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Agenda

Date: May 23, 2019

Subject: NCPA Commission Meeting

Location: **Wine and Roses Hotel, 2505 West Turner Road, Lodi, California** (*Ballroom*)

Time: **9:00 am**

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.

1. *Call Meeting to Order and Introductions (9:00 am – 9:05 am)*
2. *Approve minutes of the April 25, 2019, Regular Commission Meeting (9:05 am – 9:10 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 (9:10 am – 9:30 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 (9:30 am – 9:40 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 April 30, 2019 – approval by all members.

11. Treasurer's Report for the Month Ended April 30, 2019 – accept by all members.

12. Resolution 19-39, KSB, Inc. – Five Year Multi-Task General Services Agreement for pump maintenance related services; Applicable to the following projects: All NCPA Facility Locations, Members, 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 KSB, Inc., for pump maintenance related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000.00 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.

Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000.00 over five years, to be used out of the NCPA approved budget.

13. Resolution 19-40, Mechanical Analysis Repair, Inc., dba Martech – Five Year Multi-Task General Services Agreement for machining related services; Applicable to the following projects: All NCPA Facility Locations, Members, 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 Mechanical Analysis

Repair, Inc., dba Martech for machining related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,500,000.00 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.

Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,500,000.00 over five years, to be used out of the NCPA approved budget.

- 14. Resolution 19-41, 2019 Steam Field Operations and Generation Forecast Report** – adopt resolution by all members approving the 2019 Steam Field Operations and Generation Forecast Report dated April 2019 as the Geothermal Operating Protocol effective July 1, 2019. This Operating Protocol is to remain in effect until replaced by the Commission.

Fiscal Impact: The 2019-20 approved Geothermal budget covers the proposed action.

- 15. Resolution 19-42, Approval of Revised Debt and Interest Rate Management Policy** – adopt resolution by all members approving the Revised Debt and Interest Rate Management Policy dated May 2019.

Fiscal Impact: Adoption of this revised Policy adds SEC Rule 15c2-12 continuing disclosure requirements. NCPA will not incur additional costs related to the revision.

Consent Items pulled for discussion: _____

DISCUSSION / ACTION ITEMS (9:40 am – 10:00 am)

- 16. Resolution 19-43, Approval of Fiscal Year 2020 Annual Budget** – adopt resolution by all members approving the FY2020 Annual Budget and Working Capital and Funding Requirement.

Fiscal Impact: The Executive Summary section of the budget document contains an analysis of the overall budget. Total proposed annual budget cost for FY2020 is approximately \$406.68 million, which represents an increase of 10.56% or a \$38.8 million dollar increase over the FY2019 budget as summarized in the attached schedule. Allocation of the FY2020 Annual Budget between members and LEC participants are based on participation levels on NCPA programs and projects and the approved cost allocations. Final funding allocation for each member is attached to this staff report and shown on pages 140-141 of the budget document.

The total calculated FY2020 Working Capital Deposit and Funding Requirements for the Annual Budget has increased \$461,701 or 0.048%. The increase is primarily from higher transmission costs and load aggregation costs mostly attributed to Santa Clara (SVP). The 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.

- 17. Resolution 19-44, Approval of Substitution of Credit Facilities for the Hydroelectric 2008 Series A Refunding Bonds (Variable Rate Demand Obligations)** – adopt resolution by all members authorizing the substitution of credit facilities for the 2008 Series A Hydroelectric bonds including non-substantive changes to the issuing documents and delegating the General Manager and other NCPA officials the authority to execute the related legal documents.

Fiscal Impact: Cost of Issuance for the liquidity substitution is estimated to be \$200,000 which includes costs for bond and disclosure counsel, tax counsel, bank counsel, publishing fees, and financial advisor fees. While this item was not included in the FY2019 budget, there are sufficient funds available due to the release of Hydro bond funds no longer required for the trustee to hold as debt service reserves. A budget augmentation is not required with this action.

INFORMATION ITEMS (10:00 am – 10:30 am)

18. Generation Services Plant Reports – update and staff presentations.

CLOSED SESSION (10:30 am – 11:00 am)

19. 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.

20. 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.

21. Conference with Legal Counsel – Anticipated Litigation, significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2) – one case.

NEW BUSINESS

ADJOURNMENT