



MIDDLE FORK PROJECT  
FINANCE AUTHORITY



Middle Fork Interbay - Powerhouse Tailrace  
(Dewatered)

**Budget**  
**2023**



## MIDDLE FORK PROJECT FINANCE AUTHORITY

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 (when Board adopted Budget)**

#### Placer County Board of Supervisors

- Jim Holmes\*\*\*
- Robert Weygandt

#### Placer County Water Agency

- Primo Santini
- Mike Lee\*\*

\*\* Chair for 2022

\*\*\* Vice Chair for 2022

### **Officers of MFP Finance Authority**

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

**Approved by Authority Board of Directors on October 20, 2022**

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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 20, 2022

**RE:** Adopted 2023 MFP Finance Authority Annual Budget

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**Overview**

Attached herewith is the Adopted 2023 Middle Fork Project Finance Authority (Authority) Budget totaling \$65.7 million, which is comprised of a \$37.2 million operating budget and a \$28.5 million capital budget. The 5-year Budget is provided with 2022 (Adopted and Projection), the Adopted 2023 Budget (amounts **bolded**), as well as the following four years (2024 - 2027) in the following attached schedules:

- Budget Schedule Years 2022 - 2027
- Reserve Schedule Years 2022 - 2027
- MFP Capital Plan as funded by the Authority 2023 - 2027

Because the Adopted 2023 Budget is in a deficit position with significant capital future needs, one of the recommendations associated with consideration of this budget is to direct any and all potential 2022 net revenues after reserves are filled to be appropriated to capital projects.

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

The following pages provide additional details regarding budgetary changes from 2022, discussion and analysis, and other background information.

**2023 Adopted Budget - Overview**

**Power Sales:**

The Adopted 2023 Power Sales revenue reflects a \$3 million or 6% increase from the Adjusted 2022 Budget. Power Sales is comprised of two primary sources: Energy and Energy Products. Energy and ancillary services are sold directly in the CAISO while energy products 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. Recent analysis indicates that over the past 20 years, average generation overall is trending down. Therefore, the 2023 budget and years thereafter utilizes 80% of average generation between years 2002 – 2021, totaling 680,000 MWh. While average generation is trending down, power prices have been trending up. Based on the forward energy price curve, prices have increased 30% for 2023 as compared to the Adjusted 2022 Budget because of California’s multi-year drought, low natural gas inventory in storage and lack of new drilling permits awarded by the federal government.

The Energy Products component of the Power Sales budget includes resource adequacy, renewable energy credits and carbon-free credits. The revenue total from these bilateral contracts decreased 7.1% in the 2023 Adopted Budget as compared to the 2022 Adjusted Budget.

The 2023 **Total Operating Expenditures** have increased \$1.5 million, or 4.2% compared with the Adjusted 2022 Budget. The following discussion provides a comparison between the Adjusted 2022 Budget and the Adopted 2023 Budget for the Operating Budget Expenditures:

**Administration:**

The Adopted 2023 Budget amounts are similar to the 2022 Adjusted Budget with a slight increase in administration expenses of \$26,800.

**PCWA Power Division – Operating:**

**Power Operations** is increasing by \$2.3 million, or 14.7% from the 2022 budget. A significant portion of this variance relates to Personnel Services (salary and benefits), accounting for \$704,000 of the total increase, a result of 5% COLA increase to labor as well as personnel reorganization and other benefit increases. Contracted Services contributed to \$716,000 of the increase primarily a result of consulting needs associated with FERC requirements, including the LL Anderson Crest Material Investigation. Additionally, Operating Services contributed by \$434,000 for an increase in facilities repair and maintenance needs in addition to planning needs to replace the Hell Hole 12kv line with metal poles. Finally, inflationary cost increases have impacted Cost Share Partnership contracts, which results in an estimated increase of \$291,000.

**General and Administrative** is decreasing by \$1.5 million, or 18.3% from the 2022 budget, primarily driven by Service Level Support (SLS), which is allocated based on a detailed Cost Allocation Plan process that has been revised to utilize actual expenses from the past

completed year for the allocation base, instead of the adopted budget amounts. In addition, the 2022 budget was based on SLS estimates versus actuals which resulted in lower expenses once completed.

**Natural Resources Management** is increasing by \$0.6 million, or 13.6% from the 2022 Adjusted Budget, a result of FERC License Operating Implementation costs that are budgeted to increase by \$693,000 in accordance with specific contracts.

**Power Resources Management** is increasing by \$213,000, or 16.4% from the 2022 Adjusted Budget. This increase is largely a result of Personnel Services, which contributed \$212,000, a result of an estimated 5% COLA increase to labor as well as organizational changes.

**Routine Capital** is decreasing by \$137,000 because of a reduction in planned rolling stock, furniture, and capital equipment purchases for 2023.

**Debt Service** will increase by \$4,500 from 2022 to the 2023 Adopted Budget total of \$5.4 million. This increase 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 2023 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 2023 MFP Capital Plan appropriations total \$28.5 million, and are segmented into two broad categories:

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

Over the next 5-years, the Upgrades and Renewal, Replacement and Reliability Projects total \$39.6 million or 44% of the total projected 5-year Capital Plan. Renewal, Replacement and Reliability Projects are recurring, and are required to maintain the operational effectiveness of the Middle Fork Project. Conversely, Upgrades are considered “one-time” 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.

The second category of FERC License Implementation Projects are also mainly considered “one-time” capital projects which total \$52.9 million or 56% of the 5-year total projected Capital Plan. The issuance of the FERC License (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 Implementation over the next 5 years, estimated to be 78% of the total capital outlay for FERC License capital projects over the next 10 years. The projected budget requirements for the next two years (2023 and 2024) are particularly substantial, totaling \$40.0 million, which represents an estimated 59% of the 10-year horizon.

During 2022, a total of \$8 million was appropriated by the MFPFA to support the necessary inspections and other matters associated with the Mosquito Fire. The Adopted 2023 Budget does not include additional appropriations as the inspections and assessments are still in progress.

**Reserves** – The Authority’s General Financial Policies revised in July 2020, 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. The reserve category full funding targets in priority funding order with the funding amount recommended by the Authority Treasurer and approved by the Board, as follows:

**Operating Reserve:** The Operating Reserve year-end funding target is one year of operating expenditures, based on the Adopted Budget for the subsequent year, currently adopted at \$31.8 million for year-end 2022.

**Emergency Reserve:** The Emergency Reserve funding is to provide interim appropriations and immediate funding for unforeseen needs or events, primarily for insurance deductible. The Adopted 2023 Budget increased the Emergency Reserve funding target to \$5 million, which is reflected in the accompanying schedules.

**Capital Reserve:** The Capital Reserve funding is to provide funds for appropriation of unforeseen and unplanned capital needs. The Adopted 2023 Budget increased the Capital Reserve funding target to \$25 million for increases in CPI, which is reflected in the accompanying schedules.

Per Policy, the Operating Reserve is to be fully funded prior to funding the Emergency and Capital Reserves or reporting net revenue. The Adopted 2023 Budget will utilize \$6.5 million of 2022 Projected Revenue over Expenditures and Appropriations. Additionally, the Adopted 2023 Budget includes estimated Capital Reserve use of \$5.8 million as a result of budgeted Expenditures and Appropriations exceeding Revenue.

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 (2023 – 2027)**

In the Budget Schedule, Power Sales revenue exhibits a slight increase in 2023 as a result of anticipated increase in energy prices which is netted with a slight decrease in energy products revenue. In years 2024-2027 overall projected Power Sales revenue is expected to decline slightly, decreasing from \$47.2 million to \$46.8 million. This is mostly a result of a forecasted decrease in energy prices based on the forward price curve.

Also worth noting is that the 5-year Capital Plan increased \$13.2 million from the 2022 Adopted 5-year Capital Plan to \$93.8 million. This increase was largely the result of an escalation in projected capital construction costs, as the construction industry is experiencing increases in inflation impacting raw material costs, supply-chain disruptions, and a variety of other constraints.

The Adopted 2023 5-year Budget, with power sales revenue budgeted at 80% of the historical average, is expected to use Reserves for each of the years 2023 through 2027 to balance the respective year's Budgets in cases where projected Expenditures and Appropriations exceed projected Revenue, a result of the significant capital outlay for FERC. However, after this 5-year period when the bulk of the FERC license capital projects are completed, the Capital Reserve is expected to be replenished when net revenue is more readily available.

**MIDDLE FORK PROJECT FINANCE AUTHORITY**  
**Budget Schedule**  
**Years 2022 - 2027**

	Adjusted 2022	Projection 2022
<b>Revenue:</b>		
Power Sales <i>(Note 1)</i>		
Energy	\$ 33,503,412	56,951,067
Energy Products	16,396,588	15,905,906
Total Power Sales	49,900,000	72,856,973
Interest Income	400,000	400,000
<b>Total Revenue</b>	50,300,000	73,256,973
<b>Expenditures and Other Uses:</b>		
<b>Administration:</b>		
Operating Supplies/Services	10,000	9,200
Administration	123,200	113,344
Professional Services	51,300	47,200
Total Administration Expenditures	184,500	169,744
<b>PCWA Power Division - Operating:</b>		
Power Operations	15,861,677	15,704,676
General and Administrative	8,225,336	6,550,363
Natural Resources Management	4,080,714	3,603,446
Power Resources Management	1,298,782	1,145,887
Routine Capital	610,300	610,300
Total PCWA Power Division - Operating	30,076,809	27,614,672
<b>Debt Service <i>(Note 2)</i></b>	5,399,750	5,399,750
Total Operating Expenditures	35,661,059	33,184,166
<b>Capital Plan Appropriations:</b>		
Upgrades & Renewal, Replacement and Reliability	11,920,000	11,920,000
FERC License Implementation Projects	23,515,350	23,515,350
Total Appropriations to Capital Projects	35,435,350	35,435,350
<b>Total Expenditures and Appropriations</b>	71,096,409	68,619,516
<b>Appropriation from Prior Year's Budget</b>	3,396,409	3,396,409
<b>Revenue over/(under) Expenditures and Appropriations</b>	(17,400,000)	8,033,866
<b>Projected Reserve Use:</b>		
Operating Reserve	-	-
Capital Reserve - Budget Funding	-	-
Capital Reserve - Approved During Year	17,400,000	17,400,000
Total Projected Reserve Use	17,400,000	17,400,000
<b>Reserve Funding and Appropriations for Next Year's Budget</b>		
Projected YE Operating Reserve Funding	-	(1,489,431)
Projected YE Capital Reserve Funding	-	(17,400,000)
Appropriation for Next Year's Budget	-	(6,544,435)
<b>Net Revenue</b>	\$ -	-
<b>Reserves - Projected Year-End Balances:</b>		
<b>Operating Reserve</b>	\$ 30,261,309	31,750,740
<b>Emergency Reserve</b>	2,000,000	2,000,000
<b>Capital Reserve</b>	2,600,000	20,000,000
<b>Total</b>	\$ 34,861,309	53,750,740

**Note 1:** Power Sales revenue for years 2023-2027 is based on 80% of the 20 year historical average of 862,000 MWh as recent data indicates a downward trend in generation.

**Note 2:** At December 31, 2022, the debt outstanding will total \$55.8 million. An additional \$2.6 million in principal and \$1.4 million in interest will be prefunded, and will be held by the Trustee at December 31, 2022.

<b>Adopted 2023</b>	<b>Projected 2024</b>	<b>Projected 2025</b>	<b>Projected 2026</b>	<b>Projected 2027</b>	<b>Total 2023-2027</b>
<b>37,674,300</b>	31,093,000	32,697,000	32,772,000	32,785,000	167,021,300
<b>15,229,700</b>	16,132,000	15,020,000	14,020,000	14,020,000	74,421,700
<b>52,904,000</b>	47,225,000	47,717,000	46,792,000	46,805,000	241,443,000
<b>400,000</b>	400,000	400,000	400,000	400,000	2,000,000
<b>53,304,000</b>	47,625,000	48,117,000	47,192,000	47,205,000	243,443,000
<b>10,000</b>	10,300	10,600	10,900	11,200	53,000
<b>150,000</b>	154,000	158,000	162,900	167,900	792,800
<b>51,300</b>	52,700	54,100	55,500	57,000	270,600
<b>211,300</b>	217,000	222,700	229,300	236,100	1,116,400
<b>18,198,486</b>	18,653,000	19,119,000	19,597,000	20,087,000	95,654,486
<b>6,718,550</b>	6,887,000	7,059,000	7,235,000	7,416,000	35,315,550
<b>4,636,851</b>	4,753,000	4,835,144	4,919,028	5,004,454	24,148,476
<b>1,512,053</b>	1,550,000	1,589,000	1,629,000	1,670,000	7,950,053
<b>473,500</b>	250,000	350,000	430,000	250,000	1,753,500
<b>31,539,440</b>	32,093,000	32,952,144	33,810,028	34,427,454	164,822,065
<b>5,404,250</b>	5,407,000	5,407,750	5,416,250	5,336,500	26,971,750
<b>37,154,990</b>	37,717,000	38,582,594	39,455,578	40,000,054	192,910,215
<b>4,455,000</b>	4,875,000	12,075,000	10,250,000	9,250,000	40,905,000
<b>24,055,000</b>	15,928,000	4,269,000	5,650,000	3,035,000	52,937,000
<b>28,510,000</b>	20,803,000	16,344,000	15,900,000	12,285,000	93,842,000
<b>65,664,990</b>	58,520,000	54,926,594	55,355,578	52,285,054	286,752,215
<b>6,544,435</b>	-	-	-	-	6,544,435
<b>(5,816,555)</b>	(10,895,000)	(6,809,594)	(8,163,578)	(5,080,054)	(36,764,780)
-	-	3,521,149	8,163,578	5,080,054	16,764,780
<b>5,816,555</b>	10,895,000	3,288,445	-	-	20,000,000
-	-	-	-	-	-
<b>5,816,555</b>	10,895,000	6,809,594	8,163,578	5,080,054	36,764,780
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>31,750,740</b>	31,750,740	28,229,591	20,066,014	14,985,960	14,985,960
<b>2,000,000</b>	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
<b>14,183,445</b>	3,288,445	-	-	-	-
<b>47,934,185</b>	37,039,185	30,229,591	22,066,014	16,985,960	16,985,960

# MIDDLE FORK PROJECT FINANCE AUTHORITY

## Reserve Schedule Years 2022 - 2027

	Adjusted 2022	Projection 2022
<b>Operating Reserve [First Priority - (Note 1)]:</b>		
Beginning of Year	30,261,309	30,261,309
Contributions and Uses	-	1,489,431
Balance End of Year	\$ 30,261,309	31,750,740
Amount Needed to Meet the Target	(1,489,431)	-
<b>Emergency Reserve [Second Priority - (Note 2)]:</b>		
Beginning of Year	\$ 2,000,000	2,000,000
Contributions and Uses	-	-
Balance End of Year	\$ 2,000,000	2,000,000
Amount Needed to Meet the 2023 \$5M Target	-	-
<b>Capital Reserve [Third Priority - (Note 3)]:</b>		
Beginning of Year	\$ 20,000,000	20,000,000
Contributions and Uses	(17,400,000)	-
Balance End of Year	\$ 2,600,000	20,000,000
Amount Needed to Meet the 2023 \$25M Target	\$ (17,400,000)	-
<b>Total Reserve Balance</b>	\$ 34,861,309	53,750,740

**Note 1:** The **Operating Reserve** year-end funding target is one year of operating expenditures, based on the budget for the subsequent year, currently set at \$31.75 million for 2022. Targets in the above schedule for years 2023-2026 are based on operating expenditure projections for each following year. The target for 2027 is set at a preliminary projection of 2028 operating expenditures. 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 2023 the Emergency Reserve funding target increased to \$5 million.

**Note 3:** The **Capital Reserve** is to provide funds for appropriation of unforeseen and unplanned capital needs. For 2023 the Capital Reserve funding target is increased to \$25 million.

<b>Adopted 2023</b>	<b>Projected 2024</b>	<b>Projected 2025</b>	<b>Projected 2026</b>	<b>Projected 2027</b>
<b>31,750,740</b>	31,750,740	31,750,740	28,229,591	20,066,014
-	-	(3,521,149)	(8,163,578)	(5,080,054)
<b>31,750,740</b>	31,750,740	28,229,591	20,066,014	14,985,960
<b>(559,260)</b>	<b>(1,424,104)</b>	<b>(5,809,736)</b>	<b>(14,597,540)</b>	<b>(21,448,240)</b>
<b>2,000,000</b>	2,000,000	2,000,000	2,000,000	2,000,000
-	-	-	-	-
<b>2,000,000</b>	2,000,000	2,000,000	2,000,000	2,000,000
<b>(3,000,000)</b>	<b>(3,000,000)</b>	<b>(3,000,000)</b>	<b>(3,000,000)</b>	<b>(3,000,000)</b>
<b>20,000,000</b>	14,183,445	3,288,445	-	-
<b>(5,816,555)</b>	(10,895,000)	(3,288,445)	-	-
<b>14,183,445</b>	3,288,445	-	-	-
<b>(10,816,555)</b>	<b>(21,711,555)</b>	<b>(25,000,000)</b>	<b>(25,000,000)</b>	<b>(25,000,000)</b>
<b>47,934,185</b>	37,039,185	30,229,591	22,066,014	16,985,960

**PLACER COUNTY WATER AGENCY**  
**MFP Capital Plan**  
**As Funded by the Middle Fork Project Finance Authority**  
**2023-2027**

Project No.	Project Description	Project Lead	Project Type	Total Estimated Project Cost (Note 2)	Prior Funding
<b>MINOR PROJECTS - TOTAL</b>					
<b>MAJOR PROJECTS - AUTHORIZED: (Note 1)</b>					
20046W	Enterprise Resource Planning System Analysis & RFP	IT	Computer Systems	\$ 1,810,000	977,691
22036P	Middle Fork Project Forest Management	SARM	Environmental	1,325,000	-
17004P	French Meadows Forest Management	SARM	Environmental	2,200,000	1,275,000
14007P	French Meadows Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	1,376,641
14003P	Hell Hole Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	893,009
14009P	Middle Fork Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	5,203,586
14010P	Oxbow Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	1,577,610
14012P	Ralston Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	2,876,052
14013P	FERC License Implementation - Project Infrastructure	PWR	Plant	56,000,000	29,806,556
14014P	FERC License Implementation - Project Recreation Facilities	ENG	Environmental	54,000,000	3,504,206
20043P	Sediment Removal (Ibay)	PWR	Plant	6,000,000	5,384,308
	Sediment Removal (Abay)	PWR	Plant	10,000,000	-
<b>SUBTOTAL - MAJOR AUTHORIZED PROJECTS</b>					
<b>TOTAL CAPITAL PROJECTS</b>					

**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.

<b>Adopted 2023</b>	<b>Projected 2024</b>	<b>Projected 2025</b>	<b>Projected 2026</b>	<b>Projected 2027</b>	<b>TOTAL 2023-2027</b>
<b>\$ 350,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>1,350,000</b>
<b>500,000</b>	-	-	-	-	<b>500,000</b>
<b>125,000</b>	300,000	300,000	300,000	300,000	<b>1,325,000</b>
<b>200,000</b>	200,000	-	-	-	<b>400,000</b>
<b>880,000</b>	675,000	3,200,000	475,000	1,125,000	<b>6,355,000</b>
-	50,000	-	100,000	200,000	<b>350,000</b>
<b>1,850,000</b>	1,375,000	550,000	2,000,000	2,275,000	<b>8,050,000</b>
<b>400,000</b>	1,475,000	775,000	25,000	550,000	<b>3,225,000</b>
<b>150,000</b>	450,000	6,700,000	1,950,000	400,000	<b>9,650,000</b>
<b>4,375,000</b>	7,600,000	1,070,000	560,000	450,000	<b>14,055,000</b>
<b>19,680,000</b>	8,328,000	3,199,000	5,090,000	2,585,000	<b>38,882,000</b>
-	-	100,000	150,000	4,000,000	<b>4,250,000</b>
-	100,000	200,000	5,000,000	150,000	<b>5,450,000</b>
<b>28,160,000</b>	<b>20,553,000</b>	<b>16,094,000</b>	<b>15,650,000</b>	<b>12,035,000</b>	<b>92,492,000</b>
<b>\$ 28,510,000</b>	<b>20,803,000</b>	<b>16,344,000</b>	<b>15,900,000</b>	<b>12,285,000</b>	<b>93,842,000</b>

**PLACER COUNTY WATER AGENCY**  
**MFP Capital Plan**  
**As Funded by the Middle Fork Project Finance Authority**  
**2023 - 2027**

**Minor Projects - Total**

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

1. Existing Project Adjustment Fund
2. Project Wide Security Surveillance Improvements



Funding Source		2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority		\$ 350,000	250,000	250,000	250,000	250,000	1,350,000

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.

**PLACER COUNTY WATER AGENCY**  
**MFP Capital Plan**  
**As Funded by the Middle Fork Project Finance Authority**  
**2023 - 2027**

**Enterprise Resource Planning System Analysis & RFP**

Project Number: 20046W  
 Project Category: Major-Authorized  
 Project Lead: Administration  
 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.

1. Implementation
2. Testing
3. Software Licensing



Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	\$ 1,810,000	500,000	-	-	-	-	500,000

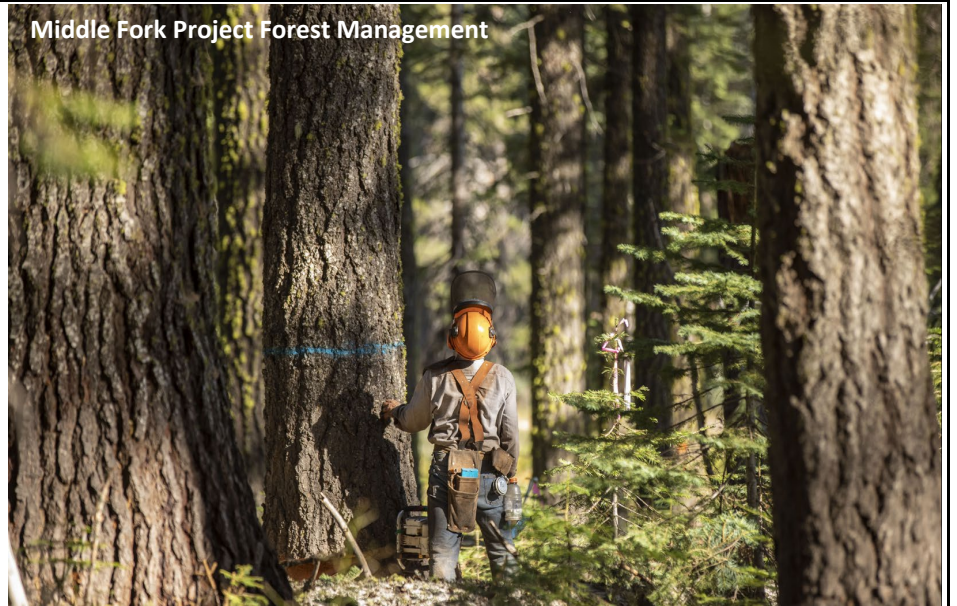
This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate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

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**Middle Fork Project Forest Management**

Project Category: Major-Authorized  
 Project Lead: SARM  
 Project Type: Environmental

The aim of the MFP Forest Management project is to increase the pace and scale of forest restoration in a critical municipal watershed, using an approach of ecologically-based forest management.



Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	\$ 1,325,000	125,000	300,000	300,000	300,000	300,000	1,325,000

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**French Meadows Forest Management**

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

The Agency is partnering with the Tahoe National Forest, The Nature Conservancy, American River Conservancy, and the University of California, Sierra Nevada Research Institute on the French Meadows Forest Management Project. The aim of the French Meadows Forest Management Project is to increase the pace and scale of forest restoration in a critical municipal watershed, using an approach of ecologically-based forest management.



French Meadows Forest Management

Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	\$ 2,200,000	200,000	200,000	-	-	-	400,000

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**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 Recoating
2. French Meadows Generator and GSU Protection Upgrade
3. French Meadows Plant RTU Replacement
4. French Meadows Turbine PRV Replacement



French Meadows Powerhouse

Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	Ongoing	\$ 880,000	675,000	3,200,000	475,000	1,125,000	6,355,000

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**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.



Hell Hole Substation

Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	Ongoing	\$ -	50,000	-	100,000	200,000	350,000

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**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 Powerhouse Transmission Line Protection Replacement
2. Middle Fork Powerhouse Plant RTU Replacement
3. Middle Fork Penstock Drainage
4. Middle Fork Powerhouse Switchyard Upgrades
5. Interbay Dam Radial Gate Hoist Improvement



Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	Ongoing	\$ 1,850,000	1,375,000	550,000	2,000,000	2,275,000	8,050,000

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**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. Abay Dam Radial Gate Structural Retrofit
2. Abay Dam Radial Gate Hoist Improvement
3. Oxbow Powerhouse Intake Gate Hoist Replacement



Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	Ongoing	\$ 400,000	1,475,000	775,000	25,000	550,000	3,225,000

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**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 Coating Replacement & Repair
2. Ralston Powerhouse Plant RTU Replacement



Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	Ongoing	\$ 150,000	450,000	6,700,000	1,950,000	400,000	9,650,000

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**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. Hell Hole Dam Seasonal Storage
2. Hell Hole Dam Outlet Works Upgrade
3. Duncan Creek Diversion Dam Upgrade and Trail
4. North Fork Long Canyon Diversion Upgrades
5. South Fork Long Canyon Diversion Upgrades
6. Ibay Outlet Works Upgrade and Stream Gage Installation
7. Middle Fork Project Power Pole Upgrades
8. Middle Fork Project Cooperative Road Management



Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	\$ 56,000,000	4,375,000	7,600,000	1,070,000	560,000	450,000	14,055,000

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**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. Indian Bar River Access
2. Afterbay Picnic Area
3. MF Stream Gage Trail Improvements
4. Abay Sediment Removal Access Point
5. French Meadows Boat Ramp Extension and Picnic Area
6. French Meadows North Shore Water Supply
7. French Meadows South Shore Water Supply
8. French Meadows Campground
9. French Meadows RV Dump Station
10. Hell Hole Parking Improvements
11. Hell Hole Support Facilities Water Supply
12. Hell Hole Boat Ramp Extention
13. Hell Hole Upper Campground
14. McGuire Picnic Area Conversion to Group Campground
15. Hell Hole Recreation Work Station & Storage Facility for USFS



Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	\$ 54,000,000	19,680,000	8,328,000	3,199,000	5,090,000	2,585,000	38,882,000

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**Sediment Removal (Ibay)**

Project Number: 20043P  
 Project Category: Major-Authorized  
 Project Lead: Power  
 Project Type: Plant

The project includes removing accumulated sediment from Middle Fork Interbay regulating reservoir within the Middle Fork American River Hydroelectric Project. Sediment removal includes sediment excavation, hauling, processing, and placement at select sacrificial sediment augmentation locations, permanent fill embankment, and temporary fill embankment locations.



Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	\$ 6,000,000	-	-	100,000	150,000	4,000,000	4,250,000

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**Sediment Removal (Abay)**

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

This project includes removing accumulated sediment from Ralston Afterbay within the Middle Fork American River Hydroelectric Project.



Funding Source	Total Estimated Project Cost	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total
Middle Fork Project Finance Authority	\$ 10,000,000	-	100,000	200,000	5,000,000	150,000	5,450,000

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