Middle Fork Project Finance Authority

Ralston Afterbay Dam

Budget 2025

The Middle Fork Project Finance Authority was established on January 10, 2006, under a Joint Exercise of Powers Agreement by and between the County of Placer and the Placer County Water Agency.

Purpose of the Authority

The purpose of the Authority is to serve the mutual interests of the County and the Agency, exclusively, to provide for the financing required to obtain a new Federal Energy Regulatory Commission (FERC) license, to approve Future Electrical Energy Sales, and to distribute revenues from Future Electrical Energy Sales.

The Powers of the Authority are specified in the Joint Powers Agreement and among some of these include:

- Review and approve the annual MFP budget
- Contract for the sale of electrical energy
- Distribute the net revenues from the sale of electrical energy
- Incur debt

Structure of the Authority

The Authority Board of Directors consists of 4 members: 2 members from the County Board of Supervisors and 2 members from the Agency Board of Directors.

Board of Directors of Authority

Placer County Board of Supervisors

- Jim Holmes**
- Cindy Gustafson

Placer County Water Agency

- Primo Santini
- Mike Lee*

* Chair for 2024

** Vice Chair for 2024 (Shanti Landon was on the sitting Board for approval of the 2025 Budget)

Officers of MFP Finance Authority

- Executive Director: Agency General Manager, Andrew Fecko
- Secretary: Placer County Executive Officer, Daniel Chatigny
- Treasurer: Agency Director of Financial Services, Joseph Parker
- Legal Advisor: Agency Deputy General Counsel, Elise Nelson

Approved by Authority Board of Directors on October 17, 2024

This page intentionally left blank.

MIDDLE FORK PROJECT FINANCE AUTHORITY
TABLE OF CONTENTS
2025 BUDGET

This page intentionally left blank.

M E M O R A N D U M

TO: Board of Directors Middle Fork Project Finance Authority

FROM: Joseph H. Parker, CPA, Treasurer

DATE: October 17, 2024

RE: Adopted 2025 MFP Finance Authority Annual Budget

Overview

Attached herewith is the Adopted 2025 Middle Fork Project Finance Authority (Authority) Budget totaling $80.9 million, which is comprised of a $39.4 million operating budget and a $41.5 million capital budget. The 5-year Budget is provided with 2024 (Adjusted and Projection), the Adopted 2025 Budget (amounts **bolded**), as well as the following four years (2026 - 2029) in the following attached schedules:

- Budget Schedule Years 2024 - 2029
- Reserve Schedule Years 2024 - 2029
- MFP Capital Plan as funded by the Authority 2025 - 2029

In accordance with the Authority's General Financial Policies, the budget was prepared with the consultation and involvement of both Placer County Water Agency and Placer County staff for presentation to the Authority Board.

The following pages provide additional details regarding budgetary changes from 2024, discussion and analysis, and other background information.

2025 Adopted Budget - Overview

Power Sales:

The Adopted 2025 Power Sales revenue reflects a $29.1 million increase or 56.4% from the Adjusted 2024 Budget. Power Sales is comprised of two primary sources: Energy and Energy Products. Energy and ancillary services are sold directly in the California Independent System Operator (CAISO) while the Energy Products component of Power Sales are conveyed through short-term bilateral agreements. The Energy component of the Power Sales budget is based on 80% of average generation and projected energy prices from the forward price curve. The Horizons Energy Hydrology Stochastic Analysis completed in September 2022 noted that over the past 20 years (2002 – 2021), average generation has trended down. Beginning with the

2023 Budget, the annual Power Sales Energy component Budget commenced using this new average generation of 850,000 MWh at 80% calculating the Power Sales budget, which totals 680,000 MWh. The forecasted power prices have trended down, resulting in slightly lower budgeted Power Sales Revenue for Energy in 2025 compared to the Adjusted 2024 Budget.

The Energy Products component of the Power Sales budget includes revenue from resource adequacy contracts, renewable energy credits and carbon-free contracts. The revenue total from these bilateral contracts increased in the 2025 Adopted Budget as compared to the 2024 Adjusted Budget, largely driven by a significant increase in resource adequacy contracted prices. This price increase is a result of the California Public Utilities Commission's (CPUC) new mandate for load serving entities (LSE) to increase their reserve margin from 110% to almost 120%. In order for CAISO to maintain the electric grid reliability during severe temperature and weather events, CPUC is requiring all California LSE to increase the reserve margin. Contributing to the increased renewable prices is the phasing out of fossil fuel generators, which are being replaced with renewable resources such as wind and solar. In addition, CAISO requires battery resources to demonstrate that they have the energy supply to recharge the batteries. Therefore, with the increase in reserve margins and lack of dispatchable energy supplies, resource adequacy value along with renewable energy credits and carbon-free products have escalated in the foreseeable future.

The 2025 **Total Operating Expenditures** increased $2.3 million, or 6.3% compared with the Adjusted 2024 Budget. The following discussion provides a comparison between the Adjusted 2024 Budget and the Adopted 2025 Budget for the Operating Budget Expenditures:

Administration:

The Adopted 2025 Budget amounts remain the same as the 2024 Adjusted Budget at $211,300.

PCWA Power Division – Operating:

Power Operations is increased by $2.5 million, or 15% from the 2024 Adjusted Budget. A significant portion of this increase is in Contracted Services with a $883,000 increase in anticipated consulting services for efforts that includes the LL Anderson Crest Material Investigation, LL Anderson P12 Comprehensive Assessment, Asset Management Study, as well as a contingency for the FERC 5-year dam inspections, a $210,000 increase in surveying for French Meadows and Hell Hole reservoirs bathymetry, and a $158,000 increase for the microwave system upgrade. Additionally, in Operating Services, facilities repair increased $703,000 for required periodic civil dam inspections, dam vegetation clearing, electrical repairs for aging equipment, and an increase of $154,000 for software licensing. Finally, a $488,000 increase in Personnel Services resulting from the 3% COLA increase to labor and anticipated increases in labor for the Power salary survey.

General and Administrative is increasing by $494,000, or 6.7%, is the result of increases to: 1. Personnel Services is increasing $240,000 based on the required unfunded accrued pension liability as well as a 3% COLA increase to labor; 2. Insurance is increasing $198,000 because of rising premiums in an increasingly hard insurance market; 3. Service Level Support is increasing $73,000 resulting from increased departmental support costs shared through the cost allocation plan.

Natural Resources Management is decreasing by $296,000, or 7.6% from the 2024 Adjusted Budget, a result of FERC License Operating Implementation costs that are budgeted to decrease in accordance with specific contracts as the Agency moves into the monitoring phase of the plan, decreasing $213,000. Additionally, a decrease of $82,000 in cost share partnerships.

Power Resources Management is increasing by $11,000, or 0.7% from the 2024 Adjusted Budget, a result of an increase in forecasting tools, travel and training, and a decrease in consulting needs.

Routine Capital is decreasing by $433,000 with less computer and equipment replacement purchases planned for 2025. The 2025 routine capital budget does include the replacement of four vehicles, a new skip loader and portable generator at the Middle Fork Powerhouse.

Debt Service 2025 Adopted budget is $5.4 million. This is per the debt service maturity schedule and is the amount required to continue the debt service pre-funding program the Board approved and implemented in 2020.

Capital Plan – The 2025 Capital Projects appropriations and 5-Year Capital Plan reflect necessary investments in infrastructure, as determined by three significant factors: the FERC license requirements, continual renewal and replacement of existing aging capital infrastructure and any remaining revenue upgrade projects.

The Adopted 2025 MFP Capital Plan appropriations total $41.5 million, and are segmented into two broad categories:

1. Upgrades and Renewal, Replacement and Reliability Projects, and
2. FERC License Implementation Projects.

The first category of Upgrades and Renewal, Replacement and Reliability Projects are capital projects that are recurring and are required to maintain the operational effectiveness of the Middle Fork Project. Conversely, Upgrades are considered infrequent expenditures (performed every 20 – 30 years) as these projects implement new technology and enhance generation flexibility for more efficient, effective, and improved generating or operating capabilities of the MFP. Over the next 5-years, this Capital Plan category totals $93.0 million or 62% of the total projected 5-year Capital Plan.

The second category of FERC License Implementation Projects are considered "one-time" capital projects which total $56.0 million or 38% of the 5-year total projected Capital Plan. These capital projects are required by the new FERC License (License). The issuance of the License in June 2020 began a timeline under which certain capital projects must be completed in accordance with the License requirements, ranging from 2 to 15 years. To meet this timeline, the Authority will incur substantial capital outlay costs related to the FERC License Implementation over the next 4 years and beyond.

Continued impacts were felt in 2024 as a result of the Mosquito Fire burn scars and damage sustained to Mosquito Ridge Road (MRR) during the 2022-23 winter. In addition to the administrative closure of the forest, November 2023 through May 2024 saw physical closures of the MRR by Tahoe National Forest and the National Highway Administration while Federal contractors repaired four damaged sections of the MRR. During that time, access to the project was only possible via Eleven Pines Road through the Eldorado National Forest which severely impacted travel times and limited access to the Middle Fork Project facilities. Road repairs were completed in May 2024 and the administrative closure of MRR was cancelled just prior to Memorial Day weekend. Because of the road closure through mid-2024, this affected operations and capital project execution, therefore some projects in the 5-year capital plan have been re-prioritized or pushed out.

Reserves – The Authority's General Financial Policies requires reserve funding which is rooted in the Authority's JPA requirement to establish and maintain prudent reserve levels. This Policy sets forth three reserve categories: Operating, Capital, and Emergency. Reserve funding and reporting is to be part of the annual budget process. At the January 2024 Board meeting, the Board took action to further increase the reserve funding targets by moving Emergency Reserve Funding target to $40 million. The Capital Reserve Funding Target is based on year's 2 and 3 of the Budgeted Capital Plan with a $25 million floor. The reserve category full funding targets in priority funding order with the funding amount set by the Authority Treasurer, as follows:

> **Operating Reserve**: The Operating Reserve funding target is one year of operating expenditures, based on the Adopted Budget, currently at $34.0 million.
>
> **Emergency Reserve**: The Emergency Reserve funding target is currently set at $40 million to provide interim appropriations and immediate funding for unforeseen needs or events, primarily for insurance deductible.
>
> **Capital Reserve**: The Capital Reserve funding target is currently set at $63.3 million. Per policy, the Capital Reserve account is to provide funds for appropriation of unforeseen and unplanned capital needs.

Per Policy, the Operating Reserve is to be fully funded prior to funding the Emergency and Capital Reserves or reporting net revenue. Based on the 2024 Projection, the Operating and Emergency reserve targets plan to be fully funded at year-end 2024. The Capital Reserves will not be fully funded at year-end 2024.

Pursuant to the Authority's General Financial Policy, funds shall be appropriated and encumbered for the budgeted purposes once the Authority Board approves the annual budget.

Five Year Budget Schedule (2025 – 2029)

In the Budget Schedule, Power Sales revenue exhibits an increase in years 2025 - 2027 because of an increase in energy products revenue as a result of new contracts for resource adequacy (2025-2027), renewable energy credits (2025-2026) and carbon free (2025-2026).

The 5-year Capital Plan totals $149 million. Some significant projects in the 5-year plan include Middle Fork Powerhouse and Ralston Powerhouse Transformer Replacements, Sediment Removal and Hell Hole Outlet Works Upgrade.

The Adopted 2025 5-year Budget, with power sales revenue budgeted at 80% of the historical average and the increased energy products revenue, is not expected to use Reserves to balance the respective year's Budgets. The ever-changing nature of the energy market and its underlying prices create future revenue uncertainties. New regulatory requirements, inflationary pressures, aging facilities and risk mitigation/insurance needs will impact current projections. The 2026-2029 projections are subject to change, which will be reported to the Board as needed or annually in future budget processes. Once the bulk of the FERC license capital projects are completed, the Capital Reserve is projected to be replenished and fully funded by end of year 2028.

MIDDLE FORK PROJECT FINANCE AUTHORITY
Budget Schedule
Years 2024 - 2029

	Adjusted 2024	Projection 2024
(Note 1)		
Revenues and Other Financing Sources:		
Power Sales (***Note 2***)		
Energy	$ 31,290,000	46,800,000
Energy Products	20,309,200	25,700,000
Total Power Sales	51,599,200	72,500,000
Interest Income	800,000	800,000
Other Financing Sources		
Board Adopted Budget Carryover	29,833,451	29,833,451
Total Revenues and Other Financing Sources	82,232,651	103,133,451
Expenditures and Other Uses:		
Administration:		
Operating Supplies/Services	10,000	10,000
Administration	150,000	150,000
Professional Services	51,300	51,300
Total Administration Expenditures	211,300	211,300
PCWA Power Division - Operating:		
Power Operations	17,104,122	17,104,122
General and Administrative	7,401,215	7,401,215
Natural Resources Management	3,905,887	3,905,887
Power Resources Management	1,645,227	1,645,227
Routine Capital	1,447,900	1,447,900
Total PCWA Power Division - Operating	31,504,351	31,504,351
Debt Service (***Note 3***)	5,407,000	5,407,000
Total Operating Expenditures	37,122,651	37,122,651
Capital Plan Appropriations:		
Upgrades & Renewal, Replacement and Reliability	29,267,000	29,267,000
FERC License Implementation Projects	15,843,000	15,843,000
Total Appropriations to Capital Projects	45,110,000	45,110,000
Total Expenditures and Appropriations	82,232,651	82,232,651
Revenue over/(under) Expenditures and Appropriations	-	20,900,800
Projected Reserve Use/(Funding):		
Operating Reserve	-	(2,335,723)
Emergency Reserve	-	(16,622,529)
Capital Reserve	-	(1,942,548)
Total Projected Reserve Use/(Funding)	-	(20,900,800)
Net Revenue	**$ -**	-
Reserves - Projected Year-End Balances:		
Operating Reserve	$ 31,715,651	34,051,374
Emergency Reserve	23,377,471	40,000,000
Capital Reserve	3,856,589	5,799,137
Total	$ 58,949,711	79,850,511

Note 1: Significant uncertainties exist in Revenue, Operating Costs and Capital Outlay. The ever-changing nature of the energy market and its underlying prices create future revenue uncertainties. New regulatory requirements, inflationary pressures, aging facilities and risk mitigation/insurance needs will impact the current projections. The 2026-2029 projections are subject to change, which will be reported to the Board as needed or annually in future budget processes.

Note 2: Power Sales revenue for years 2025-2029 is based on 80% of the 20 year historical average of 850,000 MWh per Policy, which provides an intended conservative revenue budget.

Note 3: At December 31, 2024, the debt outstanding will total $50.4 million. An additional $2.9 million in principal and $1.3 million in interest will be paid (prefunded), and will be held by the Trustee at December 31, 2024.

Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total 2025-2029
30,830,000	35,010,000	35,720,000	35,010,000	35,010,000	171,580,000
49,885,896	49,885,896	54,035,896	36,317,500	31,660,000	221,785,188
80,715,896	84,895,896	89,755,896	71,327,500	66,670,000	393,365,188
1,000,000	1,000,000	800,000	800,000	800,000	4,400,000
-	-	-	-	-	-
81,715,896	85,895,896	90,555,896	72,127,500	67,470,000	397,765,188
10,000	10,300	10,600	10,900	11,200	53,000
150,000	154,000	158,000	162,200	166,500	790,700
51,300	52,700	54,100	55,500	57,000	270,600
211,300	217,000	222,700	228,600	234,700	1,114,300
19,664,003	20,156,000	20,660,000	21,177,000	21,706,000	103,363,003
7,894,869	8,010,000	8,210,000	8,415,000	8,625,000	41,154,869
3,609,771	3,547,000	4,142,000	4,294,000	2,869,000	18,461,771
1,656,431	1,698,000	1,740,000	1,784,000	1,829,000	8,707,431
1,015,000	700,000	500,000	500,000	500,000	3,215,000
33,840,074	34,111,000	35,252,000	36,170,000	35,529,000	174,902,074
5,407,750	5,416,250	5,416,750	5,424,250	5,428,000	27,093,000
39,459,124	39,744,250	40,891,450	41,822,850	41,191,700	203,109,374
23,915,000	22,465,000	19,275,000	13,325,000	14,050,000	93,030,000
17,550,000	8,380,000	13,160,000	12,420,000	4,470,000	55,980,000
41,465,000	30,845,000	32,435,000	25,745,000	18,520,000	149,010,000
80,924,124	70,589,250	73,326,450	67,567,850	59,711,700	352,119,374
791,772	15,306,646	17,229,446	4,559,650	7,758,300	45,645,814
-	(276,626)	(1,146,700)	(923,900)	634,900	(1,712,326)
-	-	-	-	-	-
(791,772)	(15,030,020)	(16,082,746)	(816,325)	(1,480,000)	(34,200,863)
(791,772)	(15,306,646)	(17,229,446)	(1,740,225)	(845,100)	(35,913,189)
-	**-**	**-**	**2,819,425**	**6,913,200**	**9,732,625**
34,051,374	34,328,000	35,474,700	36,398,600	35,763,700	35,763,700
40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000
6,590,909	21,620,929	37,703,675	38,520,000	40,000,000	40,000,000
80,642,283	95,948,929	113,178,375	114,918,600	115,763,700	115,763,700

MIDDLE FORK PROJECT FINANCE AUTHORITY
Reserve Schedule
Years 2024 - 2029

		Adjusted 2024	Projection 2024
Operating Reserve [First Priority - (Note 1)]:	*Target*	*31,715,651*	*34,051,374*
Beginning of Year		31,715,651	31,715,651
Contributions and Uses		-	2,335,723
Balance End of Year		$ 31,715,651	34,051,374
Amount Needed to Meet the Target		(2,335,723)	-
Emergency Reserve [Second Priority - (Note 2)]:	*Target*	*40,000,000*	*40,000,000*
Beginning of Year		$ 23,377,471	23,377,471
Contributions and Uses		-	16,622,529
Balance End of Year		$ 23,377,471	40,000,000
Amount Needed to Meet the Target		(16,622,529)	-
Capital Reserve [Third Priority - (Note 3)]:	*Target*	*81,000,000*	*63,280,000*
Beginning of Year		$ 3,856,589	3,856,589
Contributions and Uses		-	1,942,548
Balance End of Year		$ 3,856,589	5,799,137
Amount Needed to Meet the Target		$ (77,143,411)	$ (57,480,863)
Total Reserve Balance		$ 58,949,711	79,850,511

Note 1: The **Operating Reserve** funding target is one year of operating expenditures, currently set at $34 million. The Operating Reserve account is to provide readily available cash to operate the MFP under conditions of significantly reduced revenue due to hydrology, energy prices and/or prolonged outages or unanticipated variations in expenses.

Note 2: The **Emergency Reserve** is to provide interim appropriations and immediate funding for unforeseen needs or events, primarily insurance deductible. PCWA will annually assess the level of Emergency Reserve and the Authority Treasurer will propose recommended changes as needed for Board approval. For 2025 the Emergency Reserve funding target is $40 million.

Note 3: The **Capital Reserve** is to provide funds for appropriation of unforeseen and unplanned capital needs. The target is based on years' 2 and 3 of the 5-year Budgeted Capital Plan with a $25 million floor. The 2025 Capital Reserve funding target is $63.3 million.

Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
34,051,374	*34,328,000*	*35,474,700*	*36,398,600*	*35,763,700*
34,051,374	34,051,374	34,328,000	35,474,700	36,398,600
-	276,626	1,146,700	923,900	(634,900)
34,051,374	34,328,000	35,474,700	36,398,600	35,763,700
-	-	-	-	-
40,000,000	*40,000,000*	*40,000,000*	*40,000,000*	*40,000,000*
40,000,000	40,000,000	40,000,000	40,000,000	40,000,000
-	-	-	-	-
40,000,000	40,000,000	40,000,000	40,000,000	40,000,000
-	-	-	-	-
63,280,000	*58,180,000*	*44,265,000*	*38,520,000*	*40,000,000*
5,799,137	6,590,909	21,620,929	37,703,675	38,520,000
791,772	15,030,020	16,082,746	816,325	1,480,000
6,590,909	21,620,929	37,703,675	38,520,000	40,000,000
(56,689,091)	(36,559,071)	(6,561,325)	-	-
80,642,283	95,948,929	113,178,375	114,918,600	115,763,700

PLACER COUNTY WATER AGENCY
MFP Capital Plan
As Funded by the Middle Fork Project Finance Authority
2025-2029

Project No.	Project Description	Project Lead	Project Type	Total Estimated Project Cost *(Note 2)*	Prior Funding
MINOR PROJECTS - TOTAL					
MAJOR PROJECTS - AUTHORIZED: *(Note 1)*					
22036P	Long Canyon Project	SARM	Environmental	2,250,000	550,000
	Backup Generator Upgrades	PWR	Plant	2,350,000	250,000
20046W	ERP System	IT	Computer Systems	1,800,000	1,426,000
17004P	French Meadows Forest Management	SARM	Environmental	3,000,000	2,425,000
14007P	French Meadows Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	6,930,000
14003P	Hell Hole Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	2,160,000
14009P	Middle Fork Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	15,000,000
14010P	Oxbow Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	1,980,000
14012P	Ralston Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	9,587,000
14013P	FERC License Implementation - Project Infrastructure	PWR	Plant	85,000,000	55,229,000
14014P	FERC License Implementation - Project Recreation Facilities	ENG	Environmental	64,000,000	34,562,000
23027P	Sediment Removal	PWR	Plant	24,000,000	9,403,000
SUBTOTAL - MAJOR AUTHORIZED PROJECTS					
TOTAL CAPITAL PROJECTS					

Note 1: **Major Projects** are projects that exceed $1 million in total estimated project cost. These projects may be comprised of a variety of sub-projects for which appropriations will be allocated, administered and accounted for as separate "Projects" at the PCWA project management level, as PCWA is the lead entity for MFP projects.

Note 2: **Total Estimated Project Cost** may include prior funding and completed sub-projects. These costs for the powerhouse reliability projects are defined as "Ongoing" because underlying sub-projects will be added, completed and removed over time. Stand alone Project Cost estimates are continually updated as the scope of the project may evolve over time.

Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	TOTAL 2025-2029
$ 500,000	**700,000**	**-**	**-**	**-**	**1,200,000**
400,000	400,000	300,000	300,000	300,000	1,700,000
-	2,000,000	100,000	-	-	2,100,000
200,000	-	-	-	-	200,000
250,000	50,000	50,000	50,000	50,000	450,000
2,825,000	1,300,000	9,950,000	3,400,000	3,600,000	21,075,000
800,000	8,620,000	250,000	2,500,000	-	12,170,000
6,150,000	2,345,000	3,275,000	2,775,000	5,000,000	19,545,000
2,770,000	2,100,000	1,700,000	800,000	2,000,000	9,370,000
6,770,000	2,450,000	1,150,000	1,000,000	600,000	11,970,000
12,500,000	1,990,000	3,840,000	6,900,000	3,150,000	28,380,000
5,050,000	6,390,000	9,320,000	5,520,000	1,320,000	27,600,000
3,250,000	2,500,000	2,500,000	2,500,000	2,500,000	13,250,000
40,965,000	**30,145,000**	**32,435,000**	**25,745,000**	**18,520,000**	**147,810,000**
$ 41,465,000	**30,845,000**	**32,435,000**	**25,745,000**	**18,520,000**	**149,010,000**

PLACER COUNTY WATER AGENCY
MFP Capital Plan
As Funded by the Middle Fork Project Finance Authority
2025 - 2029

Minor Projects - Total

Minor Projects - Total is comprised of the following sub-projects:

1. Project Adjustment Fund

Funding Source		Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority		$ 500,000	700,000	-	-	-	1,200,000

Minor Projects are defined as projects with a total estimated project cost equal to or less than $1 million dollars and are included in the MFPFA Capital Plan as one total amount. This amount is comprised of a variety of sub-projects that will be allocated, administered and accounted for as "Projects" through PCWA's budget and accounting system, as PCWA is the lead entity for MFP projects.

Long Canyon Project

Project Number: 22036P
Project Category: Major-Authorized
Project Lead: SARM
Project Type: Environmental

Long Canyon Project (formerly known as Middle Fork Project Forest Management) will expand the forest thinning activities begun as part of the French Meadows Project throughout the watershed in an effort to reduce the threat of extreme wildfires and the associated impacts to MFP infrastructure, water quality, recreation, and the environment.

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	$ 2,250,000	400,000	400,000	300,000	300,000	300,000	1,700,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate “Projects” through PCWA’s accounting system, as PCWA is the lead entity for MFP projects.

PLACER COUNTY WATER AGENCY
MFP Capital Plan
As Funded by the Middle Fork Project Finance Authority
2025 - 2029

Backup Generator Upgrades

Project Category: Major-Authorized
Project Lead: Power
Project Type: Plant

This project will examine backup diesel generator needs at the powerhouses. Powerhouses that do not currently have backup diesel generator power will be evaluated for installation of new diesel generators. Powerhouses that currently have diesel generators will be evaluated for replacement of the existing diesel generator.

French Meadows Powerhouse

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	$ 2,350,000	-	2,000,000	100,000	-	-	2,100,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.

ERP System

Project Category: Major-Authorized
Project Lead: IT
Project Type: Computer Systems

Power System will pay a share of the costs for the replacement of the Agency's existing Enterprise Resource Planning (ERP) software system. The integrated software includes financials, work orders, inventory, and HR.

Funding Source		Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority		$ 200,000	-	-	-	-	200,000

Minor Projects are defined as projects with a total estimated project cost equal to or less than $1 million dollars and are included in the MFPFA Capital Plan as one total amount. This amount is comprised of a variety of sub-projects that will be allocated, administered and accounted for as "Projects" through PCWA's budget and accounting system, as PCWA is the lead entity for MFP projects.

French Meadows Forest Management

Project Number: 17004P
Project Category: Major-Authorized
Project Lead: SARM
Project Type: Environmental

The French Meadows Project aims to accelerate ecologically-based forest and watershed restoration on approximately 28,000 acres of Tahoe National Forest and private lands around the French Meadows Reservoir through a shared stewardship approach involving collaborative management, diverse fundraising, innovative project implementation, and watershed research.

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	$ 3,000,000	250,000	50,000	50,000	50,000	50,000	450,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate “Projects” through PCWA’s accounting system, as PCWA is the lead entity for MFP projects.

French Meadows Powerhouse Reliability Upgrades

Project Number: 14007P
Project Category: Major-Authorized
Project Lead: Power
Project Type: Plant

Powerhouse reliability upgrades encompass projects that will sustain or increase generator availability (the percentage of time a generator is available to be synchronized to the grid and produce electricity) and projects that will improve employee safety.

1. French Meadows Penstock Interior Inspection and Relining
2. French Meadows Penstock Exterior Coating Inspection
3. French Meadows Powerhouse Generator and GSU Protection Upgrade
4. French Meadows Powerhouse Turbine PRV Replacement
5. French Meadows Powerhouse TRU Replacement
6. LL Anderson Dam - Crest Improvements
7. LL Anderson Dam - Log Boom Replacement

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	Ongoing	$ 2,825,000	1,300,000	9,950,000	3,400,000	3,600,000	21,075,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.

PLACER COUNTY WATER AGENCY
MFP Capital Plan
As Funded by the Middle Fork Project Finance Authority
2025 - 2029

Hell Hole Powerhouse Reliability Upgrades

Project Number: 14003P
Project Category: Major-Authorized
Project Lead: Power
Project Type: Plant

Powerhouse reliability upgrades encompass projects that will sustain or increase generator availability (the percentage of time a generator is available to be synchronized to the grid and produce electricity) and projects that will improve employee safety.

1. Hell Hole Substation

Hell Hole Dam & Powerhouse

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	Ongoing	$ 800,000	8,620,000	250,000	2,500,000	-	12,170,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate “Projects” through PCWA’s accounting system, as PCWA is the lead entity for MFP projects.

PLACER COUNTY WATER AGENCY
MFP Capital Plan
As Funded by the Middle Fork Project Finance Authority
2025 - 2029

Middle Fork Powerhouse Reliability Upgrades

Project Number: 14009P
Project Category: Major-Authorized
Project Lead: Power
Project Type: Plant

Powerhouse reliability upgrades encompass projects that will sustain or increase generator availability (the percentage of time a generator is available to be synchronized to the grid and produce electricity) and projects that will improve employee safety.

1. Middle Fork Penstock Internal Coating
2. Middle Fork Powerhouse Main Transformer and Bus Protection Replacement
3. Middle Fork Powerhouse Transformer Replacement
4. Middle Fork Powerhouse Online Partial Discharge Monitoring Upgrade
5. MF Penstock Drainage
6. Middle Fork Penstock External Coating Inspection
7. Middle Fork Powerhouse Plant RTU Replacement
8. Interbay Dam Radial Gate Structural Retrofit


Middle Fork Powerhouse

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	Ongoing	$ 6,150,000	2,345,000	3,275,000	2,775,000	5,000,000	19,545,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.

PLACER COUNTY WATER AGENCY
MFP Capital Plan
As Funded by the Middle Fork Project Finance Authority
2025 - 2029

Oxbow Powerhouse Reliability Upgrades

Project Number:	14010P
Project Category:	Major-Authorized
Project Lead:	Power
Project Type:	Plant

Powerhouse reliability upgrades encompass projects that will sustain or increase generator availability (the percentage of time a generator is available to be synchronized to the grid and produce electricity) and projects that will improve employee safety.

1. Oxbow Powerhouse Plant RTU Replacement
2. Abay Dam Radial Gate Structural Retrofit
3. Abay Dam Radial Gate Hoist Improvement
4. Abay Dam Lift Joint "Body" Drains
5. After-Bay LLO Gate Modifications
6. Oxbow Powerhouse Battery Bank Online Monitoring Equipment Upgrade
7. After-Bay Log Boom Replacement


Oxbow Powerhouse

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	Ongoing	$ 2,770,000	2,100,000	1,700,000	800,000	2,000,000	9,370,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate “Projects” through PCWA’s accounting system, as PCWA is the lead entity for MFP projects.

Ralston Powerhouse Reliability Upgrades

Project Number: 14012P
Project Category: Major-Authorized
Project Lead: Power
Project Type: Plant

Powerhouse reliability upgrades encompass projects that will sustain or increase generator availability (the percentage of time a generator is available to be synchronized to the grid and produce electricity) and projects that will improve employee safety.

1. Ralston Penstock Internal Relining
2. Ralston Powerhouse Online Partial Discharge Monitoring Upgrade
3. Ralston Powerhouse Main Transformer Replacement
4. Ralston Penstock External Coating Inspection
5. Ralston Powerhouse Battery Bank Online Monitoring Equipment Upgrade

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	Ongoing	$ 6,770,000	2,450,000	1,150,000	1,000,000	600,000	11,970,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate “Projects” through PCWA’s accounting system, as PCWA is the lead entity for MFP projects.

PLACER COUNTY WATER AGENCY
MFP Capital Plan
As Funded by the Middle Fork Project Finance Authority
2025 - 2029

FERC License Implementation - Project Infrastructure

Project Number: 14013P
Project Category: Major-Authorized
Project Lead: Power
Project Type: Plant

These capital projects consist of infrastructure work required under the new FERC license. The work includes:

1. Duncan Creek Diversion Dam Upgrade and & Recreation Trail
2. South Fork Long Canyon Diversion Upgrades
3. North Fork Long Canyon Diversion Upgrades
4. Hell Hole Dam Seasonal Storage
5. Hell Hole Outlet Works Upgrade
6. Interbay Dam LLO Gate Modifications
7. Middle Fork Project Cooperative Road Management
8. Ralston Afterbay Sediment Relocation Plan


Middle Fork Interbay Reservoir

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	$ 85,000,000	12,500,000	1,990,000	3,840,000	6,900,000	3,150,000	28,380,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate “Projects” through PCWA’s accounting system, as PCWA is the lead entity for MFP projects.

PLACER COUNTY WATER AGENCY
MFP Capital Plan
As Funded by the Middle Fork Project Finance Authority
2025 - 2029

FERC License Implementation - Project Recreation Facilities

Project Number: 14014P
Project Category: Major-Authorized
Project Lead: Engineering
Project Type: Environmental

This project consists of work to rehabilitate recreational facilities that will be required by the new FERC license. The work includes:

1. French Meadows South Shore Water Supply
2. Indian Bar River Access
3. French Meadows Campground and Dump Station
4. Hell Hole Recreation Work Station & Storage Facility for USFS
5. Hell Hole Support Facilities Water Supply
6. French Meadows Boat Ramp Extension and Picnic Area
7. French Meadows North Shore Water Supply
8. McGuire Picnic Area Conversion to Group Campground
9. Lewis Campground
10. Afterbay Picnic Area
11. Hell Hole Worker Campground
12. Middle Fork Powerhouse Pedestrian Bypass
13. Abay Sediment Removal Access Point
14. Hell Hole Boat Ramp Extension
15. Ahart Campground
16. Gates Group Campground
17. MF Stream Gage Trail Improvements
18. Middle Meadows Campground Vertical Well
19. HH Parking Improvements
20. HH and Big Meadows Campground


Ahart Campground

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	$ 64,000,000	5,050,000	6,390,000	9,320,000	5,520,000	1,320,000	27,600,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.

PLACER COUNTY WATER AGENCY
MFP Capital Plan
As Funded by the Middle Fork Project Finance Authority
2025 - 2029

Sediment Removal

Project Number: 23027P
Project Category: Major-Authorized
Project Lead: Power
Project Type: Plant

These capital projects consist of sediment removal. The work includes:

1. Ralston Afterbay Sediment Removal (Mosquito Fire)
2. Interbay Sediment Removal

Funding Source	Total Estimated Project Cost	Adopted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	$ 24,000,000	3,250,000	2,500,000	2,500,000	2,500,000	2,500,000	13,250,000

This project is a Major Project, or project category, with a total estimated project cost at more than $1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.

This page intentionally left blank.

Middle Fork Project Finance Authority

Established 2006

Budget
2025