000%	-	-	0.0000%
Lompoc	0.0000%	-	-	0.0000%
Palo Alto	0.0000%	-	-	0.0000%
Plumas	0.0000%	-	-	0.0000%
Ukiah	0.0000%	-	-	0.0000%
Total	100.0000%	1,505.5625	1,477	100.0000%
Scheduling Rights include the 29MW layoff to WAPA				
COTP Participants	Participant Percentage	Participant MW Entitlement (North to South)	MW Scheduling Rights (North to South)	MW Scheduling Rights % (North to South)
TANC	88.5625%	1,505.5625	1,477	86.8824%
Western	9.3750%	159.3750	188	11.0588%
PG&E	2.0625%	35.0625	35	2.0588%
Total	100.0000%	1,700.0000	1,700	100.0000%

20. Appendix C-1 is added to the Agreement to include the following table of the Current South to North Participation Percentages:

TANC Member	Member Percentage	Member MW Entitlement (South to North)	MW Scheduling Rights (South to North)
SMUD	37.8074%	410.17	402.00
MID	23.0546%	250.12	245.00
TID	17.1458%	186.01	182.00
Santa Clara	9.8108%	106.44	105.00
Redding	10.0398%	108.92	107.00
Roseville	2.1416%	23.23	23.00
Alameda	0.0000%	-	-
Healdsburg	0.0000%	-	-
Lodi	0.0000%	-	-
Lompoc	0.0000%	-	-
Palo Alto	0.0000%	-	-
Plumas	0.0000%	-	-
Ukiah	0.0000%	-	-
Total	100.0000%	1,084.8906	1,064
COTP Participants	Participant Percentage	Participant MW Entitlement (South to North)	MW Scheduling Rights (South to North)
TANC	88.5625%	1,084.8906	1,064
Western	9.3750%	114.8438	136
PG&E	2.0625%	25.2656	25
	100.0000%	1,225.0000	1,225

21. Appendix C-2 is added to the Agreement to include the following table to document the Return of Layoff Percentages:

TANC Member	A	B	C	C	D	PA-3 Member Percentage Conclusion of Layoff	Member MW Entitlement (North to South)	E	Member MW Entitlement (South to North)	E
	PA-3 Member Percentage Pre Layoff	PA-3 Member Percentage Current	NCPA Layoff Percentages	SVP Layoff Percentages	Palo Alto Layoff Percentages			MW Scheduling Rights (North to South)		MW Scheduling Rights (South to North)
SMUD	27.5631%	37.8074%	2.5430%	6.8068%	1.5339%	26.8126%	403.7680	383	290.9613	282
MID	21.2960%	23.0546%	0.4802%	1.3088%	0.4137%	20.8619%	313.7872	307	226.1114	221
TID	12.5283%	17.1458%	0.8834%	2.3559%	1.5339%	12.2738%	154.7972	179	133.1554	129
Santa Clara	30.4745%	9.8108%	0.0000%	-10.4705%	0.0000%	20.2813%	305.3478	303	220.0301	219
Redding	8.4119%	10.0398%	0.0000%	0.0000%	0.0000%	10.0398%	151.1556	148	106.9208	107
Roseville	2.1119%	2.1416%	0.0000%	0.0000%	0.0000%	2.1416%	32.3451	32	28.2348	23
Alameda	1.2272%	0.0000%	-1.2272%	0.0000%	0.0000%	0.0000%	16.4768	19	13.3138	13
Healdsburg	0.3456%	0.0000%	-0.3456%	0.0000%	0.0000%	0.2456%	3.8977	4	2.6645	3
Lodi	1.5201%	0.0000%	-1.5201%	0.0000%	0.0000%	1.9201%	26.9068	29	20.8310	21
Lompoc	0.1965%	0.0000%	-0.1965%	0.0000%	0.0000%	0.1965%	2.8079	3	2.0233	2
Palo Alto	3.6815%	0.0000%	0.0000%	0.0000%	-3.6815%	3.6815%	55.4273	55	36.9402	40
Plumas	0.1479%	0.0000%	-0.1479%	0.0000%	0.0000%	0.1479%	2.2267	2	1.6046	2
Ukiah	0.1945%	0.0000%	-0.1945%	0.0000%	0.0000%	0.1945%	2.9263	3	2.1101	2
Total	100.0000%	100.0000%	0.0000%	0.0000%	0.0000%	100.0000%	1,505.5625	1477	1,084.8906	1064

A) Member Percentages before lay off, purchase of water districts shares, and City of Redding moving shares of COTP outside of TANC into TANC.

B) Member Percentages after lay off, purchase of water districts shares, and City of Redding moving shares of COTP outside of TANC into TANC.

C) 2014 lay off agreement TANC resolution 14-03

D) 2009 lay off agreement TANC Resolution 09-01

E) Includes the TANC/WAPA layoff agreement

F) Includes the TANC/WAPA layoff agreement

22. Appendix E (Billing Addresses of the Parties) of the Agreement is updated to include the billing address of the Cities of Alameda, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, and Ukiah; the Sacramento Municipal Utility District; the Modesto Irrigation District; and the Turlock Irrigation District.

Except as set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect. In case of a conflict in the terms of the Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

This Amendment will become effective when TANC and its Members have each signed below and shall be effective as of the Amendment Effective Date specified above. TANC and its Members intend that this Amendment shall not bind any Party unless it is executed by all Parties.

CITY OF ALAMEDA

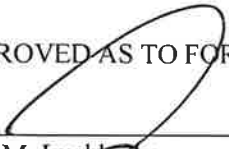
By: _____
Name: _____
Title: _____
Date: _____

CITY OF HEALDSBURG

By: _____
Name: _____
Title: _____
Date: _____

CITY OF LODI

APPROVED AS TO FORM:



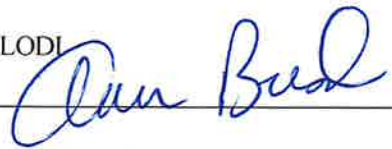
John M. Luebbeke
Interim City Attorney

ATTEST:



Olivia Nashed, City Clerk

CITY OF LODI

By:  _____
Name: Aaron M. Busch
Title: Interim City Manager
Date: 6/9/26

CITY OF LOMPOC

By: _____

Name: _____

Title: _____

Date: _____

MODESTO IRRIGATION DISTRICT

By: _____

Name: _____

Title: _____

Date: _____

CITY OF PALO ALTO

By: _____

Name: _____

Title: _____

Date: _____

CITY OF REDDING

By: _____

Name: _____

Title: _____

Date: _____

CITY OF ROSEVILLE

By: _____

Name: _____

Title: _____

Date: _____

SACRAMENTO MUNICIPAL UTILITY
DISTRICT

By: _____

Name: _____

Title: _____

Date: _____

CITY OF SANTA CLARA

By: _____

Name: _____

Title: _____

Date: _____

TURLOCK IRRIGATION DISTRICT

By: _____

Name: _____

Title: _____

Date: _____

CITY OF UKIAH

By: _____

Name: _____

Title: _____

Date: _____

PLUMAS-SIERRA RURAL ELECTRIC
COOPERATIVE

By: _____

Name: _____

Title: _____

Date: _____

TRANSMISSION AGENCY OF NORTHERN
CALIFORNIA

By: _____

Name: _____

Title: _____

Date: _____