



• **Board of Directors**
Communications and Legislation Committee

11/9/2021 Board Meeting

7-7

Subject

Approve Metropolitan's annual membership in the North American Transmission Forum and authorize a one-time payment of \$5,000 and annual dues payment of \$28,500; the General Manager determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

Metropolitan maintains corporate membership in numerous business and nonprofit organizations. These memberships provide Metropolitan access to various resources and programs to promote the successful performance of Metropolitan's mission. New memberships require board approval if annual dues are greater than \$10,000. The North American Transmission Forum (NATF) is a membership organization for entities that own and/or operate high-voltage electric transmission assets in the United States and Canada. Membership in the NATF will provide value to Metropolitan by supporting its operational and electrical reliability standards compliance efforts, as the owner and operator of the Colorado River Aqueduct (CRA) electrical transmission system. Staff recommends Metropolitan join the NATF for a one-time application fee of \$5,000 and an annual fee of \$28,500.

Details

Metropolitan's Administrative Code Section 11102 authorizes each department head to join and maintain memberships in organizations whose purposes serve the interests of Metropolitan. New memberships must be brought to the Board for approval if annual dues are greater than \$10,000.

The NATF is a membership organization for entities that own and/or operate high-voltage electric transmission assets in the United States and Canada and is based in North Carolina. The NATF was established informally by a group of sixteen electric utilities following the 2003 Northeast blackout and was formally incorporated as a nonprofit 501(c)(6) organization on January 1, 2010. The purpose of the NATF is to promote the safety, reliability, and resiliency of the high-voltage transmission system. As Metropolitan owns, maintains, and operates approximately 308 miles of high-voltage electric transmission lines which provide critical electric service to the CRA pumping plants, the NATF's goals pertain directly to Metropolitan's mission of providing reliable water service to its member agencies.

The NATF provides a strong focus on compliance with mandatory electric reliability standards, as prescribed in the Energy Policy Act of 2005 and enforced by the North American Electric Reliability Corporation (NERC). The NATF provides collaborative platforms, training and seminars, and opportunities for member organizations to participate in peer reviews, both as a subject of review and as a peer reviewer.

Metropolitan maintains corporate membership in numerous business and nonprofit organizations, which provide access to various resources and enables Metropolitan to help inform and engage various segments of the community on issues aligned with Metropolitan's mission. Metropolitan is currently undergoing a thorough review of its NERC compliance program, due to its ownership and operation of the CRA electric transmission system. NATF membership supports this effort by providing access to a library of relevant compliance materials, training, seminars, and the benefit of other members' experience in a setting with an

expectation of confidentiality. The NATF is a unique organization in this regard, and membership in the organization will provide services and support to Metropolitan's NERC compliance program and electrical transmission operations that no other current membership meets.

Staff recommends Metropolitan join NATF as a full participating member and authorize a one-time application fee of \$5,000 and annual dues payment of \$28,500.

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Metropolitan Water District Administrative Code Section 11102: Payment of Dues

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

Funding for the proposed membership is not defined as a project under CEQA because it involves government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment (Public Resources Code Section 21065 and Section 15378 (b)(4) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061 (b)(3) of the State CEQA Guidelines). For future, and not yet known, proposed projects associated with this membership, the appropriate lead agencies will be responsible for complying with all applicable federal and state environmental laws and regulations.

CEQA determination for Option #2:

None required

Board Options

Option #1

Approve Metropolitan's annual membership in the NATF and authorize a one-time application fee of \$5,000 and annual dues payment of \$28,500.

Fiscal Impact: Funds in the amount of \$5,000 would be paid for a one-time application fee, and \$28,500 annually would be paid for membership in the NATF. The funds are budgeted in the FY 2021/22 board-approved budget.

Business Analysis: Membership in the NATF advances Metropolitan's purposes and interests by supporting Metropolitan's NERC compliance program and operation of the Colorado River Aqueduct electrical transmission system.

Option #2

Do not approve Metropolitan's membership in the NATF.

Fiscal Impact: None

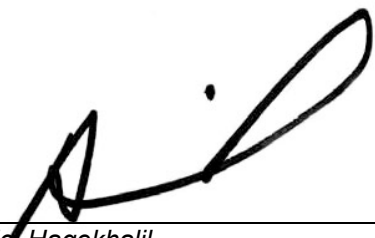
Business Analysis: Metropolitan will forego the opportunity to participate in a unique organization that would provide support for Metropolitan's NERC compliance program and operation of the Colorado River Aqueduct electrical transmission system.

Staff Recommendation

Option #1



Brent Yamagaki
Water System Operations Group Manager
10/26/2021
Date



Adel Hagekhalil
General Manager
10/27/2021
Date

Ref# wso12682950