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Commission Agenda

Date: April 29, 2021
Subject: NCPA Commission Meeting
Location: NCPA, 651 Commerce Drive, Roseville, California 95678
Time: 9:30 am

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Act, Governor Gavin Newsom's Emergency Declaration related to COVID-19, and Governor Newsom's Executive Order N-29-20 issued March 17, 2020, that allows attendance by NCPA Commissioners, staff and the public to participate and conduct the meeting by teleconference.

You may participate in the meeting via teleconference by:

Zoom Link: <https://zoom.us/j/93020646563>
Meeting ID: 930 2064 6563
Dial: 1 669-900-6833

The Commission 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 Informational Item. This agenda is supplemented by Staff Reports which are available to the public upon 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 Offices, 651 Commerce Drive, Roseville, California, or www.ncpa.com.

Time estimates are provided as part of the Commission's effort to manage its time at Commission meetings. Listed times are estimated only and are subject to change at any time, including while the meeting is in progress. The Commission reserves the right to use more or less time on any item, to change the order of items, and/or to continue items to another meeting.

Particular items may be heard before or after the time estimated on the agenda. This may occur in order to best manage the time at a meeting or to adapt to the participation of the public. To ensure participation in a particular item, we suggest arriving at the beginning of the meeting and remaining until the item is called.

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.

REVIEW SAFETY PROCEDURES

1. *Call Meeting to Order, Introductions and Roll Call (9:30 am – 9:40 am)*
2. *Approve Minutes of the March 25, 2021, Regular Commission (9:40 am – 9:45 am)*

PUBLIC FORUM

Any member of the public who desires to address the Commission on any item considered by the Commission at this meeting before or during the Commission'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 Commission on any item within the jurisdiction of the Commission and not listed on the Agenda may do so at this time.

OPEN SESSION

REPORTS AND COMMITTEE UPDATES (9:45 am – 10:15 am)

3. General Manager's Business Progress Report and Update
4. Executive Committee
5. Facilities Committee
6. Finance Committee
7. Legal Committee
8. Legislative & Regulatory Affairs Committee
9. Members' Announcements & Meeting Reporting

CONSENT CALENDAR (10:15 am – 10:25 am)

All items on the Consent Calendar are considered routine and will be approved without discussion by a single roll call vote. Any Commissioner 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 Commissioners will be polled to determine if any Member wishes to abstain from one or more items on the Consent Calendar.

10. ***NCPA's Financials for the Month Ended March 31, 2021*** – this item is tabled to the May 27, 2021, meeting for approval.
11. ***Treasurer's Report for the Month Ended March 31, 2021*** – accept by all members.
12. ***Disposal of Northern California Power Agency Surplus Property*** – note and file by all members the disposal of a GE Microwave from Headquarters and scrap metal from the Lodi Energy Center.
Fiscal Impact: This report has no direct fiscal impact to the Agency.
13. ***Resolution 21-31, ActiveReservoir, LLC – Five Year Multi-Task Consulting Services Agreement for Well Related Consulting Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members*** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with ActiveReservoir, LLC, for well related consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years.
14. ***Resolution 21-32, Allied Power Group, LLC (APG) – Five Year (With Four, Five-Year Options to Extend for a Total Contract Length of Twenty-Five Years) Maintenance Management Program Agreement for Gas Turbine Preventative Maintenance; Applicable to the following: All Northern California Power Agency (NCPA) Facilities (Except the Lodi Energy Center) and NCPA Members*** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Maintenance Management Program Agreement with Allied Power Group, LLC (APG) for gas turbine preventative maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel.
Fiscal Impact: NCPA has forecasted the cost of this Agreement Not-to-Exceed \$6,300,000 for the initial five-year term, with subsequent approvals required for any option extension. The forecast was based on the projected starts, maintenance interval and escalation factor. It additionally contains allowance for 25% extra work for findings in the field. Maintenance costs include the Annual Charge, Combustor Inspections, Hot Gas Paths and Major Inspections. Service costs will be escalated annually based on Consumer Price Index curve CUUR0000SA0. The costs of the agreement have been reflected in the FY22 budget presented to the Facilities Committee on February 10, 2021.
15. ***Resolution 21-33, Black & Veatch Corporation - First Amendment to Five Year Multi-Task Professional Services Agreement for Consulting Services Related to Project Support and Plant Operations; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members*** – adopt resolution by all members authorizing the General Manager or

his designee to enter into a First Amendment to the Multi-Task Professional Services Agreement with Black & Veatch Corporation for consulting services related to project support and plant operations, with any non-substantial changes recommended and approved by the NCPA General Counsel or her designee, extending the agreement expiration date from May 26, 2021, to November 26, 2021.

Fiscal Impact: Upon execution, the total cost of the agreement will remain unchanged at not to exceed \$1,500,000 over the remainder of the contract term.

- 16. Resolution 21-34, K&A Engineering Consulting, P.C. – Five Year Multi-Task Professional Services Agreement for Engineering Consulting Services Related to Electric Power Generation and Delivery; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Professional Agreement with K&A Engineering Consulting, P.C., for engineering consulting services related to electric power generation and delivery, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years.

- 17. Resolution 21-35, EvapTech, Inc. – Five Year Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies for Cooling Tower Services and Materials; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with EvapTech, Inc., for cooling tower services and materials, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$3,000,000 over five years.

- 18. Resolution 21-36, Delta Tech Service, Inc. – Five Year Multi-Task General Services for Inspection, Chemical Cleaning, and Decontamination Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Delta Tech Service, Inc., for inspection, chemical cleaning, and decontamination services, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years.

- 19. Resolution 21-37, Southern Counties Lubricants, LLC, First Amendment to Five Year Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies for Oil Analysis, Filtration Services, and Purchase of Miscellaneous Lubricants; Applicable to the following: All Northern California Power Agency (NCPA) Facilities** – adopt resolution by all members authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services and Agreement for Purchase of Equipment, Materials and Supplies with Southern Counties Lubricants, LLC, for oil analysis and related supplies, on-site and off-site oil filtration services, and the purchase of miscellaneous lubricants, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: Upon execution, the total not to exceed amount of the agreement will increase from \$225,000 to \$1,500,000 over the remainder of the contract term.

- 20. Resolution 21-38, Quantum Spatial, Inc. dba NV5 Geospatial – Five Year Multi-Task General Services Agreement for Transmission and Distribution Line Modeling, Inspection and Mapping Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Quantum Spatial, Inc. dba NV5 Geospatial for transmission and distribution line modeling, inspection and mapping services, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$2,000,000 over five years.

- 21. Resolution 21-39, Syblon Reid – Five Year Multi-Task General Services Agreement for Routine, Recurring and Usual General Construction Maintenance Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Syblon Reid for routine, recurring and usual general construction maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$5,000,000 over five years.

- 22. Resolution 21-41, Association Management Solutions, LLC., First Amendment to Three Year Multi-Task Consulting Services Agreement for conference and event planning services; Applicable to the following: All Northern California Power Agency (NCPA) facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all member authorizing the General Manager or his designee to enter into a First Amendment to the Three Year Multi-Task Consulting Services Agreement with Association Management Solutions (AMS), LLC, to extend the terms of the agreement for six months beginning June 11, 2021, through December 11, 2021, for conference and event planning services to support the Annual Conference and Federal Policy Conference.

Fiscal Impact: Upon execution, the total not to exceed amount of the agreement will remain unchanged at the not to exceed amount of \$450,000.

- 23. Resolution 21-43, Approval of Exhibit C, Revision 23-1 to Contract 96-SNR-00110** – adopt resolution by all members approving Exhibit C, Revision 23-1 to Contract 96-SNR-00110, and authorizing the General Manager of NCPA to execute Exhibit C, Revision 23-1 to Contact 96-SNR-00110, on behalf of NCPA, including any non-substantive modifications to Exhibit C, Revision 23-1 to Contract 96-SNR-00110 approved by NCPA’s General Counsel.

Fiscal Impact: Pursuant to Commission Resolution 19-33, NCPA previously committed to provide funds associated with federal fiscal year 2023 in amount of \$10,931,542.95, but due to revisions in projected project needs, NCPA’s commitment to provide funds associated with federal fiscal year 2023, as set forth in Exhibit C, Revision 23-1 to Contract 96-SNR-00110, will increase to \$11,641,074.05.

WAPA will invoice and collect funds according to a monthly schedule. Approximately one (1) month following payment, WAPA will return funds to NCPA through a bill credit on the monthly WAPA power bill. Therefore, the net fiscal impact is approximately zero dollars (\$0.00). Costs

associated with this commitment will be allocated to the Assigning Members based on Western Allocation percentages. NCPA's authority to act on behalf of the Assigning Members is provided through the Assignment Administration Agreement (AAA Agreement), which requires an affirmative vote of all Assigning Members.

Execution of Exhibit C, Revision 23-1 to Contract 96-SNR-00110 would establish a commitment by NCPA, specifically the Assigning Members, to provide funds associated with Federal Fiscal Year 2023 in the amount of \$11,641,074.05. The obligation to provide funds survives termination of the O&M Agreement, but any and all future obligations would be absolved coincident with the termination of the Base Resource contract. Exhibit C, Revision 23-1 to Contract 96-SNR-00110 has been attached to this staff report for your reference.

24. Resolution 21-45, Approval of an Amendment to Facilities Agreement Facilities Schedule 7 – adopt resolution by all members approving an amendment to Facilities Agreement Facilities Schedule 7, to enable NCPA to procure RA Substitute Capacity consistent with the procedures described in the proposed amendment, including any non-substantive modifications approved by NCPA's General Counsel.

Fiscal Impact: Project Costs incurred by NCPA for purchasing RA Substitute Capacity shall be allocated to Project Participants in proportion to the amount of Project Capacity that is committed by a Project Participant as Resource Adequacy Capacity, adjusted for any amounts of RA Substitute Capacity that may be self-provided by a Project Participant. NCPA's administrative costs for development and administration of the proposed amendments will be allocated to members in accordance with approved cost allocation methodologies as described the NCPA annual budget.

25. Resolution 21-49, Approval of Amendment No. 3 to the Services Agreement between Northern California Power Agency and the City of San José – adopt resolution by all members approving Amendment No. 3 to the Services Agreement between NCPA and the City of San José, and authorize the General Manager of NCPA to execute Amendment No. 3 to the Services Agreement between NCPA and the City of San José, acting on behalf of NCPA, including any non-substantive modifications to Amendment No. 3 to the Services Agreement between NCPA and the City of San José approved by NCPA's General Counsel.

Fiscal Impact: In consideration for services to be supplied by NCPA to SJCE during the Third Term, SJCE will pay to NCPA \$668,561.00 (this amount includes a 2% escalation rate as compared to the amount of compensation paid for services rendered during the Second Term, as set forth in the Services Agreement) for services rendered during the Third Term. Pursuant to Section 12 of the Services Agreement, SJCE is required to maintain a security deposit with NCPA to mitigate the risk of default, and such security deposit amount will be adjusted as set forth in the Services Agreement.

Consent Items pulled for discussion: _____

DISCUSSION / ACTION ITEMS (10:25 am – 11:15 am)

26. Resolution 21-44, Approval of Fiscal Year 2022 Annual Budget – adopt resolution by all members approving the FY2022 Annual Budget and Working Capital and Funding Requirement as outlined in Resolution 21-44 and as detailed in the attached budgetary support and Annual Budget document.

Fiscal Impact: The Executive Summary section of the budget document contains an analysis of the overall budget. The total proposed net annual budget cost for FY2022 is approximately

\$447.0 million, which represents an increase of 3.7% or a \$15.8 million dollar increase over the FY2021 budget as summarized in the attached schedule. Allocation of the FY2022 Annual Budget between members and LEC participants are based on participation levels in NCPA programs and projects and the approved cost allocations. Final funding allocation for each member is attached to this staff report and shown in Section 13 of the budget document.

The total calculated FY2022 Working Capital Deposit and Funding Requirements for the Annual Budget has decreased \$102k or 1.00%. The attached schedule shows each participant's Additional Requirement Charge or (Refund). The Additional Requirement Charge will be billed on the next ARB following Commission approval, and Refunds of credit amounts will likewise be deposited into the applicable participant's individual GOR account.

27. Resolution 21-40, Upper Utica Dams Maintenance Project; Applicable to the following: NCPA Hydroelectric Project – adopt resolution by all members authorizing the Upper Utica Dams Maintenance Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not to exceed \$1,000,000 from existing funds in the FY2021 and FY2022 Hydroelectric Project Budgets.

Fiscal Impact: The cost of the work is anticipated not to exceed \$1,000,000, estimated as follows:

- ~\$400,000 for Alpine Dam Maintenance
- ~\$300,000 for Union Dam Maintenance
- ~\$100,000 for Utica Dam Maintenance
- ~ \$200,000 Contingency

Funds for the project were included in the approved FY21 Hydroelectric Project Budget and/or the proposed FY22 Hydroelectric Project Budget. The Project will start in the FY21 budget year and end in the FY22 budget year (Summer & Fall 2021 construction schedule). The Project will be funded 100% by FY21 and FY22 approved budget and project funds (including encumbered funds). Projects in the FY22 Budget are contingent upon approval of the FY22 Budget, and no commitment of funds will be made until that date. No cash collection or budget augmentation is required.

Available Budget Funds:

\$400,000	– FY22 Alpine Dam Maintenance Project
\$150,000	– FY21 Union Dam Maintenance Project (year 1)
\$150,000	– FY22 Union Dam Maintenance Project (year 2)
\$95,000	– FY21 Routine Dam Maintenance
\$95,000	– FY22 Routine Dam Maintenance
\$85,000	– FY21 Maintenance of Structures
<u>\$85,000</u>	– FY22 Maintenance of Structures
\$1,060,000	

28. Resolution 21-42, NCPA 2021-2026 Strategic Plan – adopt resolution by all members approving the NCPA 2021-2026 Strategic Plan, to provide direction for the Northern California Power Agency (NCPA) staff on the mission, strategies and goals for the Agency.

CLOSED SESSION ITEMS (11:15 am – 11:45 am)

- 29. CONFERENCE WITH LEGAL COUNSEL** – Existing litigation pursuant to Government Code Section 54956.9(d)(1): Name of case: *Northern California Power Agency, City of Redding, City of Roseville, and City of Santa Clara v. the United States*, Court of Federal Claims No. 14-817C.
- 30. CONFERENCE WITH LEGAL COUNSEL** – Existing litigation pursuant to Government Code Section 54956.9(d)(1): Name of case: *In Re PG&E Corporation and Pacific Gas and Electric Company, Debtors; United States Bankruptcy Court, Northern District of California*, Case Nos. 19-30088 (Lead Case) and 19-30089 DM.

OPEN SESSION

REPORT FROM CLOSED SESSION

NEW BUSINESS

ADJOURNMENT