LEC PPC Agenda

Date: March 12, 2018
Subject: Lodi Energy Center Project Participant Committee Meeting
Location: 12745 N. Thornton Road, Lodi, CA and/or Posted Teleconference Locations
Time: 10:00 am

*** In compliance with the Brown Act, you may participate in person at the meeting location or via teleconference at one of the locations listed below. In either case, please: (1) post this notice at a publicly accessible location at the participation location at least 72-hours before the meeting begins, and (2) have a speaker phone available for any member of the public who may wish to attend at your location.

<table>
<thead>
<tr>
<th>NCPA</th>
<th>NCPA</th>
<th>CITY OF HEALDSBURG</th>
</tr>
</thead>
<tbody>
<tr>
<td>651 Commerce Drive</td>
<td>12745 N. Thornton Road</td>
<td>401 Grove Street</td>
</tr>
<tr>
<td>Roseville, CA 95678</td>
<td>Lodi, CA 95241</td>
<td>Healdsburg, CA 95448</td>
</tr>
<tr>
<td>BAY AREA RAPID TRANSIT</td>
<td>CITY OF GRIDLEY</td>
<td>CITY OF LOMPOC</td>
</tr>
<tr>
<td>300 Lakeside Drive, 16th</td>
<td>685 Kentucky Street</td>
<td>100 Civic Center Plaza</td>
</tr>
<tr>
<td>Floor</td>
<td>Gridley, CA 95948</td>
<td>Lompoc, CA 93438</td>
</tr>
<tr>
<td>Oakland</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CITY OF BIGGS</td>
<td>PLUMAS-SIERRA RURAL</td>
<td>POWER &amp; WATER RESOURCES</td>
</tr>
<tr>
<td>465 “C” Street</td>
<td>ELECTRIC COOP</td>
<td>POOLING AUTHORITY</td>
</tr>
<tr>
<td>Biggs, CA 95917</td>
<td>73233 Highway 70</td>
<td>106 Polo Rd</td>
</tr>
<tr>
<td></td>
<td>Portola, CA 96122</td>
<td>Glenwood Springs, CA 81601</td>
</tr>
<tr>
<td>CALIFORNIA DEPARTMENT OF</td>
<td>SILICON VALLEY POWER/CITY</td>
<td></td>
</tr>
<tr>
<td>WATER RESOURCES</td>
<td>OF SANTA CLARA</td>
<td>CITY OF UKIAH</td>
</tr>
<tr>
<td>2135 Butano Drive, Suite</td>
<td>1500 Warburton Avenue,</td>
<td>300 Seminary Avenue</td>
</tr>
<tr>
<td>100</td>
<td>Santa Clara, CA 95050</td>
<td>Ukiah, CA 95482</td>
</tr>
<tr>
<td>Sacramento, CA 95825</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CITY OF AZUSA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>729 N. Azusa Avenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Azusa, CA 91702</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Persons requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact the NCPA Secretary at 916.781.3636 in advance of the meeting to arrange for such accommodations.
The Lodi Energy Center Project Participant Committee may take action on any of the items listed on this Agenda regardless of whether the matter appears on the Consent Calendar or is described as an action item, a report, or an information item. If this Agenda is supplemented by staff reports, they are available to the public upon written request. Pursuant to California Government Code Section 54957.5, the following is the location at which the public can view Agendas and other public writings: NCPA, 651 Commerce Drive, Roseville, CA or www.ncpa.com

1. Call Meeting to Order and Roll Call

PUBLIC FORUM

Any member of the public who desires to address the Lodi Energy Center Project Participant Committee on any item considered by the Lodi Energy Center Project Participant Committee at this meeting, before or during the Committee’s consideration of that item, shall so advise the Chair and shall thereupon be given an opportunity to do so. Any member of the public who desires to address the Lodi Energy Center Project Participant Committee on any item within the jurisdiction of the Lodi Energy Center Project Participant Committee and not listed on the Agenda may do so at this time.

2. Meeting Minutes – Approval of February 12, 2018 Regular Meeting Minutes

MONTHLY REPORTS

3. Operational Report for February 2018 – (Jeremy Lawson)


CONSENT CALENDAR

All items on the Consent Calendar are considered routine and will be approved without discussion by a single roll call vote. Any Project Participant or member of the public may remove any item from the Consent Calendar. If an item is removed, it will be discussed separately following approval of the remainder of the Consent Calendar. Prior to the roll call vote to approve the Consent Calendar, the Participants will be polled to determine if any Participant wishes to abstain from one or more items on the Consent Calendar.

7. Treasurer’s Report for February 2018 – Accept by all Participants

8. Financial Report for February 2018 – Approve by all Participants

9. GHG Reports (excerpted from Monthly ARB) – Accept by all Participants

10. Bay Cities Fire Protection MTGSA – Staff is seeking approval of a five year Multi-Task General Services Agreement with Bay Cities Fire Protection with a not to exceed amount of

Persons requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact the NCPA Secretary at 916.781.3636 in advance of the meeting to arrange for such accommodations.
Persons requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact the NCPA Secretary at 916.781.3636 in advance of the meeting to arrange for such accommodations.

$500,000 for fire systems maintenance, including testing and other necessary services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, or SCPPA Members.

11. T.A. Krause, Inc. MTGSA – Staff is seeking approval of a five year Multi-Task General Services Agreement with T.A. Krause, Inc. dba T.A. Krause Construction and Custom Painting with a not to exceed amount of $1,000,000 for preventative roof and siding maintenance services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, or SCPPA Members.

12. Nor-Cal Battery Company MTGSA – Staff is seeking approval of a five year Multi-Task General Services Agreement with Nor-Cal Battery Company with a not to exceed amount of $250,000 for battery maintenance services including testing, installing, and monitoring, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, or SCPPA Members.

13. HRST, Inc. MTGSA – Staff is seeking approval of a five year Multi-Task General Services Agreement with HRST, Inc. with a not to exceed amount of $500,000 for inspection services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, or SCPPA Members.

14. Industrial Air Flow Dynamics, Inc. First Amendment – Staff is seeking approval of a First Amendment to the General Services Agreement with Industrial Air Flow Dynamics, Inc. for roof seal replacement services, increasing the not to exceed amount from $245,000 to $300,000, for use at the Lodi Energy Center.

Consent Items pulled for discussion: ____________________________________________________________

BIZINESS ACTION ITEMS

15. Siemens Energy, Inc. Change Order No. 1 to LTMPA – Staff is seeking approval of Change Order No. 1 to the Long-Term Maintenance Program Agreement with Siemens Energy, Inc., expanding the scope to include additional items and extending the sunset date from 2035 to 2041, for use at the Lodi Energy Center.

CLOSED SESSION

16. Conference with Legal Counsel – Existing litigation pursuant to California Government Code Section 54956.9(d)(1): One case:


INFORMATIONAL/ DISCUSSION ITEMS

17. FY19 Budget Presentation – Review Only – Staff to present an updated draft FY 2019 budget for further Committee review. (Mike DeBortoli)
18. Additional Operational Updates – Staff will provide an update on issues related to Operations.

ADJOURNMENT

Next Regular Meeting: April 9, 2018
LEC PPC Meeting Minutes

Date: February 12, 2018
Time: 10:00 am
Location: Lodi Energy Center – 12745 N. Thornton Rd, Lodi, CA 95242 and by teleconference
Subject: Lodi Energy Center Project Participant Committee Meeting

1. Call Meeting to Order and Roll Call

The PPC meeting was called to order at 10:00 am. Jiayo Chiang was acting as Chairman due to Chairman Martin Caballero and Vice Chairmen John Yarbrough being unavailable for this meeting. He asked that roll be called for the Project Participants as listed below.

<table>
<thead>
<tr>
<th>PPC Meeting Attendance Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participant</td>
</tr>
<tr>
<td>Azusa - Lehr</td>
</tr>
<tr>
<td>BART - Lloyd</td>
</tr>
<tr>
<td>Biggs - Sorenson</td>
</tr>
<tr>
<td>CDWR - Brown</td>
</tr>
<tr>
<td>Gridley - Borges</td>
</tr>
<tr>
<td>Healdsburg - Crowley</td>
</tr>
<tr>
<td>Lodi - Chiang</td>
</tr>
<tr>
<td>Lompoc - Singh</td>
</tr>
<tr>
<td>MID - Braden</td>
</tr>
<tr>
<td>Plumas-Sierra - Brozo</td>
</tr>
<tr>
<td>PWRPA - Bradley</td>
</tr>
<tr>
<td>SVP - Hance</td>
</tr>
<tr>
<td>Ukiah - Grandi</td>
</tr>
</tbody>
</table>

| Summary |
| Present | 5 | 79.7322% |
| Absent | 8 | 20.2678% |

Quorum by #: No
Quorum by GES: Yes
Meeting Date: February 12, 2018
Public Forum

Acting Chairman Chiang asked if any members of the public were present in Lodi or at any of the other noticed meeting locations who would like to address the PPC on any agenda items or on any item within the jurisdiction of the LEC PPC and not listed on the agenda. No members of the public were present.

2. Meeting Minutes

The draft minutes from the January 8, 2018 Regular Meeting were considered. The LEC PPC considered the following motion:

Date: 2/12/2018
Motion: The PPC approves the minutes from the January 8, 2018 Regular Meeting as presented or including any edits discussed at today’s meeting.

Moved by: CDWR
Seconded by: Lodi

Discussion: No further discussion

<table>
<thead>
<tr>
<th>Participant</th>
<th>Vote</th>
<th>Particulars / GES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Azusa</td>
<td>Absent</td>
<td>2.7857%</td>
</tr>
<tr>
<td>BART</td>
<td>Absent</td>
<td>6.6000%</td>
</tr>
<tr>
<td>Biggs</td>
<td>Yes</td>
<td>0.2679%</td>
</tr>
<tr>
<td>CDWR</td>
<td>Yes</td>
<td>33.5000%</td>
</tr>
<tr>
<td>Gridley</td>
<td>Absent</td>
<td>1.9643%</td>
</tr>
<tr>
<td>Healdsburg</td>
<td>Absent</td>
<td>1.6428%</td>
</tr>
<tr>
<td>Lodi</td>
<td>Yes</td>
<td>9.5000%</td>
</tr>
<tr>
<td>Lompoc</td>
<td>Absent</td>
<td>2.0357%</td>
</tr>
<tr>
<td>Modesto</td>
<td>Yes</td>
<td>10.7143%</td>
</tr>
<tr>
<td>Plumas-Sierra</td>
<td>Absent</td>
<td>0.7857%</td>
</tr>
<tr>
<td>PWRPA</td>
<td>Yes</td>
<td>2.6679%</td>
</tr>
<tr>
<td>Silicon Valley Power</td>
<td>Yes</td>
<td>25.7500%</td>
</tr>
<tr>
<td>Ukiah</td>
<td>Absent</td>
<td>1.7857%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vote Summary</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Ayes</td>
<td>6</td>
<td>82.4001%</td>
</tr>
<tr>
<td>Total Noes</td>
<td>0</td>
<td>0.0000%</td>
</tr>
<tr>
<td>Total Abstain</td>
<td>0</td>
<td>0.0000%</td>
</tr>
<tr>
<td>Total Absent</td>
<td>7</td>
<td>17.5999%</td>
</tr>
</tbody>
</table>

Result: Motion Passes
MONTHLY REPORTS

3. Operational Reports for January 2018

Jeremy Lawson presented the Operational Report for January 2018. There were no OSHA recordable accidents, and no NERC/WECC or permit violations. There was one forced outage on January 27th due to a CO emissions issue. The unit was forced to shut down for one hour towards the tail-end of a scheduled run. Staff will be working with Siemens to identify possible causes. Jeremy reviewed the planned outages, including some updated outage dates. Staff will be working with PG&E on their outages related to work on the Gold Hill Line and 8 Mile Line, which will occur from April 6th – 21st.

The operational report reflected monthly production of 141,208 MWH, 553 service hours, and equivalent operating availability of 99.8%. The report set for the Capacity Factor @ 280 MW Pmax of 67.8% and 302 MW Pmax of 62.8%. There were 12 hot starts, 10 warm starts, and 0 cold starts during the month.

4. Market Data Report for January 2018

Mike Whitney presented the operating and financial settlement results for the month. LEC was committed to CAISO 31 out of 31 available days. Most startups were for 12-17 hour runs, with eight 24-hour runs in the month of January.

5. Monthly Asset Report

Mike DeBortoli presented the monthly asset report for December 2017. Mike reported that December rates were less than forecast. Mike reported that runtimes remained high for the month of December, resulting in positive Net Annual Costs. Mike reviewed the monthly historical comparisons as well as the 12-month history.


Jesse Shields presented the Bidding Strategies Report for January 2018, as Ken Goeke was on vacation. Jesse reviewed bidding and calculating net start-up costs. He noted that we continue to net expected start costs in energy revenues. He also noted that the plant was awarded every day of the month. Jesse reviewed DA and RT net revenues over the month with the Committee.

Consent Calendar (Items 7 – 10)

The consent calendar was considered. Acting Chairman Chiang asked if any Participant wished to have any item removed for separate discussion. Hearing no requests, he then asked if any Participant wished to abstain from one or more items on the Consent Calendar. There were no abstentions. The LEC PPC considered the following motion:

**Date:** 2/12/2018

**Motion:** The PPC approves the Consent Calendar items consisting of agenda items no. 7. Treasurer’s Report for December 2017; 8. Financial Reports for December 2017; 9. GHG Reports excerpted from monthly ARB; 10. RFI Communications and Security Systems five year Multi-Task General Services Agreement not to exceed $1,000,000 for Agency security systems maintenance, for use at all NCPA, Member, SCPPA, and SCPPA Member facilities.
Moved by: Biggs
Seconded by: SVP

Discussion: No further discussion.

<table>
<thead>
<tr>
<th>Participant</th>
<th>Vote</th>
<th>Particulars / GES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Azusa</td>
<td>Absent</td>
<td>2.7857%</td>
</tr>
<tr>
<td>BART</td>
<td>Absent</td>
<td>6.6000%</td>
</tr>
<tr>
<td>Biggs</td>
<td>Yes</td>
<td>0.2679%</td>
</tr>
<tr>
<td>CDWR</td>
<td>Yes</td>
<td>33.5000%</td>
</tr>
<tr>
<td>Gridley</td>
<td>Absent</td>
<td>1.9643%</td>
</tr>
<tr>
<td>Healdsburg</td>
<td>Absent</td>
<td>1.6428%</td>
</tr>
<tr>
<td>Lodi</td>
<td>Yes</td>
<td>9.5000%</td>
</tr>
<tr>
<td>Lompoc</td>
<td>Absent</td>
<td>2.0357%</td>
</tr>
<tr>
<td>Modesto</td>
<td>Yes</td>
<td>10.7143%</td>
</tr>
<tr>
<td>Plumas-Sierra</td>
<td>Absent</td>
<td>0.7857%</td>
</tr>
<tr>
<td>PWRPA</td>
<td>Yes</td>
<td>2.6679%</td>
</tr>
<tr>
<td>Silicon Valley Power</td>
<td>Yes</td>
<td>25.7500%</td>
</tr>
<tr>
<td>Ukiah</td>
<td>Absent</td>
<td>1.7857%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vote Summary</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Ayes</td>
<td>6</td>
<td>82.4001%</td>
</tr>
<tr>
<td>Total Noes</td>
<td>0</td>
<td>0.0000%</td>
</tr>
<tr>
<td>Total Abstain</td>
<td>0</td>
<td>0.0000%</td>
</tr>
<tr>
<td>Total Absent</td>
<td>7</td>
<td>17.5999%</td>
</tr>
</tbody>
</table>

Result: Motion Passes

BUSINESS ACTION ITEMS

11. FY19 Initial Budget Presentation

Mike DeBortoli presented the FY19 budget for the Committee to review. He explained that the variable costs have increased in part because of the increase in MWHr. He also explained a proposal to move budget dollars from the Maintenance Reserve Fund to the Variable Costs fund. A more in-depth breakdown of the FY19 Variable Cost changes were presented to the Committee. Staff also proposed adding a new item for Rotor OH Maintenance, which will be needed in the next few years; Staff would like to collect funds now for future maintenance which will be required.
Jeremy reviewed FY19 proposed projects.

- **LEC DCS Software Update:** This was deferred in last year’s budget, and will need to be addressed in FY19. The current version is reaching its end of life, which means maintenance support will be ending soon, including security patches and other critical system updates. The Committee asked how frequently we need to update the software version. Staff responded updates are needed about every 5 years.

- **Platform Access Project:** another proposed project for FY19. Staff is currently using temporary scaffolding for access to monitor the drift eliminators continuously. This is clearly a safety concern. This project was also deferred in the previous budget.

- **CSSP Monitoring System:** This project would be for the implementation of a continuous monitoring system for NCPA’s critical control systems. While this is not currently a NERC requirement, it does align with CSSP best practices for monitoring and detecting infiltrations, and is required per NCPA’s Control System Security Program. Staff shared a breakdown of the costs with the Committee, based upon bids received.

- **Long Term Maintenance Agreement and the Rotor Overhaul:** Mike DeBortoli outlined unit costs. He also reviewed options for completing an overhaul of the rotor. Mike DeBortoli recommended Option 2 (utilizing a refurbished rotor), as the most cost-effective while also minimizing the on-site outage time.

Staff will have a final FY19 budget completed and ready for Committee approval at the April LEC PPC meeting.

12. **Monthly Revenue True-up**

Staff reviewed the current monthly true-up calculations and process, including the Accounting calculations for determining O&M billing for project participants. It was noted that variable O&M is not currently included in the calculations of the monthly true-up amounts. This could potentially cause a need for a ‘cash call’ during settlements of the difference between budget and actuals.

Staff presented proposed changes to the monthly billing and true-up. Proposed changes include backing O&M out of the monthly pre-bill. The proposed changes would go into effect immediately. Staff is also recommending that the current O&M reserve could be used to fund any shortfall this year. For FY19, this updated approach would avoid any settlement refunds or cash calls.

Staff took a poll of members present and, hearing no objections, will move forward with these changes.

**CLOSED SESSION**

13. **Conference with Legal Counsel**

General Counsel Jane Luckhardt advised that there were no updates on Closed Session items, so the Committee did not enter Closed Session.

**INFORMATIONAL ITEMS**

14. **Introduction to the Extranet LEC Margin Report**

Bob Caracristi shared the new LEC Margin Reporting tool with the Committee. Bob walked Members through the Reporting Platform, including how to access the LEC Reporting tool. All of
The data in the report is updated in real-time (in 5-minute intervals). Bob reviewed what data is displayed in the live graph.

As the data displayed includes confidential competitive information, Bob stressed that discretion should be exercised in whom Members share the information with. The security for accessing the system is tied into Office265 security models, which means access to the tool is based on user credentials for accessing the NCPA Extranet.

Members asked how much historical data will be available in the reporting tool. Bob explained that, due to the volume of data, only 9-days of data will be available at any given time. However, more extensive historical reports could be made available via special request.

Members also asked about the availability of hourly margins, including the possibility of breaking out individual data. Bob said the tool was capable of displaying that data, and that he will work on making that data available.

15. **Additional Operational Updates**

There were no additional operational updates at this time.

**Adjournment**

The next regular meeting of the PPC is scheduled for Monday, March 12th, 2018.

The meeting was adjourned at 11:21 am.

Submitted by: Michelle Schellentrager
Safety

- OSHA Recordable: 0 Accidents.

Notice of Violations

- Permits: 0 Violations Issued.
- NERC/WECC: 0 Violations Issued.

Outage Summaries:

- 2/4/18 – 12.5 hours for an HRSG Inspection, OMS 5673861.
- 2/9/18 – 51 minutes in local control due to emission issues, OMS 5695890.
- 2/16/18 – 20 Minute late start due to gas compressor trip, OMS 5721457.
- 2/24/18 – 36 minutes in local control due to emission issues from, OMS 5745960.
- 2/25/18 – 2 hours in local control due to IGV position loss IGV trouble, OMS 5747619.
- 2/26/18 – 14 minutes in local control due to emission issues, OMS 5749250.

Planned Outage Summaries:

- 2018 – April 2nd – 22nd Steam Turbine, BOP, HRSG Seals, Generator Inspections, Eight Mile Conductor Upgrade, Gold Hill Relay Upgrade
### Generating Unit Statistics:

1. **Monthly Production**: 110,676 MWH

2. **Productivity Factor**
   - Service Hours: 440 Hours
   - Service Factor: 65.4%
   - Capacity Factor @ 280MW Pmax: 58.8%
   - Capacity Factor @ 302MW Pmax: 54.5%

3. **Equivalent Operating Availability (EOA)**: 97.8%

4. **Forced Outage Rate (FOR)**
   - Total LEC Plant FOR: 3.2%

5. **Heat Rate Deviation**
   - Fuel Cost (Not Current Market Price): 4.00 $/mmBTU

<table>
<thead>
<tr>
<th>MW Range</th>
<th>PMOA HR BTU/kW-Hr</th>
<th>Average HR BTU/kW-Hr</th>
<th>Deviation %</th>
<th>Production MWH</th>
<th>Cost $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seg. 1 296 +</td>
<td>6850</td>
<td>7,012</td>
<td>2.07%</td>
<td>142</td>
<td>$81</td>
</tr>
<tr>
<td>Seg. 2 284 - 296</td>
<td>6870</td>
<td>7,011</td>
<td>0.58%</td>
<td>2,347</td>
<td>$378</td>
</tr>
<tr>
<td>Seg. 3 275 - 284</td>
<td>7081</td>
<td>7,045</td>
<td>-0.50%</td>
<td>16,315</td>
<td>-$2,329</td>
</tr>
<tr>
<td>Seg. 4 250 - 275</td>
<td>7130</td>
<td>7,116</td>
<td>-0.19%</td>
<td>4,693</td>
<td>-$258</td>
</tr>
<tr>
<td>Seg. 5 225 - 250</td>
<td>7200</td>
<td>7,262</td>
<td>0.86%</td>
<td>2,953</td>
<td>$733</td>
</tr>
<tr>
<td>Seg. 6 200 - 225</td>
<td>7450</td>
<td>7,580</td>
<td>1.74%</td>
<td>3,800</td>
<td>$1,972</td>
</tr>
<tr>
<td>Seg. 7 175 - 225</td>
<td>7760</td>
<td>7,928</td>
<td>2.16%</td>
<td>1,948</td>
<td>$1,308</td>
</tr>
</tbody>
</table>

**Total Deviation**: 7,164 MWH, Total Cost: $1,884

6. **AGC Control Deviation**

<table>
<thead>
<tr>
<th>MW Range</th>
<th>Bad AGC Data for May</th>
<th>High Dev MWH</th>
<th>Low Dev MWH</th>
<th>Total Dev MWH</th>
<th>Cost $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seg. 1 296 +</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td>Seg. 2 284 - 296</td>
<td>117</td>
<td>-69</td>
<td>186</td>
<td>$5,207</td>
<td></td>
</tr>
<tr>
<td>Seg. 3 275 - 284</td>
<td>75</td>
<td>-47</td>
<td>122</td>
<td>$3,413</td>
<td></td>
</tr>
<tr>
<td>Seg. 4 250 - 275</td>
<td>86</td>
<td>-49</td>
<td>135</td>
<td>$3,811</td>
<td></td>
</tr>
<tr>
<td>Seg. 5 225 - 250</td>
<td>54</td>
<td>-36</td>
<td>90</td>
<td>$2,556</td>
<td></td>
</tr>
<tr>
<td>Seg. 6 200 - 225</td>
<td>33</td>
<td>-62</td>
<td>95</td>
<td>$2,762</td>
<td></td>
</tr>
<tr>
<td>Seg. 7 175 - 225</td>
<td>31</td>
<td>-64</td>
<td>94</td>
<td>$2,865</td>
<td></td>
</tr>
<tr>
<td>Seg. 8 165 - 175</td>
<td>6</td>
<td>-3</td>
<td>9</td>
<td>$289</td>
<td></td>
</tr>
</tbody>
</table>

**Total Cost**: $20,904

7. **Starting Reliability**

<table>
<thead>
<tr>
<th>Start Type</th>
<th>Hot Starts</th>
<th>Warm Starts</th>
<th>Cold Starts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Starts</td>
<td>13</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>Start Time Benchmark (Minutes)</td>
<td>75</td>
<td>110</td>
<td>200</td>
</tr>
<tr>
<td>Start Time Actual (Average Minute)</td>
<td>73</td>
<td>96</td>
<td>212</td>
</tr>
<tr>
<td>Start Time Deviation (%)</td>
<td>-3%</td>
<td>-13%</td>
<td>6%</td>
</tr>
<tr>
<td>Start Fuel Benchmark PMOA (mmBTU)</td>
<td>1,300</td>
<td>1,800</td>
<td>3,500</td>
</tr>
<tr>
<td>Start Fuel Actual (Average mmBTU)</td>
<td>1,312</td>
<td>1,825</td>
<td>4,121</td>
</tr>
<tr>
<td>Fuel Deviation (%)</td>
<td>1%</td>
<td>1%</td>
<td>18%</td>
</tr>
</tbody>
</table>

**Costs of Fuel Deviations ($)**

<table>
<thead>
<tr>
<th></th>
<th>$46</th>
<th>$100</th>
<th>$2,482</th>
</tr>
</thead>
</table>
**Definitions:**

1. **Monthly Production** = Plant Net MWH's

2. **Capacity Factor**
   a. **Service Hours** = In Production or in Service State
   b. **Service Factor** = SH / PH x 100%
   c. **Capacity Factor** = Production / 302MW x PH
   d. **Capacity Factor** = Production / 280MW x PH

3. **Monthly Equivalent Availability Factor (EAF)** = (AH – EPDH – EFDH) / PH x 100%

4. **Forced Outage Rate** = (FOH/(FOH+SH)) * 100%

5. **Heat Rate Deviation (HRD)**
   a. **Fuel Cost** = Cost of Fuel in $/mmBTU
   b. **Average Heat Rate** = The Average Heat Rate for the given Range
   c. **Heat Rate Deviation** = (Heat Rate Average - Heat Rate Expected) / Heat Rate Expected x 100%
   d. **Production** = The Sum of Production for the given Range
   e. **Costs of Heat Rate Deviations** = (Average Heat Rate - Expected Heat Rate) x Production x Cost of Fuel

6. **AGC Deviation**
   a. **MWH's** = AGC Set Point Generation - LEC Actual Generation
   b. **Cost of Deviations** = Fuel Cost x Heat Rate x Generation

7. **Starting Reliability**
   a. **Number of Starts** = Start Count for Hot, Warm, and Cold
   b. **Start Time** = Average Time from 0 Fuel Flow to Pmin
   c. **Start Fuel** = Average Fuel Consumption to Pmin
   d. **Cost of Fuel Deviation** = (Actual Fuel Consumed - Expected Fuel) x Cost of Fuel
LEC PPC Meeting
March 12, 2018
Market Settlement Results for February 2018
LEC Operational Results for February 2018

- Resource Adequacy Availability Metric:
  - 99.61% LEC Monthly Availability
  - **compared to**
  - 96.50% CAISO RA Incentive Mechanism Availability Standard
    - $2,775 RAAIM Availability Incentive Payment

- LEC was committed by CAISO for Market energy 25 of 28 available days
  - 2 days due to economics
  - 1 day unavailable due to forced outage
Frequency Tabulation of Daily CAISO commitment hour runs for February 2018
February 2018 LEC Daily Margin Profile by Product
# February 2018 LEC Project Cumulative Monthly Margin

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>IFM/RTM Gross Revenues</td>
<td>$4,494,200</td>
</tr>
<tr>
<td>Regulation Up Capacity</td>
<td>$32,900</td>
</tr>
<tr>
<td>Regulation Down Capacity</td>
<td>$134,200</td>
</tr>
<tr>
<td>Spinning Reserve</td>
<td>$600</td>
</tr>
<tr>
<td><strong>Total Gross LEC Revenue</strong></td>
<td><strong>$4,661,900</strong></td>
</tr>
<tr>
<td>LEC CAISO GMC Costs</td>
<td>$(45,100)</td>
</tr>
<tr>
<td>CAISO Energy &amp; Capacity Buyback Costs</td>
<td>$(207,200)</td>
</tr>
<tr>
<td><strong>Total Monthly LEC Fuel Cost</strong></td>
<td><strong>$(2,534,500)</strong></td>
</tr>
<tr>
<td>Total Monthly GHG Obligation</td>
<td>$(647,500)</td>
</tr>
<tr>
<td>Variable Operations &amp; Maintenance Cost</td>
<td>$(392,900)</td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$(3,827,200)</strong></td>
</tr>
<tr>
<td><strong>Net Cumulative Monthly Margin</strong></td>
<td><strong>$834,700</strong></td>
</tr>
<tr>
<td>Average Margin $/MWh</td>
<td>$7.5</td>
</tr>
</tbody>
</table>
Comparison of Day Ahead Congestion
LEC vs NP15 Trade Hub

Net Amount by Day

<table>
<thead>
<tr>
<th>CPR_DATE Day</th>
<th>LEC</th>
<th>NP15</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>$1,209</td>
<td>$15</td>
<td>$1,224</td>
</tr>
<tr>
<td>15</td>
<td>$143</td>
<td>($6)</td>
<td>$137</td>
</tr>
<tr>
<td>16</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>17</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>18</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>19</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>20</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>21</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>22</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>23</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>24</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>25</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>26</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>27</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>28</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Total</td>
<td>$1,300.9</td>
<td>$0</td>
<td>$1,300.9</td>
</tr>
</tbody>
</table>

Net Amount

- LEC: $1,300.9
- NP15: $0

$ / MWh
## January Asset Report

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Forecast</th>
<th>Budget</th>
<th>Forecast</th>
<th>Above / (below)</th>
<th>Percent Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>5,296,568</td>
<td>4,382,796</td>
<td>2,470,063</td>
<td>913,772</td>
<td>2,470,063</td>
<td>913,772</td>
</tr>
<tr>
<td>VOM</td>
<td>5,472,601</td>
<td>4,735,670</td>
<td>2,328,527</td>
<td>736,931</td>
<td>2,328,527</td>
<td>736,931</td>
</tr>
<tr>
<td>Fixed</td>
<td>911,675</td>
<td>1,356,780</td>
<td>929,654</td>
<td>(445,105)</td>
<td>(445,105)</td>
<td>(445,105)</td>
</tr>
<tr>
<td>Projects</td>
<td>173,675</td>
<td>219,704</td>
<td>219,704</td>
<td>(46,029)</td>
<td>(46,029)</td>
<td>(46,029)</td>
</tr>
<tr>
<td>A&amp;G</td>
<td>160,998</td>
<td>186,895</td>
<td>186,895</td>
<td>(25,897)</td>
<td>(25,897)</td>
<td>(25,897)</td>
</tr>
<tr>
<td>Debt</td>
<td>2,181,150</td>
<td>2,201,387</td>
<td>2,201,387</td>
<td>(20,237)</td>
<td>(20,237)</td>
<td>(20,237)</td>
</tr>
<tr>
<td>Net Cost</td>
<td>(3,603,530)</td>
<td>(4,317,640)</td>
<td>(3,396,104)</td>
<td>714,110</td>
<td>(3,396,104)</td>
<td>(3,396,104)</td>
</tr>
</tbody>
</table>

**Net Annual Cost**

| (33,322,010) | (41,127,058) | $7,805,048 |

Below budget by 18.98%
Historical Margins

January

- 2012
- 2013
- 2014
- 2015
- 2016
- 2017
- 2018

Margins:
- 2012: -100,000
- 2013: 200,000
- 2014: 400,000
- 2015: 400,000
- 2016: 100,000
- 2017: 10,000
- 2018: 1,900,000

Historical Margins 2018 - 2012: Celebrating 50 years
|------------|------------|----------------|----------------------------------|-------------------------|-------------------------------|--------------------------|-----------------------------|-----------------|---------------------------|-------------------------|-----------|---------------------|-------------------------------|----------------|---------------------|-----------------------------|----------------|-------------|---------|------------------------|--------------|-----|
LEC Treasurer’s Report

Date: March 12, 2018
To: LEC Project Participant Committee
Subject: Treasurer’s Report for the Month Ended February 28, 2018

In compliance with NCPA policy and State of California Government Code Sections 53601 and 53646(b), the following monthly report is submitted for your information and acceptance.

Cash - At month end cash totaled $42,249.

Investments - The carrying value of the LEC’s investment portfolio totaled $35,269,540 at month end. The current market value of the portfolio totaled $34,777,755.

The overall portfolio had a combined weighted average interest rate of 1.775% with a bond equivalent yield (yield to maturity) of 1.485%. Investments with a maturity greater than one year totaled $18,480,000. During the month $2.4 million was invested.

Funds not required to meet annual cash flow are reinvested and separately reported as they occur.

Interest Rates - During the month, rates on 90 day T-Bills increased by 21 basis points (from 1.43% to 1.64%) and rates on one year T-Bills increased by 23 basis points (from 1.79% to 2.02%).

To the best of my knowledge and belief, all securities held by LEC as of February 28, 2018 are in compliance with the Agency’s investment policy. There are adequate cash flow and investment maturities to meet next month’s cash requirements.

Environmental Analysis
The Treasurer’s report will not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

Respectfully submitted,

MONTY HANKS
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:

SONDRA AINSWORTH
Treasurer-Controller

Attachments
NORTHERN CALIFORNIA POWER AGENCY

TREASURER'S REPORT

FEBRUARY 28, 2018

TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH &amp; INVESTMENT BALANCE</td>
<td>1</td>
</tr>
<tr>
<td>CASH ACTIVITY SUMMARY</td>
<td>2</td>
</tr>
<tr>
<td>INVESTMENT ACTIVITY SUMMARY</td>
<td>3</td>
</tr>
<tr>
<td>INTEREST RATE/YIELD ANALYSIS</td>
<td>4</td>
</tr>
<tr>
<td>INVESTMENT MATURITIES ANALYSIS</td>
<td>5</td>
</tr>
<tr>
<td>DETAIL REPORT OF INVESTMENTS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>APPENDIX</td>
</tr>
</tbody>
</table>
Northern California Power Agency/Lodi Energy Center  
Treasurer's Report  
Cash & Investment Balance  
February 28, 2018

<table>
<thead>
<tr>
<th></th>
<th>CASH</th>
<th>INVESTMENTS</th>
<th>TOTAL</th>
<th>PERCENT</th>
<th>INVESTMENTS at MARKET</th>
</tr>
</thead>
<tbody>
<tr>
<td>MANDATORY FUNDS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Service Account</td>
<td></td>
<td>11,846,014</td>
<td>11,846,014</td>
<td>33.55%</td>
<td>11,838,798</td>
</tr>
<tr>
<td>Debt Service Reserve</td>
<td></td>
<td>12,113,315</td>
<td>12,113,315</td>
<td>34.30%</td>
<td>11,794,340</td>
</tr>
<tr>
<td>O &amp; M Reserve</td>
<td></td>
<td>11,237,955</td>
<td>11,237,955</td>
<td>31.82%</td>
<td>11,072,361</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>35,197,284</td>
<td>99.68%</td>
<td>34,705,499</td>
</tr>
<tr>
<td>ADDITIONAL PROJECT FUNDS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHG Cash Account</td>
<td></td>
<td>72,256</td>
<td>72,256</td>
<td>0.20%</td>
<td>72,256</td>
</tr>
<tr>
<td>Transmission Upgrade Escrow¹</td>
<td>42,249</td>
<td></td>
<td>42,249</td>
<td>0.12%</td>
<td></td>
</tr>
<tr>
<td>Participant Deposit Account</td>
<td></td>
<td></td>
<td></td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>42,249</td>
<td></td>
<td>35,269,540</td>
<td>100.00%</td>
<td>34,777,755</td>
</tr>
</tbody>
</table>

NOTE A - Investment amounts shown at book carrying value.

¹ Amount held in escrow
## Northern California Power Agency/Lodi Energy Center
### Treasurer's Report
### Cash Activity Summary
#### February 28, 2018

<table>
<thead>
<tr>
<th></th>
<th>RECEIPTS</th>
<th></th>
<th></th>
<th>EXPENDITURES</th>
<th></th>
<th></th>
<th>CASH</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OPS/CONSTR</td>
<td>INTEREST (NOTE B)</td>
<td>INVESTMENTS (NOTE A)</td>
<td>OPS/CONSTR</td>
<td>INVESTMENTS (NOTE B)</td>
<td>INTER-COMPANY/FUND TRANSFERS</td>
<td>INCREASE / DECREASE</td>
</tr>
<tr>
<td>MANDATORY FUNDS</td>
<td>Debt Service Account</td>
<td>$ -</td>
<td>$ 256</td>
<td>$ 1,214</td>
<td>$ -</td>
<td>$ (2,182,416)</td>
<td>$ 2,180,946</td>
</tr>
<tr>
<td></td>
<td>Debt Service Reserve</td>
<td>-</td>
<td>709</td>
<td>145,853</td>
<td>-</td>
<td>(146,562)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>O &amp; M Reserve</td>
<td>-</td>
<td>27,534</td>
<td>-</td>
<td>-</td>
<td>(27,534)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-</td>
<td>28,499</td>
<td>147,067</td>
<td>-</td>
<td>(2,356,512)</td>
<td>2,180,946</td>
</tr>
<tr>
<td>ADDITIONAL PROJECT FUNDS</td>
<td>GHG Cash Account</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Transmission Upgrade Escrow</td>
<td>-</td>
<td>7</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Participant Deposit Account</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$ -</td>
<td>$ 28,506</td>
<td>$ 147,067</td>
<td>$ -</td>
<td>$ (2,356,512)</td>
<td>$ 2,180,946</td>
</tr>
</tbody>
</table>

**NOTE A** - Investment amounts shown at book carrying value.

**NOTE B** - Net of accrued interest purchased on investments.

1 Amount held in escrow
Northern California Power Agency/Lodi Energy Center  
Treasurer's Report  
Investment Activity Summary  
February 28, 2018

<table>
<thead>
<tr>
<th>MANDATORY FUNDS</th>
<th>PURCHASED</th>
<th>SOLD OR MATURED</th>
<th>(NON-CASH) DISC/(PREM) AMORT</th>
<th>(NON-CASH) GAIN/(LOSS) ON SALE</th>
<th>INVESTMENTS TRANSFERS</th>
<th>INCREASE / (DECREASE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Service Account</td>
<td>2,182,416</td>
<td>(1,214)</td>
<td>10,586</td>
<td>-</td>
<td>-</td>
<td>2,191,788</td>
</tr>
<tr>
<td>Debt Service Reserve</td>
<td>146,562</td>
<td>(145,853)</td>
<td>(6,807)</td>
<td>-</td>
<td>-</td>
<td>(6,098)</td>
</tr>
<tr>
<td>O &amp; M Reserve</td>
<td>27,534</td>
<td>-</td>
<td>(1,532)</td>
<td>-</td>
<td>-</td>
<td>26,002</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,356,512</strong></td>
<td><strong>(147,067)</strong></td>
<td><strong>2,247</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>2,211,692</strong></td>
</tr>
</tbody>
</table>

| ADDITIONAL PROJECT FUNDS               |            |                 |                              |                                 |                        |                        |
| GHG Cash Account                       | -          | -               | -                            | -                               | -                      | -                      |
| Participant Deposit Acct.              | -          | -               | -                            | -                               | -                      | -                      |
| **TOTAL**                              | **2,356,512** | **(147,067)**  | **2,247**                    | **-**                           | **-**                  | **2,211,692**          |

Less Non-Cash Activity                  
Disc/(Prem) Amortization & Gain/(Loss) on Sale  
(2,247)  
Net Change in Investment --Before Non-Cash Activity  
$ 2,209,445  

NOTE A - Investment amounts shown at book carrying value.
Northern California Power Agency  
Lodi Energy Center  
Interest Rate/Yield Analysis  
February 28, 2018

<table>
<thead>
<tr>
<th>OVERALL COMBINED</th>
<th>WEIGHTED AVERAGE INTEREST RATE</th>
<th>BOND EQUIVALENT YIELD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.775%</td>
<td>1.485%</td>
</tr>
</tbody>
</table>

Debt Service Account  1.427%  1.454%
Debt Service Reserve  2.368%  1.653%
O & M Reserve         1.506%  1.337%
GHG Cash Account      1.204%  1.205%

<table>
<thead>
<tr>
<th>KEY INTEREST RATES</th>
<th>CURRENT</th>
<th>PRIOR YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fed Fds (Ovnight)</td>
<td>1.42%</td>
<td>0.66%</td>
</tr>
<tr>
<td>T-Bills (90da.)</td>
<td>1.64%</td>
<td>0.52%</td>
</tr>
<tr>
<td>Agency Disc (90da.)</td>
<td>1.64%</td>
<td>0.70%</td>
</tr>
<tr>
<td>T-Bills (1yr.)</td>
<td>2.02%</td>
<td>0.82%</td>
</tr>
<tr>
<td>Agency Disc (1yr.)</td>
<td>2.01%</td>
<td>0.98%</td>
</tr>
<tr>
<td>T-Notes (3yr.)</td>
<td>2.41%</td>
<td>1.45%</td>
</tr>
</tbody>
</table>

INTEREST RATES

The graph shows the interest rates for various periods:
- T-Bills (90 days)
- T-Bills (1 year)
- T-Bills (3 years)
- FED FUNDS

The data indicates a steady increase in interest rates from September to February.
### Northern California Power Agency
#### Total Portfolio
#### Investment Maturities Analysis
#### February 28, 2018

<table>
<thead>
<tr>
<th>Type</th>
<th>0-7 Days</th>
<th>8-90 Days</th>
<th>91-180 Days</th>
<th>181-270 Days</th>
<th>271-365 Days</th>
<th>1-6 Years</th>
<th>6-10 Years</th>
<th>Total Dollars</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Government Agencies</td>
<td>$ -</td>
<td>$7,476</td>
<td>$4,409</td>
<td>$ -</td>
<td>$2,933</td>
<td>$18,395</td>
<td>$ -</td>
<td>$33,213</td>
<td>94.60%</td>
</tr>
<tr>
<td>Corporate Bonds (MTN)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>US Bank Trust Money Market</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>0.01%</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Investment Trusts (LAIF)</td>
<td>1,670</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,670</td>
<td>4.76%</td>
</tr>
<tr>
<td>U.S.Treasury Market Acct.</td>
<td>75</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>75</td>
<td>0.21%</td>
</tr>
<tr>
<td>U.S.Treasury Bill/Note</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>63</td>
<td>85</td>
<td>-</td>
<td>148</td>
<td>0.42%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total Dollars</strong></td>
<td>$1,748</td>
<td>$7,476</td>
<td>$4,409</td>
<td>$0</td>
<td>$2,996</td>
<td>$18,480</td>
<td>$0</td>
<td>$35,109</td>
<td>100.00%</td>
</tr>
<tr>
<td><strong>Total Percent</strong></td>
<td>4.98%</td>
<td>21.29%</td>
<td>12.56%</td>
<td>0.00%</td>
<td>8.53%</td>
<td>52.64%</td>
<td>0.00%</td>
<td>100.00%</td>
<td></td>
</tr>
</tbody>
</table>

*Investments are shown at Face Value, in thousands.*
NORTHERN CALIFORNIA POWER AGENCY

Detail Report Of Investments

APPENDIX

Note: This appendix has been prepared to comply with Government Code section 53646.
<table>
<thead>
<tr>
<th>LEC Issue#1 2010A DS Fund</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuer</td>
<td>Trustee / Custodian</td>
</tr>
<tr>
<td>US Bank Trust</td>
<td>US8</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
</tbody>
</table>

| Fund Total and Average   | $ 4,729,882              | 1.398        | $ 4,704,698   | 87            | 1.425         | $ 4,710,820   | 87            | 1.425         | $ 4,713,941  |

<table>
<thead>
<tr>
<th>LEC Issue #1 2010B DS Fund</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuer</td>
<td>Trustee / Custodian</td>
</tr>
<tr>
<td>US Bank Trust</td>
<td>US8</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
</tbody>
</table>

| Fund Total and Average    | $ 2,193,382              | 1.488        | $ 2,182,597   | 89            | 1.516         | $ 2,184,188   | 89            | 1.516         | $ 2,185,266  |

<table>
<thead>
<tr>
<th>LEC Issue #2 2010A DS Fund</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuer</td>
<td>Trustee / Custodian</td>
</tr>
<tr>
<td>US Bank Trust</td>
<td>US8</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
</tbody>
</table>

| Fund Total and Average    | $ 3,724,474              | 1.399        | $ 3,704,642   | 87            | 1.426         | $ 3,709,468   | 87            | 1.426         | $ 3,711,925  |

<table>
<thead>
<tr>
<th>LEC Issue #2 2010B DS Fund</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuer</td>
<td>Trustee / Custodian</td>
</tr>
<tr>
<td>US Bank Trust</td>
<td>US8</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
</tbody>
</table>

| Fund Total and Average    | $ 1,056,130              | 1.488        | $ 1,050,936   | 89            | 1.516         | $ 1,051,703   | 89            | 1.516         | $ 1,052,222  |

<table>
<thead>
<tr>
<th>LEC Issue#1 2017A DS Fund</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuer</td>
<td>Trustee / Custodian</td>
</tr>
<tr>
<td>US Bank Trust</td>
<td>US8</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USBT</td>
</tr>
</tbody>
</table>

| Fund Total and Average    | $ 183,428               | 1.638        | $ 182,653     | 92            | 1.667         | $ 182,619     | 92            | 1.667         | $ 182,661    |
| GRAND TOTALS: | $ 11,857,296 | 1.427 | $ 11,825,526 | 87 | 1.454 | $ 11,838,798. | $ 11,846,015 |

*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.*

Current Market Value is based on prices from Trustee/Custodian Statements or bid prices from the Wall Street Journal as of 02/28/2018.
## LEC Issue #1 2010 DSR Fund

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Trustee / Custodian</th>
<th>Stated Value</th>
<th>Interest Rate</th>
<th>Purchase Date</th>
<th>Purchased Price</th>
<th>Maturity Date</th>
<th>Days to Maturity</th>
<th>Bond* Equiv Yield</th>
<th>Market Value</th>
<th>CUSIP</th>
<th>Investment #</th>
<th>Carrying Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Bank Trust</td>
<td>USB</td>
<td>146</td>
<td>0.600</td>
<td>07/01/2013</td>
<td>146</td>
<td>1</td>
<td>0.600</td>
<td>146</td>
<td>SY579005</td>
<td>79005</td>
<td>146</td>
<td>146</td>
</tr>
<tr>
<td>U.S. Treasury</td>
<td>USB</td>
<td>85,000</td>
<td>1.625</td>
<td>02/27/2018</td>
<td>84,641</td>
<td>05/30/2019</td>
<td>466</td>
<td>1.945</td>
<td>84,399</td>
<td>912528WS55</td>
<td>26538</td>
<td>84,642</td>
</tr>
<tr>
<td>Federal Farm Credit</td>
<td>USB</td>
<td>4,360,000</td>
<td>1.660</td>
<td>06/08/2016</td>
<td>4,360,000</td>
<td>05/25/2021</td>
<td>1,181</td>
<td>1.659</td>
<td>4,234,301</td>
<td>3133EGZ727</td>
<td>26337</td>
<td>4,360,000</td>
</tr>
<tr>
<td>Federal Home Loan Mt</td>
<td>USB</td>
<td>150,000</td>
<td>1.125</td>
<td>07/28/2017</td>
<td>146,648</td>
<td>08/12/2021</td>
<td>1,260</td>
<td>1.699</td>
<td>143,006</td>
<td>3137EAEC9</td>
<td>26454</td>
<td>147,139</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USB</td>
<td>4,100,000</td>
<td>2.125</td>
<td>06/28/2017</td>
<td>4,168,308</td>
<td>06/10/2022</td>
<td>1,562</td>
<td>1.780</td>
<td>4,023,453</td>
<td>313379Q069</td>
<td>26463</td>
<td>4,161,047</td>
</tr>
</tbody>
</table>

**Fund Total and Average**
- **$ 8,695,146**
- **1.872**
- **$ 8,759,741**
- **1357**
- **1.711**
- **$ 8,485,305**
- **$ 8,752,974**

## LEC Iss#1 2010B BABs Subs Resv

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Trustee / Custodian</th>
<th>Stated Value</th>
<th>Interest Rate</th>
<th>Purchase Date</th>
<th>Purchased Price</th>
<th>Maturity Date</th>
<th>Days to Maturity</th>
<th>Bond* Equiv Yield</th>
<th>Market Value</th>
<th>CUSIP</th>
<th>Investment #</th>
<th>Carrying Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Bank Trust</td>
<td>USB</td>
<td>377</td>
<td>0.600</td>
<td>07/01/2013</td>
<td>377</td>
<td>1</td>
<td>0.600</td>
<td>377</td>
<td>SY579006</td>
<td>79006</td>
<td>377</td>
<td>377</td>
</tr>
<tr>
<td>U.S. Treasury</td>
<td>USB</td>
<td>38,000</td>
<td>1.823</td>
<td>02/27/2018</td>
<td>37,349</td>
<td>01/31/2019</td>
<td>336</td>
<td>1.872</td>
<td>37,305</td>
<td>912796PP8</td>
<td>26534</td>
<td>37,353</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USB</td>
<td>2,146,000</td>
<td>3.375</td>
<td>07/28/2017</td>
<td>2,255,146</td>
<td>06/12/2020</td>
<td>834</td>
<td>1.540</td>
<td>2,192,490</td>
<td>313370E38</td>
<td>26545</td>
<td>2,232,456</td>
</tr>
</tbody>
</table>

**Fund Total and Average**
- **$ 2,183,377**
- **3.349**
- **$ 2,292,872**
- **826**
- **1.545**
- **$ 2,230,172**
- **$ 2,270,186**

## LEC Issue #2 2010B DSR BABs

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Trustee / Custodian</th>
<th>Stated Value</th>
<th>Interest Rate</th>
<th>Purchase Date</th>
<th>Purchased Price</th>
<th>Maturity Date</th>
<th>Days to Maturity</th>
<th>Bond* Equiv Yield</th>
<th>Market Value</th>
<th>CUSIP</th>
<th>Investment #</th>
<th>Carrying Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Bank Trust</td>
<td>USB</td>
<td>610</td>
<td>0.600</td>
<td>07/01/2013</td>
<td>610</td>
<td>1</td>
<td>0.600</td>
<td>610</td>
<td>SY579013</td>
<td>79013</td>
<td>610</td>
<td>610</td>
</tr>
<tr>
<td>U.S. Treasury</td>
<td>USB</td>
<td>25,000</td>
<td>1.823</td>
<td>02/27/2018</td>
<td>24,572</td>
<td>01/31/2019</td>
<td>336</td>
<td>1.872</td>
<td>24,543</td>
<td>912796PP8</td>
<td>26535</td>
<td>24,575</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USB</td>
<td>1,025,000</td>
<td>4.375</td>
<td>07/28/2017</td>
<td>1,082,708</td>
<td>07/01/2019</td>
<td>487</td>
<td>1.400</td>
<td>1,053,710</td>
<td>3133XUG9G6</td>
<td>26456</td>
<td>1,064,971</td>
</tr>
</tbody>
</table>

**Fund Total and Average**
- **$ 1,050,610**
- **4.315**
- **$ 1,107,890**
- **483**
- **1.410**
- **$ 1,078,863**
- **$ 1,090,156**

**GRAND TOTALS:**
- **$ 11,929,133**
- **2.368**
- **$ 12,160,503**
- **1179**
- **1.653**
- **$ 11,794,340.**
- **$ 12,113,316**

---

*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.*

Current Market Value is based on prices from Trustee/Custodian Statements or bid prices from the Wall Street Journal as of 02/28/2018

Investment #26337 FFCB Callable anytime
## LEC O & M Reserve

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Trustee / Custodian</th>
<th>Stated Value</th>
<th>Interest Rate</th>
<th>Purchase Date</th>
<th>Maturity Date</th>
<th>Days to Maturity</th>
<th>Bond* Equiv Yield</th>
<th>Market Value</th>
<th>CUSIP</th>
<th>Investment #</th>
<th>Carrying Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Agency Investm</td>
<td></td>
<td>1,597,756</td>
<td>1.204</td>
<td>07/01/2013</td>
<td>1</td>
<td>1.204</td>
<td>1,597,756</td>
<td>SYS700747</td>
<td>70047</td>
<td>1,597,756</td>
<td>1,597,756</td>
</tr>
<tr>
<td>Union Bank of Calif</td>
<td>UBOC</td>
<td>74,866</td>
<td>0.002</td>
<td>07/19/2013</td>
<td>1</td>
<td>0.002</td>
<td>74,866</td>
<td>SYS70041</td>
<td>70041</td>
<td>74,866</td>
<td>74,866</td>
</tr>
<tr>
<td>Federal National Mtg</td>
<td>UBOC</td>
<td>2,933,000</td>
<td>1.875</td>
<td>08/28/2015</td>
<td>02/19/2019</td>
<td>355</td>
<td>2,925,166</td>
<td>3135G0Z4A4</td>
<td>26248</td>
<td>2,951,121</td>
<td>2,951,121</td>
</tr>
<tr>
<td>Federal Home Loan Ba</td>
<td>USB</td>
<td>3,615,000</td>
<td>1.540</td>
<td>06/30/2017</td>
<td>06/05/2020</td>
<td>827</td>
<td>3,546,423</td>
<td>3130A4UJQ0</td>
<td>26440</td>
<td>3,614,191</td>
<td>3,614,191</td>
</tr>
<tr>
<td>Federal National Mtg</td>
<td>UBOC</td>
<td>3,000,000</td>
<td>1.300</td>
<td>06/30/2016</td>
<td>06/30/2020</td>
<td>852</td>
<td>2,927,130</td>
<td>3136G3UJZ4</td>
<td>26341</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
</tbody>
</table>

| Fund Total and Average  | $11,220,642         | 1.506        | $11,284,736   | 587           | 1.337         | $11,072,361      | $11,237,954       |
| GRAND TOTALS:          | $11,220,642         | 1.506        | $11,284,736   | 587           | 1.337         | $11,072,361.     | $11,237,954       |

*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/Custodian Statements or bid prices from the Wall Street Journal as of 02/28/2018.
LEC GHG Auction Acct

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Trustee / Custodian</th>
<th>Stated Value</th>
<th>Interest Rate</th>
<th>Purchase Price</th>
<th>Maturity Date</th>
<th>Days to Maturity</th>
<th>Bond Equivalent Yield</th>
<th>Market Value</th>
<th>CUSIP</th>
<th>Investment #</th>
<th>Carrying Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Agency Investm</td>
<td></td>
<td>72,256</td>
<td>1.204</td>
<td>07/01/2013</td>
<td>72,256</td>
<td>1</td>
<td>1.204</td>
<td>72,256</td>
<td>SY$70046</td>
<td>70046</td>
<td>72,256</td>
</tr>
<tr>
<td></td>
<td>Fund Total and Average</td>
<td>$ 72,256</td>
<td>1.205</td>
<td>$ 72,256</td>
<td>1</td>
<td>1.205</td>
<td>$ 72,256</td>
<td>$ 72,256</td>
<td></td>
<td></td>
<td>$ 72,256</td>
</tr>
<tr>
<td></td>
<td>GRAND TOTALS:</td>
<td>$ 72,256</td>
<td>1.205</td>
<td>$ 72,256</td>
<td>1</td>
<td>1.205</td>
<td>$ 72,256</td>
<td>$ 72,256</td>
<td></td>
<td></td>
<td>$ 72,256</td>
</tr>
</tbody>
</table>

*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/Custodian Statements or bid prices from the Wall Street Journal as of 02/28/2018.
Lodi Energy Center Project Participant Committee

LEC Financial Reports

AGENDA ITEM NO.: 8

Date: March 12, 2018
To: Lodi Energy Center Project Participant Committee
Subject: February 28, 2018 Financial Reports (Unaudited)
## NORTHERN CALIFORNIA POWER AGENCY
### LODI ENERGY CENTER
#### STATEMENTS OF NET POSITION
##### UNAUDITED

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$72,256</td>
<td>$71,541</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>315</td>
<td>-</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>23</td>
<td>55</td>
</tr>
<tr>
<td>Inventory and supplies - at average cost</td>
<td>2,110,855</td>
<td>2,080,519</td>
</tr>
<tr>
<td>Prepaid insurance</td>
<td>314,137</td>
<td>356,733</td>
</tr>
<tr>
<td>Due from (to) Agency, net</td>
<td>18,082,497</td>
<td>11,032,491</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>20,580,083</td>
<td>13,541,339</td>
</tr>
<tr>
<td><strong>RESTRICTED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,718,183</td>
<td>7,750,771</td>
</tr>
<tr>
<td>Investments</td>
<td>33,490,595</td>
<td>26,985,260</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>70,242</td>
<td>32,992</td>
</tr>
<tr>
<td><strong>TOTAL RESTRICTED ASSETS</strong></td>
<td>35,279,020</td>
<td>34,769,023</td>
</tr>
<tr>
<td><strong>ELECTRIC PLANT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electric plant in service</td>
<td>423,794,076</td>
<td>423,640,289</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(76,682,735)</td>
<td>(62,071,627)</td>
</tr>
<tr>
<td><strong>TOTAL ELECTRIC PLANT</strong></td>
<td>347,111,341</td>
<td>361,568,662</td>
</tr>
<tr>
<td><strong>CONSTRUCTION WORK-IN-PROGRESS</strong></td>
<td>107,024</td>
<td>102,031</td>
</tr>
<tr>
<td><strong>TOTAL OTHER ASSETS</strong></td>
<td>22,849,985</td>
<td>20,820,913</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$425,927,453</td>
<td>$430,801,968</td>
</tr>
</tbody>
</table>
## NORTHERN CALIFORNIA POWER AGENCY
### LODI ENERGY CENTER
#### STATEMENTS OF NET POSITION
##### UNAUDITED

<table>
<thead>
<tr>
<th></th>
<th>February 2018</th>
<th>February 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LIABILITIES &amp; NET POSITION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts and retentions payable</td>
<td>$2,574,079</td>
<td>$474,915</td>
</tr>
<tr>
<td>Operating reserves</td>
<td>13,711,714</td>
<td>12,421,776</td>
</tr>
<tr>
<td>Current portion of long-term debt</td>
<td>10,355,000</td>
<td>9,950,000</td>
</tr>
<tr>
<td>Accrued interest payable</td>
<td>3,827,691</td>
<td>4,090,366</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td>30,468,484</td>
<td>26,937,057</td>
</tr>
<tr>
<td><strong>NON-CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating reserves and other deposits</td>
<td>1,716,009</td>
<td>1,715,405</td>
</tr>
<tr>
<td>Long-term debt, net</td>
<td>340,658,163</td>
<td>351,457,319</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT LIABILITIES</strong></td>
<td>342,374,172</td>
<td>353,172,724</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>372,842,656</td>
<td>380,109,781</td>
</tr>
<tr>
<td><strong>DEFERRED INFLOWS OF RESOURCES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regulatory credits</td>
<td>41,521,015</td>
<td>42,581,324</td>
</tr>
<tr>
<td><strong>NET POSITION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in capital assets, net of related debt</td>
<td>(20,328,048)</td>
<td>(19,404,606)</td>
</tr>
<tr>
<td>Restricted</td>
<td>19,347,573</td>
<td>19,626,571</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>12,544,257</td>
<td>7,888,898</td>
</tr>
<tr>
<td><strong>TOTAL NET POSITION</strong></td>
<td>11,563,782</td>
<td>8,110,863</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET POSITION</strong></td>
<td>$425,927,453</td>
<td>$430,801,968</td>
</tr>
</tbody>
</table>
### Statement of Revenues, Expenses, & Changes in Net Position

**NORTHERN CALIFORNIA POWER AGENCY**  
**LODI ENERGY CENTER**  
**STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION**  
**UNAUDITED**

<table>
<thead>
<tr>
<th></th>
<th>Eight Months Ended February 2018</th>
<th>Eight Months Ended February 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES FOR RESALE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participants</td>
<td>$20,618,917</td>
<td>$24,701,897</td>
</tr>
<tr>
<td>Other</td>
<td>42,719,237</td>
<td>12,353,377</td>
</tr>
<tr>
<td><strong>TOTAL SALES FOR RESALE</strong></td>
<td>63,338,154</td>
<td>37,055,274</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>28,926,750</td>
<td>12,696,441</td>
</tr>
<tr>
<td>Depreciation</td>
<td>9,741,357</td>
<td>9,737,203</td>
</tr>
<tr>
<td>Purchased power</td>
<td>3,663,804</td>
<td>2,139,042</td>
</tr>
<tr>
<td>Maintenance</td>
<td>2,648,029</td>
<td>2,596,287</td>
</tr>
<tr>
<td>Administrative and general</td>
<td>2,794,492</td>
<td>2,762,522</td>
</tr>
<tr>
<td>Transmission</td>
<td>695,677</td>
<td>318,674</td>
</tr>
<tr>
<td>Intercompany (sales) purchases</td>
<td>156,352</td>
<td>167,540</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>48,626,461</td>
<td>30,417,709</td>
</tr>
<tr>
<td><strong>NET OPERATING REVENUES</strong></td>
<td>14,711,693</td>
<td>6,637,565</td>
</tr>
<tr>
<td><strong>OTHER REVENUES (EXPENSES)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest expense</td>
<td>(10,232,263)</td>
<td>(10,619,292)</td>
</tr>
<tr>
<td>Interest income</td>
<td>453,392</td>
<td>140,997</td>
</tr>
<tr>
<td>Other</td>
<td>1,706,363</td>
<td>7,598,726</td>
</tr>
<tr>
<td><strong>TOTAL OTHER REVENUES (EXPENSES)</strong></td>
<td>(8,072,508)</td>
<td>(2,879,569)</td>
</tr>
<tr>
<td><strong>FUTURE RECOVERABLE AMOUNTS</strong></td>
<td>1,197,530</td>
<td>1,663,084</td>
</tr>
<tr>
<td><strong>REFUNDS TO PARTICIPANTS</strong></td>
<td>(2,480,564)</td>
<td>(277,702)</td>
</tr>
<tr>
<td><strong>INCREASE IN NET POSITION</strong></td>
<td>5,356,151</td>
<td>5,143,378</td>
</tr>
<tr>
<td><strong>NET POSITION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>6,207,631</td>
<td>2,967,485</td>
</tr>
<tr>
<td>End of period</td>
<td>$11,563,782</td>
<td>$8,110,863</td>
</tr>
</tbody>
</table>
### Lodi Energy Center
#### FY 2018 Operating Costs
As of February 28, 2018

<table>
<thead>
<tr>
<th>Routine O&amp;M Costs</th>
<th>Annual Budget</th>
<th>Actual</th>
<th>Remaining</th>
<th>YTD % Remaining</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Routine O&amp;M Costs without Labor</td>
<td>$5,122,552</td>
<td>$5,322,567</td>
<td>($200,015)</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Labor</td>
<td>$5,051,714</td>
<td>2,978,059</td>
<td>2,073,655</td>
<td>41%</td>
<td></td>
</tr>
<tr>
<td>Total Routine O&amp;M Cost</td>
<td>$10,174,266</td>
<td>$8,300,626</td>
<td>1,873,640</td>
<td>18%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Costs</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel</td>
<td>$14,877,170</td>
<td>22,200,023</td>
<td>(7,322,853)</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>CA ISO Charges</td>
<td>$196,309</td>
<td>695,677</td>
<td>(499,368)</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>CA ISO Purchased Energy</td>
<td>$3,724,590</td>
<td>3,663,804</td>
<td>60,786</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>Debt Service</td>
<td>$26,416,640</td>
<td>17,570,620</td>
<td>8,846,020</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>$765,367</td>
<td>472,578</td>
<td>292,789</td>
<td>38%</td>
<td></td>
</tr>
<tr>
<td>Other Costs</td>
<td>$5,051,714</td>
<td>2,978,059</td>
<td>2,073,655</td>
<td>41%</td>
<td></td>
</tr>
<tr>
<td>Total O&amp;M Cost</td>
<td>$59,931,029</td>
<td>$55,176,168</td>
<td>4,754,861</td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Projects</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations &amp; Maintenance</td>
<td>$63,652</td>
<td>56,303</td>
<td>7,349</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>$560,000</td>
<td></td>
<td></td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>$2,012,800</td>
<td>1,341,867</td>
<td>670,933</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>Total Projects</td>
<td>$2,623,252</td>
<td>1,928,170</td>
<td>1,298,236</td>
<td>57%</td>
<td></td>
</tr>
</tbody>
</table>

| Annual Cost                                 | $62,567,481   | $56,574,338| 5,993,143 | 10%             |       |

<table>
<thead>
<tr>
<th>Less: Third Party Revenue</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Income</td>
<td>$171,889</td>
<td>231,632</td>
<td>(59,743)</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>ISO Energy Sales</td>
<td>$19,760,321</td>
<td>41,548,331</td>
<td>21,788,010</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Ancillary Services Sales</td>
<td>$396,879</td>
<td>1,170,906</td>
<td>(774,027)</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$20,329,089</td>
<td>42,951,262</td>
<td>(22,622,173)</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

| Net Annual Cost to Participants             | $42,238,392   | $13,623,076| 28,615,316| 68%             |       |

### Footnotes:

**General:** The plant ran 25 days during the month.

**February payroll, A&G allocation and generation services allocation are estimated.**

- **A** - Higher variable maintenance and chemical costs due to higher year to date generation.
- **B** - Payments for annual CEC fee and Air Resources Board fee were higher than expected.
- **C** - Higher fuel costs due to higher generation and higher natural gas costs per mmBtu.
- **D** - Higher than budgeted CA ISO costs due to higher than anticipated GMC costs and transmission costs due to volume.
- **E** - Higher than budgeted costs due to CA ISO real time settlement resulting in additional market purchases by NCPA and for Participants purchasing energy from CA ISO using LEC as the SC.
- **F** - Engineering costs for relay replacements - costs projected to normalize for remainder of fiscal year.
- **G** - Higher than budgeted interest income due to increase in short term interest rates.

---

### FY 2018 Operating Costs

#### As of February 28, 2018

<table>
<thead>
<tr>
<th>YTD Gross Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul</td>
</tr>
<tr>
<td>$ 0</td>
</tr>
</tbody>
</table>

#### FY 2018 Operating Costs

- **Net Annual Cost to Participants:** $42,238,392
- **Total Variable Costs:** $20,061,136
- **Total Fixed Costs:** $42,056,345
- **Net Cumulative Generation (MWh):** 377,711
- **Net Annual Cost Per MWh:** $111.83

---

**Note:** Decrease in September net costs due to adjustment of energy sales in prior periods.
Annual Budget
LEC Generation Analysis
Planned vs. Actual
FY 2018

Note: Increase in generation due to decrease in gas transmission costs, making it economical for the plant to run.
Date: March 12, 2018
To: Lodi Energy Center Project Participant Committee
Subject: GHG Reports (excerpted from monthly ARB)
<table>
<thead>
<tr>
<th>IDENTIFIER</th>
<th>DECEMBER</th>
<th>JANUARY</th>
<th>FEBRUARY</th>
<th>MARCH</th>
<th>APRIL</th>
<th>MAY</th>
<th>JUNE</th>
<th>JULY</th>
<th>AUGUST</th>
<th>SEPTEMBER</th>
<th>OCTOBER</th>
<th>NOVEMBER</th>
<th>DECEMBER</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy (MWh)</td>
<td>0</td>
<td>82,787</td>
<td>101,925</td>
<td>128,167</td>
<td>134,284</td>
<td>32,545</td>
<td>80,153</td>
<td>122,492</td>
<td>94,615</td>
<td>92,091</td>
<td>98,739</td>
<td>105,078</td>
<td>138,068</td>
<td>1,210,944</td>
</tr>
<tr>
<td>Gas Schedule (MMBtu)</td>
<td>0</td>
<td>593,484</td>
<td>723,038</td>
<td>894,657</td>
<td>952,529</td>
<td>299,724</td>
<td>579,650</td>
<td>870,331</td>
<td>673,965</td>
<td>650,250</td>
<td>692,396</td>
<td>738,008</td>
<td>965,292</td>
<td>8,563,324</td>
</tr>
<tr>
<td>Emissions Factor (MT/MMBtu)</td>
<td>0</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
</tr>
<tr>
<td>HVAC/Water Heater (MT)</td>
<td>86.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monthly MT Emissions (MT)</td>
<td>0</td>
<td>32,027</td>
<td>39,019</td>
<td>48,280</td>
<td>51,403</td>
<td>12,397</td>
<td>31,281</td>
<td>46,967</td>
<td>36,371</td>
<td>35,091</td>
<td>37,365</td>
<td>39,827</td>
<td>52,178</td>
<td>462,206</td>
</tr>
<tr>
<td>Cumulative MT Obligation (MT)</td>
<td>0</td>
<td>32,027</td>
<td>71,046</td>
<td>119,326</td>
<td>170,730</td>
<td>183,127</td>
<td>214,407</td>
<td>261,375</td>
<td>297,745</td>
<td>332,836</td>
<td>370,201</td>
<td>410,028</td>
<td>462,206</td>
<td>462,206</td>
</tr>
<tr>
<td>Compliance Instrument Participant Transfers (to LEC)</td>
<td>92,695</td>
<td>5,350</td>
<td>0</td>
<td>13,644</td>
<td>105,000</td>
<td>50,632</td>
<td>30,628</td>
<td>1,600</td>
<td>102,200</td>
<td>12,594</td>
<td>37,500</td>
<td>0</td>
<td>46,290</td>
<td>498,133</td>
</tr>
<tr>
<td>Secondary Market Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Reserve Sale Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Offsets</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Compliance Instrument Participant Transfers (MT)</td>
<td>92,695</td>
<td>5,350</td>
<td>0</td>
<td>13,644</td>
<td>105,000</td>
<td>50,632</td>
<td>30,628</td>
<td>1,600</td>
<td>102,200</td>
<td>12,594</td>
<td>37,500</td>
<td>0</td>
<td>46,290</td>
<td>498,133</td>
</tr>
<tr>
<td>NCPA Compliance Instrument Purchases (for LEC)</td>
<td>47,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Auction Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Secondary Market Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Reserve Sale Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Offset Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total NCPA Compliance Instrument Purchases (MT)</td>
<td>47,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Compliance Instruments Surrendered to CARB (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Monthly Activity (MT)</td>
<td>139,695</td>
<td>5,350</td>
<td>0</td>
<td>13,644</td>
<td>105,000</td>
<td>50,632</td>
<td>30,628</td>
<td>1,600</td>
<td>102,200</td>
<td>12,594</td>
<td>37,500</td>
<td>0</td>
<td>46,290</td>
<td>545,133</td>
</tr>
<tr>
<td>Cumulative MT Account Balance (MTA)</td>
<td>139,695</td>
<td>145,045</td>
<td>145,045</td>
<td>158,689</td>
<td>263,689</td>
<td>314,321</td>
<td>344,949</td>
<td>346,549</td>
<td>448,749</td>
<td>461,343</td>
<td>498,843</td>
<td>545,133</td>
<td>545,133</td>
<td>545,133</td>
</tr>
<tr>
<td>IDENTIFIER</td>
<td>JANUARY</td>
<td>FEBRUARY</td>
<td>MARCH</td>
<td>APRIL</td>
<td>MAY</td>
<td>JUNE</td>
<td>JULY</td>
<td>AUGUST</td>
<td>SEPTEMBER</td>
<td>OCTOBER</td>
<td>NOVEMBER</td>
<td>DECEMBER</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td>---------</td>
<td>----------</td>
<td>-------</td>
<td>-------</td>
<td>-----</td>
<td>------</td>
<td>------</td>
<td>--------</td>
<td>-----------</td>
<td>----------</td>
<td>-----------</td>
<td>----------</td>
<td>---------</td>
<td></td>
</tr>
<tr>
<td>Energy (MWh)</td>
<td>136,604</td>
<td>156,089</td>
<td>120,489</td>
<td>55,378</td>
<td>71,210</td>
<td>118,473</td>
<td>69,006</td>
<td>178,831</td>
<td>197,715</td>
<td>51,636</td>
<td>106,338</td>
<td>1,312,806</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gas Schedule (MMBtu)</td>
<td>951,700</td>
<td>1,092,730</td>
<td>858,805</td>
<td>391,272</td>
<td>512,068</td>
<td>371,695</td>
<td>836,762</td>
<td>496,327</td>
<td>1,251,547</td>
<td>1,371,546</td>
<td>372,826</td>
<td>759,691</td>
<td>9,266,969</td>
<td></td>
</tr>
<tr>
<td>Emissions Factor (MT/MMBtu)</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td></td>
</tr>
<tr>
<td>HVAC/Water Heater (MT)</td>
<td>173,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>173,000</td>
<td></td>
</tr>
<tr>
<td>Monthly MT Emissions (MT)</td>
<td>51,358</td>
<td>58,969</td>
<td>46,345</td>
<td>21,115</td>
<td>25,000</td>
<td>163,248</td>
<td>0</td>
<td>0</td>
<td>13,586</td>
<td>50,520</td>
<td>80,350</td>
<td>350</td>
<td>524,757</td>
<td></td>
</tr>
<tr>
<td>Cumulative MT Obligation (MT)</td>
<td>513,564</td>
<td>572,533</td>
<td>618,879</td>
<td>693,994</td>
<td>667,628</td>
<td>732,842</td>
<td>759,626</td>
<td>827,168</td>
<td>901,181</td>
<td>782,385</td>
<td>823,555</td>
<td>823,555</td>
<td>823,555</td>
<td></td>
</tr>
<tr>
<td>Compliance Instrument Participant Transfers</td>
<td>102,347</td>
<td>40,000</td>
<td>48,066</td>
<td>25,000</td>
<td>1,290</td>
<td>163,248</td>
<td>0</td>
<td>0</td>
<td>13,586</td>
<td>50,520</td>
<td>80,350</td>
<td>350</td>
<td>524,757</td>
<td></td>
</tr>
<tr>
<td>Secondary Market Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Reserve Sale Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total Compliance Instrument Participant Transfers (MT)</td>
<td>102,347</td>
<td>40,000</td>
<td>48,066</td>
<td>25,000</td>
<td>1,290</td>
<td>163,248</td>
<td>0</td>
<td>0</td>
<td>13,586</td>
<td>50,520</td>
<td>80,350</td>
<td>350</td>
<td>524,757</td>
<td></td>
</tr>
<tr>
<td>NCPA Compliance Instrument Purchases for LEC</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Secondary Market Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Reserve Sale Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total NCPA Compliance Instrument Purchases (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Compliance Instruments Surrendered to CARB (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>138,916</td>
<td>0</td>
<td>138,916</td>
<td>0</td>
<td>138,916</td>
<td></td>
</tr>
<tr>
<td>Total Monthly Activity (MT)</td>
<td>102,347</td>
<td>40,000</td>
<td>48,066</td>
<td>25,000</td>
<td>1,290</td>
<td>163,248</td>
<td>0</td>
<td>0</td>
<td>13,586</td>
<td>50,520</td>
<td>80,350</td>
<td>350</td>
<td>524,757</td>
<td></td>
</tr>
<tr>
<td>Cumulative MT Account Balance [MTA] (MT)</td>
<td>647,480</td>
<td>687,480</td>
<td>735,546</td>
<td>760,540</td>
<td>761,836</td>
<td>925,084</td>
<td>925,084</td>
<td>938,670</td>
<td>989,190</td>
<td>930,624</td>
<td>930,974</td>
<td>930,974</td>
<td>930,974</td>
<td></td>
</tr>
<tr>
<td>IDENTIFIER</td>
<td>JANUARY</td>
<td>FEBRUARY</td>
<td>MARCH</td>
<td>APRIL</td>
<td>MAY</td>
<td>JUNE</td>
<td>JULY</td>
<td>AUGUST</td>
<td>SEPTEMBER</td>
<td>OCTOBER</td>
<td>NOVEMBER</td>
<td>DECEMBER</td>
<td>TOTAL</td>
<td></td>
</tr>
<tr>
<td>------------</td>
<td>---------</td>
<td>----------</td>
<td>-------</td>
<td>-------</td>
<td>-----</td>
<td>------</td>
<td>------</td>
<td>--------</td>
<td>-----------</td>
<td>---------</td>
<td>-----------</td>
<td>----------</td>
<td>-------</td>
<td></td>
</tr>
<tr>
<td>Energy (MWh)</td>
<td>196,019</td>
<td>151,600</td>
<td>184,507</td>
<td>181,244</td>
<td>91,067</td>
<td>142,275</td>
<td>103,883</td>
<td>137,266</td>
<td>131,608</td>
<td>165,737</td>
<td>75,231</td>
<td>131,779</td>
<td>1,692,216</td>
<td></td>
</tr>
<tr>
<td>Gas Schedule (MMBtu)</td>
<td>1,368,474</td>
<td>1,073,330</td>
<td>1,269,294</td>
<td>1,269,481</td>
<td>649,027</td>
<td>1,009,450</td>
<td>740,553</td>
<td>971,283</td>
<td>927,730</td>
<td>1,171,129</td>
<td>541,136</td>
<td>940,340</td>
<td>11,958,227</td>
<td></td>
</tr>
<tr>
<td>Emissions Factor (MT/MMBtu)</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td></td>
</tr>
<tr>
<td>HVAC/Water Heater (MT)</td>
<td>73,850</td>
<td>57,922</td>
<td>70,116</td>
<td>68,508</td>
<td>34,863</td>
<td>54,475</td>
<td>39,964</td>
<td>52,415</td>
<td>50,065</td>
<td>63,200</td>
<td>29,202</td>
<td>50,745</td>
<td>645,326</td>
<td></td>
</tr>
<tr>
<td>Monthly MT Obligation (MT)</td>
<td>897,404</td>
<td>955,327</td>
<td>1,025,443</td>
<td>1,093,951</td>
<td>1,128,814</td>
<td>1,183,288</td>
<td>1,223,252</td>
<td>1,275,668</td>
<td>1,325,733</td>
<td>1,388,933</td>
<td>593,540</td>
<td>644,285</td>
<td>644,285</td>
<td></td>
</tr>
</tbody>
</table>

**Compliance Instrument Participant Transfers (to LEC)**

- Auction Allowances: 41,342
- Secondary Market Allowances: 0
- Reserve Sale Allowances: 0
- Offsets: 0

**Total Compliance Instrument Participant Transfers (MT)**: 41,342

**NCPA Compliance Instrument Purchases (for LEC)**

- Auction Purchases: 0
- Secondary Market Purchases: 0
- Reserve Sale Purchases: 0
- Offsets Purchases: 0

**Total NCPA Compliance Instrument Purchases (MT)**: 0

**Compliance Instruments Surrendered to CARB (MT)**: 0

**Total Monthly Activity (MT)**: 41,342

**Cumulative MT Account Balance [MTA] (MT)**: 972,316

**MTA Shortfall (MT)**: 0

**Actual Compliance Year 2015**
<table>
<thead>
<tr>
<th>IDENTIFIER</th>
<th>JANUARY</th>
<th>FEBRUARY</th>
<th>MARCH</th>
<th>APRIL</th>
<th>MAY</th>
<th>JUNE</th>
<th>JULY</th>
<th>AUGUST</th>
<th>SEPTEMBER</th>
<th>OCTOBER</th>
<th>NOVEMBER</th>
<th>DECEMBER</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy (MWh)</td>
<td>97,230</td>
<td>27,160</td>
<td>91,578</td>
<td>45,437</td>
<td>3,423</td>
<td>66,596</td>
<td>76,008</td>
<td>31,653</td>
<td>25,597</td>
<td>20,636</td>
<td>17,488</td>
<td>28,418</td>
<td>531,223</td>
</tr>
<tr>
<td>Gas Schedule (MMBtu)</td>
<td>695,120</td>
<td>194,179</td>
<td>678,033</td>
<td>339,504</td>
<td>27,754</td>
<td>485,792</td>
<td>547,510</td>
<td>234,782</td>
<td>192,679</td>
<td>158,835</td>
<td>158,835</td>
<td>214,109</td>
<td>3,927,132</td>
</tr>
<tr>
<td>Emissions Factor (MT/MBtu)</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
</tr>
<tr>
<td>HVAC/Water Heater (MT)</td>
<td>37,512</td>
<td>10,479</td>
<td>36,590</td>
<td>18,321</td>
<td>1,498</td>
<td>26,216</td>
<td>29,546</td>
<td>12,670</td>
<td>10,398</td>
<td>8,572</td>
<td>8,572</td>
<td>11,554</td>
<td>211,928</td>
</tr>
<tr>
<td>Cumulative MT Obligation (MT)</td>
<td>681,798</td>
<td>692,276</td>
<td>728,867</td>
<td>747,188</td>
<td>774,901</td>
<td>804,448</td>
<td>817,118</td>
<td>827,516</td>
<td>836,087</td>
<td>650,684</td>
<td>662,238</td>
<td>662,238</td>
<td></td>
</tr>
<tr>
<td>Compliance Instrument Participant Transfers (to LEC)</td>
<td>211,481</td>
<td>0</td>
<td>2,500</td>
<td>31,000</td>
<td>0</td>
<td>55,000</td>
<td>0</td>
<td>56,600</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>356,581</td>
</tr>
<tr>
<td>Auction Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Reserve Sale Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Offsets</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Compliance Instrument Participant Transfers (MT)</td>
<td>211,481</td>
<td>0</td>
<td>2,500</td>
<td>31,000</td>
<td>0</td>
<td>55,000</td>
<td>0</td>
<td>56,600</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>356,581</td>
</tr>
<tr>
<td>NCPA Compliance Instrument Purchases (for LEC)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Auction Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Reserve Sale Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Offsets Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total NCPA Compliance Instrument Purchases (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Compliance Instruments Surrendered to CARB (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>193,975</td>
</tr>
<tr>
<td>Total Monthly Activity (MT)</td>
<td>211,481</td>
<td>0</td>
<td>2,500</td>
<td>31,000</td>
<td>0</td>
<td>55,000</td>
<td>0</td>
<td>56,600</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>356,581</td>
</tr>
<tr>
<td>Cumulative MT Account Balance (MTA) (MT)</td>
<td>928,676</td>
<td>928,676</td>
<td>926,176</td>
<td>895,176</td>
<td>895,176</td>
<td>840,176</td>
<td>840,176</td>
<td>896,776</td>
<td>896,776</td>
<td>896,776</td>
<td>1,090,751</td>
<td>1,090,751</td>
<td>1,090,751</td>
</tr>
<tr>
<td>IDENTIFIER</td>
<td>JANUARY</td>
<td>FEBRUARY</td>
<td>MARCH</td>
<td>APRIL</td>
<td>MAY</td>
<td>JUNE</td>
<td>JULY</td>
<td>AUGUST</td>
<td>SEPTEMBER</td>
<td>OCTOBER</td>
<td>NOVEMBER</td>
<td>DECEMBER</td>
<td>Total</td>
</tr>
<tr>
<td>------------</td>
<td>---------</td>
<td>----------</td>
<td>-------</td>
<td>-------</td>
<td>-----</td>
<td>------</td>
<td>------</td>
<td>--------</td>
<td>-----------</td>
<td>---------</td>
<td>----------</td>
<td>----------</td>
<td>-------</td>
</tr>
<tr>
<td>Energy (MWh)</td>
<td>38,317</td>
<td>15,337</td>
<td>7,086</td>
<td>0</td>
<td>3,436</td>
<td>35,997</td>
<td>54,015</td>
<td>66,209</td>
<td>93,620</td>
<td>126,574</td>
<td>149,304</td>
<td>726,534</td>
<td></td>
</tr>
<tr>
<td>Gas Schedule (MMBtu)</td>
<td>301,781</td>
<td>115,019</td>
<td>59,077</td>
<td>0</td>
<td>29,558</td>
<td>266,056</td>
<td>403,302</td>
<td>464,997</td>
<td>675,267</td>
<td>969,402</td>
<td>961,245</td>
<td>5,249,146</td>
<td></td>
</tr>
<tr>
<td>Emissions Factor (MT/MMBtu)</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td></td>
</tr>
<tr>
<td>HVAC/Water Heater (MT)</td>
<td>16,286</td>
<td>6,207</td>
<td>3,188</td>
<td>0</td>
<td>1,595</td>
<td>14,358</td>
<td>21,764</td>
<td>25,094</td>
<td>36,441</td>
<td>52,314</td>
<td>48,636</td>
<td>283,270</td>
<td></td>
</tr>
<tr>
<td>Cumulative MT Obligation (MT)</td>
<td>678,524</td>
<td>684,731</td>
<td>687,919</td>
<td>689,514</td>
<td>703,872</td>
<td>725,636</td>
<td>750,729</td>
<td>787,170</td>
<td>839,484</td>
<td>824,883</td>
<td>882,271</td>
<td>882,271</td>
<td></td>
</tr>
<tr>
<td>Compliance Instrument Participant Transfers (to LEC)</td>
<td>0</td>
<td>0</td>
<td>5,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>67,058</td>
<td>0</td>
<td>20,500</td>
<td>92,321</td>
<td>184,879</td>
<td></td>
</tr>
<tr>
<td>NCPA Compliance Instrument Purchases (for LEC)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Auction Allowances</td>
<td>0</td>
<td>0</td>
<td>5,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>67,058</td>
<td>0</td>
<td>20,500</td>
<td>92,321</td>
<td>184,879</td>
</tr>
<tr>
<td>Secondary Market Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Reserve Sale Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Offsets</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total Compliance Instrument Participant Transfers (MT)</td>
<td>0</td>
<td>0</td>
<td>5,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>67,058</td>
<td>0</td>
<td>20,500</td>
<td>92,321</td>
<td>184,879</td>
</tr>
<tr>
<td>Total NCPA Compliance Instrument Purchases (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Secondary Market Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Reserve Sale Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Offsets Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total NCPA Compliance Instrument Purchases (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Compliance Instruments Surrendered to CARB (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>63,237</td>
<td>0</td>
<td>63,237</td>
<td></td>
</tr>
<tr>
<td>Total Monthly Activity (MT)</td>
<td>0</td>
<td>0</td>
<td>5,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>67,058</td>
<td>0</td>
<td>20,500</td>
<td>92,321</td>
<td>184,879</td>
</tr>
<tr>
<td>Cumulative MT Account Balance [MTA] (MT)</td>
<td>1,090,751</td>
<td>1,090,751</td>
<td>1,096,751</td>
<td>1,096,751</td>
<td>1,096,751</td>
<td>1,095,751</td>
<td>1,095,751</td>
<td>1,095,751</td>
<td>1,162,809</td>
<td>1,162,809</td>
<td>1,120,072</td>
<td>1,212,393</td>
<td>1,212,393</td>
</tr>
<tr>
<td>IDENTIFIER</td>
<td>JANUARY</td>
<td>FEBRUARY</td>
<td>MARCH</td>
<td>APRIL</td>
<td>MAY</td>
<td>JUNE</td>
<td>Total Year 2018</td>
<td>Cumulative Totals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------</td>
<td>---------</td>
<td>----------</td>
<td>-------</td>
<td>-------</td>
<td>-----</td>
<td>------</td>
<td>----------------</td>
<td>------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy (MWh)</td>
<td>141,193</td>
<td>53,879</td>
<td>11,052</td>
<td>2,950</td>
<td>16,798</td>
<td>78,842</td>
<td>304,714</td>
<td>5,778,438</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gas Schedule (MMBtu)</td>
<td>1,087,872</td>
<td>387,932</td>
<td>79,574</td>
<td>21,241</td>
<td>120,943</td>
<td>567,661</td>
<td>2,185,223</td>
<td>41,150,021</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emissions Factor (MT/MMBtu)</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td>0.054</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HVAC/Water Heater (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monthly MT Emissions (MT)</td>
<td>54,390</td>
<td>20,935</td>
<td>4,294</td>
<td>1,146</td>
<td>6,527</td>
<td>30,634</td>
<td>117,926</td>
<td>2,220,920</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cumulative MT Obligation (MT)</td>
<td>879,273</td>
<td>900,207</td>
<td>904,501</td>
<td>905,648</td>
<td>912,174</td>
<td>942,808</td>
<td>942,808</td>
<td>4,417,364</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliance Instrument Participant Transfers (to LEC)</td>
<td>159,100</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>159,100</td>
<td>2,334,266</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Auction Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Secondary Market Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reserve Sale Allowances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Offsets</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Compliance Instrument Participant Transfers (MT)</td>
<td>159,100</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>159,100</td>
<td>2,334,266</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliance Instruments Purchased for LEC</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>47,000</td>
<td>47,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Auction Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Secondary Market Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reserve Sale Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Offset Purchases</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total NCPA Compliance Instrument Purchases (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>47,000</td>
<td>47,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliance Instruments Surrendered to CARB (MT)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,220,723</td>
<td>1,220,723</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Monthly Activity (MT)</td>
<td>159,100</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>159,100</td>
<td>2,381,266</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cumulative MT Account Balance (MTA)</td>
<td>1,279,172</td>
<td>1,279,172</td>
<td>1,279,172</td>
<td>1,279,172</td>
<td>1,279,172</td>
<td>1,279,172</td>
<td>1,279,172</td>
<td>1,279,172</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MTA Shortfall (MT)</td>
<td>(399,899)</td>
<td>(378,965)</td>
<td>(374,671)</td>
<td>(373,524)</td>
<td>(366,998)</td>
<td>(336,364)</td>
<td>(336,364)</td>
<td>(336,364)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Forecast has been updated through June 2018
<table>
<thead>
<tr>
<th>IDENTIFIER</th>
<th>AZUSA BART BIGGS CDWR GRI HEA LOD LOM MID PLU PWRPA SNCL UKI TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocation Percentages</td>
<td>Generation Entitlement Share %</td>
</tr>
<tr>
<td>Obligation Accounts</td>
<td>Current MT Compliance Obligation (MCO) Balance (MT)</td>
</tr>
<tr>
<td>Current MT Compliance Instrument Account (MTA) Balance (MT)</td>
<td>28,455 77,800 2,955 17,664 113,830 26,378 112,355 7,863 27,469 263,035 18,422 1,169,849</td>
</tr>
<tr>
<td>MTA Shortfall (MT)</td>
<td>1,629 (14,242) (374) (2,232) (1,842) (23,624) (9,176) (298) (1,777) (15,061) (1,226) (186,515)</td>
</tr>
<tr>
<td>GHG Minimum Cash Compliance Obligation ($)</td>
<td>0 0 0 0 0 0 0 0 0 0 0 0 0</td>
</tr>
<tr>
<td>Current Month CCA Balance ($)*</td>
<td>60,991 0 143 0 1,103 4,780 755 0 0 0 0 0 0</td>
</tr>
<tr>
<td>Net GHG Obligation ($)</td>
<td>0 0 0 0 0 0 0 0 0 0 0 0 0</td>
</tr>
</tbody>
</table>

*The Current Month CCA Balance ($) consists of the current cash balance plus any outstanding balance of Net GHG Obligation ($) billed but not yet received.
Lodi Energy Center Project Participant Committee

Staff Report

Date: March 7, 2018
Meeting Date: March 12, 2018
To: Lodi Energy Center Project Participant Committee
Subject: Bay Cities Fire Protection, Inc. – Five Year Multi-Task General Services Agreement; Applicable to the following projects: All NCPA locations and Members, SCPPA, and SCPPA Members

Proposal
Approve the Multi-Task General Services Agreement with Bay Cities Fire Protection, Inc., for maintenance, inspection, testing and other necessary services on fire sprinkler systems, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed $500,000 over five years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Background
Maintenance, inspection, testing and other necessary services on fire sprinkler systems are required from time to time related to project support at facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Selection Process
This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has in place two additional agreements for similar services with Northern Industrial Construction and Fire Safety Supply Company. NCPA will seek bids from as many qualified providers as possible and enter into additional enabling agreements as needed. The bid is awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact
Upon execution, the total cost of the agreement is not-to-exceed $500,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.
Environmental Analysis
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

Submitted by:

KEN SPEER
Assistant General Manager
Generation Services

Attachments: (1)
- Multi-Task General Services Agreement with Bay Cities Fire Protection, Inc.
This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Bay Cities Fire Protection, Inc., a corporation with its office located at 51 Foley Street, Santa Rosa, CA 95401 ("Contractor") (together sometimes referred to as the “Parties”) as of ______________, 2018 ("Effective Date") in Roseville, California.

Section 1. SCOPE OF WORK. Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

1.1 Term of Agreement. The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.

1.2 Standard of Performance. Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.

1.3 Assignment of Personnel. Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.

1.4 Work Provided. Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.

1.5 Request for Work to be Performed. At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency’s issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

Multi-Task General Services Agreement between
Northern California Power Agency and Bay Cities Fire Protection, Inc.
Rev'd 6/27/2017

GS-VEN-2018-020
Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount NOT TO EXCEED FIVE HUNDRED THOUSAND dollars ($500,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor’s fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency’s option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency’s reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

2.3 Payment of Taxes. Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.4 Authorization to Perform Work. The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.
2.5 **Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

Section 3. **FACILITIES AND EQUIPMENT.** Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

Section 4. **INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

4.1 **Workers’ Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers’ Compensation Insurance and Employer’s Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars ($1,000,000.00) per accident.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of $1,000,000 per occurrence/$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than $100,000. No endorsement shall be attached limiting the coverage.

4.2.2 **Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of $1,000,000 per each accident, with a self-insured retention or deductible of no more than $100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 **General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.
4.3 **Professional Liability Insurance.** Contractor shall maintain professional liability insurance appropriate to Contractor's profession performing work in connection with this Agreement in an amount not less than one million dollars ($1,000,000.00) and two million dollars ($2,000,000) aggregate covering the Contractor's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars ($250,000.00) per claim. Such insurance shall be on a "claims-made" basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least five (5) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within five (5) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.

4.4 **Pollution Insurance.** Not Applicable

4.5 **All Policies Requirements.**

4.5.1 **Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.5.2 **Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.5.3 **Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

4.5.4 **Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall have the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

4.6 **Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary
to effect this waiver of subrogation. The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

4.7 Contractor’s Obligation. Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers’ compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONTRACTOR’S RESPONSIBILITIES.

5.1 Effect of Insurance. Agency’s acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

5.2 Scope. Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

5.3 Transfer of Title. Intentionally Omitted

Section 6. STATUS OF CONTRACTOR.

6.1 Independent Contractor. Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor’s Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but
not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor’s estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor’s failure to secure workers’ compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

6.2 **Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

6.3 **Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor’s unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all
subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency’s satisfaction.

6.4 **Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.

6.5 **Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.

6.6 **Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

Section 7. **LEGAL REQUIREMENTS.**

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.

7.3 **Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

7.4 **Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

7.5 **Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.

7.6 **Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which
the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: http://www.dir.ca.gov/DLSR/PWD/ and may be reviewed at any time.

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A- 1-131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency $50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 et seq. In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

Section 8. TERMINATION AND MODIFICATION.

8.1 Termination. Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

8.2 Amendments. The Parties may amend this Agreement only by a writing signed by both of the Parties.
8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

8.4 **Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency’s remedies shall include, but not be limited to, the following:

8.4.1 Immediately terminate the Agreement;

8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or

8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. **KEEPING AND STATUS OF RECORDS.**

9.1 **Records Created as Part of Contractor’s Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

9.2 **Contractor’s Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.

9.3 **Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars ($10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as
part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

9.4 Confidential Information and Disclosure.

9.4.1 Confidential Information. The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

9.4.2 Non-Disclosure of Confidential Information. During the term of this Agreement, either party may disclose (the “Disclosing Party”) Confidential Information to the other party (the “Receiving Party”). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Permitted Disclosure. Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

9.4.3.1 Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or
destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party’s representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party’s Information to any person other than those of the Receiving Party’s employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. PROJECT SITE.

10.1 Operations at the Project Site. Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor’s Work.

10.2 Contractor’s Equipment, Tools, Supplies and Materials. Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor’s sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

10.3 Use of Agency Equipment. Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency
Section 11.  WARRANTY.

11.1 Nature of Work. In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

11.2 Deficiencies in Work. In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor’s failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency’s satisfaction.

11.3 Assignment of Warranties. Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

Section 12. HEALTH AND SAFETY PROGRAMS. The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

12.1 Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

12.2 Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.

12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

12.5 Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.

12.6 Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.

12.7 Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.

12.8 Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.

12.9 Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.

12.10 If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively “Member” solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

Section 13. MISCELLANEOUS PROVISIONS.

13.1 Attorneys’ Fees. If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys’ fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
13.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.

13.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

13.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

13.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

13.6 **Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a “conflict of interest,” as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 et seq.

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 et seq.

13.7 **Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency’s representative. All correspondence shall be directed to or through the representative.

13.8 **Notices.** Any written notice to Contractor shall be sent to:

John Hess  
President  
Bay Cities Fire Protection, Inc.  
51 Foley Street  
Santa Rosa, CA 95401

Any written notice to Agency shall be sent to:
13.9 **Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

13.10 **Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

13.11 **Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:

13.11.1 Each party shall designate a senior management or executive level representative to negotiate any dispute;

13.11.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

13.11.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

13.11.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

13.11.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
13.11.6 The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

13.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.

13.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

13.14 Construction of Agreement. Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

13.15 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

SIGNATURES ON FOLLOWING PAGE
The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

Date____________________________

RANDY S. HOWARD, General Manager

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane Luckhardt, General Counsel

BAY CITIES FIRE PROTECTION, INC

Date____________________________

JOHN HESS, President
EXHIBIT A

SCOPE OF WORK

Bay Cities Fire Protection, Inc. ("Contractor") shall provide maintenance, inspection, testing and other necessary services on fire sprinkler system as requested by Northern California Power Agency ("Agency") at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

<table>
<thead>
<tr>
<th>Labor</th>
<th>$200.00 per hour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Material</td>
<td>Cost + 15% markup</td>
</tr>
</tbody>
</table>

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.
EXHIBIT C
CERTIFICATION
Affidavit of Compliance for Contractors

I,
_____________________________________________________________________
(Name of person signing affidavit)(Title)
do hereby certify that background investigations to ascertain the accuracy of the identity
and employment history of all employees of
_____________________________________________________________________
(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA  95242
(Project name and location)

have been conducted as required by the California Energy Commission Decision for the
above-named project.

_____________________________________________________________________
(Signature of officer or agent)

Dated this ___________________ day of ___________________, 20 _______.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY
PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY
THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.
EXHIBIT D – Not Applicable

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, ________________________________________________________________,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

______________________________________________________________

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

______________________________________________________________

(Signature of officer or agent)

Dated this ___________________ day of ___________________, 20 __.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.
EXHIBIT E – Not Applicable

ATTACHMENT A [from MLA]
AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT
LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement (“Agreement” solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.

3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.

4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.

5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: ____________________ Name of Employer ______________________________

________________________________________________________
(Authorized Officer & Title)

________________________________________________________
(Address)
Date: March 7, 2018

Meeting Date: March 12, 2018

To: Lodi Energy Center Project Participant Committee

Subject: T.A. Krause, Inc. dba T.A. Krause Construction and Custom Painting – Five Year Multi-Task General Services Agreement; Applicable to the following projects: All NCPA locations and Members, SCPPA, and SCPPA Members

Proposal
Approve the Multi-Task General Services Agreement with T.A. Krause, Inc. dba T.A Krause Construction and Custom Painting for preventive roofing and siding maintenance, including application of sealant, primer and coating, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed $1,000,000 over five years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Background
Preventive maintenance, including application of sealant, primer and coating are required from time to time related to project support at facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Selection Process
This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has in place one additional agreement for similar services with Hug’s Painting, Inc. NCPA will seek bids from as many qualified providers as possible and enter into additional enabling agreements as needed. The bid is awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact
Upon execution, the total cost of the agreement is not-to-exceed $1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.
Environmental Analysis
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

Submitted by:

KEN SPEER
Assistant General Manager
Generation Services

Attachments: (1)
  • Multi-Task General Services Agreement with T.A. Krause, Inc. dba T.A. Krause Construction and Custom Painting
MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
T.A. KRAUSE, INC. DBA T.A. KRAUSE CONSTRUCTION AND CUSTOM PAINTING

This Multi-Task General Services Agreement (“Agreement”) is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 (“Agency”) and T.A. Krause, Inc. dba T.A. Krause Construction and Custom Painting, a corporation with its office located at 1551 E. 8 Mile Road, Lodi, CA 95242 (“Contractor”) (together sometimes referred to as the “Parties”) as of ______________, 2018 (“Effective Date”) in Roseville, California.

Section 1. SCOPE OF WORK. Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein (“Work”).

1.1 Term of Agreement. The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.

1.2 Standard of Performance. Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.

1.3 Assignment of Personnel. Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.

1.4 Work Provided. Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority (“SCPPA”) or SCPPA members.

1.5 Request for Work to be Performed. At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed (“Requested Work”), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency’s issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have
agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount NOT TO EXCEED ONE MILLION dollars ($1,000,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor’s fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency’s option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency’s reasonable satisfaction;
- At Agency’s option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

2.3 Payment of Taxes. Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.4 Authorization to Perform Work. The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.
2.5 **Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

4.1 **Workers’ Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers’ Compensation Insurance and Employer’s Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars ($1,000,000.00) per accident.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of $1,000,000 per occurrence/$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than $100,000. No endorsement shall be attached limiting the coverage.

4.2.2 **Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of $1,000,000 per each accident, with a self-insured retention or deductible of no more than $100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 **General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.
4.3 **Professional Liability Insurance.** Not Applicable

4.4 **Pollution Insurance.** Not Applicable

4.5 **All Policies Requirements.**

4.5.1 **Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.5.2 **Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.5.3 **Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

4.5.4 **Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall have the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

4.6 **Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

4.7 **Contractor’s Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers’ compensation insurance required by applicable law during this Agreement.
Section 5. INDEMNIFICATION AND CONTRACTOR’S RESPONSIBILITIES.

5.1 Effect of Insurance. Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

5.2 Scope. Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

Section 6. STATUS OF CONTRACTOR.

6.1 Independent Contractor. Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor’s estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.
Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor’s failure to secure workers’ compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

6.2 Contractor Not Agent. Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

6.3 Assignment and Subcontracting. This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor’s unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency’s satisfaction.

6.4 Certification as to California Energy Commission. If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.

6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors. If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.

6.6 Maintenance Labor Agreement. If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types
of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

**Section 7. LEGAL REQUIREMENTS.**

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.

7.3 **Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

7.4 **Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

7.5 **Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.

7.6 **Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding
Bodies, copies of the applicable determination of the Director can be found on the web at: http://www.dir.ca.gov/DLSR/PWD/ and may be reviewed at any time.

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A-1-131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency $50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 et seq. In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

Section 8. TERMINATION AND MODIFICATION.

8.1 **Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.

8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

8.4 **Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency’s remedies shall include, but not be limited to, the following:

**8.4.1** Immediately terminate the Agreement;

**8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;
8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or

8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Contractor’s Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

9.2 Contractor’s Books and Records. Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.

9.3 Inspection and Audit of Records. Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars ($10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

9.4 Confidential Information and Disclosure.

9.4.1 Confidential Information. The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality
agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

9.4.2 **Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose (the “Disclosing Party”) Confidential Information to the other party (the “Receiving Party”). The Receiving Party: (a) shall hold the Disclosing Party’s Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 **Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

9.4.3.1 Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.

9.4.4 **Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party’s representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party’s Information to any person other than those of the Receiving Party’s employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.
Section 10. PROJECT SITE.

10.1 Operations at the Project Site. Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

10.2 Contractor's Equipment, Tools, Supplies and Materials. Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor’s sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

10.3 Use of Agency Equipment. Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

Section 11. WARRANTY.

11.1 Nature of Work. In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.
11.2 **Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor’s failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency’s satisfaction.

11.3 **Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

**Section 12. HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

12.1 Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

12.2 Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.

12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.

12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.
12.5 Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.

12.6 Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.

12.7 Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.

12.8 Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.

12.9 Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.

12.10 If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively “Member” solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

Section 13. MISCELLANEOUS PROVISIONS.

13.1 Attorneys’ Fees. If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys’ fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

13.2 Venue. In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.

13.3 Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in
whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

13.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

13.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

13.6 **Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a “conflict of interest,” as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 et seq.

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 et seq.

13.7 **Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency’s representative. All correspondence shall be directed to or through the representative.

13.8 **Notices.** Any written notice to Contractor shall be sent to:

Troy A. Krause  
Vice President  
1551 E. 8 Mile Road  
Lodi, CA 95242

Any written notice to Agency shall be sent to:

Randy S. Howard  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

General Counsel  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678
13.9 **Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

13.10 **Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

13.11 **Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:

13.11.1 Each party shall designate a senior management or executive level representative to negotiate any dispute;

13.11.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

13.11.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

13.11.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

13.11.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

13.11.6 The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

13.12 **Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor’s Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor’s Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor’s Proposal, the Purchase Order shall control.
13.13 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

13.14 **Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

13.15 **No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only “Member”) pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

Date____________________________  Date____________________________

________________________________  ________________________________

RANDY S. HOWARD, General Manager    TROY A. KRAUSE, Vice President

Attest:

_______________________________

Assistant Secretary of the Commission

Approved as to Form:

_______________________________

Jane Luckhardt, General Counsel
EXHIBIT A

SCOPE OF WORK

T.A. Krause, Inc. dba T.A. Krause Construction and Custom Painting (“Contractor”) shall provide preventive roofing and siding maintenance, including application of sealant, primer, and coating, as requested by Agency at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (“SCPPA”), or SCPPA Members.

The Scope of Work under this Agreement does not include work that would qualify as a Public Project under the California Public Contract Code and guidelines established by the State of California.
EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

2018 Labor & Material Rates

Labor $115.00 per man-hour
Materials Actual Cost plus 15% markup

Prices are subject to change with the giving of 30 days’ advance written notice to Agency.

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.
EXHIBIT C
CERTIFICATION
Affidavit of Compliance for Contractors

I, ____________________________________________

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

______________________________________________________________

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA  95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

__________________________________________________________

(Signature of officer or agent)

Dated this ___________________ day of ___________________, 20 ________.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.
EXHIBIT D

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, ____________________________________________,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans
in conformity with 49 CFR 172, subpart I and has conducted employee background
investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to
time,

______________________________________________

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

______________________________________________

(Signature of officer or agent)

Dated this ___________________ day of ___________________, 20 __.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY
PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY
THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.
EXHIBIT E

ATTACHMENT A [from MLA]
AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT
LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.

3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.

4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.

5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: ____________________ Name of Employer ______________________________

______________________________

(Authorized Officer & Title)

______________________________

(Address)
Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 12

Date: March 7, 2018
Meeting Date: March 12, 2018
To: Lodi Energy Center Project Participant Committee
Subject: Nor-Cal Battery Company – Five Year Multi-Task General Services Agreement; Applicable to the following projects: All NCPA locations and Members, SCPPA, and SCPPA Members

Proposal
Approve the Multi Task General Services Agreement with Nor-Cal Battery Company for battery maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed $250,000 over 5 years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Background
Battery maintenance services are required from time to time related to project support at facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Selection Process
This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has in place one additional agreement for similar services with American Power Systems. NCPA seeks bids from multiple qualified providers whenever services are needed. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact
Upon execution, the total cost of the agreement is not-to-exceed $250,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.
Environmental Analysis
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

Submitted by:

KEN SPEER
Assistant General Manager
Generation Services

Attachments: (1)
- Multi-Task General Services Agreement with Nor-Cal Battery Company
MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
NOR-CAL BATTERY COMPANY

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Nor-Cal Battery Company, a C-corporation with its office located at 3432 Cherokee Road, Suite D, Stockton, CA 95205 ("Contractor") (together sometimes referred to as the "Parties") as of ______________, 2018 ("Effective Date") in Roseville, California.

Section 1. SCOPE OF WORK. Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

1.1 Term of Agreement. The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.

1.2 Standard of Performance. Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.

1.3 Assignment of Personnel. Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.

1.4 Work Provided. Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.

1.5 Request for Work to be Performed. At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency’s issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have
agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount NOT TO EXCEED TWO HUNDRED FIFTY THOUSAND dollars ($250,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor’s fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency’s option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency’s reasonable satisfaction;
- At Agency’s option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
AcctsPayable@ncpa.com

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

2.3 Payment of Taxes. Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.4 Authorization to Perform Work. The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.
2.5 **Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

Section 3. **FACILITIES AND EQUIPMENT.** Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

Section 4. **INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- **4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars ($1,000,000.00) per accident.

- **4.2 Commercial General and Automobile Liability Insurance.**
  - **4.2.1 Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of $1,000,000 per occurrence/$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than $100,000. No endorsement shall be attached limiting the coverage.
  - **4.2.2 Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of $1,000,000 per each accident, with a self-insured retention or deductible of no more than $100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.
  - **4.2.3 General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.
4.3 **Professional Liability Insurance.** Contractor shall maintain professional liability insurance appropriate to Contractor's profession performing work in connection with this Agreement in an amount not less than one million dollars ($1,000,000.00) and two million dollars ($2,000,000) aggregate covering the Contractor's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars ($250,000.00) per claim. Such insurance shall be on a “claims-made” basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least five (5) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within five (5) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase “extended reporting” coverage for a minimum of five (5) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.

4.4 **Pollution Insurance.** Not applicable.

4.5 **All Policies Requirements.**

4.5.1 **Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.5.2 **Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.5.3 **Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

4.5.4 **Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall have the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.
4.6 **Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

4.7 **Contractor’s Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. **INDEMNIFICATION AND CONTRACTOR’S RESPONSIBILITIES.**

5.1 **Effect of Insurance.** Agency’s acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

5.2 **Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims that arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Contractor in its performance of Work under this Agreement. Contractor shall bear all losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly (“Liabilities”). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the sole negligence, active negligence, or willful misconduct of the Agency.

5.3 **Transfer of Title.** Not applicable.

Section 6. **STATUS OF CONTRACTOR.**

6.1 **Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor’s Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law,
or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor’s estimated costs of providing the Work, including salaries and benefits of employees, agents, and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor’s failure to secure workers’ compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

6.2 **Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

6.3 **Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor’s unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall
be responsible for all work performed by a subcontractor as if Contractor itself
had performed such work. The subcontracting of any work to subcontractors
shall not relieve Contractor from any of its obligations under this Agreement with
respect to the Work and Contractor is obligated to ensure that any and all
subcontractors performing any Work shall be fully insured in all respects and to
the same extent as set forth under Section 4, to Agency’s satisfaction.

6.4 **Certification as to California Energy Commission.** If requested by the
Agency, Contractor shall, at the same time it executes this Agreement, execute
Exhibit C.

6.5 **Certification as to California Energy Commission Regarding Hazardous
Materials Transport Vendors.** If requested by the Agency, Contractor shall, at
the same time it executes this Agreement, execute Exhibit D.

6.6 **Maintenance Labor Agreement.** If the Work is subject to the terms of one or
more Maintenance Labor Agreements, which are applicable only to certain types
of construction, repair and/or maintenance projects, then Contractor shall
execute Exhibit E and/or similar documentation as to compliance.

**Section 7. LEGAL REQUIREMENTS.**

7.1 **Governing Law.** The laws of the State of California shall govern this
Agreement.

7.2 **Compliance with Applicable Laws.** Contractor and its subcontractors and
agents, if any, shall comply with all laws applicable to the performance of the
work hereunder.

7.3 **Licenses and Permits.** Contractor represents and warrants to Agency that
Contractor and its employees, agents, and subcontractors (if any) have and will
maintain at their sole expense during the term of this Agreement all licenses,
permits, qualifications, and approvals of whatever nature that are legally required
to practice their respective professions.

7.4 **Monitoring by DIR.** The Work is subject to compliance monitoring and
enforcement by the Department of Industrial Relations.

7.5 **Registration with DIR.** During the term of this Agreement, Contractor warrants
that it is registered with the Department of Industrial Relations and qualified to
perform Work consistent with Labor Code section 1725.5.

7.6 **Prevailing Wage Rates.** In accordance with California Labor Code Section
1771, not less than the general prevailing rate of per diem wages for work of a
similar character in the locality in which the Work is to be performed, and not less
than the general prevailing rate of per diem wages for holiday and overtime work
as provided in the California Labor Code must be paid to all workers engaged in
performing the Work. In accordance with California Labor Code Section 1770
and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: http://www.dir.ca.gov/DLSR/PWD/ and may be reviewed at any time.

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A-1-131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency $50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 et seq. In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

Section 8. **TERMINATION AND MODIFICATION.**

8.1 **Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).
8.2 Amendments. The Parties may amend this Agreement only by a writing signed by both of the Parties.

8.3 Survival. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

8.4 Options upon Breach by Contractor. If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency’s remedies shall include, but not be limited to, the following:

8.4.1 Immediately terminate the Agreement;

8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or

8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Contractor’s Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

9.2 Contractor’s Books and Records. Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.

9.3 Inspection and Audit of Records. Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code
Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars ($10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

9.4 Confidential Information and Disclosure.

9.4.1 Confidential Information. The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

9.4.2 Non-Disclosure of Confidential Information. During the term of this Agreement, either party may disclose (the “Disclosing Party”) Confidential Information to the other party (the “Receiving Party”). The Receiving Party: (a) shall hold the Disclosing Party’s Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Permitted Disclosure. Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

9.4.3.1 Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.
9.4.4 **Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party’s Information to any person other than those of the Receiving Party’s employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

**Section 10. PROJECT SITE.**

10.1 **Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

10.2 **Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor’s sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.
10.3 **Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

Section 11. **WARRANTY.**

11.1 **Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

11.2 **Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor’s failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency’s satisfaction.

11.3 **Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

Section 12. **HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

12.1 Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

12.2 Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.

12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

12.5 Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.

12.6 Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.

12.7 Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.

12.8 Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.

12.9 Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.

12.10 If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively “Member” solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

Section 13. MISCELLANEOUS PROVISIONS.

13.1 Attorneys’ Fees. If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this
Agreement, the prevailing party shall be entitled to reasonable attorneys’ fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

13.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.

13.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

13.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

13.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

13.6 **Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a “conflict of interest,” as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 et seq.

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 et seq.

13.7 **Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency’s representative. All correspondence shall be directed to or through the representative.

13.8 **Notices.** Any written notice to Contractor shall be sent to:

Nor-Cal Battery Company  
Attention: Chuck Jeter  
3432 Cherokee Road, Suite D  
Stockton, CA 95205
Any written notice to Agency shall be sent to:

Randy S. Howard  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

General Counsel  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

13.9 **Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

13.10 **Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

13.11 **Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:

13.11.1 Each party shall designate a senior management or executive level representative to negotiate any dispute;

13.11.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

13.11.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

13.11.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
13.11.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

13.11.6 The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

13.12 **Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.

13.13 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

13.14 **Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

13.15 **No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only “Member”) pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

The Parties have executed this Agreement as of the date signed by the Agency.

**NORTHERN CALIFORNIA POWER AGENCY**

Date ____________________________

RANDY S. HOWARD,  
General Manager

**NOR-CAL BATTERY COMPANY**

Date ____________________________

RICKIE McROBERTS,  
Manager of Operations
Attest:

_______________________________
Assistant Secretary of the Commission

Approved as to Form:

_______________________________
General Counsel
EXHIBIT A

SCOPE OF WORK

Nor-Cal Battery Company ("Contractor") shall provide battery maintenance services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members.

Services to include, but not be limited to the following:

- Battery Testing - IEEE Capacity, Internal Resistance Capacity
- Battery Maintenance - Preventive, Basic, Extended, Customized
- Battery Installation
- Battery Monitoring - Central Office, Cell Sites, UPS, Remote, VRLA, Flooded
- Temporary Battery Systems - Hot Cuts, Rentals, Emergencies
- Engineering - Designs, Layouts, Material, Logistics
- Project Management – Installation and Multi-Site Scheduling
- Installation and Removal - Telecom, UPS, System Upgrades, Central Office, Cell Site, Substation, Remote Sites, Power Plants, Distribution, Batteries, Grounding, Cabling, Iron Work, Buss Work
- Site Audits - Power, Grounding, Infrastructure
- Spill Containment - Telecom, UPS, Utility, VRLA, Flooded
- Logistical Support - Labor, Material Procurement, Site Delivery, Warehousing
- Certified Battery Disposal - Removal and Recycling / Disposal of Lead Acid Batteries
- Training - System Design, Batteries, Power, Applications, Sizing, Safety, Maintenance

Contractor may provide services at all Project Site Locations.

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.
EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

   Normal Business Hours: $105.00/hour
   After Hours, Weekends & Holidays: $155.00/hour

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.
EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I, Rickie McRoberts, Manager of Operations

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity
and employment history of all employees of

Nor-Cal Battery Company

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the
above-named project.

(Signature of officer or agent)

Dated this ___________________ day of ___________________, 20 _______.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY
PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY
THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.
EXHIBIT D
CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, ________________________________________________________________,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans
in conformity with 49 CFR 172, subpart I and has conducted employee background
investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to
time,

____________________________________________________________________

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA  95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

____________________________________________________________________

(Signature of officer or agent)

Dated this ___________________ day of ___________________, 20 __.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY
PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY
THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.
EXHIBIT E
ATTACHMENT A [from MLA]
AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT
LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.

3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.

4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.

5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: ____________________ Name of Employer ______________________________

__________________________________________
(Authorized Officer & Title)

__________________________________________
(Address)
Lodi Energy Center Project Participant Committee
Staff Report

Date: March 7, 2018
Meeting Date: March 12, 2018
To: Lodi Energy Center Project Participant Committee
Subject: HRST, Inc. – Five Year Multi-Task General Services Agreement; Applicable to the following projects: All NCPA locations and Members, SCPPA, and SCPPA Members

Proposal
Approve the Multi-Task General Services Agreement with HRST, Inc. for inspection services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed $500,000 over 5 years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Background
Inspection services are required from time to time related to project support at facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Selection Process
This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from multiple qualified providers whenever services are needed. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact
Upon execution, the total cost of the agreement is not-to-exceed $500,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

Environmental Analysis
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.
Submitted by:

KEN SPEER
Assistant General Manager
Generation Services

Attachments: (1)
- Multi-Task General Services Agreement with HRST, Inc.
MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
HRST, INC.

This Multi-Task General Services Agreement (“Agreement”) is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 (“Agency”) and HRST Inc., a corporation with its office located at 6557 City West Parkway, Eden Prairie, MN 55344 (“Contractor”) (together sometimes referred to as the “Parties”) as of ____________, 2018 (“Effective Date”) in Roseville, California.

Section 1. SCOPE OF WORK. Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein (“Work”).

1.1 Term of Agreement. The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.

1.2 Standard of Performance. Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.

1.3 Assignment of Personnel. Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.

1.4 Work Provided. Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority (“SCPPA”) or SCPPA members.

1.5 Request for Work to be Performed. At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed (“Requested Work”), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency’s issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have
agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount NOT TO EXCEED FIVE HUNDRED THOUSAND dollars ($500,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor’s fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency’s option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency’s reasonable satisfaction;
- At Agency’s option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

2.3 Payment of Taxes. Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.4 Authorization to Perform Work. The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.
2.5 **Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

4.1 **Workers’ Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers’ Compensation Insurance and Employer’s Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars ($1,000,000) per accident.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of $1,000,000 per occurrence/$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than $100,000. No endorsement shall be attached limiting the coverage.

4.2.2 **Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of $1,000,000 per each accident, with a self-insured retention or deductible of no more than $100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 **General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.
4.3 **Professional Liability Insurance.** Contractor shall maintain professional liability insurance appropriate to Contractor's profession performing work in connection with this Agreement in an amount not less than one million dollars ($1,000,000) and one million dollars ($1,000,000) aggregate covering the Contractor's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars ($250,000) per claim. Such insurance shall be on a “claims-made” basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least five (5) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within five (5) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase “extended reporting” coverage for a minimum of five (5) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.

4.4 **Pollution Insurance.** Not Applicable.

4.5 **All Policies Requirements.**

4.5.1 **Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.5.2 **Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.5.3 **Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

4.5.4 **Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall have the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

4.6 **Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary
to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

4.7 **Contractor’s Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

**Section 5. INDEMNIFICATION AND CONTRACTOR’S RESPONSIBILITIES.**

5.1 **Effect of Insurance.** Agency’s acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

5.2 **Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims which are attributable to personal injury or death or physical damage to tangible property that arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Contractor in its performance of Work under this Agreement. Contractor shall bear all losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly (“Liabilities”). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the sole negligence, active negligence, or willful misconduct of the Agency. Anything in this Agreement to the contrary notwithstanding, Contractor shall not be liable to Agency for any special, indirect, incidental or consequential damages (whether in contract, in tort or otherwise, including negligence and product liability) including but not limited to damages for loss of anticipated profits, loss of use, loss of revenue generated or loss of good will, by reason of anything done or omitted to be done by Contractor in connection with the performance of its obligations under this Agreement. Anything in this Agreement to the contrary notwithstanding, Contractor's total liability to Agency for breaches of this Agreement, other than any liability resulting from a willful or grossly negligent refusal by Contractor to perform its obligations hereunder, shall in no event exceed the greater of the amounts of insurance required by this Agreement or the amount specified in Section 2 of this Agreement.
5.3 **Transfer of Title.** Not Applicable.

**Section 6. STATUS OF CONTRACTOR.**

6.1 **Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor’s Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor’s estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor’s failure to secure workers’ compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

6.2 **Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
6.3 **Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor’s unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency’s satisfaction.

6.4 **Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.

6.5 **Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.

6.6 **Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

---

**Section 7. LEGAL REQUIREMENTS.**

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.

7.3 **Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

7.4 **Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
7.5 **Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.

7.6 **Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request.

Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: [http://www.dir.ca.gov/DLSR/PWD/](http://www.dir.ca.gov/DLSR/PWD/) and may be reviewed at any time.

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A-1-131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency $50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.
Section 8. **TERMINATION AND MODIFICATION.**

8.1 **Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.

8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

8.4 **Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency’s remedies shall include, but not be limited to, the following:

8.4.1 Immediately terminate the Agreement;

8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or

8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. **KEEPING AND STATUS OF RECORDS.**

9.1 **Records Created as Part of Contractor’s Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
9.2 **Contractor’s Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.

9.3 **Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars ($10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

9.4 **Confidential Information and Disclosure.**

9.4.1 **Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

9.4.2 **Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose (the “Disclosing Party”) Confidential Information to the other party (the “Receiving Party”). The Receiving Party: (a) shall hold the Disclosing Party’s Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 **Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:
9.4.3.1 Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.

9.4.4 **Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party’s representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party’s Information to any person other than those of the Receiving Party’s employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

**Section 10. PROJECT SITE.**

10.1 **Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor’s Work.

10.2 **Contractor’s Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor’s sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to
have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

10.3 **Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

Section 11. **WARRANTY.**

11.1 **Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform engineering and other technical services with the usual professional standard of care and in accordance with generally accepted practices in effect at the time the services are rendered and in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

11.2 **Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor’s failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.

11.3 **Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

Section 12. **HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall
include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

12.1 Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

12.2 Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.

12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.

12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

12.5 Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.

12.6 Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.

12.7 Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.

12.8 Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.

12.9 Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including
regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.

12.10 If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively “Member” solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

Section 13. MISCELLANEOUS PROVISIONS.

13.1 Attorneys’ Fees. If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys’ fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

13.2 Venue. In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.

13.3 Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

13.4 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

13.5 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

13.6 Conflict of Interest. Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a “conflict of interest,” as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 et seq.

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 et seq.

13.7 Contract Administrator. This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency’s
representative. All correspondence shall be directed to or through the representative.

13.8 **Notices.** Any written notice to Contractor shall be sent to:

HRST, Inc.
Attention: Sheila Schwarz
6557 City West Parkway
Eden Prairie, MN  55344

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA  95678

With a copy to:

General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA  95678

13.9 **Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

13.10 **Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

13.11 **Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:

13.11.1 Each party shall designate a senior management or executive level representative to negotiate any dispute;

13.11.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

13.11.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement
by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

13.11.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

13.11.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

13.11.6 The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

13.12 **Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.

13.13 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

13.14 **Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

13.15 **No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only “Member”) pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

///
The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY          HRST, INC.
Date____________________________  Date____________________________

RANDY S. HOWARD,  SHEILA SCHWARZ,
General Manager      Contract Coordinator

Attest:

_______________________________
Assistant Secretary of the Commission

Approved as to Form:

_______________________________
General Counsel
EXHIBIT A

SCOPE OF WORK

HRST, Inc. ("Contractor") shall provide inspection services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

Services to include, but not be limited to the following:

- Heat Recovery Steam Generator Warranty Inspections
- Heat Recovery Steam Generator Consulting Engineering
- Power Piping Inspections
- Power Piping Design Engineering
- Steam Plant Condition Assessments and Fitness-for-Service Evaluations
- Root Cause Failure Assessments

Contractor may provide services at all Project Site Locations.

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted by Contractor at the time services are requested.
EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses are as follows:

2018 SERVICE RATES
Effective January 1, 2018 to December 31, 2018

Services Provided Under Time and Expense Contracts with HRST, Inc:

Rates:
The following hourly rates shall apply for services, including inspections, meetings, analysis and generation of reports. Minimum charge for field hours is 4 hours per day. All rates and contract prices are in US dollars. For countries that do not have a tax treaty with USA and require non-resident withholdings tax, the rates shown are net (after the withholdings).

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering / Consulting / Advisor Services</td>
<td>$195.00</td>
</tr>
<tr>
<td>Standby / Travel Time</td>
<td>$105.00</td>
</tr>
</tbody>
</table>

1 Standby time will be charged at a maximum of 8 hours per day when an HRST employee must remain in close proximity to the jobsite in order to provide additional service, for example, when Sunday is not a workday at the jobsite and travelling home is not viable for the HRST employee. The Purchaser shall remain responsible for expenses incurred while on standby.

2 Travel time will be charged at a maximum of 8 hours per day for projects in the continental US. When travel and services occur in the same day, actual service time will be charged at the service rate and actual travel time will be charged at the travel rate.

Overtime/Weekend/Holiday/Emergency Rate: A 40% premium shall apply to all rates. Overtime rates apply when more than 10 hours per day are worked on weekdays and apply to any hours worked on a weekend or holiday, or if the nature of the work is supported by HRST’s Emergency Engineer or Technical Advisor.

Expenses:
Travel and consumable expenses will be billed at cost plus 10%. Typical expenses include:

- Transportation (airfare, rental car/fuel/tolls, taxi, parking, etc.)
- Meals & Incidental Expenses (M&E)3
- Lodging
- Shipping charges

3 Meals and incidental expenses shall be based on the current local M&E rate: GSA (CONUS), DOD (AK/HI) or USDOS (non-USA).

Equipment Rental & Subcontract Professional Service Rates:
Equipment rental required to support HRST Service in North America will be billed per the pricing below. Minimum rental of 2 days applies, which covers all shipping time and the day equipment arrives onsite. Shipping charges not included.

- Borescope with 25 foot probe: $650/day
- Positive Material Identification Analyzer: $400/day
- Acoustic Leak Detection Probe: $250/day
- Pick-up Truck: $100/day plus fuel
- FLIR Thermal Imaging Camera: $250/day
- Thermocouple DataLogger: $150/week
- Thermocouple Welder: $250/week
- Equipment rented by HRST: Cost plus 20%

Professional Service subcontracted by HRST and approved by client will be invoiced at cost plus 15%. Examples include: metallurgical lab analysis, chemistry specialist, engineering, NDE technicians and design/drafting.

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.
EXHIBIT C  
CERTIFICATION  
Affidavit of Compliance for Contractors  

I,  

__________________________________________________________________________________  

(Name of person signing affidavit)(Title)  

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of  

HRST, Inc.  

(Company name)  

for contract work at:  

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA  95242  

(Project name and location)  

have been conducted as required by the California Energy Commission Decision for the above-named project.  

__________________________________________________________________________________  

(Signature of officer or agent)  

Dated this ___________________ day of ___________________, 20 _______.  

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.
EXHIBIT D

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, ______________________________________________________________________,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

________________________________________________________________________

(Company name)

for hazardous materials delivery to:

Lodi Energy Center, 12745 N. Thornton Road, Lodi, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

________________________________________________________________________

(Signature of officer or agent)

Dated this ___________________ day of ___________________, 20 __.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.
NOT APPLICABLE

EXHIBIT E

ATTACHMENT A [from MLA]
AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT
LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.

3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.

4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.

5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: ____________________  Name of Employer  ___________________________

__________________________________________
(Authorized Officer & Title)

__________________________________________
(Address)
Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 14

Date: March 7, 2018
Meeting Date: March 12, 2018
To: Lodi Energy Center Project Participant Committee
Subject: Industrial Air Flow Dynamics, Inc. – First Amendment to General Services Agreement; Applicable to the following projects: Lodi Energy Center

Proposal
Approve the First Amendment to General Services Agreement with Industrial Air Flow Dynamics, Inc. for roof seal replacement services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed $300,000 for use at the Lodi Energy Center facility.

Background
NCPA entered into a General Services Agreement with Industrial Air Flow Dynamics, Inc., effective 03/02/2018, for an amount not to exceed $245,000. It has been determined that additional roof seals need to be replaced. This First Amendment will increase the not to exceed amount from $230,000 to $300,000. This Agreement will be for use at the Lodi Energy Center facility.

Selection Process
This vendor was selected as a result of Informal Bidding done in accordance with NCPA’s procurement policies and procedures. The RFP was sent to Dekome de Temple, HRST and Industrial Air Flow Dynamics. All three bidders responded with quotes. Dekomte de Temple is not registered with the CA DIR and HRST only supplied a quote for materials, not labor. It was determined that Industrial Air Flow Dynamics, Inc. should perform this work because they can provide the highest quality work and product to the Agency.

Fiscal Impact
Upon execution, the total cost of the agreement is not-to-exceed $300,000 to be used out of the NCPA Lodi Energy Center approved budget. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

Environmental Analysis
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.
Submitted by:

KEN SPEER
Assistant General Manager
Generation Services

Attachments: (2)
- General Services Agreement with Industrial Air Flow Dynamics, Inc.
- First Amendment to General Services Agreement with Industrial Air Flow Dynamics, Inc.
This General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Industrial Air Flow Dynamics Inc, a corporation with its office located at 734 Hebron Avenue, Glastonbury, CT 06033 ("Contractor") (together sometimes referred to as the "Parties") as of March 3rd, 2018 ("Effective Date") in Roseville, California.

Section 1. SCOPE OF WORK. Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to Agency the services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work"), at the time and place and in the manner specified therein.

1.1 Term of Agreement. The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than May 31, 2018, whichever is shorter.

1.2 Standard of Performance. Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.

1.3 Assignment of Personnel. Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.

1.4 Request for Work to be Performed. At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount NOT TO EXCEED TWO HUNDRED FORTY FIVE THOUSAND dollars ($245,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor’s fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.
2.1 Invoices. Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Work;
- At Agency’s option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation to Agency’s reasonable satisfaction; and
- At Agency’s option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
AcctsPayable@ncpa.com

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

2.3 Payment of Taxes. Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.4 Authorization to Perform Work. The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.

2.5 Timing for Submittal of Final Invoice. Contractor shall have ninety (90) days after completion of its Work to submit its final invoice. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment from Agency.

2.6 Liquidated Damages. Contractor hereby agrees to initiate Work no later than April 3, 2018, and to diligently prosecute the same to completion within nineteen (19) consecutive calendar days commencing after the date of Agency’s
authorization to proceed. Contractor shall complete its Work no later than April 22, 2018, except as adjusted by any subsequent change order. Time is of the essence in this Agreement.

This Agreement is being issued to Contractor in reliance upon the completion date set forth in the Agreement. Agency will hold the Contractor responsible and accountable for all damages suffered by Agency as a consequence of the Contractor's failure to meet the schedule dates, or to complete the work at the time specified herein.

It is agreed by the parties to this Agreement that if Contractor does not complete its Work in the time specified herein, plus any extensions granted by Agency in writing, damages will be sustained by Agency and it is and will be impractical and extremely difficult to ascertain the actual damages which Agency will sustain in the event of and by reason of such delay. It is therefore agreed that the Contractor shall pay to Agency the sums stipulated for delays in finishing its Work beyond the times of completion specified; and the Contractor agrees to pay these liquidated damages, and further agrees that Agency may deduct the amount thereof from any moneys due or that may become due the Contractor under this Agreement. If such moneys are insufficient, Contractor or its surety or sureties shall pay to Agency any deficiency within thirty (30) days of invoice submittal by Agency.

Liquidated damages in the amount of $250.00 per day for each day of delay shall be imposed on Contractor.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

Section 4. INSURANCE REQUIREMENTS. Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

4.1 Workers' Compensation. If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars ($1,000,000.00) per accident.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 Commercial General Insurance. Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of $1,000,000 per
occurrence/$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than $100,000. No endorsement shall be attached limiting the coverage.

4.2.2 **Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of $1,000,000 per each accident, with a self-insured retention or deductible of no more than $100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 **General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

4.3 **Professional Liability Insurance.** Not Applicable.

4.4 **All Policies Requirements.**

4.4.1 **Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.4.2 **Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.4.3 **Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

4.5 **Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.
4.6 **Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

4.7 **Pollution Insurance.** Not Applicable.

Section 5. **INDEMNIFICATION AND CONTRACTOR’S RESPONSIBILITIES.**

5.1 **Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

5.2 **Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

5.3 **Transfer of Title.** Not Applicable.

Section 6. **STATUS OF CONTRACTOR.**

6.1 **Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but
not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

6.2 **Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

6.3 **Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all
subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

6.4 **Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.

6.5 **Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.

6.6 **Maintenance Labor Agreement.** If the Work is subject to the terms of the Maintenance Labor Agreement, which is applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E.

**Section 7. LEGAL REQUIREMENTS.**

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.

7.3 **Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

7.4 **Monitoring by DIR.** This Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

7.5 **Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.

7.6 **Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which
the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: http://www.dir.ca.gov/DLSR/PWD/ and may be reviewed at any time.

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A-1-131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency $50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 et seq. In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

Section 8. **TERMINATION AND MODIFICATION.**

8.1 **Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

8.2 **Amendments and Change Orders.** The Parties may amend this Agreement only by a writing signed by all the Parties. The Parties may agree to a change order, modifying the duration of the Agreement or the not-to-exceed compensation referenced in Section 2 hereof, by a writing signed by the Contractor and the Contract Administrator.
8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

8.4 **Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency’s remedies shall include, but not be limited to, the following:

8.4.1 Immediately terminate the Agreement;

8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or

8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

**Section 9. KEEPING AND STATUS OF RECORDS.**

9.1 **Records Created as Part of Contractor’s Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

9.2 **Contractor’s Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.

9.3 **Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars ($10,000.00), the Agreement shall be subject to
the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

9.4 Confidential Information and Disclosure.

9.4.1 Confidential Information. The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

9.4.2 Non-Disclosure of Confidential Information. During the term of this Agreement, either party may disclose (the "Disclosing Party") Confidential Information to the other party (the "Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Permitted Disclosure. Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

9.4.3.1 Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.
9.4.4 **Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, Contractors, contractors and subcontractors who have a need to know in connection with this Agreement.

**Section 10. PROJECT SITE.**

10.1 **Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with Agency's operations and the operations of other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

10.2 **Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Agency will not be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Agency may assume that anything left on the Project site an unreasonable length of time after the Work is completed has been abandoned. Any transportation furnished by Agency shall be solely as an accommodation and Agency shall have no liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

10.3 **Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any Agency owned equipment and property provided by Agency for the performance of Work.
Section 11. WARRANTY.

11.1 Nature of Work. In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

11.2 Deficiencies in Work. In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the three (3) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.

11.3 Assignment of Warranties. Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

Section 12. HEALTH AND SAFETY PROGRAMS. The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all Agency site programs.

12.1 Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

12.2 Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.

12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.

12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the
Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

12.5 Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.

12.6 Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.

12.7 Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.

12.8 Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.

12.9 Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials to include diesel fuel used for trucks owned or leased by the Contractor.

Section 13. MISCELLANEOUS PROVISIONS.

13.1 Attorneys' Fees. If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

13.2 Venue. In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.

13.3 Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this
Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

13.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

13.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

13.6 **Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 et seq.

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 et seq.

13.7 **Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Counsel, or his/her designee, who shall act as the Agency’s representative. All correspondence shall be directed to or through the representative.

13.8 **Notices.** Any written notice to Contractor shall be sent to:

Industrial Air Flow Dynamics, Inc.
Attention: Jason Talbot, CFO
734 Hebron Avenue
Glastonbury, CT 06033

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

With a copy to:

General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678
13.9 **Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

13.10 **Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

13.11 **Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:

13.11.1 Each party shall designate a senior management or executive level representative to negotiate any dispute;

13.11.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

13.11.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

13.11.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

13.11.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

13.11.6 The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

13.12 **Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's Proposal, the Exhibits shall control.
13.13 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

13.14 **Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

13.15 **No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties.

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

Date 3/2/18

RANDY S. HOWARD,
General Manager

Attest:

Assistant Secretary of the Commission

Approved as to Form:

INDUSTRIAL AIR FLOW DYNAMICS, INC.

Date 2/14/18

JASON TALBOT,
Chief Financial Officer
EXHIBIT A

SCOPE OF WORK

Industrial Air Flow Dynamics, Inc. ("Contractor") shall provide roof seal replacement services at the Lodi Energy Center facility as requested by the Northern California Power Agency ("Agency").

Agency will provide Lagging / Insulation Services and Scaffolding as needed.
EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed $241,310.00 as set forth in Contractor’s Quotation #18063CA dated January 23, 2018 and Quotation #18147CA dated February 22, 2018. Should additional services be requested by the Agency, the total amount expended under this Agreement shall not exceed the amount set forth in Section 2, Compensation, of this Agreement.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.
EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, Jason Talbot, CFO

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of Industrial Air Flow Dynamics, Inc.

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this 14th day of February, 2018.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.
EXHIBIT D
CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, ____________________________________________________________,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans
in conformity with 49 CFR 172, subpart I and has conducted employee background
investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to
time,

______________________________________________________________

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

______________________________________________________________

(Signature of officer or agent)

Dated this ___________________ day of _____________________, 20 __.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY
PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY
THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.
The undersigned hereby certifies and agrees that:

1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.

3) If it performs Covered Work, it will be bound by the legally establishes trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.

4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.

5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: ______________________ Name of Employer ______________________________________

(Authorized Officer & Title) ______________________

(Address) _______________________________________
FIRST AMENDMENT TO GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND INDUSTRIAL AIR FLOW DYNAMICS,
INC.

This First Amendment ("Amendment") to General Services Agreement is entered into by and
between the Northern California Power Agency ("Agency") and Industrial Air Flow Dynamics, Inc.
("Contractor") (collectively referred to as "the Parties") as of ________________, 2018.

WHEREAS, the Parties entered into a General Services Agreement dated effective March
3, 2018, (the "Agreement") for Contractor to provide roof seal replacement services at the Lodi
Energy Center; and

WHEREAS, the Agency now desires to amend the Agreement to increase the total
compensation authorized by the Agreement from a "NOT TO EXCEED" amount of $245,000.00 to
a "NOT TO EXCEED" amount of $300,000.00; and

WHEREAS, the Agency now desires to amend the Compensation Schedule and Hourly
Fees set forth in Exhibit B to the Agreement; and

WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and

WHEREAS, in accordance with Section 8.2 all changes to the Agreement must be in writing
and signed by all the Parties; and

NOW, THEREFORE, the Parties agree as follows:

1. **Section 2—Compensation** of the Agreement is amended and restated to read as follows:

   Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** THREE HUNDRED
THOUSAND dollars ($300,000.00) for the Work, which shall include all fees, costs,
expenses and other reimbursables, as set forth in Contractor’s fee schedule, attached
hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that
Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency
expenditures under this Agreement.

   The remainder of Section 2 of the Agreement is unchanged.

2. **Exhibit B – COMPENSATION SCHEDULE** is amended and restated to read in full as set
forth in the Attached Exhibit B.

3. This Amendment in no way alters the terms and conditions of the Agreement except as
specifically set forth herein.
Date: ____________

NORTHERN CALIFORNIA POWER AGENCY

RANDY S. HOWARD, General Manager

Attest:

________________________
Assistant Secretary of the Commission

Approved as to Form:

________________________
Jane Luckhardt, NCPA General Counsel

Date: ____________

INDUSTRIAL AIR FLOW DYNAMICS, INC.

JASON TALBOT, Chief Financial Officer
EXHIBIT B

Compensation for all tasks, including hourly fees and expenses, shall not exceed $273,300.00 as set forth in Contractor’s Revised Quotation #18063CA dated January 23, 2018. Should additional services be requested by the Agency, the total amount expended under this Agreement shall not exceed the amount set forth in Section 2, Compensation, of this Agreement.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.
This is the budget Recommended by Staff. It assumes approval of items brought before PPC on 3/12/18.
Contents

- Assumptions
- FY2019 Proposed Budget
- Trend, Routine O&M with Labor
- Current Year Actuals
- FY2019 Proposed Projects
  - Overview and Cost Breakdown
    - O&M Projects
    - Capital Projects
    - Maintenance Reserve Projects
  - Description and Justification of Each Proposed Project
- 10-Year Project Forecast
  - Schedule and Cost
  - Trend, Project Expenditures Including Maintenance Reserve
### Assumptions

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Energy Production</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MWHrs</td>
<td>377,711</td>
<td>1,304,122</td>
<td>245%</td>
</tr>
<tr>
<td>Avg Rate ($/MWHr)</td>
<td>44.72</td>
<td>41.72</td>
<td>-7%</td>
</tr>
<tr>
<td><strong>Fuel</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>mmBTU</td>
<td>2,587,320</td>
<td>8,933,236</td>
<td>245%</td>
</tr>
<tr>
<td>Avg Rate ($/mmBTU)</td>
<td>4.74</td>
<td>3.77</td>
<td>-20%</td>
</tr>
<tr>
<td><strong>Operations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hours On-line</td>
<td>1,315</td>
<td>5,097</td>
<td>288%</td>
</tr>
<tr>
<td>Starts</td>
<td>189</td>
<td>110</td>
<td>-42%</td>
</tr>
<tr>
<td>Avg Output (MW)</td>
<td>240</td>
<td>256</td>
<td>7%</td>
</tr>
</tbody>
</table>

- Capacity Value for project valuations $30/KW-Yr
Net change to Previous Budget Presentation

- Net cost Presented Feb18: $28,308,235
- Net cost Today: $26,507,171
- Improvement: $1,801,064
## FY 2019 – LEC Budget

<table>
<thead>
<tr>
<th></th>
<th>FY 2017 Budget</th>
<th>FY 2017 Actual</th>
<th>FY 2018 Budget</th>
<th>FY 2019 Proposed Budget</th>
<th>Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Routine Variable Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variable O&amp;M</td>
<td>5,106,876</td>
<td>2,275,158</td>
<td>1,263,067</td>
<td>4,733,381</td>
<td>3,470,314</td>
</tr>
<tr>
<td>Fuel</td>
<td>44,100,578</td>
<td>9,414,010</td>
<td>14,877,170</td>
<td>33,092,116</td>
<td>18,214,946</td>
</tr>
<tr>
<td>CAISO Charges</td>
<td>672,131</td>
<td>394,859</td>
<td>196,309</td>
<td>550,660</td>
<td>354,351</td>
</tr>
<tr>
<td><strong>Total VOM</strong></td>
<td>49,879,585</td>
<td>12,084,027</td>
<td>16,336,546</td>
<td>38,376,157</td>
<td>22,039,611</td>
</tr>
<tr>
<td>MWh</td>
<td>1,076,048</td>
<td>1,605,494</td>
<td>377,711</td>
<td>1,304,122</td>
<td></td>
</tr>
<tr>
<td>$/MWh</td>
<td>11.23</td>
<td>31.07</td>
<td>44.72</td>
<td>29.43</td>
<td></td>
</tr>
<tr>
<td><strong>Routine Fixed Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed</td>
<td>3,250,596</td>
<td>3,311,796</td>
<td>3,336,592</td>
<td>3,445,360</td>
<td>$108,768</td>
</tr>
<tr>
<td>Administration</td>
<td>226,663</td>
<td>74,027</td>
<td>230,934</td>
<td>205,529</td>
<td>($25,405)</td>
</tr>
<tr>
<td>Mandatory Costs</td>
<td>291,357</td>
<td>288,870</td>
<td>291,959</td>
<td>298,336</td>
<td>$6,377</td>
</tr>
<tr>
<td>Inventory</td>
<td>400,000</td>
<td>261,894</td>
<td>0</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total Routine Fixed Costs</strong></td>
<td>4,168,616</td>
<td>3,936,587</td>
<td>3,859,485</td>
<td>3,949,225</td>
<td>89,740</td>
</tr>
<tr>
<td><strong>Unplanned Expenses</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Labor</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,765,279</td>
<td>4,640,466</td>
<td>5,051,714</td>
<td>5,284,165</td>
<td>232,451</td>
</tr>
<tr>
<td><strong>Non-Variable Routine Total</strong></td>
<td>8,933,895</td>
<td>8,577,053</td>
<td>8,911,199</td>
<td>9,233,390</td>
<td>322,191</td>
</tr>
<tr>
<td><strong>Total Routine O&amp;M Costs</strong></td>
<td>58,813,480</td>
<td>20,661,080</td>
<td>25,247,745</td>
<td>47,609,547</td>
<td>22,361,802</td>
</tr>
</tbody>
</table>
## FY 2019 – LEC Budget

<table>
<thead>
<tr>
<th></th>
<th>FY 2017 Budget</th>
<th>FY 2017 Actual</th>
<th>FY 2018 Budget</th>
<th>Proposed FY 2019 Budget</th>
<th>Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Routine O&amp;M Costs</td>
<td>58,813,480</td>
<td>20,661,080</td>
<td>25,247,745</td>
<td>47,609,547</td>
<td>22,361,802</td>
</tr>
<tr>
<td>Debt Service</td>
<td>26,437,261</td>
<td>26,417,745</td>
<td>26,416,640</td>
<td>26,079,852</td>
<td>(336,788)</td>
</tr>
<tr>
<td>Other Costs</td>
<td>2,154,472</td>
<td>1,928,724</td>
<td>2,299,310</td>
<td>2,153,415</td>
<td>(145,895)</td>
</tr>
<tr>
<td>Generation Services</td>
<td>343,414</td>
<td>270,440</td>
<td>359,388</td>
<td>368,963</td>
<td>9,575</td>
</tr>
<tr>
<td>Administrative &amp; General</td>
<td>2,063,039</td>
<td>1,749,959</td>
<td>1,883,356</td>
<td>2,322,632</td>
<td>439,276</td>
</tr>
<tr>
<td>Total Other Costs</td>
<td>30,998,186</td>
<td>30,366,868</td>
<td>30,958,694</td>
<td>30,924,862</td>
<td>(33,832)</td>
</tr>
<tr>
<td><strong>Total O&amp;M Costs</strong></td>
<td>89,811,666</td>
<td>51,027,948</td>
<td>56,206,439</td>
<td>78,534,409</td>
<td>22,327,970</td>
</tr>
<tr>
<td>Projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations &amp; Maintenance</td>
<td>30,000</td>
<td>-124,453</td>
<td>63,652</td>
<td>52,000</td>
<td>(11,652)</td>
</tr>
<tr>
<td>Capital</td>
<td>1,200,000</td>
<td>39,143</td>
<td>560,000</td>
<td>100,000</td>
<td>(460,000)</td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>1,575,000</td>
<td>1,575,000</td>
<td>2,012,800</td>
<td>1,461,107</td>
<td>(551,693)</td>
</tr>
<tr>
<td><strong>Total Projects Costs</strong></td>
<td>2,805,000</td>
<td>1,489,690</td>
<td>2,636,452</td>
<td>1,613,107</td>
<td>(1,023,345)</td>
</tr>
<tr>
<td><strong>Annual Budget Cost</strong></td>
<td>92,616,666</td>
<td>52,517,638</td>
<td>58,842,891</td>
<td>80,147,516</td>
<td>21,304,625</td>
</tr>
<tr>
<td>Revenue</td>
<td>70,196,671</td>
<td>20,336,283</td>
<td>20,329,089</td>
<td>53,640,345</td>
<td>33,311,256</td>
</tr>
<tr>
<td>Net Cost to Members</td>
<td>22,419,995</td>
<td>32,181,355</td>
<td>38,513,802</td>
<td>26,507,171</td>
<td>(12,006,631)</td>
</tr>
</tbody>
</table>

Does not include Energy Purchase $5,113,848
Routine O&M Cost History
Debt Service Requirements

Northern California Power Agency
Lodi Energy Center - Debt Service Requirements

<table>
<thead>
<tr>
<th>PERIOD ENDING</th>
<th>PRINCIPAL</th>
<th>INTEREST, NET SUBSIDY</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/1/2017</td>
<td>9,983,750</td>
<td>15,971,734</td>
<td>25,966,484</td>
</tr>
<tr>
<td>7/1/2018</td>
<td>10,755,833</td>
<td>15,016,801</td>
<td>25,772,634</td>
</tr>
<tr>
<td>7/1/2019</td>
<td>11,526,687</td>
<td>14,111,559</td>
<td>25,638,225</td>
</tr>
<tr>
<td>7/1/2020</td>
<td>12,079,583</td>
<td>13,560,418</td>
<td>25,640,001</td>
</tr>
<tr>
<td>7/1/2021</td>
<td>12,545,417</td>
<td>13,089,134</td>
<td>25,634,551</td>
</tr>
<tr>
<td>7/1/2022</td>
<td>12,910,417</td>
<td>12,727,861</td>
<td>25,638,278</td>
</tr>
<tr>
<td>7/1/2023</td>
<td>13,277,033</td>
<td>12,355,454</td>
<td>25,632,537</td>
</tr>
<tr>
<td>7/1/2024</td>
<td>13,663,333</td>
<td>11,971,797</td>
<td>25,635,131</td>
</tr>
<tr>
<td>7/1/2025</td>
<td>14,091,250</td>
<td>11,576,311</td>
<td>25,667,561</td>
</tr>
<tr>
<td>7/1/2026</td>
<td>14,816,333</td>
<td>11,150,738</td>
<td>25,969,071</td>
</tr>
<tr>
<td>7/1/2027</td>
<td>15,466,000</td>
<td>10,514,970</td>
<td>26,974,970</td>
</tr>
<tr>
<td>7/1/2028</td>
<td>16,122,500</td>
<td>9,851,280</td>
<td>25,973,780</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PERIOD ENDING</th>
<th>PRINCIPAL</th>
<th>INTEREST, NET SUBSIDY</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/1/2029</td>
<td>16,815,000</td>
<td>9,168,674</td>
<td>25,973,674</td>
</tr>
<tr>
<td>7/1/2030</td>
<td>17,537,917</td>
<td>8,436,894</td>
<td>25,973,810</td>
</tr>
<tr>
<td>7/1/2031</td>
<td>18,296,417</td>
<td>7,661,579</td>
<td>25,966,996</td>
</tr>
<tr>
<td>7/1/2032</td>
<td>18,983,333</td>
<td>6,894,193</td>
<td>25,977,526</td>
</tr>
<tr>
<td>7/1/2033</td>
<td>19,905,833</td>
<td>6,072,396</td>
<td>25,978,230</td>
</tr>
<tr>
<td>7/1/2034</td>
<td>20,759,583</td>
<td>5,214,651</td>
<td>25,974,234</td>
</tr>
<tr>
<td>7/1/2035</td>
<td>20,887,083</td>
<td>4,319,583</td>
<td>25,206,667</td>
</tr>
<tr>
<td>7/1/2036</td>
<td>13,317,500</td>
<td>3,413,697</td>
<td>16,731,197</td>
</tr>
<tr>
<td>7/1/2037</td>
<td>13,950,000</td>
<td>2,788,820</td>
<td>16,738,820</td>
</tr>
<tr>
<td>7/1/2038</td>
<td>14,612,917</td>
<td>2,117,895</td>
<td>16,730,812</td>
</tr>
<tr>
<td>7/1/2039</td>
<td>15,310,417</td>
<td>1,423,457</td>
<td>16,733,874</td>
</tr>
<tr>
<td>7/1/2040</td>
<td>14,643,750</td>
<td>696,893</td>
<td>15,339,643</td>
</tr>
</tbody>
</table>

$362,352,917 $210,106,769 $572,459,686

1968-2018 I Celebrating 50 years
## FY 2019 – LEC Proposed Project

<table>
<thead>
<tr>
<th>O&amp;M Projects</th>
<th>Notes</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSSP Monitoring System</td>
<td>D</td>
<td>52,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>52,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital Projects</th>
<th>Notes</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Platforms (Inlet Air Filter)</td>
<td>S</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

| Maintenance Reserve                | Notes | Amount |
|                                    |       | **0**  |
## FY 2019 – LEC Platform Access

<table>
<thead>
<tr>
<th>Project</th>
<th>Notes</th>
<th>Total Cost</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEC Platforms Access</td>
<td>D</td>
<td>$100,000</td>
<td></td>
<td></td>
<td>$100,000</td>
<td></td>
</tr>
</tbody>
</table>

### Notes:
- **D**: Discretionary
- **M**: Mandatory
- **CR**: Annual deposit to the Capital Reserve

### AFE Financial Measurements

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value (Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NPV @ Discount Rate</td>
<td>$109,121</td>
</tr>
<tr>
<td>IRR</td>
<td>12.2%</td>
</tr>
<tr>
<td>Average Annual Benefits</td>
<td>$6,971</td>
</tr>
<tr>
<td>Payback</td>
<td>8.0 Years</td>
</tr>
<tr>
<td>Useful Life</td>
<td>30.0 Years</td>
</tr>
<tr>
<td>B/C Ratio</td>
<td>2.09 B/C Ratio</td>
</tr>
</tbody>
</table>

- Install platforms in frequently accessed areas to remove scaffolding.
- Assume $900 per month rental cost savings over 30 years, spend $100k to save a present value of $209k
In 2014 there were 245 reported incidents in the US Critical Infrastructure. 79 of those incidents targeted the Energy Sector.
FY 2019 – CSSP Monitoring System

- Access vector not known for 38% of incidents
- Average dwell time ~6 months

Figure 2. FY 2014 incidents reported by access vector (245 total).

- You cannot defend what you cannot see
CONTINUOUS MONITORING OF ICS

- Operational Visibility
- Network Visualization and Modeling
- ICS Threat & Anomaly Detection
- Vulnerability Assessment
- Asset Inventory
- Deep Packet Inspection & Protocol Analysis

ALL DONE PASSIVELY
### FY 2019 – CSSP Monitoring System

<table>
<thead>
<tr>
<th>Location</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roseville HQ</td>
<td>$135,000</td>
</tr>
<tr>
<td>Hydro</td>
<td>$100,000</td>
</tr>
<tr>
<td>LEC</td>
<td>$52,000</td>
</tr>
<tr>
<td>CT1</td>
<td>$45,000</td>
</tr>
<tr>
<td>CT2</td>
<td>$9,900</td>
</tr>
<tr>
<td>Geo</td>
<td>$55,000</td>
</tr>
<tr>
<td><strong>NCPA Total</strong></td>
<td><strong>$396,900</strong></td>
</tr>
</tbody>
</table>

- Required per NCPA’s Control System Security Program
- Consistent with Industry Best Practices
- Includes three (3) years of licensing & support, then $47,640 / year starting in 2021
## FY 2019 – CSSP Monitoring System

<table>
<thead>
<tr>
<th>Project</th>
<th>Notes</th>
<th>Total Cost to Complete</th>
<th>FY 2018 Current Budget</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control System Monitoring</td>
<td>D</td>
<td>$52,000</td>
<td>0</td>
<td>52,000</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Notes:**

- **D** Discretionary
- **M** Mandatory
  - Annual deposit to the Capital Development
- **CR** Reserve

- Required per NCPA’s Control System Security Program
- Consistent with Industry Best Practices

**Financial Evaluation:**

N/A
### FY 2019 – Project/Reserve Forecast

#### O & M PROJECTS

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
<th>FY 2025</th>
<th>FY 2026</th>
<th>FY 2027</th>
<th>FY 2028</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Turbine Insulation</td>
<td>-</td>
<td>-</td>
<td>275,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>HVAC</td>
<td>-</td>
<td>-</td>
<td>40,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Service Water Piping</td>
<td>50,000</td>
<td>50,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Asphalt &amp; Paving Maintenance</td>
<td>80,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CSSP Monitoring System</td>
<td>52,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>STG Drains / Heating Blanket</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>450,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL O&amp;M PROJECTS</strong></td>
<td><strong>52,000</strong></td>
<td><strong>130,000</strong></td>
<td><strong>365,000</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
<td><strong>200,000</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

#### CAPITAL PROJECTS

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
<th>FY 2025</th>
<th>FY 2026</th>
<th>FY 2027</th>
<th>FY 2028</th>
</tr>
</thead>
<tbody>
<tr>
<td>Platforms (20)</td>
<td>100,000</td>
<td>450,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Air Filter Puffer System</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>500,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unidentified Capital Project</td>
<td>-</td>
<td>50,000</td>
<td>500,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>500,000</td>
<td>-</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Clarifier Tank Refurbishment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cooling Tower OH</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DCS (Software Upgrades)</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>450,000</td>
</tr>
<tr>
<td>DCS (Hardware Update)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>250,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>BOP PLC Upgrades</td>
<td>-</td>
<td></td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BOP PLC HMI Local Interface</td>
<td>-</td>
<td></td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ammonia Risk Reduction (84.87%)</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL CAPITAL PROJECTS</strong></td>
<td><strong>100,000</strong></td>
<td><strong>500,000</strong></td>
<td><strong>500,000</strong></td>
<td><strong>125,000</strong></td>
<td><strong>750,000</strong></td>
<td><strong>125,000</strong></td>
<td><strong>750,000</strong></td>
<td><strong>500,000</strong></td>
<td><strong>400,000</strong></td>
<td><strong>500,000</strong></td>
</tr>
</tbody>
</table>

#### RESERVE FUND SPENDING

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
<th>FY 2025</th>
<th>FY 2026</th>
<th>FY 2027</th>
<th>FY 2028</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BEGINNING YEAR BALANCE</strong></td>
<td>1,625,058</td>
<td>1,836,225</td>
<td>2,097,459</td>
<td>1,944,601</td>
<td>123,513</td>
<td>350,078</td>
<td>1,292,531</td>
<td>1,019,466</td>
<td>1,238,830</td>
<td>975,593</td>
</tr>
<tr>
<td>Combustion Turbine (overhaul)</td>
<td>204,940</td>
<td>204,940</td>
<td>304,940</td>
<td>1,544,940</td>
<td>204,940</td>
<td>217,607</td>
<td>217,607</td>
<td>307,807</td>
<td>217,607</td>
<td>217,607</td>
</tr>
<tr>
<td>Steam Turbine</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>740,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Generators</td>
<td>35,000</td>
<td>900,000</td>
<td>1,080,000</td>
<td>890,000</td>
<td>875,000</td>
<td>375,000</td>
<td>720,000</td>
<td>560,000</td>
<td>1,655,000</td>
<td>580,000</td>
</tr>
<tr>
<td>Plant Projects (HRSG)</td>
<td>910,000</td>
<td>40,000</td>
<td>300,000</td>
<td>300,000</td>
<td>400,000</td>
<td>1,000,000</td>
<td>540,000</td>
<td>175,000</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td><strong>TOTAL RESERVE FUND SPENDING</strong></td>
<td><strong>1,249,940</strong></td>
<td><strong>1,234,940</strong></td>
<td><strong>1,684,940</strong></td>
<td><strong>3,389,940</strong></td>
<td><strong>4,179,940</strong></td>
<td><strong>1,379,940</strong></td>
<td><strong>702,607</strong></td>
<td><strong>702,607</strong></td>
<td><strong>1,957,607</strong></td>
<td><strong>1,507,607</strong></td>
</tr>
<tr>
<td><strong>ADDITIONAL FUNDING</strong></td>
<td>1,461,107</td>
<td>1,496,174</td>
<td>1,532,082</td>
<td>1,568,852</td>
<td>1,606,504</td>
<td>1,645,060</td>
<td>1,684,542</td>
<td>1,724,971</td>
<td>1,766,370</td>
<td>1,808,763</td>
</tr>
<tr>
<td><strong>END OF YEAR BALANCE</strong></td>
<td>1,836,225</td>
<td>2,097,459</td>
<td>1,944,601</td>
<td>1,238,513</td>
<td>350,078</td>
<td>1,292,531</td>
<td>1,019,466</td>
<td>1,238,830</td>
<td>975,593</td>
<td>1,946,749</td>
</tr>
</tbody>
</table>

**TOTAL O&M, ALL PROJECTS, FUNDING**

<table>
<thead>
<tr>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
<th>FY 2025</th>
<th>FY 2026</th>
<th>FY 2027</th>
<th>FY 2028</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,613,107</td>
<td>2,126,174</td>
<td>2,482,082</td>
<td>2,058,852</td>
<td>2,356,504</td>
<td>2,095,060</td>
<td>2,384,542</td>
<td>2,124,971</td>
<td>2,266,370</td>
<td>2,808,763</td>
</tr>
</tbody>
</table>
## FY 2019 – LEC VOM Impact

**PMOA Schedule 1 Exhibit 2**

<table>
<thead>
<tr>
<th>VOM Impact</th>
<th>Approved FY18 Budget ($)</th>
<th>Approved FY18 VOM ($/MWHr)</th>
<th>Proposed FY19 Budget ($)</th>
<th>Proposed FY19 VOM ($/MWHr)</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>435,878</td>
<td>1.15</td>
<td>1,541,076</td>
<td>1.18</td>
<td>2.8%</td>
</tr>
<tr>
<td>LTSA-$/MWHr</td>
<td>827,187</td>
<td>2.19</td>
<td>2,543,038</td>
<td>1.95</td>
<td>-11.0%</td>
</tr>
<tr>
<td>Maintenance Reserve Variable</td>
<td>79,319</td>
<td>0.21</td>
<td>273,866</td>
<td>0.21</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total</td>
<td>1,342,384</td>
<td>3.55</td>
<td>4,357,980</td>
<td>3.34</td>
<td>-5.9%</td>
</tr>
<tr>
<td>LTSA-$/Start</td>
<td></td>
<td></td>
<td>649,268</td>
<td>5,902</td>
<td></td>
</tr>
<tr>
<td>Forecasted Starts</td>
<td></td>
<td></td>
<td></td>
<td>110.00</td>
<td></td>
</tr>
<tr>
<td>Forecasted Generation (MWHr)</td>
<td></td>
<td></td>
<td>377,711</td>
<td>1,304,122</td>
<td>245.3%</td>
</tr>
</tbody>
</table>
# 10 Year Net Cost to Members

<table>
<thead>
<tr>
<th>FY</th>
<th>O&amp;M Projects</th>
<th>Capital Projects</th>
<th>Maintenance Reserve Funding</th>
<th>O&amp;M/Debt excl VOM</th>
<th>A&amp;G</th>
<th>Revenues net of VOM</th>
<th>Net Cost to Members</th>
<th>Capacity Cost ($/KW-Yr)</th>
<th>Capacity Value @ $30/KW-Yr</th>
<th>Capacity Value @ $207/KW-Yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>52,000</td>
<td>100,000</td>
<td>1,461,107</td>
<td>35,313,242</td>
<td>4,845,010</td>
<td>7,769,419</td>
<td>34,001,940</td>
<td>112</td>
<td>8,400,000</td>
<td>57,950,000</td>
</tr>
<tr>
<td>2020</td>
<td>275,000</td>
<td>500,000</td>
<td>1,496,174</td>
<td>35,497,510</td>
<td>4,941,910</td>
<td>9,656,290</td>
<td>33,054,704</td>
<td>109</td>
<td>8,652,000</td>
<td>59,698,800</td>
</tr>
<tr>
<td>2021</td>
<td>450,000</td>
<td>500,000</td>
<td>1,532,082</td>
<td>35,686,271</td>
<td>5,040,748</td>
<td>11,296,120</td>
<td>31,912,981</td>
<td>105</td>
<td>8,911,560</td>
<td>61,489,764</td>
</tr>
<tr>
<td>2022</td>
<td>40,000</td>
<td>125,000</td>
<td>1,568,852</td>
<td>35,878,399</td>
<td>5,141,563</td>
<td>12,205,805</td>
<td>30,548,009</td>
<td>101</td>
<td>9,178,907</td>
<td>63,334,457</td>
</tr>
<tr>
<td>2023</td>
<td>0</td>
<td>750,000</td>
<td>1,606,504</td>
<td>36,074,370</td>
<td>5,244,395</td>
<td>12,840,660</td>
<td>30,834,609</td>
<td>102</td>
<td>9,454,274</td>
<td>65,234,491</td>
</tr>
<tr>
<td>2024</td>
<td>0</td>
<td>405,000</td>
<td>1,645,060</td>
<td>36,274,261</td>
<td>5,349,283</td>
<td>12,735,599</td>
<td>30,938,005</td>
<td>105</td>
<td>9,737,902</td>
<td>67,191,525</td>
</tr>
<tr>
<td>2025</td>
<td>0</td>
<td>400,000</td>
<td>1,684,542</td>
<td>36,478,149</td>
<td>5,456,268</td>
<td>12,229,434</td>
<td>31,889,525</td>
<td>104</td>
<td>10,030,039</td>
<td>69,207,271</td>
</tr>
<tr>
<td>2026</td>
<td>0</td>
<td>500,000</td>
<td>1,724,571</td>
<td>36,686,115</td>
<td>5,565,394</td>
<td>12,685,106</td>
<td>31,691,373</td>
<td>104</td>
<td>10,330,940</td>
<td>71,283,489</td>
</tr>
<tr>
<td>2027</td>
<td>0</td>
<td>500,000</td>
<td>1,766,370</td>
<td>36,898,240</td>
<td>5,676,701</td>
<td>13,083,882</td>
<td>31,757,429</td>
<td>104</td>
<td>10,640,869</td>
<td>73,421,994</td>
</tr>
<tr>
<td>2028</td>
<td>0</td>
<td>500,000</td>
<td>1,808,763</td>
<td>37,114,608</td>
<td>5,790,235</td>
<td>12,591,838</td>
<td>32,621,768</td>
<td>107</td>
<td>10,960,095</td>
<td>75,624,654</td>
</tr>
</tbody>
</table>

Includes GHG Estimate.