



**NCPA Commission Meeting
October 27-28, 2021
Redding, California**

WEDNESDAY, OCTOBER 27

2:00pm	Meet at Redding Electric, 3611 Avtech Parkway, Redding (530) 339-7351
2:00pm – 3:00pm	Presentation and Tour of Redding Electric’s new Emergency Operations Center at Electric’s Headquarters.
3:00pm – 4:30pm	Presentation and Tour of the City of Redding’s revitalized Downtown area.
5:30pm – 8:00pm	Reception and Dinner at the Mosaic Restaurant (next to the Sheraton) 826 Sundial Bridge Drive, Redding

THURSDAY, OCTOBER 28

8:30am – 9:30am	Breakfast at Redding Electric, 3611 Avtech Parkway
9:30am	Commission Meeting

LODGING INFORMATION:

Sheraton Redding Hotel at the Sundial Bridge
820 Sundial Bridge Drive, Redding
(530) 634-2800

I plan to attend: *(please specify how many attending)*

- Redding Tour of Facilities
- # Dinner (Member no charge / Guest = \$40 – make check payable to NCPA)
- Commission Meeting

Dietary Restrictions or Vegetarian _____

NAME: _____ **MEMBER:** _____

GUEST NAME: _____

PLEASE RSVP to Cary Padgett by cary.padgett@ncpa.com or phone (916) 781-4202



651 Commerce Drive
Roseville, CA 95678

phone (916) 781-3636
fax (916) 783-7693
web www.ncpa.com

Minutes

Date: October 1, 2021
To: NCPA Commission
From: Cary A. Padgett, Assistant Secretary to the Commission
Subject: NCPA Commission Meeting Minutes

1. Call Meeting to Order and Introductions

Chair David Hagele called the meeting to order at 10:28 am at Silverado Resort, 1600 Atlas Peak Road, Napa, California. Introductions were made. Those in attendance are shown on the attached attendance list.

2. Approve Minutes of the August 26, 2021, Regular Commission Meeting

MOTION: A motion was made by Pauline Roccucci and seconded by Jerry Serventi to approve the Minutes of the August 26, 2021, Regular Commission Meeting. The motion carried by a majority on a voice vote of those members present. *San Francisco BART, Shasta Lake and Truckee Donner were absent.*

PUBLIC FORUM

No comments from the public addressed the Commission.

REPORTS AND COMMITTEE UPDATES

3. General Manager's Business Progress Report and Update

General Manager Randy Howard reported:

- COVID-19 update: Due to the increase in hospitalization and the Delta Variant, NCPA extended the optional, part-time telecommuting program for HQ employees through the October 29, pending approval from the employee's manager and Assistant General Manager.
- Provided an update on NCPA's progress on working with Plumas-Sierra to assist in getting their system back online due to outage caused by the Dixie Fire.
- Provided a brief overview of the Annual Conference Program and thanked NCPA staff for a job well done. Next year's Annual Conference is scheduled at the Resort at Squaw Creek in Olympic Valley.
- Noted the NCPA / NWPPA Federal Policy Conference scheduled for the week of October 15th has been cancelled due to several congressional offices only holding meetings virtually, rather

than in person. However, there will be a small delegation of Members and staff traveling to Washington, DC to do some advocacy work with federal and association staff.

4. Executive Committee

Committee Chair Hagele reported the Executive Committee met once since the last Commission meeting. The Committee discussed the General Manager and General Counsel Performance review schedule and met in closed session. No reportable action was taken in closed session. The next Committee meeting is scheduled on October 28 in Redding.

5. Facilities Committee

Assistant General Manager Tony Zimmer reported the Committee met once since the last Commission meeting. The Committee discussed Items 12-18 on today's agenda. A quorum of the Committee was established, and recommended Commission approval of all items. The next Committee meeting is scheduled on October 6.

6. Finance Committee

Chair Greg Scharff reported the Committee did not meet since the last Commission meeting. The next Committee meeting is scheduled on October 12.

7. Legal Committee

General Counsel Jane Luckhardt reported the Committee met once since the last Commission meeting. The Committee heard a panel discussion on publicly owned utilities' experiences with electric vehicle charges, business models, rates, and the customer experience. The next Committee meeting is scheduled on November 4.

8. Legislative & Regulatory Affairs Committee

Committee Chair Mark Chandler reported the Committee met once since the last Commission meeting. The Committee heard from Kip Lipper, Chief Policy Advisor to California Senate President pro Tempore Toni Atkins; Nidia Bautista, Chief Consultant for the Senate Energy, Utilities and Communications Committee, and; Laura Shybut, Chief Consultant for the Assembly Utilities and Energy Committee, who discussed the 2021 legislative year and the policy outlook for the upcoming 2022 session. The Committee also heard remarks from newly appointed Administrator of the Western Area Power Administration, Tracey LeBeau, on current federal policy issues.

Chair Chandler announced the upcoming NCPA / NWPPA Federal Policy Conference scheduled in mid-October was cancelled. The 2022 NCPA / NWPPA Federal Policy Conference is scheduled for April 3-7, 2022 in Washington, DC. The next Committee meeting is scheduled on December 1.

9. Members' Announcements & Meeting Reporting

Bob Marshall, Plumas-Sierra, thanked NCPA and the Generation Services team for their assistance in working to get their system back online due to PG&E's line being out of service because of the impacts from the Dixie Fire.

CONSENT CALENDAR

Prior to the roll call vote to approve the Consent Calendar, the Commissioners were polled to determine if any Member wished to pull an item or abstain from one or more items on the Consent Calendar.

No items were pulled from Consent.

MOTION: A motion was made by Suds Jain, and seconded by Greg Scharff to approve the Consent Calendar consisting of Items 10, 11, 12, 13, 14, 15, 16, 17, and 18. The motion carried by a majority of those members present on a roll call vote with abstentions noted below for each item.
San Francisco BART, Shasta Lake and Truckee Donner were absent.

10. NCPA's Financials for the Month Ended August 31, 2021 – approve by all Members

11. Treasurer's Report for the Month Ended August 31, 2021 – accept by all Members.

12. Resolution 21-87, McHale & Associates, Inc. – Five Year Multi-Task Consulting Services Agreement for Plant Performance Improvement Consulting Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members – approve resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with McHale & Associates, Inc. for plant performance improvement consulting services, 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 any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years.

13. Resolution 21-88, Famand, Inc. dba Indoor Environmental Services – Five Year Multi-Task General Services Agreement for Heating, Ventilation and Air-conditioning (“HVAC”) 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 Famand, Inc. dba Indoor Environmental Services for heating, ventilation and air-conditioning (“HVAC”) maintenance services, 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 any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years.

14. Resolution 21-89, Famand, Inc., dba SitelogIQ – First Amendment to Five Year Multi-Task General Services Agreement for Energy, Solar, Lighting Technology and Advanced Controls 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 First Amendment to the Multi-Task General Services Agreement with Famand, Inc., dba SitelogIQ for energy, solar, lighting technology and advanced controls services, updating the Scope of Work with no changes to the contract term or not to exceed amount, with any non-substantial changes recommended and approved by the NCPA General Counsel, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.
Fiscal Impact: Upon execution, the total not to exceed amount of the agreement will remain the unchanged at not to exceed \$1,000,000.

- 15. Resolution 21-90, Rescue Solutions, LLC – Five Year Multi-Task General Services Agreement for Emergency Rescue Response and Training 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 Rescue Solutions, LLC for emergency rescue response and training services, 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 any facilities owned and/or operated by NCPA. **Fiscal Impact:** Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years.
Redding abstained.
- 16. Resolution 21-91, AECOM Technical Services, Inc. – Five Year Multi-Task Consulting Services Agreement for Consulting Services and Project Support Related to Injection Wells 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 Multi-Task Consulting Services Agreement with AECOM Technical Services, Inc. for consulting services and project support related to injection wells and plant operations, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$2,500,000 over five years.
- 17. Resolution 21-92, Utility Services Inc. – First Amendment to Five Year Multi-Task Professional Services Agreement for NERC related regulatory compliance services, changing the vendor name to Utility Services of Vermont, LLC; Applicable to Northern California Power Agency (NCPA), 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 Utility Services, Inc., for NERC related regulatory compliance services, changing the vendor name to Utility Services of Vermont, LLC, with no change to the not to exceed amount or contract term, with any non-substantial changes recommended and approved by the NCPA General Counsel, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.
Fiscal Impact: Upon execution, the total not to exceed amount of the agreement will remain the unchanged at not to exceed \$1,000,000.
- 18. Resolution 21-93, Approval of CY 2022 Northern California Power Agency (NCPA) Capacity Pool Rates** – adopt resolution by all members approving the Local Area, System, and Flexible Resource Adequacy capacity rates proposed herein for use in the NCPA Capacity Pool, as further described in Pooling Schedule 4, during the 2022 Resource Adequacy compliance year.
Fiscal Impact: Work associated with developing the NCPA Capacity Pool Local Area, System, and Flexible Resource Adequacy capacity rates was undertaken pursuant to approved Power Management budget categories, and costs associated with this effort are allocated in accordance with approved cost allocation methodologies as described in the NCPA annual budget.
Redding and Roseville abstained.

DISCUSSION / ACTION ITEMS

No discussion items were discussed.

NEW BUSINESS

No new items were discussed.

ADJOURNMENT

The October 1, 2021, Commission meeting was adjourned at 10:45 am by Chair Hagele.

Respectfully submitted,
//
DAVID HAGELE
Commission Chair

Prepared by,
//
CARY A. PADGETT
Assistant Secretary to the Commission

Attachments

DRAFT

Northern California Power Agency
Commission Meeting / Teleconference
October 1, 2021
COMMISSIONERS
Attendance List

NCPA Commissioners are requested to sign, but signature by members of the public is voluntary.

MEMBER	NAME
1 - ALAMEDA	<i>Jerry Lopez</i>
2 - BIGGS	<i>Bo Sheppard</i>
3 - GRIDLEY	<i>Catalina Sanchez</i>
4 - HEALDSBURG	<i>[Signature]</i>
5 - LODI	<i>Mark Chandler</i>
6 - LOMPOC	<i>Jenelle Osborne</i>
7 - PALO ALTO	<i>[Signature]</i>
8 - PORT OF OAKLAND	<i>JAC GT</i>
9 - PLUMAS-SIERRA REC	<i>[Signature]</i>
10 - REDDING	<i>DR</i>
11 - ROSEVILLE	<i>Pauline Rocucci</i>
12 - SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT	
13 - SANTA CLARA	<i>[Signature]</i>
14 - SHASTA LAKE	
15 - TRUCKEE DONNER	<i>M, A</i>
16 - UKIAH	<i>[Signature]</i>

**Northern California Power Agency
Commission Meeting / Teleconference
October 1, 2021**

Attendance List

NCPA Commissioners, Alternates & Staff are requested to sign, but signature by members of the public is voluntary.

NAME	AFFILIATION
Nico Pinos	Alameda
CHRISTINA NAGY ICKENHART	ALAMEDA
MARK SORENSEN	BIGGS
CLIFF WALSHNER	GRIDLEY
MANUEL PINEDA	SANTA CLAY
Basil Wong	Santa Clara
Tony Zimmer	NCPA
Morty Hawks	NCPA
Kathy Watanabe	Santa Clara
Randy Bowersox	NCPA
Michael DeBortoli	NCPA
Elizabeth Gonzalez	NCPA
Cindy Sowers	City of Ukiah
TERRY CROWLEY	CITY OF HEALDSBURG
TIKIAN SINGH	PALO ALTO
Greg de Lora	PALO ALTO
Dean Batchelor	PALO ALTO
Amy Bartell	Palo Alto
JOE Mandell	ROSEVILLE
Michelle Bertolino	Roseville
Jared Carpenter	WCW
Randy S. Howard	NCPA
Jane E. Luckenhardt	NCPA



CONSENT CALENDAR

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.

CONSENT CALENDAR ROLL-CALL APPROVAL

Commission Meeting Date: _____

10/1/21

Consent Items Listed on the Agenda: # ___ to # ___

Consent Items Removed from the Agenda and Approved Separately:

~~0~~ SWP/P.A.

ROLL-CALL VOTE BY MEMBERS:

Member	Item Numbers Abstained	Vote	Absent
Alameda		Y	
Biggs		Y	
Gridley		Y	
Healdsburg		Y	
Lodi		Y	
Lompoc		Y	
Palo Alto		Y	
Port of Oakland		Y	
Redding	15, 18	Y	
Roseville	18	Y	
San Francisco BART			X
Santa Clara		Y	
Shasta Lake			Y
Truckee Donner			Y
Ukiah		Y	
Plumas-Sierra		Y	

ATTEST: _____

Cary A. Padgett, Commission Assistant Secretary



651 Commerce Drive
Roseville, CA 95678

phone (916) 781-3636
fax (916) 783-7693
web www.ncpa.com

Commission Staff Report

AGENDA ITEM NO.: **5**

Date: October 28, 2021
To: NCPA Commission
Subject: October, 6 2021 Facilities Committee Meeting Minutes, and the October 14, 2021 Special Facilities Committee Meeting Minutes

The attached Draft Minutes are being provided for information and to augment the oral Committee report.



651 Commerce Drive
Roseville, CA 95678

phone (916) 781-3636
fax (916) 783-7693
web www.ncpa.com

Minutes – Draft

Date: October 7, 2021
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: October 6, 2021 Facilities Committee Meeting Minutes

- 1. Call Meeting to Order & Roll Call** – The meeting was called to order by Committee Chair Basil Wong (Santa Clara) at 9:04 am. Attending via teleconference and/or on-line presentation were Alan Harbottle (Alameda), Mark Sorensen (Biggs), Catalina Sanchez (Gridley), Jiayo Chiang and Melissa Price (Lodi), CJ Berry and Matthew MacDonald (Lompoc), Shiva Swaminathan (Palo Alto), Mike Brozo (Plumas-Sierra), Khaly Nguyen (Port of Oakland), Nick Rossow (Redding), Brian Schinstock (Roseville), Monica Nguyen, Bill Her and Suds Jain (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

- 2. Approval of Minutes from the September 1, 2021 Facilities Committee Meeting.**

Motion: A motion was made by Jiayo Chiang and seconded by Mark Sorensen recommending approval of the minutes from the September 1, 2021, Facilities Committee meeting. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

*****Prior to this item at 9:10 am, Jane Luckhardt, NCPA General Counsel, stepped out of the conference room due to a conflict of interest.*****

- 3. All NCPA Facilities, Members, SCPPA – Black & Veatch Corporation Second Amendment to MTPSA** – Staff presented background information and was seeking a recommendation for Commission approval of the Second Amendment to the five-year Multi-Task Professional Services Agreement with Black & Veatch Corporation for consulting services related project support and plant operations, extending the contract expiration date to January 31, 2022, with no other changes to the contract terms, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a five year Multi-Task Professional Services Agreement with Black & Veatch Corporation effective May 26, 2016. NCPA has been working on a renewal agreement with Black & Veatch, however this process is taking longer than anticipated. A First Amendment was executed on May 10, 2021 extending the agreement expiration date from May 26, 2021 to November 26, 2021. NCPA is currently utilizing Black & Veatch for hydrogen expertise support and consulting regarding Lodi's Lakehouse Development Project, neither of which is completed. This Second Amendment will extend the agreement expiration date from November 26, 2021 to January 31, 2022, to avoid any lapse in coverage while NCPA continues to work on the new agreement with Black & Veatch. NCPA has agreements in place for similar services with HDR Engineering, Inc., and Worley Group, Inc. This enabling agreement does not commit NCPA to any expenditure of funds. A draft Commission Staff Report, draft Second Amendment, the original MTPSA, and First Amendment were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Brian Schinstock and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to enter into a Second 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 November 26, 2021 to January 31, 2022, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

*****After this item was completed, at 9:16 am, Jane Luckhardt, NCPA General Counsel, stepped back into the conference room.*****

- 4. All NCPA Facilities, Members, SCPPA – ACCO Engineered Systems, Inc. First Amendment to MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of the First Amendment to the five-year Multi-Task General Services Agreement with ACCO Engineered Systems, Inc. for HVAC maintenance services, extending the contract expiration date to January 31, 2022, with no other changes to the contract terms, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a five year Multi-Task General Services Agreement with ACCO Engineered Systems, Inc. effective November 17, 2016, for an amount not to exceed \$750,000, for use at all NCPA, NCPA Member, SCPPA, and SCPPA Member facilities. NCPA has utilized this vendor for the past five years for HVAC maintenance services at its CT plants, and this vendor has shown themselves to be competent and responsible.

The current agreement is set to expire on November 17, 2021. NCPA is currently in the process of obtaining bids for maintenance services for the CT facilities for the next five year term. NCPA now desires to enter into a First Amendment to the Multi-Task General Services agreement to extend the agreement expiration date to January 31, 2022 to allow NCPA additional time to obtain bids and negotiate terms of the agreement with the winning bidder. NCPA has agreements in place for similar services with ABM Building Solutions, Comfort Air, Inc., Creative Cooling Technologies, EMCOR Services Mesa Energy, Johnson Controls, Inc. and Pullman Heating & Cooling, Inc. This enabling agreement does not commit NCPA to any expenditure of funds. A draft Commission Staff Report, draft First Amendment, and the original MTGSA were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Shiva Swaminathan and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with ACCO Engineered Systems, Inc. for HVAC maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, extending the agreement expiration from November 17, 2021 to January 31, 2022, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 5. All NCPA Facilities, Members, SCPPA – CH2M Hill Engineers, Inc. First Amendment to MTPSA** – Staff presented background information and was seeking a recommendation for Commission approval of the First Amendment to the five-year Multi-Task Professional Services Agreement with CH2M Hill Engineers, Inc. for compliance support for biological monitoring and general compliance support services, increasing the not to exceed from \$200,000 to \$500,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a five year Multi-Task Professional Services Agreement with CH2M Hill Engineers, Inc., effective April 23, 2018 for an amount not to exceed \$200,000, for use at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members. This agreement has been used frequently by NCPA for CEC certification at its plants and biological monitoring for various projects, and this agreement is now running low on funds. To ensure sufficient funds are available for the remainder of the contract term, this amendment will increase the not to exceed amount from \$200,000 to \$500,000, for continued use at any facility owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA has agreements in place for similar services with EGS Consulting and Stratus Environmental. This enabling agreement does not commit NCPA to any expenditure of funds. A draft Commission Staff Report, draft First Amendment, and the original MTPSA were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Shiva Swaminathan and seconded by Brian Schinstock recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task Professional Services Agreement with CH2M Hill Engineers, Inc. for compliance support services, including biological monitoring and general compliance support, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$200,000 to \$500,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 6. All NCPA Facilities, Members, SCPPA – Evoqua Water Technologies, LLC First Amendment to MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of the First Amendment to the five-year Multi-Task General Services Agreement with Evoqua Water Technologies, LLC, to modify the warranty language in Sections 12.1 and 12.2 and add emergency delivery pricing to Exhibit B, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a five year Multi-Task General Services Agreement with Evoqua Water Technologies, LLC effective November 1, 2020. Per Section 12.1 of the Agreement, "For the Lodi Energy Center Condensate Polishers, Contractor will guarantee, by way of an amendment to the

Agreement, a throughput amount to be determined and mutually agreed upon...". Discussions were had between Evoqua and NCPA and a throughput amount of 28,000,000 gallons was mutually agreed upon. This First Amendment will modify the warranty language in Sections 12.1 and 12.2 and add emergency delivery pricing to Exhibit B. This enabling agreement does not commit NCPA to any expenditure of funds. There is no other agreement currently in place for similar services. A draft Commission Staff Report, draft First Amendment, and the original MTGSA were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Jiayo Chiang and seconded by Mark Sorensen recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Evoqua Water Technologies, LLC for condensate polisher resin regeneration, DI mixed bed vessel rental and regeneration, RO & UF membrane cleaning and other water treatment support services, with any non-substantial changes recommended and approved by the NCPA General Counsel or her designee, modifying the warranty language in Sections 12.1 and 12.2 and adding emergency delivery pricing in Exhibit B, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPA, and SCPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 7. All NCPA Facilities, Members, SCPA – Hometown Connections, Inc. First Amendment to MTCSA** – Staff provided background information and was seeking a recommendation for Commission approval of a First Amendment to the Five-Year Multi-Task Consulting Services Agreement with Hometown Connections, Inc. for various consulting related tasks including but not limited to organization assessments, strategic planning, market research, and training, increasing the not to exceed amount from \$250,000 to \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPA, and SCPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

Hometown Connections, Inc. (HCI) is a national, non-profit utility services organization specializing in the unique challenges of community-owned utilities. Their team of consultants and vendor partners help utilities streamline business processes, enhance customer service, improve security, and develop plans for the future. Serving community-owned utilities of every size and type, HCI provides products and services to develop all areas of the utility business, including operations, cybersecurity, business strategy, customer care, finance, workforce, and technology.

On July 19, 2019, NCPA entered into a five-year Multi-Task Consulting Services Agreement with HCI, for services to the Agency and/or its Members in an amount not-to-exceed \$250,000. Since inception, HCI's contract has been used six times by NCPA Members (Redding (3), Alameda, Lompoc, and Truckee Donner) nearing the not-to-exceed limit. Due to expressed Member interest, the Agency now desires to amend the agreement to increase the total compensation from the not-to-exceed amount of \$250,000 to a not-to-exceed amount of \$1,000,000 over the term. NCPA's investment in HCI as a founding member in 2018 was for just this purpose – to provide access to technology and services and integrated solutions that are specifically designed to help public power utilities succeed in the communities they serve. A draft Commission Staff Report, draft First Amendment, and the original MTCSA were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Shiva Swaminathan and seconded by Mark Sorensen recommending Commission approval authorizing the Northern California Power Agency (NCPA) General Manager or his designee to enter into a First Amendment to the Multi-Task Consulting Services Agreement with Hometown Connections, Inc. for various consulting related tasks including but not limited to organization assessments, strategic planning, market research, and training, with any non-substantial changes recommended and approved by the NCPA General

Counsel, increasing the not to exceed to \$1,000,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, the Southern California Public Power Authority (SCPPA), or SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 8. NCPA HQ Facilities – Consolidated Communications** – Staff provided background information and was seeking a recommendation for Commission approval of the Third Amendment to the Lease Agreement with Consolidated Communications for the Disaster Recovery Center extending the term of the lease for up to 24 months. The lease is included in the General Services budget.

In 2009 the NCPA Commission approved the lease of a 3,797 square foot facility from SureWest Telephone (now Consolidated Communications) as the backup site for our mission critical 24/7 Scheduling and Dispatch operations. This facility provides replicated hardware, software, and data to provide seamless transfer of personnel to this site in case of an emergency.

In early 2021, Consolidated Communications approached NCPA with an offer to purchase the building. Since multiple buildings sit on the parcel sharing utilities (electric, gas, water, wastewater, etc.), NCPA needed to engage with an architect firm to analyze the scope of work and provide an estimated cost to split the parcel, add independent utilities, an emergency generator, and impacts of other property attributes. With the current lease set to expire in April 2022, staff requested a two-year extension to the current lease. This will allow sufficient time to analyze the financial impacts of a parcel split. If a parcel split is not financially feasible, it allows additional time to seek alternatives such as an ownership percentage of the same property or finding another building to purchase.

The terms of this third amendment are largely unchanged with monthly base rent increasing 2% each year, the same as previous amendments. New language was added to terminate the lease upon sale of the building to NCPA. There will be no further options to extend the lease when it ends on April 30, 2024. Approval of the third amendment will cost \$130,608 through April 2024. The lease is included in the current fiscal year budget with funds available in the General Services budget. A draft Commission Staff Report, and draft Third Amendment to the Lease Agreement with Consolidated Communications were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Mark Sorensen and seconded by Basil Wong recommending Commission approval authorizing the General Manager or his designee to execute the Third Amendment to the Lease Agreement extending the period for up to two years or April 30, 2024, with any non-substantial changes recommended and approved by the General Counsel. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 9. CT1 Alameda Electric Start Project** – Staff presented background information and was seeking a recommendation for Commission approval of the CT1 Alameda Electric Start Project including 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 cost not to exceed \$2,900,000.

The Bay Area Air Quality Management District limits the CT1 Alameda diesel starting motors to 20 hours of operation per rolling 12-month period. This means that the availability of the Alameda units is based off the previous 12-months' combined usage, with the units being placed in a forced outage when the operating limits are met. The NCPA CT1 Alameda Electric Start Project would replace the diesel starting motors with electric starting motors, removing the use restriction. Electric motors will also reduce site noise and the prevalence of diesel exhaust fumes, two of the most common neighborhood complaints. If this project is approved, expected completion will be in the

January 2023 outage. In addition, this project is expected to realize some de minimis benefits. These include increased start reliability and reduced maintenance cost.

On August 9, 2020, NCPA put out a Request for Proposals (RFP) for the CT1 Alameda Electric Start Project. A bid request went out to several contractors. NCPA's RFP was refined over the course of the year, with the final draft of bids due on September 3, 2021. GE Power, Siemens Energy, Inc., and TTS Construction Corporation were the only contractors that submitted final bids. Bids submitted ranged in price from \$2,853,625 to \$5,149,664. TTS Construction Corporation was selected as the winning bidder due to having the lowest project cost, previous project experience, and the most complete project proposal.

The total cost is anticipated not to exceed \$2,900,000. Funds for the project were encumbered from the approved FY21 CT1 Alameda budget and Maintenance Reserves.

The NCPA CT1 Alameda Electric Start Project cost breakdown is shown below.

TTS Construction	
Equipment Identification & Procurement	\$ 1,050,000.00
Engineering, Installation & Site Support	\$ 1,060,000.00
Optional SSS Starting Clutch	\$ 100,000.00
Subtotal	\$ 2,210,000.00
Sales Tax (10.75%)	\$ 123,625.00
Shipping (estimated)	\$ 20,000.00
Contingency (~22.5%)	\$ 500,000.00
Total Estimated Cost	\$ 2,853,625.00

Motion: A motion was made by Alan Harbottle and seconded by Mark Sorensen recommending Commission approval authorizing the NCPA CT1 Alameda Electric Start 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 amount of \$2,900,000, with \$650,000 being used from the Maintenance Reserve Fund, and \$2,250,000 from the encumbered FY 2021 funds. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Plumas-Sierra, Port of Oakland, and Santa Clara. ABSTAIN = Palo Alto, Redding, and Roseville. The motion passed.

10. 2025 Western Base Resource Contract – Staff presented contracts and materials in support of review and approval of the 2025 Western Base Resource Contract.

Staff presented background information regarding Western's (WAPA) 2025 Base Resource Contract. This is the contract used for marketing output produced by the Central Valley Project (CVP). The Assignment Administration Agreement (AAA) is the agreement under which NCPA manages the Base Resource Contract (BR) assignments on behalf of Members. The Request for Assignment of BR is a letter agreement used by a Member to assign its share of BR to NCPA's BR Contract.

NCPA will need to execute the 2025 BR Contract to become a "Customer" of WAPA. This will enable NCPA to receive Member assignments. Once this agreement is signed a new AAA will need to be developed for administration of the 2025 BR Contract assignments. The existing AAA can also be amended and restated as an alternative to developing a new AAA. The AAA will need to be

approved by each assigning Member. Once NCPA has executed the 2025 BR Contract, NCPA can accept assignments by executing individual Requests for Assignment. NCPA and Members will be required to execute the AAA prior to accepting assignment, ensuring the assigning Member accepts financial responsibility of assignment.

Next steps include NCPA distributing a new AAA for Member review and comment. The first draft should be distributed by October 15, 2021. NCPA will seek Member comments and feedback prior to the November 2021 Facilities Committee Meeting. Staff will seek approval of the 2025 BR Contract, the AAA, and the Request for Assignment at the November Facilities and Commission meetings.

- 11. Glover Solar PPA and Third Phase Agreement** – Staff will review and seek a recommendation for Commission approval of the Power Purchase Agreement between Northern California Power Agency and Glover Solar, LLC, and the Third Phase Agreement for Power Purchase Agreement with Glover Solar, LLC.

***** This item was pulled from the agenda, and will be brought back to the Committee at a later time.*****

INFORMATIONAL ITEMS

- 12. New Business Opportunities** – Staff provided an update regarding new business opportunities. Listed below are active projects under consideration.

Glover Solar, LLC – PPA negotiations are nearly complete. The next steps will to seek approval of the PPA and Third Phase Agreement.

Camp Far West – A PPA is currently being negotiated. Staff is seeking SSWD feedback on current draft of PPA.

McCloud Solar – A PPA is currently being negotiated. Next steps will be to present the updated PPA to the developer. Then coordinate with Members regarding continued interest in project.

Stagecoach Solar – Staff is currently performing due diligence on the project offer. Depending on Member continued interest, staff will seek to enter into Letter of Intent to engage in active PPA negotiations. Term would be 10 to 20 years with the quantity to be determined. The product includes energy, capacity and environmental attributes through the Calpine Geothermal Resource at approximately \$68.00 per MWh (to be negotiated with counterparty).

- 13. FY2021 Annual Billing Settlements Review** – Staff presented a draft of the FY2021 Annual Billing Settlement and encumbrances for the period of July 1, 2020 through June 30, 2021.

After internal accounting review, the final draft of the FY2021 Annual Billing Settlement was reviewed by the Facilities Committee. The draft results include an approximate \$1.5 million charge from the plant operations, and approximately \$930,000 refund coming from management services, pass-through costs, and third party revenues. Encumbered funds for FY2021 total \$5.36 million.

The next steps in this process are to present this draft to the LEC PPC October 11, 2021, then the Utility Directors at the October 14, 2021 UD meeting. The final version of the FY2021 Annual Billing Settlement will be presented to the Facilities Committee at the November 3, 2021 Facilities Committee meeting, seeking a recommendation for Commission approval. After that it will be presented to the LEC PPC for approval, and again to the UDs in November. Staff will be seeking Commission approval at the December 2, 2021 Commission meeting.

14. Overview of FY2023 Budget Process and Approach – Staff provided an overview of the FY2023 Budget process and recommended operating budget directions.

The proposed budget process will continue with review of the draft budgets through the Facilities, LEC PPC, and L&R Committees, and UD meeting, seeking a recommendation for Commission approval. The budget is prepared on a project/program basis. Allocation for all allocated costs are Power Management, Legislative and Regulatory, Judicial Action, Administrative and General, and direct allocations. Previously approved methods will be continued at this time with focus on NCPA controllable costs and aligning budgets with expectations and previous actuals. Issues impacting the FY2023 budget include the PERS Pension with an increase of \$200,000, OPEB, and the CPI index at 5.3%, which will impact the plants O&M budgets. Other issues include insurance premiums with property increasing 20% and casualty by 15%, and legal and consulting costs with increased us of legal contracts and integration of new projects.

Recommendations for the FY2023 budget include a target increase of 5.3% for regular operating and maintenance of the plants. All maintenance and capital projects will be reviewed and vetted by the Facilities Committee and the LEC PPC Committee prior to seeking a recommendation for Commission approval. The salary increase target of \$1 million includes union negotiated general wage increases and broad banding adjustment for merits, promotions, and upgrades. All other operating expenses will target no more than a 5.3% increase as well.

15. NCPA Generation Services Plant Updates – Plant Staff provided an informational update on current plant activities and conditions.

Hydro – Collierville Powerhouse was in a dual unit outage from October 1 – 3, 2021. CAISO approved the outage just days prior to the outage. McKays intake maintenance was performed removing several baskets of debris during the outage, as well as other annual maintenance to the project. Emergency Action Plan binders have been updated per the five year FERC mandate, and distributed. Other highlights of the month include the FERC Part_12 Five Year Dam Safety Inspection and Potential Failure Modes Analysis Workshop, annual maintenance outages for New Spicer Meadows Units 1, 2, and 3, Beaver Creek and North Fork Diversion Dams were drained for maintenance, ongoing maintenance is occurring at Lake Alpine Dam, the New Spicer Powerhouse is undergoing roof sealing maintenance, and SWRCB Water Rights and been filed.

Geo – There were no safety recordable incidents to report for the month of September. Safety training is 62.6% complete. Per CalFire recommendation fire proof signage has been installed at the Geo project. The average net generation for the month was 94.5 MW. Total net generation was 68.1 GWh. CY 2021 net generation is 581.8 GWh at 7.3% over forecast. Maintenance activities included replacing air relief valves on the SEGEP, repairing the evaporation tower in Stretford, and insulation repairs are completed. The Plant 1 Fire Protection Project is currently in the second phase, and the Plant 1 Cooling Tower Test has been completed.

CTs – September was another busy month for the CTs. CT1 had 24 actual starts, with 4 ghost starts bringing the FYTD total to 112. CT2 had 6 actual starts this month bringing the FYTD total to 43 starts. There were two forced outages during the month. CT1 Alameda Unit 2 was due to the diesel starter and both air compressors. CT1 was out due to a generator oil leak. There were no planned outages for the month of September. CT1 Lodi has used 155 hours already out of 200 allowed. CT1 Alameda Diesel Unit 1 has used 7.44 hours of 20, and Unit 2, 7.35 hours of 20.

16. Planning and Operations Update –

Resource Integration

- SFWPA (Members) – December 19, 2021
- Sky River Wind (BART) – September 1, 2021
- Slate 1 Solar (BART) – October 31, 2021
- Ukiah Mendocino Hydro (Ukiah) - Ongoing
- Antelope Solar (NCPA) – December 1, 2021
- Camp Far West (SVP) – Q4, 2021
- Henrietta D Energy Storage – October 2021
- Golden Fields Solar III – March 31, 2022
- Rosamond Solar – 2022
- CT Project No. 1 – AGC Controls

Key Areas Impacted by Resource Integration – Bid-to-Bill software application, scheduling, operations, dispatch and controls, and settlements/accounting. Organization impacts include people, the process and the prioritization of activities. Mitigation strategies include focusing on the need to have elements, and then nice to have elements, utilization of external support and services, and evaluation of resource staffing and bandwidth. Staff is working on a coordinated integration plan, focused on controlled staggering of the integration of projects.

17. Next Meeting – The next Facilities Committee meeting is scheduled for November 3, 2021.

ADJOURNMENT

The meeting was adjourned at 12:21 pm by the Committee Chair.

Teleconference call only due to Covid19

Northern California Power Agency October 6, 2021 Facilities Committee Meeting Attendance List

NCPA Facilities Committee Members are requested to sign, but signature by members of the public is voluntary.

<u>MEMBER</u>	<u>NAME</u>
ALAMEDA	✓
BART	
BIGGS	✓
GRIDLEY	✓
HEALDSBURG	
LODI	✓
LOMPOC	✓
PALO ALTO	✓
PLUMAS-SIERRA REC	✓
PORT OF OAKLAND	✓
REDDING	✓
ROSEVILLE	✓
SANTA CLARA	✓
TID	
UKIAH	



651 Commerce Drive
Roseville, CA 95678

phone (916) 781-3636
fax (916) 783-7693
web www.ncpa.com

Minutes – Draft

Date: October 19, 2021
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: October 14, 2021 Special Facilities Committee Meeting Minutes

- 1. Call meeting to order & Roll Call** – The meeting was called to order by Committee Chair Basil Wong (Santa Clara) at 2:03 pm. Attending via teleconference and/or on-line presentation were Alan Harbottle (Alameda), Mark Sorensen (Biggs), Terry Crowley (Healdsburg), Jiayo Chiang (Lodi), Shiva Swaminathan (Palo Alto), Mike Brozo (Plumas-Sierra), Jared Carpenter and Khaly Nguyen (Port of Oakland), Nick Rossow (Redding), Brian Schinstock (Roseville), Steve Hance (Santa Clara), and Willie Manual and Owen Goldstrom (TID). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Gridley, Lompoc, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

OPEN SESSION

DISCUSSION / ACTION ITEMS

- 2. 2022 Major Insurance Renewal Proposal** – Staff presented background information and was seeking a recommendation for Commission approval of the NCPA Major insurance renewals for 2022.

Shortly after the last renewal, staff reached out to FM Global directly given their significant experience and strong reputation in the property insurance market. Founded in 1835, FM Global insures more than a third of the Fortune 1000 companies and total assets in excess of \$25 billion. FM Global takes an engineering-first approach helping their clients be resilient against natural disasters—and this philosophy matched our core principles. FM Global is guided by the belief that most losses are preventable and they will dig deep to understand each business' needs to help reduce risk. In order to have FM Global quote the agency, NCPA held weekly meetings beginning in February and eventually scheduled site visits in April, May and June. After FM Global completed its review, a meeting with the Plant Managers was held to review findings and recommendations. This was the critical last step prior to FM Global providing a quote. To put this in perspective, AEGIS, the current incumbent with a 39% share, scheduled virtual loss control visits. Feedback received from the Plant Managers regarding the loss control process was more positive with the FM Global team than the AEGIS team.

FM Global's proposal has several enhancements in critical areas such as providing a policy limit of \$500 million versus \$325 million and higher sublimits. In addition to the policy enhancements and reduced premium, FM Global provides other value-added services that help reduce NCPA risk, truly making this a partnership. Loss control visits and engineering services are included at no additional charge. For example, if staff engages in a large or complex project, the FM Global team of engineers are ready to assist with plan review services providing their input based on their experiences and data fact sheets, where applicable. To reflect their commitment to a long-term partnership, FM Global's proposal also includes a two-year rate lock. The property premium quoted in Option 2 is \$1 million less than 2021 premiums and \$2 million less than what is estimated from the other markets for 2022. Coupled with a 2-year team, the Agency is set to save over \$4 million.

The remaining markets have been directed to provide their indications by the week of October 18th. Unless they can competitively quote, match (or improve) policy coverages, and provide similar value-added services, staff plans to bind property coverages with FM Global.

Motion: A motion was made by Brian Schinstock and seconded by Mark Sorensen recommending Commission approval authorizing the General Manager to negotiate and bind policy year 2022 property and liability coverages at a not-to-exceed amount of \$5,700,000. This authority includes a not-to-exceed of \$3,700,000 for property insurance and \$2,000,000 for casualty insurance. A vote was taken by roll call: YES = Alameda, Biggs, Healdsburg, Lodi, Plumas-Sierra, Port of Oakland, Redding, Roseville, Santa Clara, and TID. The motion passed.

- 3. Glover Solar PPA and Third Phase Agreement** – Staff will review and seek a recommendation for Commission approval of the Power Purchase Agreement between Northern California Power Agency and Glover Solar, LLC, and the Third Phase Agreement for Power Purchase Agreement with Glover Solar, LLC. *****This item was pulled from the agenda.*****

Non-essential Members and NCPA staff left the meeting for the closed session discussion Items #4 and #5.

CLOSED SESSION

- 4. 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.*
- 5. CONFERENCE WITH LEGAL COUNSEL** – Anticipated Litigation, significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2) – two cases.

RECONVENED TO OPEN SESSION

All meeting attendees rejoined the public meeting.

REPORT FROM CLOSED SESSION

Closed Session Disclosure: General Counsel Jane Luckhardt stated no reportable action was taken on the closed session Items #4 and #5.

ADJOURNMENT

The meeting was adjourned at 3:29 pm by the Committee Chair.

Teleconference call only due to Covid19

Northern California Power Agency October 14, 2021 Special Facilities Committee Meeting Attendance List

NCPA Facilities Committee Members are requested to sign, but signature by members of the public is voluntary.

<u>MEMBER</u>	<u>NAME</u>
ALAMEDA	✓
BART	
BIGGS	✓
GRIDLEY	
HEALDSBURG	✓
LODI	✓
LOMPOC	
PALO ALTO	✓
PLUMAS-SIERRA REC	✓
PORT OF OAKLAND	✓
REDDING	✓
ROSEVILLE	✓
SANTA CLARA	✓
TID	✓
UKIAH	

**Northern California Power Agency
October 14, 2021 Special Facilities Committee Meeting
Attendance List**

NCPA Facilities Committee Members, Alternates & Staff are requested to sign, but signature by members of the public is voluntary.

<u>NAME</u>	<u>AFFILIATION</u>
Carrie Pollo	NCPA
Tony Zimmer	NCPA
Marty Hanks	NCPA
Jane Luckhardt	NCPA
Brandy Howard	NCPA
Anish Nand	NCPA
Mike De Bartoli	NCPA
Alan Pearson	FM Global



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: September 30, 2021 Financial Report (unaudited)

AGENDA CATEGORY: Consent

FROM:	Sondra Ainsworth <i>RWC</i>	METHOD OF SELECTION:
	Treasurer-Controller	N/A
Division:	Administrative Services	
Department:	Accounting & Finance	

IMPACTED MEMBERS:		
All Members	<input checked="" type="checkbox"/>	
Alameda Municipal Power	<input type="checkbox"/>	City of Lodi <input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Lompoc <input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>
		City of Redding <input type="checkbox"/>
		City of Roseville <input type="checkbox"/>
		City of Santa Clara <input type="checkbox"/>
		City of Ukiah <input type="checkbox"/>
		Plumas-Sierra REC <input type="checkbox"/>
		Port of Oakland <input type="checkbox"/>
		Truckee Donner PUD <input type="checkbox"/>
		Other <input type="checkbox"/>
		<i>If other, please specify</i>

RECOMMENDATION:

Recommending the Northern California Power Agency (NCPA) Commission approve the Financial Report for month ending September 30, 2021.

NOTICE:

The disbursements of the Northern California Power Agency (NCPA) for the month reported herein, will be approved at the October 28, 2021 meeting of the NCPA Commission. The following page is a summary of those disbursements.

Prior to the Chairman's call to order, the Assistant Secretary to the Commission will, upon request, make available for review the detailed listing of those disbursements.

The report of budget vs. actual costs and the unaudited September 30, 2021 financial reports are also included.

FISCAL IMPACT:

This report has no direct budget impact to the Agency.

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.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- September 30, 2021 Financial Report

**NORTHERN CALIFORNIA POWER AGENCY
and ASSOCIATED POWER CORPORATIONS**

**Schedule of Disbursements
(Unaudited)**

For the Month of September 2021

Operations:

Geothermal	\$ 1,191,861
Hydroelectric	3,017,851
CT#1 Combustion Turbines	174,283
CT#2 STIG	688,127
Lodi Energy Center	9,621,519
NCPA Operating	<u>63,829,938</u>
Total	<u>\$ 78,523,579</u>

NORTHERN CALIFORNIA POWER AGENCY
 REPORT OF BUDGET VS. ACTUAL COST
 FOR THE PERIOD ENDED SEPTEMBER 30, 2021

PERCENT OF
 YEAR ELAPSED
 25%

	This Month	Actual Year To-Date	FY 2022 Budget	% Used	
<u>GENERATION RESOURCES</u>					
<u>NCPA Plants</u>					
Hydroelectric					
Other Plant Cost	\$ 2,278,088	\$ 5,819,337	\$ 20,659,536	28%	
Debt Service (Net)	2,785,136	8,355,409	33,421,637	25%	
Annual Budget Cost	5,063,224	14,174,746	54,081,173	26%	
Geothermal					
Other Plant Cost	2,662,674	9,287,939	35,708,919	26%	
Debt Service (Net)	412,788	1,238,363	4,953,453	25%	
Annual Budget Cost	3,075,462	10,526,302	40,662,372	26%	
Combustion Turbine No. 1					
Fuel	236,603	440,287	791,613	56%	(a)
Other Plant Cost	300,279	1,750,641	6,263,071	28%	
Annual Budget Cost	536,882	2,190,928	7,054,684	31%	
Combustion Turbine No. 2 (Stig)					
Fuel and Pipeline Transport Charges	255,509	1,007,614	1,265,369	80%	(b)
Other Plant Cost	168,336	603,560	2,649,010	23%	
Debt Service (Net)	420,667	1,262,000	5,048,000	25%	
Annual Budget Cost	844,512	2,873,174	8,962,379	32%	
Lodi Energy Center					
Fuel	9,637,111	24,828,427	31,029,301	80%	(b)
Other Plant Cost	3,746,492	11,795,105	31,775,721	37%	(b)
Debt Service (Net)	2,197,050	6,591,149	26,008,267	25%	
Annual Budget Cost	15,580,653	43,214,681	88,813,289	49%	
Member Resources - Energy	5,486,956	20,734,980	67,416,504	31%	(b)
Member Resources - Natural Gas	645,180	1,941,537	2,981,422	65%	(a)
Western Resources	841,782	7,422,978	27,302,082	27%	
Market Power Purchases	5,162,375	15,549,667	17,224,803	90%	(c)
Load Aggregation Costs - CAISO	118,664,526	287,142,200	282,244,061	102%	(d)
Net GHG Obligations	-	605,800	1,276,784	N/A	
	155,901,552	406,376,993	598,019,553	68%	
<u>TRANSMISSION</u>					
<u>Independent System Operator</u>					
Grid Management Charge	694,802	2,075,627	2,417,506	86%	(e)
Wheeling Access Charge	9,693,886	30,441,523	119,362,830	26%	
Ancillary Services	1,995,735	5,668,154	3,846,319	147%	(f)
Other ISO Charges/(Credits)	(2,757,382)	35,069,056	946,016	3707%	(g)
	9,627,041	73,254,360	126,572,671	58%	
<u>MANAGEMENT SERVICES</u>					
<u>Legislative & Regulatory</u>					
Legislative Representation	145,982	401,490	2,101,373	19%	
Regulatory Representation	51,248	153,192	633,940	24%	
Western Representation	45,169	131,859	693,937	19%	
Customer Programs	30,741	101,410	481,257	21%	
Judicial Action	167,092	167,092	300,000	56%	(h)
<u>Power Management</u>					
System Control & Load Dispatch	535,002	1,705,075	7,427,479	23%	
Forecasting, Planning, Prescheduling & Trading	232,785	671,499	2,810,687	24%	
Industry Restructuring & Regulatory Affairs	34,779	104,289	423,181	25%	
Contract Admin, Interconnection Svcs & External Affairs	81,357	249,615	974,600	26%	
Gas Purchase Program	5,424	15,151	80,779	19%	
Market Purchase Project	7,284	21,201	115,897	18%	

Management Services continued on next page

NORTHERN CALIFORNIA POWER AGENCY
 REPORT OF BUDGET VS. ACTUAL COST
 FOR THE PERIOD ENDED SEPTEMBER 30, 2021

PERCENT OF YEAR ELAPSED 25%

	This Month	Actual Year To-Date	FY 2022 Budget	% Used	
Energy Risk Management	11,954	30,651	198,417	15%	
Settlements	75,559	228,497	975,283	23%	
Integrated Systems Support	15,116	112,580	307,165	37%	(i)
Participant Pass Through Costs	50,094	217,112	1,717,765	13%	
Support Services	122,688	322,663	-	N/A	
	1,612,274	4,633,376	19,241,760	24%	
TOTAL ANNUAL BUDGET COST	167,140,867	484,264,729	743,833,984	65%	
LESS: THIRD PARTY REVENUE					
Plant ISO Energy Sales	20,765,570	64,272,834	101,639,828	63%	(j)
Member Resource ISO Energy Sales	3,899,484	13,381,254	34,352,521	39%	(k)
Member Owned Generation ISO Energy Sales	12,324,119	40,566,738	83,030,430	49%	(k)
Revenue from Customers	(27,809,416)	44,640,694	-	N/A	(g)
NCPA Contracts ISO Energy Sales	4,458,094	12,703,815	12,614,852	101%	(k)
Western Resource Energy Sales	2,855,023	12,092,697	19,296,646	63%	(k)
Load Aggregation Energy Sales	72,325,095	147,573,478	-	N/A	(c)
Ancillary Services Sales	1,434,524	3,633,531	4,317,168	84%	(l)
Transmission Sales	9,198	27,594	110,376	25%	
Western Credits, Interest and Other Income	4,190,847	18,542,570	41,468,679	45%	(m)
	94,452,538	357,435,205	296,830,500	120%	
NET ANNUAL BUDGET COST TO PARTICIPANTS	\$ 72,688,329	\$ 126,829,524	\$ 447,003,484	28%	

- (a) CT1 monthly generation varies throughout the year. Majority of generation occur during the first four months of the fiscal year. Costs expected to levelize by the end of the year.
- (b) Increase in costs due to greater than projected MWhs of generation. CT2 is at 450% of budgeted MWhs and LEC is at 230% of budgeted MWhs at 9/30/21. Fuel costs, CA ISO charges, GHG allowance costs, and variable costs have increased as a result of increased generation.
- (c) Increase due to higher than anticipated market purchases and price per Mwh.
- (d) Increase due to unbudgeted energy purchases and sales related to CCAs (East Bay Community Energy, San Jose Clean Energy, and Sonoma Clean Power), which is offset by revenue from customers.
- (e) Increase due to unbudgeted grid management estimates, neutrality charges estimates and other cost estimates related to CCAs, which is offset by revenue from customers.
- (f) Increase due to unbudgeted ancillary services cost estimates related to CCAs, which is offset by revenue from customers, as well as greater than expected spinning, non-spinning, reg up and down obligation settlements for the NCPA pool.
- (g) In the current month, adjustments were made to prior months sales to CCAs for trued-up energy and transmission costs, resulting in a credit to Other ISO Charges and a negative amount for Revenue from Customers. Revenue from Customers was unbudgeted in FY22. The Actual Year-To-Date amount represents CCA energy and transmission costs.
- (h) Budgeted costs are partially offset by available encumbrances from the prior years. Additional increases relate to unbudgeted costs for privileged and confidential legal matters related to a multiyear litigation.
- (i) Variance caused by FY22 software maintenance contract costs paid in-full during July. Variance expected to levelize throughout the year.
- (j) Higher plant revenues due to higher generation.
- (k) Higher revenues due to higher energy prices and higher than budgeted contract energy.
- (l) Increase primarily due to greater than expected spinning and reg up capacity settlements revenue from Hydro plant.
- (m) Increase due primarily to higher than anticipated Western O&M revenue credits and member contract sales.

COMBINED STATEMENTS OF NET POSITION

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

UNAUDITED

	September 30,	
	2021	2020
(in thousands)		
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 68,002	\$ 27,815
Investments	30,760	45,433
Accounts receivable		
Participants	39	1
Other	5,120	6,494
Interest receivable	227	294
Inventory and supplies	6,155	5,937
Prepaid expenses	1,399	735
TOTAL CURRENT ASSETS	111,702	86,709
RESTRICTED ASSETS		
Cash and cash equivalents	60,088	49,170
Investments	174,613	167,967
Interest receivable	535	615
TOTAL RESTRICTED ASSETS	235,236	217,752
ELECTRIC PLANT		
Electric plant in service	1,497,948	1,494,359
Less: accumulated depreciation	(1,055,705)	(1,026,445)
TOTAL ELECTRIC PLANT	442,243	467,914
OTHER ASSETS		
Regulatory assets	202,098	225,867
Preliminary survey and investigation costs	53	2
Investment in associated company	265	265
TOTAL ASSETS	991,597	998,509
DEFERRED OUTFLOWS OF RESOURCES		
Excess cost on refunding of debt	9,061	19,782
Pension and OPEB deferrals	18,099	16,936
Asset retirement obligations	61,853	61,966
TOTAL DEFERRED OUTFLOWS OF RESOURCES	89,013	98,684
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,080,610	\$ 1,097,193

COMBINED STATEMENTS OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

	September 30,	
	2021	2020
	(in thousands)	
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 85,216	\$ 17,607
Member advances	993	993
Operating reserves	24,062	20,677
Current portion of long-term debt	44,860	43,745
Accrued interest payable	7,125	7,601
TOTAL CURRENT LIABILITIES	162,256	90,623
NON-CURRENT LIABILITIES		
Net pension and OPEB liabilities	62,959	63,003
Operating reserves and other deposits	143,282	131,414
Interest rate swap liability	14,575	20,799
Asset retirement obligations	68,521	67,005
Long-term debt, net	521,652	569,251
TOTAL NON-CURRENT LIABILITIES	810,989	851,472
TOTAL LIABILITIES	973,245	942,095
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	87,329	88,060
Pension and OPEB deferrals	2,187	4,737
TOTAL DEFERRED INFLOWS OF RESOURCES	89,516	92,797
NET POSITION		
Net investment in capital assets	(10,017)	(8,116)
Restricted for debt service	23,648	18,373
Unrestricted	4,218	52,044
TOTAL NET POSITION	17,849	62,301
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,080,610	\$ 1,097,193

**COMBINED STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

UNAUDITED

	<u>For the Three Months Ended September 30,</u>	
	<u>2021</u>	<u>2020</u>
	(in thousands)	
OPERATING REVENUES		
Participants	\$ 132,144	\$ 97,035
Other Third-Party	114,139	96,083
TOTAL OPERATING REVENUES	<u>246,283</u>	<u>193,118</u>
OPERATING EXPENSES		
Purchased power	107,070	89,883
Operations	44,552	19,198
Transmission	74,340	32,246
Depreciation	7,629	7,576
Maintenance	6,524	5,496
Administrative and general	4,689	4,087
TOTAL OPERATING EXPENSES	<u>244,804</u>	<u>158,486</u>
NET OPERATING REVENUES	<u>1,479</u>	<u>34,632</u>
NON OPERATING (EXPENSES) REVENUES		
Interest expense	(5,918)	(10,056)
Interest income	(385)	(3,064)
Other	3,358	(384)
TOTAL NON OPERATING EXPENSES	<u>(2,945)</u>	<u>(13,504)</u>
FUTURE RECOVERABLE AMOUNTS	(7,895)	(19)
REFUNDS TO PARTICIPANTS	<u>(418)</u>	<u>800</u>
INCREASE (DECREASE) IN NET POSITION	(9,779)	21,909
NET POSITION, Beginning of year	<u>27,628</u>	<u>40,392</u>
NET POSITION, Period ended	<u>\$ 17,849</u>	<u>\$ 62,301</u>

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS
(000's omitted)

September 30, 2021

	GENERATING & TRANSMISSION RESOURCES									Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission No. One	Purchased Power & Transmission	Associated Member Services	Other Agency	
ASSETS										
CURRENT ASSETS										
Cash and cash equivalents	\$ 1	\$ -	\$ 1	\$ 1	\$ 85	\$ -	\$ -	\$ 81	\$ 67,833	\$ 68,002
Investments	-	-	-	-	-	-	-	-	30,760	30,760
Accounts receivable										
Participants	-	-	-	-	-	-	-	-	39	39
Other	-	-	-	-	-	-	2,469	-	2,651	5,120
Interest receivable	-	-	-	-	-	-	78	-	149	227
Inventory and supplies	1,514	1,572	332	284	2,453	-	-	-	-	6,155
Prepaid expenses	265	369	29	42	255	-	-	24	415	1,399
Due from Agency and other programs*	11,659	604	4,413	7,583	43,507	-	18,982	7,727	(94,475)	-
TOTAL CURRENT ASSETS	13,439	2,545	4,775	7,910	46,300	-	21,529	7,832	7,372	111,702
RESTRICTED ASSETS										
Cash and cash equivalents	2,694	9,930	1	-	8,717	-	19,028	-	19,718	60,088
Investments	27,657	35,755	871	-	29,288	-	19,386	-	61,656	174,613
Interest receivable	84	73	-	-	68	-	-	-	310	535
TOTAL RESTRICTED ASSETS	30,435	45,758	872	-	38,073	-	38,414	-	81,684	235,236
ELECTRIC PLANT										
Electric plant in service	575,507	395,330	64,865	37,224	410,208	7,736	-	905	6,173	1,497,948
Less: accumulated depreciation	(547,028)	(293,025)	(55,535)	(35,142)	(112,556)	(7,736)	-	(646)	(4,037)	(1,055,705)
TOTAL ELECTRIC PLANT	28,479	102,305	9,330	2,082	297,652	-	-	259	2,136	442,243
OTHER ASSETS										
Regulatory assets	(309)	120,663	4,094	-	26,349	-	-	-	51,301	202,098
Preliminary survey and investigation costs	-	-	-	-	-	-	-	53	-	53
Investment in associated company	-	-	-	-	-	-	-	-	265	265
TOTAL ASSETS	72,044	271,271	19,071	9,992	408,374	-	59,943	8,144	142,758	991,597
DEFERRED OUTFLOWS OF RESOURCES										
Excess cost on refunding of debt	758	7,471	(270)	-	1,102	-	-	-	-	9,061
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	18,099	18,099
Asset retirement obligations	61,498	-	166	-	189	-	-	-	-	61,853
TOTAL DEFERRED OUTFLOWS OF RESOURCES	62,256	7,471	(104)	-	1,291	-	-	-	18,099	89,013
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 134,300	\$ 278,742	\$ 18,967	\$ 9,992	\$ 409,665	\$ -	\$ 59,943	\$ 8,144	\$ 160,857	\$ 1,080,610

* Eliminated in Combination

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS
(000's omitted)

September 30, 2021

	GENERATING & TRANSMISSION RESOURCES									Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	
LIABILITIES										
CURRENT LIABILITIES										
Accounts payable and accrued expenses	\$ 336	\$ 246	\$ -	\$ 1	\$ 9,481	\$ -	\$ 69,012	\$ -	\$ 6,140	\$ 85,216
Member advances	791	-	-	-	-	-	-	202	-	993
Operating reserves	2,261	250	617	4,471	16,463	-	-	-	-	24,062
Current portion of long-term debt	4,760	22,855	4,365	-	12,880	-	-	-	-	44,860
Accrued interest payable	48	2,632	69	-	4,376	-	-	-	-	7,125
TOTAL CURRENT LIABILITIES	8,196	25,983	5,051	4,472	43,200	-	69,012	202	6,140	162,256
NON-CURRENT LIABILITIES										
Net pension and OPEB liability	-	-	-	-	-	-	-	-	62,959	62,959
Operating reserves and other deposits	1,500	19,574	-	-	99	-	38,392	2,037	81,680	143,282
Interest rate swap liability	-	14,575	-	-	-	-	-	-	-	14,575
Asset retirement obligations	68,167	-	166	-	188	-	-	-	-	68,521
Long-term debt, net	6,785	210,475	10,737	-	293,655	-	-	-	-	521,652
TOTAL NON-CURRENT LIABILITIES	76,452	244,624	10,903	-	293,942	-	38,392	2,037	144,639	810,989
TOTAL LIABILITIES	84,648	270,607	15,954	4,472	337,142	-	107,404	2,239	150,779	973,245
DEFERRED INFLOWS OF RESOURCES										
Regulatory credits	38,351	3,284	798	2,250	39,885	-	-	281	2,480	87,329
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	2,187	2,187
TOTAL DEFERRED INFLOWS OF RESOURCES	38,351	3,284	798	2,250	39,885	-	-	281	4,667	89,516
NET POSITION										
Net investment in capital assets	5,357	(9,180)	(2,357)	-	(3,837)	-	-	-	-	(10,017)
Restricted for debt service	1,199	12,419	775	-	9,255	-	-	-	-	23,648
Unrestricted	4,745	1,612	3,797	3,270	27,220	-	(47,461)	5,624	5,411	4,218
TOTAL NET POSITION	11,301	4,851	2,215	3,270	32,638	-	(47,461)	5,624	5,411	17,849
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 134,300	\$ 278,742	\$ 18,967	\$ 9,992	\$ 409,665	\$ -	\$ 59,943	\$ 8,144	\$ 160,857	\$ 1,080,610

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS
(000's omitted)**

For the Three Months Ended September 30, 2021										
GENERATING & TRANSMISSION RESOURCES										
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
OPERATING REVENUES										
Participants	\$ 777	\$ 7,709	\$ 2,347	\$ 1,974	\$ 18,596	\$ -	\$ 95,877	\$ 4,720	\$ 144	\$ 132,144
Other Third-Party	13,613	7,671	1,755	1,933	42,499	-	46,301	367	-	114,139
TOTAL OPERATING REVENUES	14,390	15,380	4,102	3,907	61,095	-	142,178	5,087	144	246,283
OPERATING EXPENSES										
Purchased power	237	1,866	96	424	1,164	-	103,283	-	-	107,070
Operations	4,454	948	1,203	676	32,575	-	1,634	3,062	-	44,552
Transmission	129	98	7	5	262	-	73,838	1	-	74,340
Depreciation	940	2,467	555	75	3,538	-	-	11	43	7,629
Maintenance	2,829	1,631	132	760	1,152	-	-	20	-	6,524
Administrative and general	1,639	1,157	161	306	1,493	-	-	1,785	(1,852)	4,689
Intercompany (sales) purchases, net*	(207)	83	15	20	90	-	-	(1)	-	-
TOTAL OPERATING EXPENSES	10,021	8,250	2,169	2,266	40,274	-	178,755	4,878	(1,809)	244,804
NET OPERATING REVENUES	4,369	7,130	1,933	1,641	20,821	-	(36,577)	209	1,953	1,479
NON OPERATING (EXPENSES) REVENUES										
Interest expense	(114)	(2,430)	(17)	-	(3,357)	-	-	-	-	(5,918)
Interest income	10	13	6	11	79	-	137	15	(656)	(385)
Other	799	-	526	-	2,092	-	(307)	25	223	3,358
TOTAL NON OPERATING (EXPENSES) REVENUES	695	(2,417)	515	11	(1,186)	-	(170)	40	(433)	(2,945)
FUTURE RECOVERABLE AMOUNTS	(599)	(3,129)	(709)	-	(3,458)	-	-	-	-	(7,895)
REFUNDS TO PARTICIPANTS	378	(231)	13	(141)	-	-	(172)	(430)	165	(418)
INCREASE (DECREASE) IN NET POSITION	4,843	1,353	1,752	1,511	16,177	-	(36,919)	(181)	1,685	(9,779)
NET POSITION, Beginning of year	6,458	3,498	463	1,759	16,461	-	(10,542)	5,805	3,726	27,628
NET POSITION, Period ended	\$ 11,301	\$ 4,851	\$ 2,215	\$ 3,270	\$ 32,638	\$ -	\$ (47,461)	\$ 5,624	\$ 5,411	\$ 17,849

* Eliminated in Combination

NORTHERN CALIFORNIA POWER AGENCY & ASSOCIATED POWER CORPORATIONS
AGED ACCOUNTS RECEIVABLE
September 30, 2021

<u>Status</u>	<u>Participant / Customer</u>	<u>Description</u>	<u>Amount</u>
CURRENT			\$ 4,866,342
PAST DUE:			
1 - 30			
31 - 60			
61 - 90			
91 - 120			
Over 120 Days	Calpine Geysers Plant Service	Effluent Adj (Mar'18 - Dec'19)	292,665
PARTICIPANT and OTHER RECEIVABLES (net)			<u>\$ 5,159,007</u>

**NORTHERN CALIFORNIA POWER AGENCY
and ASSOCIATED POWER CORPORATIONS**

**Schedule of Disbursements
(Unaudited)**

For the Month of September 2021

Operations:

Geothermal	\$ 1,191,861
Hydroelectric	3,017,851
CT#1 Combustion Turbines	174,283
CT#2 STIG	688,127
Lodi Energy Center	9,621,519
NCPA Operating	<u>63,829,938</u>
Total	<u>\$ 78,523,579</u>

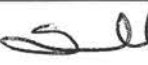


Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Treasurer's Report for Month Ended September 30, 2021

AGENDA CATEGORY: Consent

FROM: Sondra Ainsworth 	METHOD OF SELECTION:
Treasurer-Controller	N/A
Division: Administrative Services	
Department: Accounting & Finance	

IMPACTED MEMBERS:		
All Members <input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power <input type="checkbox"/>	City of Lompoc <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit <input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
City of Biggs <input type="checkbox"/>	City of Redding <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Gridley <input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg <input type="checkbox"/>	City of Santa Clara <input type="checkbox"/>	Other <input type="checkbox"/>
<i>If other, please specify</i>		
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RECOMMENDATION:

Recommending the Northern California Power Agency (NCPA) Commission approve the Treasurer's Report for September 30, 2021.

BACKGROUND:

In compliance with Northern California Power Agency (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 \$16,114,165 of which approximately \$1,694 was applicable to Special and Reserve Fund Deposits, \$3,641 to Debt Service and \$16,108,830 to Operations and other.

The cash balance held at U.S. Bank includes outstanding checks that have not yet cleared. This cash balance is invested nightly in a fully collateralized (U.S. Government Securities) repurchase agreement.

Investments – The carrying value of NCPA's investment portfolio totaled \$317,280,745 at month end. The current market value of the portfolio totaled \$317,861,089.

The overall portfolio had a combined weighted average interest rate of 0.873% with a bond equivalent yield (yield to maturity) of 0.886%. Investments with a maturity greater than one year totaled \$143,958,000. September maturities totaled \$51 million and monthly receipts totaled \$45 million. During the month \$16 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 decreased 2 basis points from 0.05% to 0.03% and rates on one-year T-Bills increased 1 basis point from 0.07% to 0.08%.

To the best of my knowledge and belief, all securities held by NCPA as of September 30, 2021 are in compliance with NCPA's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

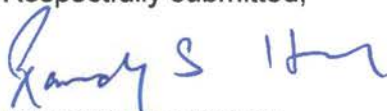
FISCAL IMPACT:

This report has no direct budget impact to NCPA.

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.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachment: Treasurer's Report September 30, 2021

NORTHERN CALIFORNIA POWER AGENCY

TREASURER'S REPORT

SEPTEMBER 30, 2021

TABLE OF CONTENTS

	<u>PAGE</u>
CASH & INVESTMENT BALANCE	1
CASH ACTIVITY SUMMARY	2
INVESTMENT ACTIVITY SUMMARY	3
INTEREST RATE/YIELD ANALYSIS	4
INVESTMENT MATURITIES ANALYSIS	5
DETAIL REPORT OF INVESTMENTS	APPENDIX

**Northern California Power Agency
Treasurer's Report
Cash & Investment Balance
September 30, 2021**

	CASH	INVESTMENTS	TOTAL	PERCENT
NCPA FUNDS				
Operating	\$ 6,472,339	\$ 126,211,610	\$ 132,683,949	39.80%
Special Deposits	4,488,111	-	4,488,111	1.35%
Construction	5,148,380	-	5,148,380	1.54%
Debt Service	3,641	30,662,757	30,666,398	9.20%
Special & Reserve	1,694	160,406,378	160,408,072	48.11%
	\$ 16,114,165	\$ 317,280,745	\$ 333,394,910	100.00%

Portfolio Investments at Market Value

\$ 317,861,089

NOTE A - Investment amounts shown at book carrying value.

**Northern California Power Agency
Treasurer's Report
Cash Activity Summary
September 30, 2021**

	RECEIPTS			EXPENDITURES			CASH INCREASE / (DECREASE)
	OPS/CONSTR	INTEREST (NOTE B)	INVESTMENTS (NOTE A)	OPS/CONSTR	INVESTMENTS (NOTE B)	INTER-COMPANY/ FUND TRANSFERS	
NCPA FUNDS							
Operating	\$ 41,998,287	\$ 121,639	\$ 41,549,097	\$ (42,557,808)	\$ (4,897,393)	\$ (31,966,293)	\$ 4,247,529
Special Deposits	3,327,515	-	-	(30,390,086)	-	27,060,821	(1,750)
Construction	-	-	5,147,000	-	-	-	5,147,000
Debt Service	-	1	328	-	(5,574,991)	5,574,418	(244)
Special & Reserve	-	125,506	4,326,278	-	(5,404,781)	(668,946)	(1,621,943)
	<u>\$ 45,325,802</u>	<u>\$ 247,146</u>	<u>\$ 51,022,703</u>	<u>\$ (72,947,894)</u>	<u>\$ (15,877,165)</u>	<u>\$ -</u>	<u>\$ 7,770,592</u>

NOTE A -Investment amounts shown at book carrying value.

NOTE B -Net of accrued interest purchased on investments.

**Northern California Power Agency
Treasurer's Report
Investment Activity Summary
September 30, 2021**

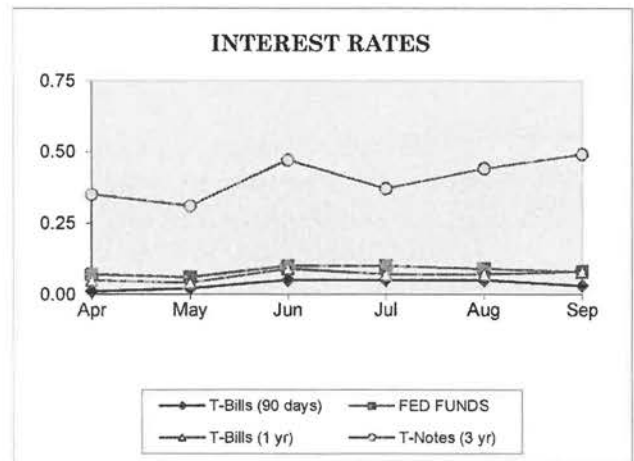
	PURCHASED	SOLD OR MATURED	(NON-CASH)	(NON-CASH)	INVESTMENTS	
			DISC/(PREM) AMORT	GAIN/(LOSS) ON SALE	TRANSFERS	INCREASE / (DECREASE)
NCPA FUNDS						
Operating	\$ 4,897,393	\$ (41,549,097)	\$ 4,974	\$ 21,412	\$ -	\$ (36,625,318)
Special Deposits	-	-	-	-	-	-
Construction	-	(5,147,000)	124	-	-	(5,146,876)
Debt Service	5,574,991	(328)	652	-	-	5,575,315
Special & Reserve	5,404,781	(4,326,278)	(22,917)	-	-	1,055,586
	<u>\$ 15,877,165</u>	<u>\$ (51,022,703)</u>	<u>\$ (17,167)</u>	<u>\$ 21,412</u>	<u>\$ -</u>	<u>\$ (35,141,293)</u>
Less Non- Cash Activity						
Disc/(Prem) Amortization & Gain/(Loss) on Sale						<u>(4,245)</u>
Net Change in Investment --Before Non-Cash Activity						<u><u>\$ (35,145,538)</u></u>

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Interest Rate/Yield Analysis
September 30, 2021**

	WEIGHTED AVERAGE INTEREST RATE	BOND EQUIVALENT YIELD
OVERALL COMBINED	0.873%	0.886%
OPERATING FUNDS:	0.979%	0.908%
PROJECTS:		
Geothermal	1.358%	1.268%
Capital Facilities	0.042%	0.043%
Hydroelectric	0.804%	0.811%
Lodi Energy Center	0.691%	0.563%

KEY INTEREST RATES		
	CURRENT	PRIOR YEAR
Fed Fds (Overnight)	0.08%	0.09%
T-Bills (90da.)	0.03%	0.10%
Agency Disc (90da.)	0.07%	0.09%
T-Bills (1yr.)	0.08%	0.12%
Agency Disc (1yr.)	0.11%	0.15%
T-Notes (3yr.)	0.49%	0.15%



**Northern California Power Agency
Total Portfolio
Investment Maturities Analysis
September 30, 2021**

Type	0-7 Days	8-90 Days	91-180 Days	181-270 Days	271-365 Days	1-5 Years	6-10 Years	Total	Percent
US Government Agencies	\$ -	\$ -	\$ 6,914	\$ 7,675	\$ -	\$ 53,100	\$ 4,572	\$ 72,261	22.37%
Corporate Bonds (MTN)	495	750	4,450	9,105	1,500	54,388	-	70,688	21.88%
Municipal Bonds	-	2,055	-	1,000	-	29,678	1,720	34,453	10.66%
US Bank Trust Money Market	22	-	-	-	-	-	-	22	0.01%
Commercial Paper	-	-	-	-	-	-	-	-	0.01%
Investment Trusts (LAIF)	74,999	-	-	-	-	-	-	74,999	23.20%
Investment Trusts (CAMP)	24,454	-	-	-	-	-	-	24,454	7.57%
U.S.Treasury Market Acct. *	10,174	-	-	-	-	-	-	10,174	3.15%
U.S.Treasury Bill/Note	-	31,966	1,435	509	844	-	-	34,754	10.76%
Certificates of Deposit	10	-	-	-	750	500	-	1,260	0.39%
Total Dollars	\$ 110,154	\$34,771	\$12,799	\$18,289	\$ 3,094	\$137,666	\$6,292	\$ 323,065	100.00%
Total Percents	34.09%	10.76%	3.96%	5.66%	0.96%	42.61%	1.95%	100.00%	

Investments are shown at Face Value, in thousands.

* The cash balance held at US Bank includes outstanding checks that have not yet cleared. This cash balance is invested nightly in a fully collateralized (U.S. Government Securities) repurchase agreement. Cash held by US Bank is invested nightly in fully collateralized U.S. Treasury Securities.

NORTHERN CALIFORNIA POWER AGENCY

Detail Report Of Investments

APPENDIX

Note: **This appendix has been prepared to comply with
Government Code section 53646.**



Northern California Power Agency
 Treasurer's Report
 09/30/2021

Operating

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank, N.A.	USB	0	0.050	07/01/2021	0		1	0.050	0	SYS70101	70101	0
Local Agency Investm	LAIF	33,238,107	0.322		33,238,107		1	0.322	33,238,107	SYS70000	70000	33,238,107
First American Govt.	USBGC	3,656,400	0.002		3,656,400		1	0.002	3,656,400	SYS70014	70014	3,656,400
US Bank	USB	6,472,339	0.001		6,472,339		1	0.001	6,472,339	SYS70050	70050	6,472,339
US Bank	USB	0	0.010	08/24/2017	0		1	0.010	0	SYS70056	70056	0
California Asset Mgm	CMP	24,453,216	0.050	10/19/2018	24,453,216		1	0.050	24,453,216	SYS70070	70070	24,453,216
US Bank	USB	10,000	0.050	07/07/2021	10,000	10/07/2021	6	0.050	10,000	SYS3026	30326	10,000
Procter & Gamble	USBGC	1,000,000	2.300	09/20/2018	975,770	02/06/2022	128	3.060	1,007,260	742718DY2	26673	997,509
Johnson & Johnson	USBGC	1,000,000	2.250	09/20/2018	976,140	03/03/2022	153	2.982	1,007,670	478160CD4	26671	997,082
TD Ameritrade	USBGC	500,000	2.950	05/15/2018	493,385	04/01/2022	182	3.315	504,460	87236YAE8	26601	499,147
PepsiCo Inc.	USBGC	500,000	2.250	03/21/2018	487,005	05/02/2022	213	2.924	504,995	713448DT2	26557	498,149
Apple Inc.	USBGC	1,123,337	2.300	02/01/2018	1,121,966	05/11/2022	222	2.329	1,135,503	037833CQ1	26525	1,123,141
American Honda Finan	USBGC	500,000	2.600	06/12/2018	488,550	11/16/2022	411	3.157	512,390	02665WCA7	26614	497,091
Chevron Corp.	USBGC	500,000	2.355	03/21/2018	485,760	12/05/2022	430	3.008	509,545	166764AB6	26555	496,436
Visa Inc.	USBGC	400,000	2.800	08/03/2018	394,552	12/14/2022	439	3.135	410,504	92826CAC6	26647	398,498
Toyota Motor Credit	USBGC	1,000,000	2.700	08/03/2018	974,760	01/11/2023	467	3.315	1,030,300	89236TEL5	26645	992,734
Exxon Mobil Corporat	USBGC	1,000,000	2.726	08/03/2018	985,450	03/01/2023	516	3.068	1,030,250	30231GAR3	26648	995,497
John Deere Capital C	USBGC	500,000	2.800	06/12/2018	489,875	03/06/2023	521	3.264	517,660	24422ETG4	26613	496,940
Berkshire Hathaway I	USBGC	500,000	2.750	03/21/2018	492,280	03/15/2023	530	3.086	515,585	084670BR8	26554	497,745
United Parcel Servic	USBGC	500,000	2.500	05/15/2018	483,225	04/01/2023	547	3.248	515,730	911312BK1	26600	494,841
United Parcel Servic	USBGC	500,000	2.500	09/21/2018	483,120	04/01/2023	547	3.308	515,730	911312BK1	26677	494,408
Walmart, Inc.	USBGC	500,000	2.550	07/31/2019	507,870	04/11/2023	557	2.104	514,500	931142DH3	26848	503,255
Bank of NY Mellon Co	USBGC	500,000	3.500	05/15/2018	501,265	04/28/2023	574	3.443	524,725	06406RAG2	26602	500,402
Hershey Company	USBGC	500,000	3.375	06/12/2018	503,125	05/15/2023	591	3.236	523,335	427866AZ1	26615	501,029
Commonwealth of Mass	USBGC	500,000	0.508	07/09/2020	500,000	07/01/2023	638	0.507	501,765	57582RF84	27029	500,000
US Bank	USBGC	1,000,000	3.400	08/03/2018	1,000,000	07/24/2023	661	3.399	1,053,440	90331HNV1	26646	1,000,000
Microsoft Corp.	USBGC	1,000,000	2.000	09/20/2018	947,350	08/08/2023	676	3.172	1,029,550	594918BQ6	26672	980,024
JP Morgan	USBGC	500,000	3.875	02/15/2019	514,550	02/01/2024	853	3.561	537,645	46625HJT8	26760	506,843
East Side Union High	USBGC	500,000	0.820	10/29/2020	500,000	08/01/2024	1,035	0.878	500,540	275282PR6	27105	500,000
CA St Dept of Wtr Re	USBGC	600,000	0.560	08/06/2020	600,000	12/01/2024	1,157	0.584	598,434	13067WRB0	27055	600,000
US Bank, N.A.	USBGC	500,000	2.800	02/07/2020	522,560	01/27/2025	1,214	1.846	530,500	90331HMS9	26947	515,074
Federal National Mtg	USBGC	1,000,000	0.570	07/30/2020	1,000,000	01/29/2025	1,216	0.570	998,150	3136G4E74	27043	1,000,000
Federal National Mtg	USBGC	1,000,000	0.710	06/04/2020	1,000,000	06/04/2025	1,342	0.710	998,280	3136G4WA7	27009	1,000,000
State of Louisiana	USBGC	260,000	0.697	02/25/2021	260,000	06/15/2025	1,353	0.730	258,328	546486BV2	27178	260,000
Federal Home Loan Mt	USBGC	500,000	0.700	06/25/2020	500,000	06/25/2025	1,363	0.700	497,915	3134GVR26	27015	500,000
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,369	0.629	496,070	592112UB0	27173	500,000
City of Phoenix AZ	USBGC	500,000	0.959	08/25/2020	500,000	07/01/2025	1,369	0.990	500,645	71884AF20	27058	500,000
Wisconsin Dept Trans	USBGC	500,000	0.774	07/30/2020	500,000	07/01/2025	1,369	0.767	497,800	977123X78	27041	500,000
East Side Union High	USBGC	1,000,000	0.940	10/29/2020	1,000,000	08/01/2025	1,400	0.992	996,110	275282PS4	27106	1,000,000
Federal Farm Credit	USBGC	500,000	0.680	08/04/2020	500,000	08/04/2025	1,403	0.680	498,225	3133EL2U7	27052	500,000



**Northern California Power Agency
Treasurer's Report
09/30/2021**

Operating

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Federal National Mtg	USBGC	1,000,000	0.650	12/21/2020	1,005,200	11/18/2025	1,509	0.542	995,580	3135GA4P3	27137	1,004,376
JP Morgan	USBGC	250,000	0.825	12/22/2020	250,000	12/22/2025	1,543	0.825	238,208	48128GY53	27138	250,000
Toyota Motor Credit	USBGC	500,000	0.700	01/21/2021	500,000	01/20/2026	1,572	0.699	484,775	89236THY4	27149	500,000
Federal Home Loan Ba	USBGC	375,000	0.500	02/25/2021	375,000	02/25/2026	1,608	0.500	371,141	3130AKXX9	27179	375,000
Federal Farm Credit	USBGC	500,000	0.840	03/02/2021	500,000	03/02/2026	1,613	0.840	497,905	3133EMSK9	27196	500,000
Federal Farm Credit	USBGC	1,100,000	0.800	03/09/2021	1,100,000	03/09/2026	1,620	0.800	1,094,885	3133EMSU7	27200	1,100,000
United Health Group	USBGC	500,000	1.150	06/28/2021	501,660	05/15/2026	1,687	1.079	500,360	91324PEC2	27230	501,572
Bank of America Corp	USBGC	1,700,000	1.250	05/28/2021	1,700,000	05/28/2026	1,700	1.250	1,660,407	06048WM31	27225	1,700,000
MassMutual Global Fu	USBGC	500,000	1.200	08/02/2021	503,610	07/16/2026	1,749	1.050	495,455	57629WDE7	27247	503,491
County of Bexar TX	USBGC	100,000	1.272	09/23/2021	100,000	08/15/2026	1,779	1.272	99,096	088518NV3	27273	100,000
Federal Home Loan Ba	USBGC	500,000	0.875	08/17/2021	500,000	08/17/2026	1,781	0.875	496,420	3130ANGX2	27252	500,000
JP Morgan	USBGC	1,000,000	1.150	08/17/2021	1,000,000	08/17/2026	1,781	1.150	986,650	48128G4R8	27251	1,000,000
Bank of America Corp	USBGC	750,000	1.250	08/26/2021	750,000	08/26/2026	1,790	1.250	734,745	06048WN22	27255	750,000
Federal Home Loan Ba	USBGC	630,000	0.900	09/28/2021	630,000	09/28/2026	1,823	0.900	624,280	3130ANXS4	27276	630,000
Fund Total and Average		\$ 98,618,399	0.648		\$ 98,434,090		322	0.698	\$ 98,883,508			\$ 98,590,346

MPP GHG Auction Acct

Local Agency Investm		81,483	0.322		81,483		1	0.322	81,483	SYS70045	70045	81,483
Fund Total and Average		\$ 81,483	0.322		\$ 81,483		1	0.322	\$ 81,483			\$ 81,483

SCPA Balancing Account

Local Agency Investm	LAIF	14,530,348	0.322		14,530,348		1	0.322	14,530,348	SYS70022	70022	14,530,348
First American Govt.	USBGC	10,852	0.002		10,852		1	0.002	10,852	SYS70023	70023	10,852
Microsoft Corp.	USBGC	500,000	2.375	04/04/2018	492,295	02/12/2022	134	2.798	503,160	594918BA1	26574	499,273
TD Ameritrade	USBGC	500,000	2.950	04/03/2018	497,200	04/01/2022	182	3.100	504,460	87236YAE8	26571	499,650
Home Depot Inc.	USBGC	500,000	2.625	04/04/2018	494,290	06/01/2022	243	2.918	506,985	437076BG6	26572	499,085
Public Storage	USBGC	500,000	2.370	04/04/2018	483,705	09/15/2022	349	3.161	509,330	74460DAB5	26573	496,499
Visa Inc.	USBGC	250,000	2.800	07/24/2018	246,975	12/14/2022	439	3.096	256,565	92826CAC6	26632	249,171
Intel Corp	USBGC	500,000	2.700	06/22/2018	492,300	12/15/2022	440	3.070	514,490	458140AM2	26625	497,928
Toyota Motor Credit	USBGC	550,000	2.625	05/09/2018	536,294	01/10/2023	466	3.203	566,110	89233P7F7	26598	546,258
Cisco Systems Inc.	USBGC	500,000	2.600	06/22/2018	487,655	02/28/2023	515	3.170	516,670	17275RBE1	26624	496,288
Berkshire Hathaway I	USBGC	500,000	2.750	05/09/2018	490,280	03/15/2023	530	3.185	515,585	084670BR8	26596	497,083
United Parcel Servc	USBGC	500,000	2.500	06/22/2018	484,780	04/01/2023	547	3.191	515,730	911312BK1	26627	495,219
Nike Inc	USBGC	500,000	2.250	05/09/2018	480,350	05/01/2023	577	3.108	513,180	654106AC7	26597	493,750
Simon Property Group	USBGC	500,000	2.750	07/24/2018	484,725	06/01/2023	608	3.438	516,195	828807DD6	26631	494,754
Pfizer Inc	USBGC	500,000	3.000	06/22/2018	496,550	06/15/2023	622	3.150	522,265	717081DH3	26626	498,819
Memphis Center City	USBGC	500,000	2.948	11/23/2020	550,395	04/01/2025	1,278	0.800	536,650	586145F74	27113	540,496
State of Wisconsin	USBGC	400,000	0.650	03/17/2021	400,000	05/01/2025	1,308	0.649	398,392	97705MUK9	27202	400,000
Arizona Public Servi	USBGC	239,000	3.150	09/25/2020	263,631	05/15/2025	1,322	0.877	255,472	040555CS1	27073	258,233



**Northern California Power Agency
Treasurer's Report
09/30/2021**

SCPA Balancing Account

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
California St Hlth F	USBGC	500,000	0.952	11/04/2020	500,000	06/01/2025	1,339	0.952	500,495	13032UXM5	27110	500,000
City of Baltimore	USBGC	500,000	0.845	12/02/2020	500,000	07/01/2025	1,369	0.932	497,090	059231X39	27125	500,000
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,369	0.610	496,070	592112UB0	27174	500,000
Federal Farm Credit	USBGC	2,045,000	0.530	09/29/2020	2,045,000	09/29/2025	1,459	0.530	2,028,579	3133EMBJ0	27077	2,045,000
Federal Farm Credit	USBGC	2,050,000	0.530	09/29/2020	2,050,000	09/29/2025	1,459	0.530	2,019,906	3133EMBH4	27078	2,050,000
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	1,591	0.699	494,835	037833EB2	27168	500,000
Federal Home Loan Ba	USBGC	500,000	0.520	02/12/2021	499,750	02/12/2026	1,595	0.530	494,020	3130AKWA0	27164	499,782
JP Morgan	USBGC	1,000,000	0.500	02/17/2021	1,000,000	02/17/2026	1,600	0.500	950,180	46632FRV9	27171	1,000,000
Federal Home Loan Ba	USBGC	125,000	0.500	02/25/2021	125,000	02/25/2026	1,608	0.500	123,714	3130AKXX9	27180	125,000
Federal Home Loan Ba	USBGC	1,000,000	0.630	02/26/2021	1,000,000	02/26/2026	1,609	0.630	991,140	3130ALB94	27195	1,000,000
Federal Farm Credit	USBGC	500,000	0.840	03/02/2021	500,000	03/02/2026	1,613	0.840	497,905	3133EMSK9	27197	500,000
Federal Farm Credit	USBGC	1,650,000	0.800	03/09/2021	1,650,000	03/09/2026	1,620	0.800	1,642,328	3133EMSU7	27201	1,650,000
Bank of America Corp	USBGC	500,000	1.200	06/28/2021	500,000	06/25/2026	1,728	1.199	497,140	06048WM64	27227	500,000
MassMutual Global Fu	USBGC	500,000	1.200	08/02/2021	503,610	07/16/2026	1,749	1.050	495,455	57629WDE7	27248	503,491
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	1,790	1.250	48,983	06048WN22	27256	50,000
Fund Total and Average		\$ 33,900,200	0.944		\$ 33,845,985		667	0.979	\$ 33,970,279			\$ 33,926,979

General Operating Reserve

Local Agency Investm	LAIF	19,699,297	0.322		19,699,297		1	0.322	19,699,297	SYS70000	70002	19,699,297
First American Govt.	USBGC	17,508	0.002		17,508		1	0.002	17,508	SYS70019	70019	17,508
US Bank	USB	0	0.000	07/01/2021	0		1	0.000	0	SYS70051	70051	0
California Asset Mgm	CMP	512	0.050	12/14/2018	512		1	0.050	512	SYS70071	70071	512
NYC Transitional F	USBGC	1,555,000	2.900	04/15/2020	1,593,269	11/01/2021	31	1.285	1,558,250	64971Q7F4	26982	1,557,065
Microsoft Corp.	USBGC	400,000	2.375	04/26/2018	391,480	02/12/2022	134	2.972	402,528	594918BA1	26578	399,163
TD Ameritrade	USBGC	500,000	2.950	04/26/2018	492,950	04/01/2022	182	3.335	504,460	87236YAE8	26582	499,103
Apple Inc.	USBGC	4,025,452	2.300	02/01/2018	4,020,538	05/11/2022	222	2.329	4,069,048	037833CQ1	26524	4,024,750
Federal Home Loan Ba	USBGC	3,575,000	2.125	08/28/2017	3,634,560	06/10/2022	252	1.760	3,625,837	313379Q69	26467	3,583,612
PepsiCo Inc.	USBGC	500,000	3.100	04/26/2018	500,310	07/17/2022	289	3.083	509,025	713448CX4	26580	500,058
Visa Inc.	USBGC	500,000	2.800	04/26/2018	492,600	12/14/2022	439	3.145	513,130	92826CAC6	26584	498,079
US Bank, N.A.	USBGC	750,000	2.850	01/30/2019	741,900	01/23/2023	479	3.140	774,285	90331HNL3	26737	747,332
Bank of NY Mellon Co	USBGC	500,000	2.950	04/26/2018	491,790	01/29/2023	485	3.325	516,480	06408RAE7	26575	497,709
Praxair Inc	USBGC	500,000	2.700	04/26/2018	488,350	02/21/2023	508	3.225	513,745	74005PBF0	26581	496,643
Berkshire Hathaway I	USBGC	500,000	2.750	04/26/2018	488,920	03/15/2023	530	3.243	515,585	084670BR8	26576	496,699
United Parcel Servic	USBGC	500,000	2.500	04/26/2018	483,135	04/01/2023	547	3.245	515,730	911312BK1	26583	494,869
Chevron Corp.	USBGC	750,000	2.566	01/30/2019	738,750	05/16/2023	592	2.939	773,633	166764BK5	26740	745,743
Arizona Board of Reg	USBGC	1,785,000	2.011	04/17/2020	1,818,897	06/01/2023	608	1.387	1,834,409	040484VN4	26984	1,803,095
Chevron Corp.	USBGC	500,000	3.191	02/07/2019	507,025	06/24/2023	631	2.847	521,190	166764AH3	26755	502,775
Walmart, Inc.	USBGC	500,000	3.400	02/07/2019	510,960	06/26/2023	633	2.864	525,665	931142EK5	26758	504,338
Montgomery Water Wor	USBGC	2,145,000	1.799	04/17/2020	2,200,234	09/01/2023	700	1.020	2,200,127	613105KV6	26985	2,176,393
Pfizer Inc	USBGC	500,000	3.200	01/30/2019	506,250	09/15/2023	714	2.908	525,880	717081EN9	26738	502,643
Honolulu City and Co	USBGC	1,770,000	2.141	04/17/2020	1,837,189	10/01/2023	730	1.020	1,829,472	4386705V9	26983	1,808,888



Northern California Power Agency
 Treasurer's Report
 09/30/2021

General Operating Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Citibank NA	USBGC	500,000	3.650	02/07/2019	507,490	01/23/2024	844	3.319	533,965	17325FAS7	26756	503,489
JP Morgan	USBGC	500,000	3.875	02/07/2019	515,120	02/01/2024	853	3.535	537,645	46625HJT8	26757	507,080
US Bank, N.A.	USBGC	440,000	3.375	10/31/2019	462,862	02/05/2024	857	2.093	467,702	91159HHV5	26906	452,579
JP Morgan	USBGC	1,000,000	1.514	05/27/2020	1,006,120	06/01/2024	974	1.356	1,016,650	46647PBQ8	27007	1,004,069
East Side Union High	USBGC	565,000	0.820	10/29/2020	565,000	08/01/2024	1,035	0.820	565,610	275282PR6	27107	565,000
Honolulu City and Co	USBGC	1,500,000	1.832	04/13/2020	1,522,710	08/01/2024	1,035	1.058	1,547,790	438687KT1	26980	1,514,964
California State Uni	USBGC	250,000	0.685	09/17/2020	250,000	11/01/2024	1,127	0.665	249,860	13077DMK5	27072	250,000
JP Morgan	USBGC	1,500,000	2.300	11/27/2019	1,500,000	11/27/2024	1,153	2.386	1,500,645	48128GM49	26912	1,500,000
Federal Home Loan Ba	USBGC	1,820,000	2.750	03/25/2020	1,981,288	12/13/2024	1,169	0.830	1,945,598	3130A3GEB	26962	1,929,425
US Bank, N.A.	USBGC	500,000	2.800	02/07/2020	522,560	01/27/2025	1,214	1.846	530,500	90331HMS9	26951	515,074
W W Grainger Inc.	USBGC	500,000	1.850	04/30/2020	516,000	02/15/2025	1,233	1.161	515,345	384802AE4	27000	511,260
W W Grainger Inc.	USBGC	500,000	1.850	05/21/2020	514,500	02/15/2025	1,233	1.217	515,345	384802AE4	27005	510,330
Memphis Center City	USBGC	500,000	2.948	11/23/2020	550,395	04/01/2025	1,278	0.600	536,650	586145F74	27114	540,496
Tulsa County OK Ind.	USBGC	1,000,000	1.500	05/26/2020	1,016,450	04/01/2025	1,278	1.038	1,023,910	899559QD3	27006	1,011,878
City of Huntsville A	USBGC	515,000	2.750	11/06/2020	560,351	05/01/2025	1,308	0.750	553,270	447025A56	27112	551,225
Arizona Public Servi	USBGC	264,000	3.150	09/25/2020	291,208	05/15/2025	1,322	0.877	282,195	040555CS1	27074	285,245
Honeywell Internatio	USBGC	1,000,000	1.350	06/03/2020	1,023,560	06/01/2025	1,339	0.866	1,016,370	438516CB0	27008	1,017,297
County of Jasper IA	USBGC	420,000	2.350	06/11/2020	443,558	06/01/2025	1,339	1.299	434,675	471376FJ7	27011	437,372
Precision Castparts	USBGC	1,500,000	3.250	06/25/2020	1,667,985	06/15/2025	1,353	1.033	1,613,580	740189AM7	27017	1,625,191
JP Morgan	USBGC	750,000	1.050	06/23/2020	750,000	06/23/2025	1,361	1.050	732,045	48128GU40	27024	750,000
Federal Home Loan Mt	USBGC	500,000	0.700	06/25/2020	500,000	06/25/2025	1,363	0.700	497,915	3134GVR26	27016	500,000
City of Baltimore	USBGC	500,000	0.845	12/02/2020	500,000	07/01/2025	1,369	0.845	497,090	059231X39	27126	500,000
Wisconsin Dept Trans	USBGC	500,000	0.774	07/30/2020	500,000	07/01/2025	1,369	0.774	497,800	977123X78	27042	500,000
East Side Union High	USBGC	815,000	0.940	10/29/2020	815,000	08/01/2025	1,400	0.940	811,830	275282PS4	27108	815,000
Federal Farm Credit	USBGC	500,000	0.680	08/04/2020	500,000	08/04/2025	1,403	0.680	498,225	3133EL2U7	27053	500,000
Federal National Mtg	USBGC	1,000,000	0.600	08/18/2020	1,000,000	08/18/2025	1,417	0.600	995,700	3136G4G72	27056	1,000,000
Federal National Mtg	USBGC	1,000,000	0.600	08/26/2020	1,000,000	08/26/2025	1,425	0.600	994,760	3136G4X32	27060	1,000,000
Federal Agricultural	USBGC	1,000,000	0.570	09/17/2020	1,000,000	09/17/2025	1,447	0.570	989,570	31422BV23	27071	1,000,000
Federal Farm Credit	USBGC	2,000,000	0.530	09/29/2020	2,000,000	09/29/2025	1,459	0.530	1,970,640	3133EMBH4	27079	2,000,000
Federal Farm Credit	USBGC	1,720,000	0.530	09/29/2020	1,720,000	09/29/2025	1,459	0.530	1,706,188	3133EMBJ0	27080	1,720,000
Federal Home Loan Ba	USBGC	1,000,000	0.520	09/29/2020	1,000,000	09/29/2025	1,459	0.520	991,710	3130AKAZ9	27081	1,000,000
Federal Home Loan Mt	USBGC	500,000	0.540	10/27/2020	500,000	10/27/2025	1,487	0.540	493,755	3134GW4Z6	27104	500,000
Bank of America Corp	USBGC	1,000,000	0.650	11/25/2020	1,000,000	11/25/2025	1,516	0.798	980,680	06048WK41	27122	1,000,000
Federal Farm Credit	USBGC	500,000	0.560	12/01/2020	500,000	12/01/2025	1,522	0.560	496,055	3133EMJC7	27124	500,000
Guardian Life	USBGC	1,520,000	0.875	05/05/2021	1,507,384	12/10/2025	1,531	1.060	1,502,444	40139LBC6	27223	1,508,497
JP Morgan	USBGC	250,000	0.825	12/22/2020	250,000	12/22/2025	1,543	0.825	238,208	48128GY53	27139	250,000
Federal National Mtg	USBGC	500,000	0.640	12/30/2020	501,000	12/30/2025	1,551	0.599	496,830	3135G06Q1	27141	500,849
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	1,591	0.699	494,835	037833EB2	27169	500,000
JP Morgan	USBGC	1,000,000	0.500	02/17/2021	1,000,000	02/17/2026	1,600	0.500	950,180	46632FRV9	27172	1,000,000
Charles Schwab Corp	USBGC	630,000	0.900	04/30/2021	625,407	03/11/2026	1,622	1.054	624,437	808513BF1	27220	625,803
Federal Home Loan Ba	USBGC	1,000,000	0.790	03/25/2021	997,500	03/16/2026	1,627	0.841	994,930	3130ALEL4	27203	997,760
Federal Home Loan Ba	USBGC	1,000,000	1.010	03/30/2021	1,000,000	03/30/2026	1,641	1.010	998,890	3130ALTT1	27213	1,000,000



Northern California Power Agency
 Treasurer's Report
 09/30/2021

General Operating Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Oregon State Dept o	USBGC	500,000	1.119	04/27/2021	500,000	04/01/2026	1,643	1.119	500,305	68607V2Q7	27216	500,000
Federal Home Loan Ba	USBGC	500,000	0.625	04/21/2021	500,000	04/21/2026	1,663	1.084	501,565	3130ALXR0	27215	500,000
United Health Group	USBGC	550,000	1.150	06/28/2021	551,826	05/15/2026	1,687	1.079	550,396	91324PEC2	27232	551,729
Bank of America Corp	USBGC	1,108,000	1.250	05/28/2021	1,108,000	05/28/2026	1,700	1.250	1,082,195	06048WM31	27226	1,108,000
Bank of America Corp	USBGC	1,250,000	1.200	06/28/2021	1,250,000	06/25/2026	1,728	1.199	1,242,850	06048WM64	27228	1,250,000
MassMutual Global Fu	USBGC	1,000,000	1.200	08/02/2021	1,007,220	07/16/2026	1,749	1.050	990,910	57629WDE7	27249	1,006,981
Fund Total and Average		\$ 80,839,769	1.396		\$ 81,656,918		793	1.133	\$ 81,656,039			\$ 81,372,887
GRAND TOTALS:		\$ 213,439,851	0.979		\$ 214,018,476		566	0.908	\$ 214,591,309.			\$ 213,971,695

*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 09/30/2021

Callable Dates:

Inv #		Inv #		Inv #	
26846	USB 6/23/2023	27060	FNMA Quarterly	27172	JPM Quarterly starting 2/17/2023
26848	WMT 1/11/2023	27071	FAMC Semi-annually	27178	LOUIS Anytime
26906	USBANK 1/5/2024	27072	CASHGR Anytime	27179	FHLB 2/25/2022
26912	JPM Quarterly starting 11/27/2021	27077	FFCB Anytime	27180	FHLB 2/25/2022
26947	USBANK Anytime starting 12/27/2024	27078	FFCB Anytime	27180	FFCB Anytime
26951	USBANK Anytime starting 12/27/2024	27079	FFCB Anytime	27195	FHLB Quarterly
26960	FFCB Anytime	27080	FFCB Anytime	27196	FFCB Anytime
26980	HON Anytime	27081	FHLB Anytime	27197	FFCB Anytime
26982	NYCGEN Anytime	27104	FHLMC Annually starting 10/27/2022	27200	FFCB Anytime starting 3/9/2023
26983	HON Anytime	27110	CASMED Anytime	27201	FFCB Anytime starting 3/9/2023
26984	AZSHGR Anytime	27113	MEMGEN Anytime	27202	WIS Anytime
27007	JPM 6/1/2023 and then starting on 5/1/2024	27114	MEMGEN Anytime	27203	FHLB Quarterly
27009	FNMA Quarterly	27122	BAC 11/25/2021	27213	FHLB Quarterly
27011	JAS 6/1/2024	27124	FFCB Anytime starting 12/1/2022	27215	FHLB 4/21/2023 only
27015	FHLMC Annually	27125	BALGEN Anytime	27216	ORSGEN Anytime
27016	FHLMC Annually	27126	BALGEN Anytime	27220	SCHW 2/11/2026
27024	JPM Quarterly starting 6/23/2024	27137	FNMA Annually starting 11/18/2022	27225	BAC Semi-annually starting 05/28/2022
27029	MAS Anytime	27138	JPM Quarterly starting 12/22/2023	27226	BAC Semi-annually starting 05/28/2022
27041	WISTRN Anytime	27139	JPM Quarterly starting 12/22/2023	27227	BAC Semi-annually starting 06/25/2022
27042	WISTRN Anytime	27141	FNMA Quarterly starting 12/30/2021	27228	BAC Semi-annually starting 06/25/2022
27043	FNMA Quarterly	27149	TOY 1/20/2025 and 7/20/2025	27251	JPM Annually starting 8/17/2023
27052	FFCB Anytime	27164	FHLB Anytime	27252	FHLB Quarterly starting 8/17/2022
27053	FFCB Anytime	27168	APPL Anytime starting 1/8/2026	27255	BAC Semi-annually starting 08/26/2022
27055	CASWTR Anytime	27169	APPL Anytime starting 1/8/2026	27256	BAC Semi-annually starting 08/26/2022
27056	FNMA Quarterly starting 8/18/2022	27171	JPM Quarterly starting 2/17/2023	27276	FHLB Callable quarterly starting 9/28/2022
27058	PHOGEN Anytime				



Northern California Power Agency
Treasurer's Report
09/30/2021

Geo 2012A Debt Service

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
U.S. Treasury	USBT	126,000	0.030	07/23/2021	125,983	12/30/2021	90	0.030	125,987	912796A90	27235	125,991
U.S. Treasury	USBT	124,000	0.030	08/27/2021	123,987	12/30/2021	90	0.030	123,988	912796A90	27260	123,991
U.S. Treasury	USBT	124,000	0.019	09/28/2021	123,993	01/04/2022	95	0.020	123,990	912796Q51	27277	123,993
Fund Total and Average		\$ 374,000	0.027		\$ 373,963		92	0.027	\$ 373,965			\$ 373,976

Geo 2016A Debt Service

U.S. Treasury	USBT	290,000	0.030	07/23/2021	289,961	12/30/2021	90	0.030	289,971	912796A90	27236	289,978
U.S. Treasury	USBT	290,000	0.030	08/27/2021	289,970	12/30/2021	90	0.030	289,971	912796A90	27261	289,978
U.S. Treasury	USBT	289,000	0.019	09/28/2021	288,984	01/04/2022	95	0.020	288,977	912796Q51	27278	288,985
Fund Total and Average		\$ 869,000	0.027		\$ 868,915		92	0.027	\$ 868,919			\$ 868,941

Geothermal Special Reserve

First American Govt.	USBGC	5,000	0.002		5,000		1	0.002	5,000	SYS70015	70015	5,000
Federal National Mtg	USBGC	1,495,000	0.500	02/16/2021	1,497,796	11/07/2025	1,498	0.460	1,475,640	3135G06G3	27167	1,497,426
Fund Total and Average		\$ 1,500,000	0.498		\$ 1,502,796		1493	0.458	\$ 1,480,640			\$ 1,502,426

Geo Decommissioning Reserve

Local Agency Investm	LAIF	150,641	0.322		150,641		1	0.322	150,641	SYS70027	70027	150,641
First American Govt.	USBGC	2,846	0.002		2,846		1	0.002	2,846	SYS70034	70034	2,846
PNC Bank NA	USBGC	750,000	2.550	03/15/2018	735,450	12/09/2021	69	3.103	751,763	69353REY0	26553	749,264
Apple Inc.	USBGC	861,211	2.300	11/29/2017	860,117	05/11/2022	222	2.329	870,538	037833CQ1	26499	861,061
University of Califo	USBGC	1,000,000	2.312	04/30/2020	1,024,800	05/15/2022	226	1.080	1,012,630	91412G2T1	27001	1,007,558
Wells Fargo Bank	USBGC	250,000	3.150	08/30/2018	250,000	08/30/2022	333	3.154	257,020	949763TL0A	30311	250,000
Great North Bank	USBGC	250,000	3.050	08/31/2018	250,000	08/31/2022	334	3.051	256,788	39103QAF3A	30310	250,000
Discover Bank	USBGC	250,000	3.150	09/06/2018	250,000	09/06/2022	340	3.152	257,138	254673TM8A	30313	250,000
John Deere Capital C	USBGC	750,000	2.800	03/15/2018	739,748	01/27/2023	483	3.104	774,960	24422ERT8	26550	747,215
Bank of NY Mellon Co	USBGC	750,000	2.950	03/15/2018	740,610	01/29/2023	485	3.229	774,720	06406RAE7	26549	747,441
Crook County School	USBGC	355,000	1.563	05/07/2020	356,211	06/15/2023	622	1.450	360,552	227183DH0	27003	355,665
Solano County CCD	USBGC	385,000	5.500	04/09/2020	434,938	08/01/2023	669	1.471	420,262	83412PCN0	26978	412,650
Enerbank USA	USBGC	250,000	3.200	08/30/2018	250,000	08/30/2023	698	3.203	263,668	29278TCP3A	30309	250,000
Citibank NA	USBGC	250,000	3.300	09/07/2018	250,000	09/07/2023	706	3.301	264,250	17312QS34A	30314	250,000
Federal Farm Credit	USBGC	1,590,000	0.875	04/08/2020	1,590,000	04/08/2024	920	0.875	1,594,516	3133ELVX9	26976	1,590,000
Sacramento Suburban	USBGC	330,000	3.480	04/09/2020	349,473	11/01/2024	1,127	1.846	345,230	78607QAY1	26977	343,164
W W Grainger Inc.	USBGC	425,000	1.850	04/30/2020	438,600	02/15/2025	1,233	1.161	438,043	384802AE4	27002	434,571
California St Hlth F	USBGC	500,000	0.952	11/04/2020	500,000	06/01/2025	1,339	0.952	500,495	13032LUXM5	27111	500,000
Federal National Mtg	USBGC	1,000,000	0.710	06/04/2020	1,000,000	06/04/2025	1,342	0.710	998,280	3136G4WA7	27010	1,000,000



**Northern California Power Agency
Treasurer's Report
09/30/2021**

Geo Decommissioning Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Houston Airport Sys	USBGC	750,000	1.372	10/20/2020	750,000	07/01/2025	1,369	1.372	761,220	442349EM4	27102	750,000
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,369	0.610	496,070	592112UB0	27175	500,000
East Side Union High	USBGC	1,000,000	0.940	10/29/2020	1,000,000	08/01/2025	1,400	0.940	996,110	275282PS4	27109	1,000,000
Federal Home Loan Mt	USBGC	1,000,000	0.540	09/15/2020	1,000,000	09/15/2025	1,445	0.540	988,720	3134GWL38	27070	1,000,000
Federal Farm Credit	USBGC	565,000	0.530	09/29/2020	565,000	09/29/2025	1,459	0.530	556,706	3133EMBH4	27082	565,000
Federal Home Loan Mt	USBGC	1,500,000	0.530	10/15/2020	1,500,000	10/15/2025	1,475	0.530	1,480,695	3134GWY34	27101	1,500,000
Guardian Life	USBGC	505,000	0.875	05/05/2021	500,809	12/10/2025	1,531	1.060	499,167	40139LBC6	27224	501,178
Apple Inc.	USBGC	1,000,000	0.700	02/08/2021	1,000,000	02/08/2026	1,591	0.700	989,670	037833EB2	27162	1,000,000
Federal Farm Credit	USBGC	500,000	0.840	03/02/2021	500,000	03/02/2026	1,613	0.840	497,905	3133EMSK9	27198	500,000
JP Morgan	USBGC	500,000	1.200	04/30/2021	500,000	04/30/2026	1,672	1.200	491,215	48128G3G3	27218	500,000
Bank of America Corp	USBGC	750,000	1.200	06/28/2021	750,000	06/25/2026	1,728	1.199	745,710	06048WM64	27229	750,000
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	1,790	1.250	48,983	06048WN22	27258	50,000
New York City Genera	USBGC	585,000	2.040	04/30/2021	583,204	03/01/2030	3,073	2.078	586,468	64966QUX6	27219	583,289
Federal Home Loan Ba	USBGC	1,000,000	1.000	02/10/2021	1,000,000	02/10/2031	3,419	1.360	967,670	3130AKX76	27163	1,000,000
Federal Agricultural	USBGC	972,000	1.460	02/18/2021	972,000	02/18/2031	3,427	1.460	956,895	31422XAU6	27177	972,000
Federal Agricultural	USBGC	600,000	1.460	07/30/2021	598,800	02/18/2031	3,427	1.482	590,676	31422XAU6	27246	598,821
Federal Home Loan Ba	USBGC	2,000,000	1.740	07/29/2021	2,006,440	07/29/2031	3,588	1.704	1,966,060	3130AN7G9	27245	2,006,329
Marin Community Coll	USBGC	500,000	1.710	09/14/2021	506,610	08/01/2031	3,591	1.565	490,940	56781RKZ9	27272	506,578
County of Bexar TX	USBGC	385,000	2.134	09/23/2021	385,000	08/15/2031	3,605	2.134	382,247	088518PA7	27274	385,000
County of Bexar TX	USBGC	250,000	2.134	09/23/2021	250,000	08/15/2031	3,605	2.134	248,213	088518NH4	27275	250,000
Fund Total and Average		\$ 25,011,698	1.562		\$ 25,091,297		1658	1.459	\$ 25,036,680			\$ 25,070,271

Geo 2012A DSR Account

U.S. Treasury	USBT	1,622,000	0.020	09/28/2021	1,621,943	11/30/2021	60	0.020	1,621,886	912796N88	27286	1,621,946
Fund Total and Average		\$ 1,622,000	0.020		\$ 1,621,943		60	0.020	\$ 1,621,886			\$ 1,621,946
GRAND TOTALS:		\$ 29,376,698	1.358		\$ 29,458,914		1496	1.268	\$ 29,381,090.			\$ 29,437,559

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Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 09/30/2021

Callable Dates:

Inv #	Issuer	Start Date	Inv #	Issuer	Start Date
26976	FFCB	Anytime starting 4/8/2022	27163	FHLB	Quarterly
26977	SCRWTR	Anytime	27177	FAMC	Semi-annually starting 2/18/2022
27001	UNVHGR	Anytime	27198	FFCB	Anytime
27010	FNMA	Quarterly	27218	JPM	Annually starting 4/30/2023
27070	FHLMC	Quarterly starting 9/15/2022	27219	NYC	Anytime
27082	FFCB	Anytime	27229	BAC	Semi-annually starting 6/25/2022
27101	FHLMC	Annually starting 10/15/2021	27245	FHLB	Anytime starting 7/9/2022
27111	CASMED	Anytime	27246	FAMC	Semi-annually starting 2/18/2022
27162	APPL	Anytime starting 1/8/2026	27258	BAC	Semi-annually starting 8/26/2022



Northern California Power Agency
 Treasurer's Report
 09/30/2021

Cap Facilities 2019A Debt Svc

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank Trust	USBT	1,086	0.010		1,086		1	0.010	1,086	SYS79017	79017	1,086
U.S. Treasury	USBT	423,000	0.045	08/27/2021	422,830	07/14/2022	286	0.045	422,763	912796K57	27265	422,849
U.S. Treasury	USBT	421,000	0.040	09/28/2021	420,865	07/14/2022	286	0.040	420,764	912796K57	27282	420,866
Fund Total and Average		\$ 845,086	0.042		\$ 844,781		286	0.043	\$ 844,613			\$ 844,801
GRAND TOTALS:		\$ 845,086	0.042		\$ 844,781		286	0.043	\$ 844,613.			\$ 844,801

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Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 09/30/2021



Northern California Power Agency
Treasurer's Report
09/30/2021

Capital Dev. Reserve Hydro

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm	LAIF	5,656,228	0.322		5,656,228		1	0.322	5,656,228	SYS70028	70028	5,656,228
First American Govt.	USBGC	0	0.002		0		1	0.002	0	SYS70031	70031	0
Branch Banking & Tru	USBGC	500,000	2.625	06/13/2018	488,420	01/15/2022	106	3.314	502,445	07330NAQ8	26618	499,068
Exxon Mobil Corporat	USBGC	500,000	2.397	06/13/2018	490,350	03/06/2022	156	2.946	502,830	30231GAJ1	26621	498,886
US Bank	USBGC	550,000	3.000	08/10/2018	546,607	03/15/2022	165	3.182	555,682	91159HHC7	26651	549,570
Public Storage	USBGC	500,000	2.370	03/14/2018	485,770	09/15/2022	349	3.051	509,330	74460DAB5	26546	496,980
Visa Inc.	USBGC	500,000	2.800	03/14/2018	494,470	12/14/2022	439	3.051	513,130	92826CAC6	26547	498,600
Toyota Motor Credit	USBGC	500,000	2.700	06/13/2018	489,100	01/11/2023	467	3.215	515,150	89236TEL5	26619	496,958
United Parcel Servc.	USBGC	500,000	2.500	06/13/2018	484,900	04/01/2023	547	3.182	515,730	911312BK1	26620	495,281
Colgate-Palmolive Co	USBGC	550,000	2.100	08/09/2018	528,660	05/01/2023	577	2.985	564,977	19416QEC0	26652	542,853
J Paul Getty Trust	USBGC	1,000,000	0.391	01/28/2021	1,000,000	01/01/2024	822	0.401	995,840	374288AB4	27161	1,000,000
Nashville Met Gov	USBGC	250,000	1.030	12/17/2020	250,000	08/01/2024	1,035	1.029	251,385	592090GB4	27134	250,000
California Infra & E	USBGC	100,000	0.645	12/17/2020	100,000	10/01/2024	1,096	0.683	99,919	13034AL57	27135	100,000
Walmart, Inc.	USBGC	500,000	2.650	02/07/2020	520,975	12/15/2024	1,171	1.744	530,530	931142DV2	26950	513,847
Bank of NY Mellon Co	USBGC	545,000	1.600	04/30/2021	561,197	04/24/2025	1,301	0.839	557,094	06406RAN7	27221	559,492
Federal Agricultural	USBGC	500,000	0.675	05/19/2020	500,000	05/19/2025	1,326	0.675	499,510	31422BA26	27004	500,000
Nashville Met Gov	USBGC	250,000	1.230	12/17/2020	250,000	08/01/2025	1,400	1.229	251,365	592090GC2	27133	250,000
City of El Paso TX	USBGC	500,000	4.346	12/07/2020	553,420	08/15/2025	1,414	1.950	534,145	283734TC5	27131	544,116
Federal National Mtg	USBGC	440,000	0.600	08/26/2020	440,000	08/26/2025	1,425	0.600	437,694	3136G4X32	27059	440,000
California Infra & E	USBGC	130,000	0.765	12/17/2020	130,000	10/01/2025	1,461	0.765	129,198	13034AL65	27132	130,000
Bank of America Corp	USBGC	1,000,000	0.650	11/25/2020	1,000,000	11/25/2025	1,516	0.798	980,680	06048WK41	27121	1,000,000
Federal National Mtg	USBGC	500,000	0.650	12/17/2020	500,850	12/10/2025	1,531	0.615	496,025	3135G06J7	27136	500,715
JP Morgan	USBGC	500,000	0.825	12/22/2020	500,000	12/22/2025	1,543	0.825	476,415	48128GY53	27140	500,000
Federal National Mtg	USBGC	500,000	0.640	01/06/2021	501,550	12/30/2025	1,551	0.576	496,830	3135G06Q1	27148	501,321
Federal Home Loan Ba	USBGC	500,000	0.520	02/12/2021	499,750	02/12/2026	1,595	0.530	494,020	3130AKWA0	27165	499,782
Federal Home Loan Ba	USBGC	500,000	0.500	02/25/2021	500,000	02/25/2026	1,608	0.500	494,855	3130AKXX9	27181	500,000
Federal Home Loan Ba	USBGC	500,000	0.625	04/21/2021	500,000	04/21/2026	1,663	1.084	501,565	3130ALXR0	27214	500,000
United Health Group	USBGC	500,000	1.150	06/28/2021	501,660	05/15/2026	1,687	1.082	500,360	91324PEC2	27231	501,572
Federal Home Loan Ba	USBGC	500,000	0.875	08/17/2021	500,000	08/17/2026	1,781	0.875	496,420	3130ANGX2	27253	500,000
Federal Home Loan Ba	USBGC	500,000	1.050	08/24/2021	500,000	08/24/2026	1,788	0.967	499,385	3130ANFT2	27254	500,000
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	1,790	1.250	48,983	06048WN22	27257	50,000
Fund Total and Average		\$ 19,521,228	1.162		\$ 19,523,907		794	1.179	\$ 19,607,720			\$ 19,575,269

Hydro Debt Service

U.S. Treasury	USBT	7,871,000	0.030	07/23/2021	7,869,951	12/30/2021	90	0.030	7,870,213	912796A90	27237	7,870,410
U.S. Treasury	USBT	614,000	0.030	08/27/2021	613,936	12/30/2021	90	0.030	613,939	912796A90	27262	613,954
U.S. Treasury	USBT	613,000	0.019	09/28/2021	612,967	01/04/2022	95	0.020	612,951	912796Q51	27279	612,968
Fund Total and Average		\$ 9,098,000	0.029		\$ 9,096,854		90	0.030	\$ 9,097,103			\$ 9,097,332



**Northern California Power Agency
Treasurer's Report
09/30/2021**

Hydro 2018A Debt Service

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Hydro 2018A Debt Service												
U.S. Treasury	USBT	1,147,000	0.029	07/23/2021	1,146,847	12/30/2021	90	0.030	1,146,885	912796A90	27238	1,146,914
U.S. Treasury	USBT	1,145,000	0.030	08/27/2021	1,144,881	12/30/2021	90	0.030	1,144,886	912796A90	27263	1,144,914
U.S. Treasury	USBT	1,146,000	0.019	09/28/2021	1,145,938	01/04/2022	95	0.020	1,145,908	912796Q51	27280	1,145,940
Fund Total and Average		\$ 3,438,000	0.027		\$ 3,437,666		92	0.027	\$ 3,437,679			\$ 3,437,768

Hydro 2019A Debt Service

U.S. Treasury	USBT	814,000	0.029	07/23/2021	813,891	12/30/2021	90	0.030	813,919	912796A90	27239	813,939
U.S. Treasury	USBT	813,000	0.030	08/27/2021	812,915	12/30/2021	90	0.030	812,919	912796A90	27264	812,939
U.S. Treasury	USBT	814,000	0.020	09/28/2021	813,956	01/04/2022	95	0.020	813,935	912796Q51	27281	813,957
Fund Total and Average		\$ 2,441,000	0.027		\$ 2,440,762		92	0.027	\$ 2,440,773			\$ 2,440,835

Hydro 2012A Rebate Account

U.S. Treasury	USBT	747,000	0.035	08/27/2021	746,874	02/17/2022	139	0.035	746,866	912796L80	27269	746,899
Fund Total and Average		\$ 747,000	0.035		\$ 746,874		139	0.035	\$ 746,866			\$ 746,899

Hydro Special Reserve

First American Govt.	USBGC	5,000	0.002		5,000		1	0.002	5,000	SYS70016	70016	5,000
Federal National Mtg	USBGC	1,495,000	0.500	02/16/2021	1,497,796	11/07/2025	1,498	0.460	1,475,640	3135G06G3	27166	1,497,426
Fund Total and Average		\$ 1,500,000	0.498		\$ 1,502,796		1493	0.458	\$ 1,480,640			\$ 1,502,426

Hydro 2012 DSRA

Federal Home Loan Mt	USB	3,928,000	2.375	02/09/2012	3,926,232	01/13/2022	104	2.380	3,953,689	3137EADB2	25852	3,927,950
U.S. Treasury	USBT	387,000	0.030	04/28/2021	386,892	03/24/2022	174	0.030	386,911	912796F38	27217	386,943
U.S. Treasury	USBT	301,000	0.020	07/23/2021	300,959	03/24/2022	174	0.020	300,931	912796F38	27243	300,971
Fund Total and Average		\$ 4,616,000	2.025		\$ 4,614,083		114	2.029	\$ 4,641,531			\$ 4,615,864
GRAND TOTALS:		\$ 41,361,228	0.804		\$ 41,362,942		477	0.811	\$ 41,452,312			\$ 41,416,393

*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 09/30/2021

Callable Dates:

Inv #		27132	FFCB	Anytime	27181	FHLB	2/25/2022 only
26950	WMT	Anytime starting 10/15/2024	27135	CASDEV	27214	FHLB	4/21/2023 only
27004	FAMCA	Semi-annually starting 5/19/2022	27136	FNMA	27221	BK	3/24/2025
27059	FNMA	Quarterly	27140	JPM	27253	FHLB	Quarterly starting 8/17/2022
27121	BAC	11/25/2021 only	27161	JPGETY	27254	FHLB	Monthly
27131	ELPASO	Callable annually starting 8/15/2023	27165	FHLB	27257	BAC	Semi-annually starting 8/26/2022



**Northern California Power Agency
Treasurer's Report
09/30/2021**

LEC GHG Auction Acct

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		85,145	0.322		85,145		1	0.322	85,145	SYS70046	70046	85,145
Fund Total and Average		\$ 85,145	0.322		\$ 85,145		1	0.322	\$ 85,145			\$ 85,145

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	119	0.010		119		1	0.010	119	SYS79004	79004	119
U.S. Treasury	USBT	4,988,000	0.030	07/23/2021	4,987,476	11/26/2021	56	0.030	4,987,701	912796H77	27240	4,987,767
U.S. Treasury	USBT	722,000	0.035	08/27/2021	721,936	11/26/2021	56	0.035	721,957	912796H77	27266	721,961
U.S. Treasury	USBT	721,000	0.019	09/28/2021	720,975	11/30/2021	60	0.020	720,950	912796N88	27283	720,976
Fund Total and Average		\$ 6,431,119	0.029		\$ 6,430,506		56	0.030	\$ 6,430,727			\$ 6,430,823

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	610	0.010		610		1	0.010	610	SYS79012	79012	610
U.S. Treasury	USBT	2,940,000	0.030	07/23/2021	2,939,691	11/26/2021	56	0.030	2,939,824	912796H77	27241	2,939,863
U.S. Treasury	USBT	780,000	0.035	08/27/2021	779,931	11/26/2021	56	0.035	779,953	912796H77	27267	779,958
U.S. Treasury	USBT	780,000	0.020	09/28/2021	779,973	11/30/2021	60	0.020	779,945	912796N88	27284	779,974
Fund Total and Average		\$ 4,500,610	0.029		\$ 4,500,205		57	0.030	\$ 4,500,332			\$ 4,500,405

LEC Issue#1 2017A DS Fund

U.S. Treasury	USBT	1,334,000	0.030	07/23/2021	1,333,860	11/26/2021	56	0.030	1,333,920	912796H77	27242	1,333,938
U.S. Treasury	USBT	667,000	0.034	08/27/2021	666,941	11/26/2021	56	0.035	666,960	912796H77	27268	666,964
U.S. Treasury	USBT	667,000	0.019	09/28/2021	666,977	11/30/2021	60	0.020	666,953	912796N88	27285	666,978
Fund Total and Average		\$ 2,668,000	0.029		\$ 2,667,778		57	0.029	\$ 2,667,833			\$ 2,667,880

LEC Issue #1 2010 DSR Fund

US Bank Trust	USB	18,873	0.010		18,873		1	0.010	18,873	SYS79005	79005	18,873
Federal Home Loan Ba	USB	4,100,000	2.125	08/28/2017	4,168,306	06/10/2022	252	1.760	4,158,302	313379Q69	26463	4,109,877
U.S. Treasury	USBT	509,000	0.035	07/23/2021	508,835	06/16/2022	258	0.036	508,771	912796J42	27244	508,870
Federal Farm Credit	USBT	4,430,000	0.840	03/02/2021	4,430,000	03/02/2026	1,613	0.840	4,411,438	3133EMSK9	27199	4,430,000
Federal Home Loan Ba	USBT	150,000	0.875	08/27/2021	150,528	06/12/2026	1,715	0.799	149,517	3130AN4T4	27270	150,518
Fund Total and Average		\$ 9,207,873	1.367		\$ 9,276,542		930	1.203	\$ 9,246,901			\$ 9,218,138

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	902	0.010	07/01/2021	902		1	0.010	902	SYS79006	79006	902
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Northern California Power Agency
Treasurer's Report
09/30/2021

LEC Iss#1 2010B BABS Subs Resv

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
U.S. Treasury	USBT	2,369,000	0.019	09/28/2021	2,368,917	11/30/2021	60	0.020	2,368,834	912796N88	27287	2,368,921
Fund Total and Average		\$ 2,369,902	0.020		\$ 2,369,819		60	0.020	\$ 2,369,736			\$ 2,369,823

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	845	0.010		845		1	0.010	845	SYS79013	79013	845
U.S. Treasury	USBT	1,142,000	0.035	08/27/2021	1,141,899	11/26/2021	56	0.035	1,141,931	912796H77	27271	1,141,938
Fund Total and Average		\$ 1,142,845	0.035		\$ 1,142,744		56	0.035	\$ 1,142,776			\$ 1,142,783

LEC O & M Reserve

Local Agency Investm		1,557,826	0.322		1,557,826		1	0.322	1,557,826	SYS70047	70047	1,557,826
First American Govt.	USBGC	3,763	0.002		3,763		1	0.002	3,763	SYS70041	70041	3,763
Toyota Motor Credit	USBGC	495,000	1.800	02/03/2020	496,995	10/07/2021	6	1.555	495,054	89236TGJ8	26953	495,020
Memphis Center City	USBGC	500,000	5.530	04/27/2020	533,880	11/01/2021	31	1.000	502,015	58607ECD4	26986	501,868
US Bank, N.A.	USBGC	595,000	2.650	05/31/2019	598,290	05/23/2022	234	2.456	603,169	90331HPC1	26822	595,712
Caterpillar Financia	USBGC	465,000	3.250	02/03/2020	496,569	12/01/2024	1,157	1.776	502,930	14912L6G1	26952	485,707
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,369	0.610	496,070	592112UB0	27176	500,000
Federal National Mtg	USBGC	1,000,000	0.600	07/30/2020	1,001,000	07/29/2025	1,397	0.579	992,260	3136G4D75	27047	1,000,766
Federal Farm Credit	USBGC	2,000,000	0.670	08/04/2020	2,000,000	08/04/2025	1,403	0.670	1,993,340	3133EL2S2	27054	2,000,000
Federal National Mtg	USBGC	1,000,000	0.600	08/18/2020	1,000,000	08/18/2025	1,417	0.600	995,700	3136G4G72	27057	1,000,000
Federal Farm Credit	USBGC	750,000	0.530	09/29/2020	750,000	09/29/2025	1,459	0.530	738,990	3133EMBH4	27083	750,000
Federal Farm Credit	USBGC	670,000	0.530	09/29/2020	670,000	09/29/2025	1,459	0.530	664,620	3133EMB0	27084	670,000
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	1,591	0.699	494,835	037833EB2	27170	500,000
JP Morgan	USBGC	500,000	1.200	04/30/2021	500,000	04/30/2026	1,672	1.200	491,215	48128G3G3	27222	500,000
MassMutual Global Fu	USBGC	1,000,000	1.200	08/02/2021	1,007,220	07/16/2026	1,749	1.050	990,910	57629WDE7	27250	1,006,981
Bank of America Corp	USBGC	100,000	1.250	08/26/2021	100,000	08/26/2026	1,790	1.250	97,966	06048WN22	27259	100,000
Fund Total and Average		\$ 11,636,589	1.132		\$ 11,715,543		1086	0.841	\$ 11,620,663			\$ 11,667,643
GRAND TOTALS:		\$ 38,042,083	0.691		\$ 38,188,282		583	0.563	\$ 38,064,113.			\$ 38,082,640

*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 09/30/2021

Callable Dates:

Inv #	Issuer	Callable Date
26822	USB	Anytime starting 4/22/2022
27047	FHLMC	Quarterly starting 7/29/2022
27054	FFCB	Anytime
27057	FNMA	Quarterly starting 8/18/2022
27083	FFCB	Anytime
27084	FFCB	Anytime
27170	APPL	Anytime starting 1/8/2026
27199	FFCB	Anytime
27222	JPM	Annually starting 4/30/2023
27259	BAC	Semi-annually starting 8/26/2022



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Disposal of Northern California Power Agency Surplus Property

AGENDA CATEGORY: Consent

FROM:	Monty Hanks <i>MHC</i>	METHOD OF SELECTION:
	Assistant General Manager	N/A
Division:	Administrative Services	
Department:	Accounting & Finance	

IMPACTED MEMBERS:		
All Members	<input checked="" type="checkbox"/>	
Alameda Municipal Power	<input type="checkbox"/>	City of Lodi <input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Lompoc <input type="checkbox"/>
City of Biggs <input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
City of Gridley <input type="checkbox"/>	City of Redding <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
City of Healdsburg <input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
	City of Santa Clara <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
		Truckee Donner PUD <input type="checkbox"/>
		Other <input type="checkbox"/>
<i>If other, please specify</i>		

RECOMMENDATION:

Recommending the Northern California Power Agency (NCPA) Commission note and file the report by all members for the disposal of the following:

- 2002 Ford pick-up truck from the Hydro Plant

BACKGROUND:

The NCPA Policy for the Disposal or Destruction of Surplus Supplies, Materials, or Equipment requires that such disposal or destruction be reported to the NCPA Commission within 60 days of such action.

In accordance with that policy the above listed items have been disposed of due to being obsolete and having no value to the Agency.

FISCAL IMPACT:

This report has no direct fiscal impact to the Agency.

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.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments: Declarations of Surplus
Receipts of disposal



Date: 3/11/21

**DECLARATION OF SURPLUS
SUPPLIES, MATERIALS & EQUIPMENT**

	QTY	U/M*	DESCRIPTION (Including All Applicable Model #'s, LCNs & VINs)	COND**	ESTIMATED VALUE		NCPA Property or Project #	SITE LOCATION
					UNIT	TOTAL		
1.	1		2002 Ford Pickup Truck	P	1	1,000		Murphys
2.								
3.								
4.								
5.								
6.								
7.								
8.								

JUSTIFICATION FOR SURPLUS/DISPOSAL:

The vehicle is 19 years old, the bed of the truck is rusting out, and there have been chronic mechanical problems over many years despite multiple trips to the mechanic to correct a variety of issues. Staff have expressed that they do not feel safe driving the vehicle due to its mechanical issues. Further, the vehicle is undersized for any real utility such as hauling any load or towing a snowcat and is not useful for anything other than casual trips.

NCPA Asset ID: #594 VIN: 1FTRF18LX2NA28453 License Plate: 1107855

PREPARED BY: J. Summerath 3.15.21 3/11/21

APPROVED BY: Col Ledesma ORG. CODE: 650
(ASST. GEN. MANAGER)

AUTHORIZATION TO PROCEED: Jerry S. Horn DATE: 3/22/21
(GENERAL MANAGER)

RECOMMENDED DISPOSITION:

NEGOTIATED (Private) SALE
 PUBLIC SALE: SEALED BIDS AUCTION
 DISPOSAL: SCRAP/RECYCLE VALUE NO VALUE - TRASH/JUNK
 DISPOSITION JUSTIFICATION:

This vehicle will be used for trade-in value during the next vehicle procurement.

** CONDITION: EXCELLENT (E), GOOD (G), AVERAGE (A), POOR (P), SCRAP (S)

ORIGINAL TO TREASURER-CONTROLLER

ATTACHMENT 1





650 Automall Drive • Roseville, CA 95661
916-786-3673

Deal # 240747

Stock# CV093420AZ

NOTICE OF RELEASE OF LIABILITY

VEHICLE LICENSE NO. or VESSEL CF NO.

1FTRF18LX2NA28453 FORD
VEHICLE or HULL IDENTIFICATION NUMBER MAKE

2002 F150
YEAR MODEL BODY TYPE

Mail Dept. of Motor Vehicles ENTER ODOMETER
Completed P.O. Box 942859 READING HERE
Form To: Sacramento, CA 94259-0001 IN MILES _____

**YOUR LIABILITY FOR THIS VEHICLE MAY NOT BE RELEASED IF YOU
SUBMIT ILLEGIBLE OR INCOMPLETE INFORMATION.**

FUTURE FORD LINCOLN _____ IF DEALER CHECK HERE
BUYERS FULL NAME (LAST) (FIRST) (MIDDLE)

650 AUTO MALL DR.
ADDRESS

ROSEVILLE CA 95661 09/10/2021
CITY STATE ZIP CODE DATE OF SALE MONTH / DAY / YEAR

N CALIF POWER AGENCY _____
SELLERS FULL NAME (LAST) (FIRST) (MIDDLE)

477 BRETT HARTE DR
SELLERS ADDRESS

MURPHYS CA 95247 \$ 3500.00
CITY STATE ZIP CODE SELLING PRICE

[Signature] FOR NCPA
SELLERS SIGNATURE



2022 Committee Meeting Calendar

Facilities/ Pooling Committees 9:00 am	LEC PPC Committee 10:00 am	Finance Committee 10:30 am	Utility Directors 9:00 am	Legal Committee 8:30 am	L&R Affairs Committee 12:00 pm	Executive Committee 8:00 am	*Commission 9:30 am
January 5	January 10		January 13	January 6		January 20 Sacramento 7:30 am	January 20 Sacramento 9:00 am
February 2	February 7	February 8	February 10	February 3	February 23	February 24	February 24
March 2	March 7		March 10/11	March 3	March 23	March 24	March 24
April 6	April 11		April 14	April 7		April 28	April 28
May 4	May 9	May 10	May 12	May 5		May 26 Healdsburg	May 26 Healdsburg
June 1	June 6		June 9	June 2		June 23	June 23
July 6	July 11		July 14	July 7		July 23 Murphys	July 23 Murphys
August 3	August 8	August 9	August 11	August 4	August 24	August 25	August 25
September 7	September 12		September 8	September 21 Olympic Valley 2:00 pm	September 21 Olympic Valley 3:00 pm	September 23 Olympic Valley 7:30 am	September 23 Olympic Valley 10:00 am
October 5	October 10	October 11	October 13			October 27	October 27
November 2	November 7	November 15	November 10	November 3	November 30		
December 7	December 12		December 8 9:30 am	December 8		December 1	December 1

*Commission Packet mailed the Thursday or Friday prior to the meeting date.

NCPA CONFERENCES / EVENTS in 2022:

NCPA 101 Presentation in Sacramento: January 18

NCPA Strategic Issues Conference in Sacramento: January 19

Capitol Day in Sacramento: February 7

NCPA/NWPPA Federal Policy Conference in Washington, DC: April 3-6

NCPA Annual Conference at the Resort at Squaw Creek in Olympic Valley: September 21 –23



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Acceptance of the Annual Financial Statements and Associated Audit Report and Letters for the Years Ended June 30, 2021 and 2020

AGENDA CATEGORY: Consent

FROM: Monty Hanks <i>MH</i> Assistant General Manager/CFO	METHOD OF SELECTION: N/A
Division: Administrative Services	
Department: Accounting & Finance	

IMPACTED MEMBERS:		
All Members <input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power <input type="checkbox"/>	City of Lompoc <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit <input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
City of Biggs <input type="checkbox"/>	City of Redding <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Gridley <input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg <input type="checkbox"/>	City of Santa Clara <input type="checkbox"/>	Other <input type="checkbox"/>
<i>If other, please specify</i>		
_____ _____		

RECOMMENDATION:

Northern California Power Agency staff and the Finance Committee recommend that the Commission accept and file the Annual Financial Statements and Associated Audit Report and Letters for the years ended June 30, 2021 and 2020.

BACKGROUND:

On October 12, 2021, the Finance Committee held a meeting to review the Northern California Power Agency and Associated Power Corporations (collectively "NCPA") Financial Statements and Associated Audit Report and Letters for fiscal years ending June 30, 2021 and 2020. The audit partner from NCPA's audit firm, Baker Tilly, reviewed the highlights of the financial statements and answered questions from the Committee. The financial report was given an unmodified or "clean" opinion by the auditors. No evidence of fraud or illegal acts were noted in the course of the audit. In addition, the auditors presented a Power Point (copy is attached) which includes required communications by the auditor. Additional auditor reports include an internal control letter, negative assurance letters for bond indentures, NCPA's investment policy, and State Controller's Minimum Audit Requirements. Copies of these letters are attached to this report. Nothing of significance was noted in any of the letters.

FISCAL IMPACT:

This financial report for the years ended June 30, 2021 and 2020 has no direct budget impact to NCPA; it reports on the fiscal impacts for the last fiscal year.

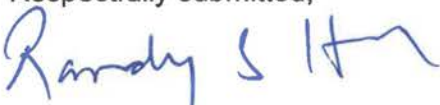
ENVIRONMENTAL ANALYSIS:

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.

COMMITTEE REVIEW:

The recommendation was reviewed by the Finance Committee on October 12 and was recommended for Commission approval by a unanimous vote.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Financial Statements for the years ended June 30, 2021 and 2020
- Baker Tilly correspondence dated October 7, 2021
 - o Required communications by the Auditor to those charged with governance
 - o Compliance with Bond Indentures Letter
 - o Compliance with Investment Policy Letter
 - o Compliance with State Controller's Minimum Audit Requirements Letter
- PowerPoint presented to Finance Committee by auditors on October 12, 2021

To the Commissioners of
Northern California Power Agency and Associated Power Corporations
Roseville, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, the combined financial statements of the Northern California Power Agency and Associated Power Corporations (the Agency) as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the combined basic financial statements of the Agency, and have issued our report thereon dated October 7, 2021.

In connection with our audit, nothing came to our attention that caused us to believe that the Agency failed to comply with the terms, covenants, provisions, or conditions of the Indentures of Trust for the bonds described in Attachment A between U.S. Bank and the Agency, insofar as they relate to financial and accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Agency's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the Indenture, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Commissioners of the Agency and U.S. Bank, and is not intended to be and should not be used by anyone other than these specified parties.

Baker Tilly US, LLP

Madison, Wisconsin
October 7, 2021

Attachment A

- > Geothermal Project Number 3 Revenue Bonds, 2012 Series A, dated September 2012
- > Geothermal Project Number 3 Revenue Refunding Bonds, 2016 Series A, dated September 2016
- > Hydroelectric Project Number One Revenue Bonds, 2008 Refunding Series A, dated April 2008
- > Hydroelectric Project Number One Revenue Bonds, 2012 Refunding Series A & B, dated February 2012
- > Hydroelectric Project Number One Revenue Bonds, 2018 Refunding Series A, dated March 2018
- > Hydroelectric Project Number One Revenue Bonds, 2019 Refunding Series A, dated April 2019
- > Capital Facilities Project Revenue Bonds, 2019 Refunding Series A, dated December 2019
- > Lodi Energy Center Revenue Bonds, Issue One, 2010 Series B, dated June 2010
- > Lodi Energy Center Revenue Bonds, Issue Two, 2010 Series B, dated June 2010
- > Lodi Energy Center Revenue Bonds, Issue One, 2017 Series A, dated December 2017

To the Commissioners of
Northern California Power Agency and Associated Power Corporations
Roseville, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, the combined financial statements of the Northern California Power Agency and Associated Power Corporations (the Agency) as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the combined basic financial statements of the Agency, and have issued our report thereon dated October 7, 2021.

In connection with our audit, nothing came to our attention that caused us to believe that the Agency failed to comply with the terms, covenants, provisions or conditions of the Agency's Investment Policy insofar as they relate to financial and accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Authority's noncompliance with the Investment Policy insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Commissioners and management of the Agency and is not intended to be, and should not be used by anyone other than these specified parties.

Baker Tilly US, LLP

Madison, Wisconsin
October 7, 2021

To the Commissioners of
Northern California Power Agency and Associated Power Corporations
Roseville, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, the combined financial statements of the Northern California Power Agency and Associated Power Corporations (the Agency) as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the combined basic financial statements of the Agency, and have issued our report thereon dated October 7, 2021.

In connection with our audit, nothing came to our attention that caused us to believe that the Agency failed to comply with the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts insofar as they relate to financial and accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Authority's noncompliance with the above referenced State Controller's *Minimum Audit Requirements* for California Special Districts insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Commissioners and management of the Agency and is not intended to be, and should not be used by anyone other than these specified parties.

Baker Tilly US, LLP

Madison, Wisconsin
October 7, 2021

Reporting and insights from 2021 audit: Northern California Power Agency

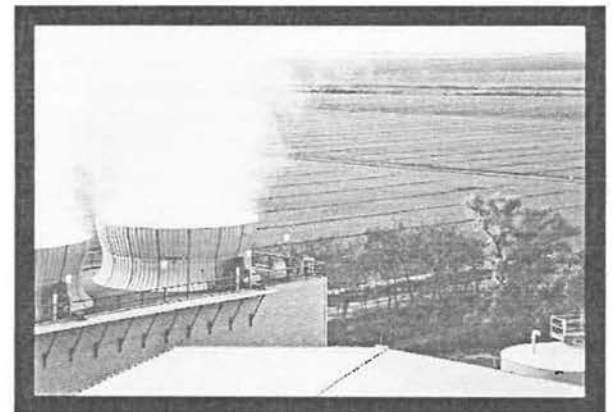
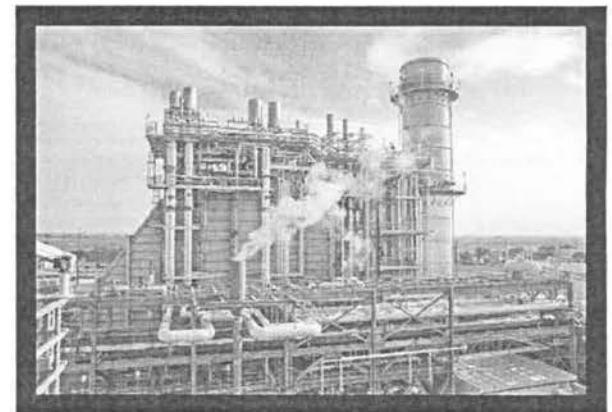
October 12, 2021

This communication is intended solely for the information and use of those charged with governance, and, if appropriate, management, and is not intended to be and should not be used by anyone other than these specified parties.



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Audit Discussion

Agenda

Audit Results

Required communication to Governing Body

Impact of future standards

Discussion

RESPONSIBILITIES

Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of the Agency's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of those charged with governance:
 - Are free from material misstatement
 - Present fairly, in all material respects, and in accordance with accounting principles generally accepted in the United States of America

AUDIT OBJECTIVES

Our responsibilities

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of those charged with governance, including:

- Qualitative aspects of the Agency's accounting practice including policies, accounting estimates and financial statement disclosures
- Significant difficulties encountered
- Disagreements with management
- Corrected and uncorrected misstatements
- Internal control matters
- Significant estimates
- Other findings or issues arising from the audit

AUDIT OBJECTIVES

Management's responsibilities

Management



Prepare and fairly present the financial statements



Establish and maintain effective internal control over financial reporting



Provide us with written representations at the conclusion of the audit

Auditor

Our audit does not relieve management or those charged with governance of their responsibilities

An audit includes consideration of internal control over financial reporting, but not an expression of an opinion on those controls

See Appendix in the Audit Results report for a copy of management's representations

AUDIT APPROACH AND RESULTS

Planned scope and timing

Audit focus

Based on our understanding of the Agency and environment in which you operate, we focused our audit on the following key areas:

- Key transaction cycles
- Areas with significant estimates
- Implementation of new accounting standards, if any
- Areas of complexity including regulatory assets under GASB Statement No. 62 and interest rate swaps

Our areas of audit focus were informed by, among other things, our assessment of materiality. Materiality in the context of our audit was determined based on specific qualitative and quantitative factors combined with our expectations about the Agency's current year results.

AUDIT APPROACH AND RESULTS

Key areas of focus and significant findings

Other key areas of emphasis

We also focused on other areas that did not meet the definition of a significant risk, but were determined to require specific awareness and a unique audit response.

Other key areas of emphasis	Testing approach	Conclusion
Cash and investments	Revenues and receivables	General disbursements
Payroll	Pension and OPEB liabilities	Long-term debt
Capital assets including infrastructure	Net position calculations	Financial reporting and required disclosures
Regulatory assets and credits	Derivative instruments	

Audit Approach and Results

Audit performed in accordance with *Generally Accepted Auditing Standards*

Audit objective – reasonable assurance that financial statements are free from material misstatement

Financial statements of the Agency received an *Unmodified Opinion*

There were no material weaknesses or significant deficiencies in controls

Auditor communication to those charged with governance

Auditor
responsibility &
independence

Board responsibility

Accounting policies
and estimates

Baker Tilly agrees with the Agency's
accounting policies and disclosures

No material
adjustments to the
financial statements

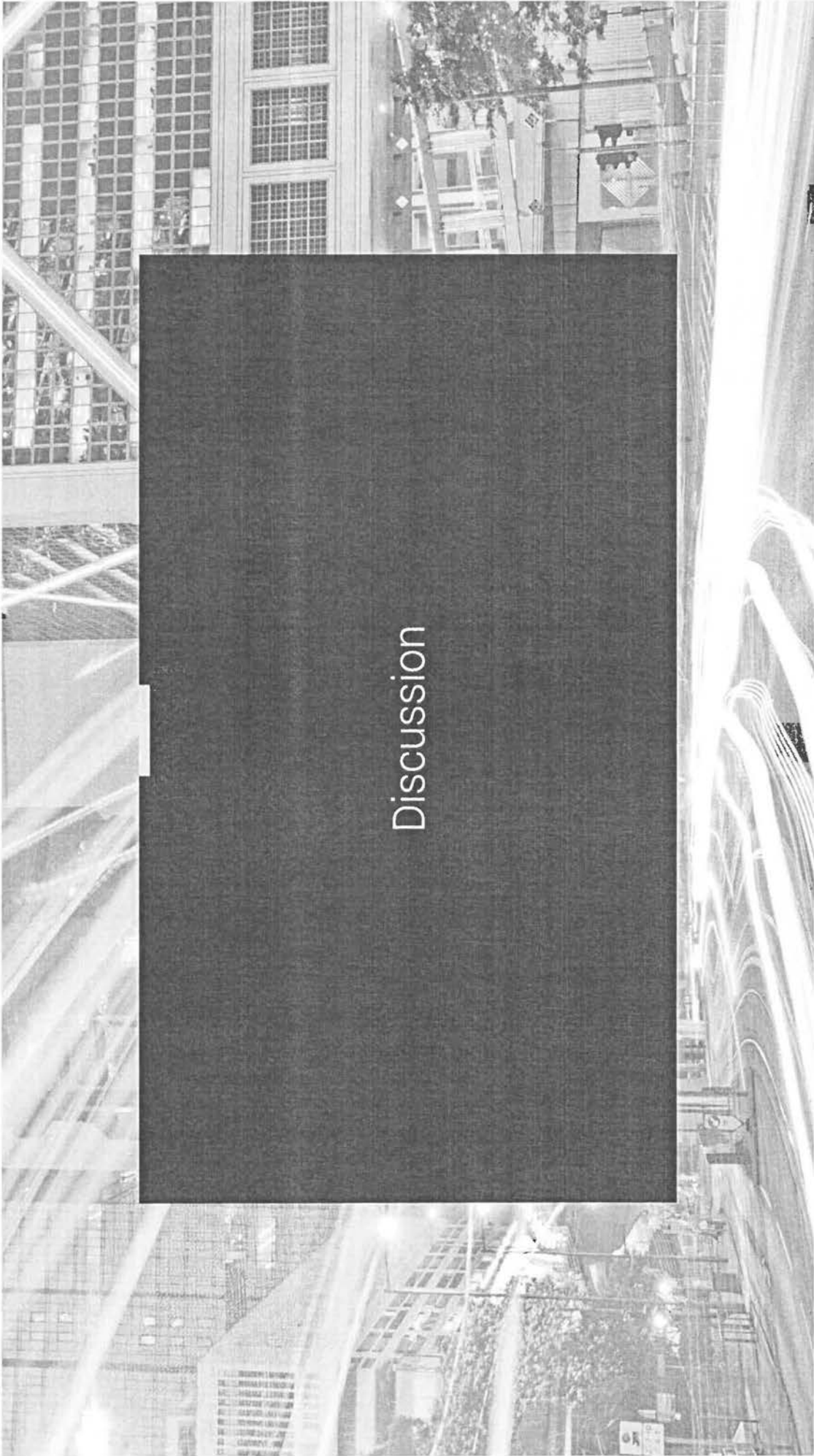
No audit findings or concerns

ACCOUNTING CHANGES RELEVANT TO THE AGENCY

Future accounting standards update

GASB Statement Number	Description	Potentially Impacts You	Effective Date
87	Leases	✓	6/30/22*
89	Accounting for Interest Incurred before the End of a Construction Period	✓	6/30/22*
91	Conduit Debt	✓	6/30/23*
92	Omnibus 2020	✓	6/30/22*
93	Replacement of Interfund Bank Offered Rates	✓	6/30/22*
94	Public-Private and Public-Public Partnerships and Availability Payment Arrangements	✓	6/30/23
96	Subscription-Based Information Technology Arrangements	✓	6/30/23
97	Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans		6/30/22

*The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, Postponement of Effective Dates of Certain Authoritative Guidance, with the exception of Statement No. 87 which was postponed by one and a half years. The effective date reflected above is the required revised implementation date. Further information on upcoming [GASB pronouncements](#).



Discussion

CLIENT SERVICE TEAM

Client service team



Bethany Ryers, CPA
Director
Bethany.Ryers@bakertilly.com



Gwen Zech, CPA
Senior Manager
gwen.zech@bakertilly.com



AND

ASSOCIATED POWER CORPORATIONS

Combined Financial Statements Including Independent Auditors' Report

As of and For the Years Ended June 30, 2021 and 2020

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

Combined Financial Statements

Table of Contents

As of and For the Years Ended June 30, 2021 and 2020

	Page
Independent Auditors' Report	1
Management's Discussion and Analysis - Required Supplementary Information (Unaudited) .	3
Combined Financial Statements:	
Combined Statements of Net Position	13
Combining Statement of Revenues, Expenses and Changes in Net Position	15
Combined Statements of Cash Flow	16
Notes to Combined Financial Statements	18
Required Supplementary Information (Unaudited):	
Schedule of Changes in the Net Pension Liability and Related Ratios Last 10 Measurement Years	62
Schedule of Pension Plan Contributions Last 10 Fiscal Years	64
Schedule of Changes in the Net OPEB Liability and Related Ratios Last 10 Measurement Years	65
Schedule of OPEB Plan Contributions Last 10 Fiscal Years	66
<hr/>	
Supplemental Information – For Purposes of Additional Analysis (Unaudited):	
Combining Statement of Net Position FY 2021	67
Combining Statement of Revenues, Expenses and Changes in Net Position FY 2021.....	69
Combining Statement of Cash Flow FY 2021	70
Combining Statement of Net Position FY 2020	72
Combining Statement of Revenues, Expenses and Changes in Net Position FY 2020.....	74
Combining Statement of Cash Flow FY 2020	75
Other Information (Unaudited):	
Generation Entitlement Shares	77

Independent Auditors' Report

To the Board of Commissioners of
Northern California Power Agency and Associated Power Corporations

We have audited the accompanying combined financial statements of the Northern California Power Agency and Associated Power Corporations (the Agency), as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the combined basic financial statements of the Agency as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Agency as of June 30, 2021 and 2020, and the respective changes in combined financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents be presented to supplement the combined basic financial statements. Such information, although not a part of the combined basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the combined basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the combined basic financial statements, and other knowledge we obtained during our audit of the combined basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's combined basic financial statements as a whole. The combining statements of net position, combining statements of revenues, expenses and changes in net position, combining statements of cash flows (combining financial statements) as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the combined basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined basic financial statements or to the combined basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated in all material respects, in relation to the combining basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements that collectively comprise the Agency's combined basic financial statements. The schedule of generation entitlement shares as identified in the table of contents is presented for purposes of additional analysis and is not a required part of the combined basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the combined basic financial statements, and accordingly, we express no opinion or provide any assurance on it.

Baker Tilly US, LLP

Madison, Wisconsin
October 7, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED)

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

The management of Northern California Power Agency (the Agency or NCPA) offers the following narrative discussion and analysis of its financial performance for the years ended June 30, 2021 and 2020. This discussion should be read in conjunction with the Agency's combined financial statements and accompanying notes, which follow this section.

BACKGROUND

The Northern California Power Agency is a joint powers agency formed by member public entities under the laws of the State of California to provide cost effective wholesale power, energy-related services, and advocacy on behalf of public power consumers. The Agency's purposes are for purchasing, generating, transmitting, and selling electrical energy and for providing other related services to its members and customers as each may require. The Agency provides a portion of certain of its members' power needs and certain of its members also self-provide and/or purchase power and transmission from other public and private sources.

NCPA is governed by a Commission comprised of one representative for each member. The Commission is responsible for the general management of the affairs, property, and business of the Agency. Under the direction of the General Manager, the staff of the Agency is responsible for providing various administrative, operating and planning services for the Agency.

The Agency's project construction and development programs have been individually financed by project revenue bonds that are collateralized by the Agency's assignment of all payments, revenues, and proceeds associated with its interest in each project. Each of the Agency's members may choose which projects it wishes to participate in, and is known as a "project participant" for each such project. Each project participant has agreed to pay its proportionate share of debt service and other costs of the related project, notwithstanding the suspension, interruption, interference, or reduction or curtailment of output from the project for any reason (that is, the take-or-pay member agreements).

Power sales by the Agency to its members for their resale include both sales of power to project participants generated by operating plants and power purchased from outside sources. Collections for power sales are designed to recover costs that include budgeted annual operating costs and debt service. Additional amounts for operating reserves or cost stabilization may be included in collections under the terms of bond indentures. The Agency's collections for electric service are not subject to the regulatory jurisdiction of the California Public Utilities Commission (CPUC) or the Federal Energy Regulatory Commission (FERC). Rather, the Agency's collections are established annually in connection with its budget, which is approved by its governing Commission.

Various legal and tax considerations caused the Agency to provide that separate not-for-profit corporations should be delegated by the Agency to own the geothermal electrical generating projects undertaken by the Agency ("the Associated Power Corporations"). The Associated Power Corporations, consisting of Northern California Municipal Power Corporation Nos. Two and Three, have delegated to the Agency the authority to construct, operate, and manage their respective geothermal plants and related assets. The Agency, in return for financing the costs of acquisition and construction, acquires all the capacity and energy generated by the plants.

Because the Agency is a separate, special-purpose governmental entity that serves its participating members, who are also the Agency's principal customers, the net results of operations flow through to its participating members as either net revenues or net expenses.

During the year, the COVID-19 pandemic continued to pose challenges to the Agency's operations and more importantly, to our members. On April 17, 2020, the California Public Utilities Commission placed a moratorium on electric utility disconnections for arrearages for residential and small business customers until April 21, 2021 which has been extended through September 30, 2021. The State of California created the California Arrearage Payment Program

MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED)

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

that will offer financial assistance for California energy utility customers to help reduce past due energy bill balances accrued during the COVID-19 pandemic. This program will extend the period of time it will take for members to collect the arrearages, but over time, it should aid in reducing the potential bad debt expense write off related to COVID.

The Agency has followed California's COVID-19 regulations to ensure a safe workplace environment for employees, contractors and guests. This includes maintaining a clean workspace and appropriate physical distancing, wearing facial coverings and monitoring individuals' temperatures. The Agency continues to monitor the situation and make adjustments, as needed, to comply with California Occupational Safety and Health Administration.

Another challenge the Agency faced is the continued drought in the western region of the country. The Agency's hydroelectric operation saw its generation drop by 54.0% year over year and participants' Western allocation drop by 37.9% year over year. The Agency has assisted its participants in meeting these generation shortfalls by procuring alternative resources to ensure their loads are met.

MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED)

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

FINANCIAL REPORTING

For accounting purposes, the Agency is a special-purpose governmental entity that is engaged in a business-type activity, principally as a supplier of wholesale electricity and transmission to its member participants. As such, the Agency's financial statements are presented as an enterprise type fund.

The records of the Agency and the Associated Power Corporations are maintained substantially in accordance with the FERC Uniform System of Accounts. Accounting principles generally accepted in the United States of America are applied by the Agency in conformance with pronouncements of the Governmental Accounting Standards Board (GASB). The combined financial statements encompass the Agency and Associated Power Corporations on an accrual accounting basis. All significant intercompany balances and transactions have been eliminated from the combined amounts reported.

In accordance with GASB Statement of Government Accounting Standards No. 62, *Codification of Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting (GASB No. 62)*, the Agency has recorded as regulatory assets and liabilities certain items of expense and revenue that otherwise would have been charged to operations as such items will be recovered in future years' operations. The Agency expects to recover these items in collections over the term of the related debt obligations it has issued or when the obligation is paid.

Implemented in FY 2020, GASB Statement of Government Accounting Standards No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, provided temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. It postponed Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018 and later.

COMBINED STATEMENTS OF NET POSITION, COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION, AND COMBINED STATEMENTS OF CASH FLOWS

The combined statements of net position includes the Agency's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position using the accrual method of accounting, as well as information about which assets can be used for general purposes and which assets are restricted as a result of bond covenants and other commitments. The combined statement of net position provides information about the nature and amount of resources and obligations at a specific point in time. The combined statements of revenues, expenses, and changes in net position report all the revenues and expenses during the time periods indicated. The combined statements of cash flows report the cash provided and used by operating activities, as well as other cash sources such as investment income and debt financing, and other cash uses, such as payments for debt service and capital additions.

MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED)

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS

FINANCIAL HIGHLIGHTS

The following is a summary of the Agency's combined financial position and results of operations for the years ended June 30, 2021, 2020, and 2019.

Condensed Statement of Net Position	June 30, (in thousands)		
	2021	2020	2019 (Restated)
Assets and Deferred Outflows of Resources			
Current assets	\$ 206,369	\$ 184,673	\$ 143,548
Non-current assets	146,024	148,482	169,127
Electric plant, net	449,256	474,821	502,479
Other assets	210,264	226,154	224,403
Total Assets	1,011,913	1,034,130	1,039,557
Deferred outflows of resources	91,950	101,256	112,427
	<u>\$ 1,103,863</u>	<u>\$ 1,135,386</u>	<u>\$ 1,151,984</u>

Liabilities, Deferred Inflows of Resources and Net Position			
Long-term debt, net	\$ 553,778	\$ 600,636	\$ 647,273
Current liabilities	136,520	118,860	103,344
Non-current liabilities	291,632	282,347	272,445
Total Liabilities	981,930	1,001,843	1,023,062
Deferred inflows of resources	94,305	93,152	90,546
Net position:			
Net investment in capital assets	(25,088)	(25,158)	(21,468)
Restricted	42,444	30,407	22,983
Unrestricted	10,272	35,142	36,861
	<u>\$ 1,103,863</u>	<u>\$ 1,135,386</u>	<u>\$ 1,151,984</u>

Condensed Statements of Revenues, Expenses and Changes in Net Position	Year ended June 30, (in thousands)		
	2021	2020	2019 (Restated)
Operating revenues	\$ 807,535	\$ 604,894	\$ 699,166
Operating expenses	(768,694)	(565,454)	(656,115)
Net operating revenues	38,841	39,440	43,051
Other expenses	(21,501)	(27,329)	(20,774)
Future refundable costs	(15,622)	2,201	(7,791)
Refunds to participants	(14,481)	(12,297)	(14,178)
Change in net position	(12,763)	2,015	308
Net position, beginning of year	40,391	38,376	38,068
Net position, end of year	<u>\$ 27,628</u>	<u>\$ 40,391</u>	<u>\$ 38,376</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED)

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current Assets

2021 Compared to 2020 - Current assets increased \$21.7 million or 11.7% from the prior year, primarily due to increase in cash and cash equivalents resulting from timing of collections and payments of debt service and increase in receivables from energy sales in June.

2020 Compared to 2019 - Current assets increased \$41.1 million or 28.6% from the prior year, primarily due to accrual of final insurance reimbursement for LEC turbine replacement, increase in cash and cash equivalents due to timing of collections and payments of debt service and increase in cash and cash equivalents and short-term investments due to anticipated payment for operations.

Non-current Assets

2021 Compared to 2020 - Non-current assets, consisting mainly of long-term investments, decreased \$2.5 million or 1.7% from the prior year. This is primarily due to temporary decreases in mark to market valuation of investments.

2020 Compared to 2019 - Non-current assets decreased \$20.6 million or 12.2% from the prior year. This is primarily due to timing of collections, payment of funds for debt service and anticipated payments for operations.

Electric Plant, net

2021 Compared to 2020 - The Agency has invested approximately \$449.2 million in plant assets, net of accumulated depreciation, at June 30, 2021. Net utility plant comprises approximately 40.7% of the Agency's assets. The \$25.6 million or 5.4% decrease from the prior year consists of an increase of \$29.2 million in accumulated depreciation, offset by net capital expenditures of \$3.6 million. For additional detail, refer to Note B - Significant Accounting Policies.

2020 Compared to 2019 - The Agency has invested approximately \$474.8 million in plant assets, net of accumulated depreciation, at June 30, 2020. Net utility plant comprises approximately 41.8% of the Agency's assets. The \$27.7 million or 5.5% decrease from the prior year consists of an increase of \$30.9 million in accumulated depreciation, offset by net capital expenditures of \$3.4 million.

Deferred Outflows

2021 Compared to 2020 - Total deferred outflows of resources decreased \$9.3 million or 9.2% due to the scheduled amortization of excess of cost on refunding of debt of \$10.4 million, increase of deferred pension and OPEB contributions of \$1.2 million and decrease of deferred ARO of \$0.1 million.

2020 Compared to 2019 - Total deferred outflows of resources decreased \$11.2 million or 9.9% due to the 2019A Refunding Capital Facilities debt refunding and due to the scheduled amortization of excess of cost on refunding of debt of \$10.9 million, decrease of deferred pension and OPEB contributions of \$0.1 million and decrease of deferred ARO of \$0.1 million.

MANAGEMENT’S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED)

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

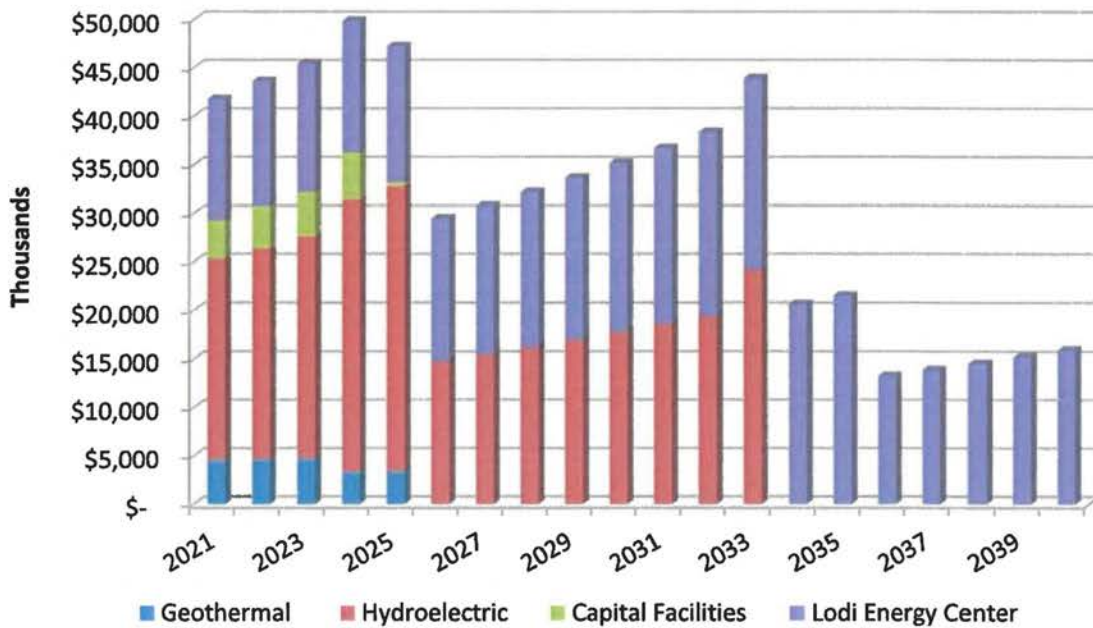
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Long-Term Debt, net

2021 Compared to 2020 - Long-term debt, net decreased \$46.9 million or 7.8% in 2021 as a result of scheduled principal payments of \$40.4 million, and net premium amortization of \$3.5 million. The net decrease also includes a decrease for the net transfer of the current portion of long-term debt of \$3.0 million. For additional detail, refer to Note E - Projects and Related Financing.

2020 Compared to 2019 - Long-term debt, net decreased \$46.6 million or 7.2% in 2020 as a result of scheduled principal payments of \$33.3 million, net premium amortization of \$3.5 million, and a net decrease of \$2.7 million related to the following refunding: Capital Facilities Revenue Bonds 2019 Refunding Series A that refunded the Capital Facilities Revenue Bonds 2010 Refunding Series A. The net decrease also includes a decrease for the net transfer of the current portion of long-term debt of \$7.1 million.

The following table shows the Agency’s scheduled annual debt service principal payments through FY 2040 as of June 30, 2021:



MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED)

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

Current Liabilities

2021 Compared to 2020 - Current liabilities increased by \$17.7 million or 14.9% in 2021. This is primarily due to increases in accounts payable of \$12.7 million for accrued purchased energy, transmission costs and natural gas. The current liabilities increase also includes increases in the current portion of long-term debt of \$3.0 million and increases in project operating reserves of \$3.8 million and decreases in accrued interest payable of \$1.8 million.

2020 Compared to 2019 - Current liabilities increased by \$15.5 million or 15.0% in 2020. This is primarily due to increases in accounts payable of \$11.3 million for accrued capital payable for turbine replacement, purchased energy and transmission costs and increases in the current portion of long-term debt of \$7.1 million offset by decreases in operating reserves of \$2.6 million for projects and decreases in other liabilities of \$0.3 million.

Other Non-Current Liabilities

2021 Compared to 2020 - Non-current liabilities increased by a net amount of \$9.3 million or 3.3% in 2021. This was primarily due to increased operating reserves of \$10.7 million for deposits and interest earnings, and increased asset retirement obligations of \$1.5 million offset by decreased interest rate swap liability of \$2.9 million.

2020 Compared to 2019 - Non-current liabilities increased by a net amount of \$9.9 million or 3.6% in 2020. This was primarily due to increased operating reserves of \$7.2 million for deposits and interest earnings, increased interest rate swap liability of \$4.3 million and increased asset retirement obligations of \$1.5 million offset by decreased net pension and OPEB liability of \$3.1 million.

Deferred Inflows

2021 Compared to 2020 - Total deferred inflows of resources increased \$1.2 million or 1.2% due to deferral of certain revenues related to the amortization of construction advances and operating fixed assets totaling \$3.7 million offset by reduction in net pension and OPEB expense liability of \$2.5 million.

2020 Compared to 2019 - Total deferred inflows of resources increased \$2.6 million or 2.9% due to deferral of certain revenues related to the amortization of construction advances and operating fixed assets totaling \$3.7 million offset by reduction in net pension and OPEB expense liability of \$1.1 million.

CHANGES IN NET POSITION

The Agency is intended to operate on a not-for-profit basis. Therefore, net position primarily represents differences between total revenues collected, based on estimated operating expenses and debt service, and the total actual expenses incurred. In subsequent periods of operation, excess collections (net of encumbrances) may be refunded to participants or appropriated for other uses at the discretion of the Agency's governing Board of Commissioners. In the event the Agency incurs a net expense at year-end, the balance would be subject to recovery from participants under the terms of the related participating member agreements. See Notes A, B and E to the Combined Financial Statements.

Operating Revenues

Operating revenues consist of Participants Revenue, California Independent System Operator (CAISO) Energy Sales and Ancillary Services (A/S) Revenues and Other Revenues.

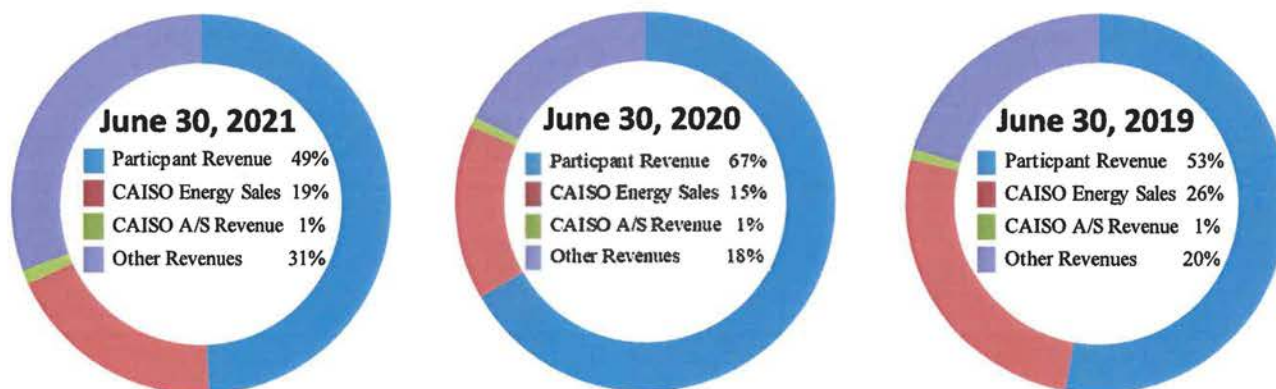
2021 Compared to 2020 - Operating revenues for fiscal year 2021 were approximately \$202.6 million or 33.5% more than in the prior fiscal year. This was the net result of the following: (1) increased revenue from non-members of \$117.8 million for their share of energy contracts and transmission costs, and (2) higher overall plants' generation of 2,250,590 MWh versus 1,979,967 MWh in the prior year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED)

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

2020 Compared to 2019 - Operating revenues for fiscal year 2020 were approximately \$94.3 million or 13.5% less than in the prior fiscal year. This was the net result of the following: (1) decreased revenue from non-members of \$5.8 million for their share of energy contracts and transmission costs, and (2) lower overall plants' generation of 1,979,967 MWh versus 3,016,295 MWh in the prior year.

OPERATING REVENUES BY SOURCES



Operating Expenses

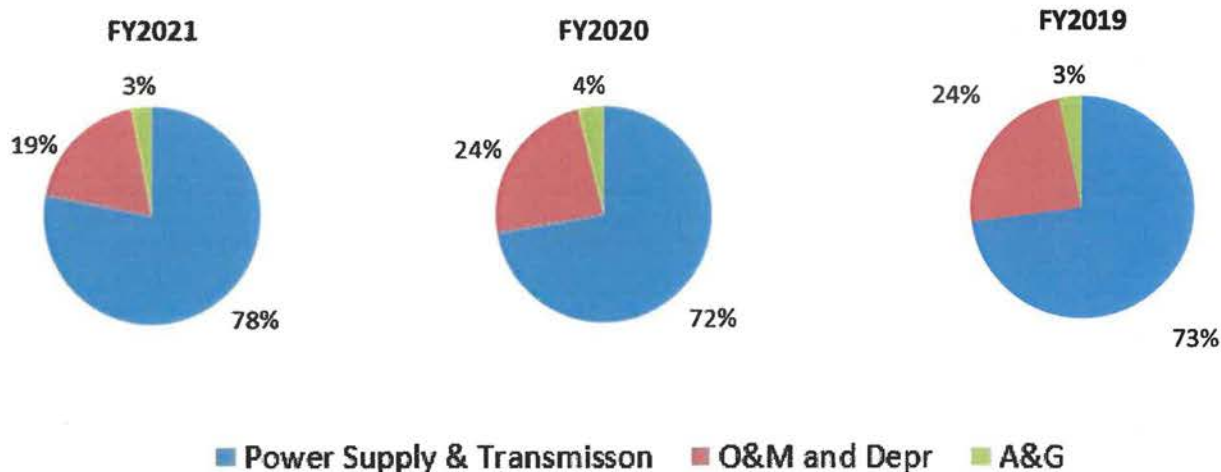
2021 Compared to 2020 - Operating expenses were \$768.7 million in FY 2021, an increase of \$203.2 million from FY 2020. Purchased power expense was \$190.7 million higher in 2021 primarily due to increased energy purchased to fulfill energy requirements for member and non-member participants. Operations expense increased \$17.6 million primarily due to increased fuel usage for the natural gas combustion turbine plants. Maintenance expenses were \$6.7 million lower in FY 2021 primarily due to a lower inventory adjustment and reduced maintenance projects at the plants resulting in lower maintenance costs.

2020 Compared to 2019 - Operating expenses were \$565.5 million in FY 2020, a decrease of \$90.7 million from FY 2019. Purchased power expense was \$74.5 million lower in 2020 primarily due to decreased energy purchased to fulfill energy requirements for member and non-member participants. Operations expense decreased \$28.2 million primarily due to decreased fuel usage for the LEC and water costs for Hydro (see Operating Revenues). Maintenance expenses were \$5.4 million higher than in FY 2020 primarily due to forced outages at LEC, CT1, Hydro and GEO resulting in higher plant maintenance costs. Additionally, the increase in transmission costs of \$4.1 million was due to increases in wheeling access charges.

MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED)

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

The following charts compare the components of Operating Expenses in fiscal years ended June 30, 2021, 2020, and 2019:



FINANCING ACTIVITIES

During FY 2021 and 2020, the Agency did not have any refunding activities but continues to monitor financial market environment for refunding opportunities.

In December 2019, the Agency issued Capital Facilities Revenue Bonds, 2019 Refunding Series A (\$20,450,000) to refund Capital Facilities Revenue Bond, 2010 Refunding Series A. The refunding was completed through the issuance of \$20,450,000 fixed rate debt (2019 Series A) with a yield of 1.00% with varying principal maturities ranging from \$2,575,000 to \$4,815,000 through August 1, 2024. The refunding is estimated to have decreased project debt service by an estimated \$2.7 million over the next 5 years, which results in an estimated economic gain to the Agency of approximately \$2.4 million.

In April 2019, the Agency issued Hydroelectric Project Number One Revenue Bonds, 2019 Refunding Series A (\$39,250,000) to refund Hydroelectric Project Number One Revenue Bond, 2010 Refunding Series A. The refunding was completed through the issuance of \$39,250,000 fixed rate debt (2019 Series A) with a yield of 1.40% with varying principal maturities ranging from \$940,000 to \$13,650,000 through July 1, 2023. The refunding is estimated to have decreased project debt service by an estimated \$8.09 million over the next 5 years, which results in an estimated economic gain to the Agency of approximately \$3.62 million.

The Agency on a periodic basis has informal discussions and formal presentations with each of the credit rating agencies in order to maintain ongoing communications. On May 20, 2021, Fitch performed a surveillance review for the Lodi Energy Center project. Fitch took no rating action. During 2019 and 2020, Standard and Poor's, Moody's, and Fitch affirmed their ratings on all projects. On February 20, 2020, Fitch affirmed NCPA's Hydroelectric Project Bonds AA-rating with an outlook of stable. On June 12, 2020, Fitch affirmed NCPA's Lodi Energy Center Revenue Bonds A rating with an outlook of stable.

MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED)

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

Ratings assigned to the Agency's outstanding project bonds as of June 30, 2021 are as follows:

Debt Credit Ratings:	Standard & Poor's	Fitch	Moody's
Geothermal	A- , stable	A+, stable	A1, stable
Hydroelectric	A+, stable	AA-, stable	Aa3, stable
Capital Facilities	A- , stable	Not rated	A1, stable
Lodi Energy Center (Issue One)	A- , stable	A, stable	A1, stable
Lodi Energy Center (Issue Two)	AAA, stable	Not rated	Aa2, stable

INVESTMENT IN ASSOCIATED COMPANY

Effective June 2018, the Agency invested a 16.67% interest in the not-for-profit corporation Hometown Connections, Inc. (HCI) for \$265,000. HCI is a national service corporation that provides consulting, management and metering services to public power utilities on a national level. HCI has contracted with the Agency to provide monthly accounting services. This investment is accounted for using the equity method of accounting.

SUMMARY

The management of the Agency is responsible for preparing the information in this management's discussion and analysis, combined financial statements and notes to the combined financial statements. Financial statements were prepared according to accounting principles generally accepted in the United States of America, and they fairly portray the Agency's financial position and operating results. The notes to the financial statements are an integral part of the basic financial statements and provide additional financial information.

CONTACTING AGENCY MANAGEMENT

This financial report is designed to provide our members, investors, and creditors with a general overview of Northern California Power Agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Northern California Power Agency, 651 Commerce Drive, Roseville, CA 95678.

Agency Financials

COMBINED STATEMENTS OF NET POSITION

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

	June 30,	
	2021	2020
	(in thousands)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents		
Restricted	\$ 56,133	\$ 27,103
Unrestricted	81,103	85,585
Investments		
Restricted	17,301	26,035
Unrestricted	25,614	23,512
Accounts receivable		
Participants	174	311
Other	16,132	13,212
Interest receivable	775	1,037
Inventory and supplies	5,888	5,924
Prepaid expenses	3,249	1,954
TOTAL CURRENT ASSETS	<u>206,369</u>	<u>184,673</u>
NON-CURRENT ASSETS		
Investments		
Restricted	4,401	9,680
Unrestricted	141,623	138,802
Electric plant in service	1,497,332	1,493,690
Less: accumulated depreciation	(1,048,076)	(1,018,869)
TOTAL NON-CURRENT ASSETS	<u>595,280</u>	<u>623,303</u>
OTHER ASSETS		
Regulatory assets	209,999	225,889
Investment in associated company	265	265
TOTAL OTHER ASSETS	<u>210,264</u>	<u>226,154</u>
TOTAL ASSETS	<u>1,011,913</u>	<u>1,034,130</u>
DEFERRED OUTFLOWS OF RESOURCES		
Excess cost on refunding of debt	11,969	22,326
Pension and OPEB deferrals	18,099	16,936
Asset retirement obligations	61,882	61,994
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>91,950</u>	<u>101,256</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,103,863</u>	<u>\$ 1,135,386</u>

COMBINED STATEMENTS OF NET POSITION

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

	June 30,	
	2021	2020
	(in thousands)	
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 62,820	\$ 50,153
Member advances	993	993
Operating reserves	23,160	19,381
Current portion of long-term debt	43,400	40,410
Accrued interest payable	6,147	7,923
TOTAL CURRENT LIABILITIES	136,520	118,860
NON-CURRENT LIABILITIES		
Net pension and OPEB liabilities	62,959	63,003
Operating reserves and other deposits	144,492	133,747
Interest rate swap liability	16,045	18,968
Asset retirement obligations	68,136	66,629
Long-term debt, net	553,778	600,636
TOTAL NON-CURRENT LIABILITIES	845,410	882,983
TOTAL LIABILITIES	981,930	1,001,843
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	92,118	88,415
Pension and OPEB deferrals	2,187	4,737
TOTAL DEFERRED INFLOWS OF RESOURCES	94,305	93,152
NET POSITION		
Net investment in capital assets	(25,088)	(25,158)
Restricted for debt service	42,444	30,407
Unrestricted	10,272	35,142
TOTAL NET POSITION	27,628	40,391
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,103,863	\$ 1,135,386

**COMBINED STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

	Years Ended June 30,	
	2021	2020
(in thousands)		
OPERATING REVENUES		
Participants	\$ 398,399	\$ 408,120
Other Third-Party	409,136	196,774
TOTAL OPERATING REVENUES	<u>807,535</u>	<u>604,894</u>
OPERATING EXPENSES		
Purchased power	414,705	224,052
Operations	89,397	71,747
Transmission	185,713	184,747
Depreciation	30,032	30,958
Maintenance	25,461	32,203
Administrative and general	23,386	21,747
TOTAL OPERATING EXPENSES	<u>768,694</u>	<u>565,454</u>
NET OPERATING INCOME	<u>38,841</u>	<u>39,440</u>
NON OPERATING (EXPENSES) REVENUES		
Interest expense	(30,158)	(39,385)
Interest income	848	8,668
Other	7,809	3,388
TOTAL NON OPERATING EXPENSES	<u>(21,501)</u>	<u>(27,329)</u>
FUTURE RECOVERABLE AMOUNTS	<u>(15,622)</u>	<u>2,201</u>
REFUNDS TO PARTICIPANTS	<u>(14,481)</u>	<u>(12,297)</u>
(DECREASE) INCREASE IN NET POSITION	<u>(12,763)</u>	<u>2,015</u>
NET POSITION, Beginning of year	<u>40,391</u>	<u>38,376</u>
NET POSITION, End of year	<u>\$ 27,628</u>	<u>\$ 40,391</u>

COMBINED STATEMENTS OF CASH FLOW

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

	Years Ended June 30,	
	2021	2020
	(in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from participants	\$ 402,244	\$ 411,329
Received from others	412,380	198,415
Payments for employee services	(44,501)	(42,686)
Payments to suppliers for goods and services	(684,699)	(478,945)
	<u>85,424</u>	<u>88,113</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from maturities and sales of investments	184,269	156,405
Interest received on cash and investments	3,805	5,646
Purchase of investments	(176,310)	(156,735)
	<u>11,764</u>	<u>5,316</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of electric plant	(4,472)	(46,241)
Insurance receipts on asset disposals	6,549	36,400
Interest paid on long-term debt	(28,045)	(27,436)
Principal repayment on long-term debt	(40,409)	(33,340)
Proceeds from bond issues	-	22,738
Payments to refund debt	-	(25,450)
	<u>(66,377)</u>	<u>(73,329)</u>
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES		
Other proceeds	7,894	3,823
Refunds to participants	(14,157)	(12,297)
	<u>(6,263)</u>	<u>(8,474)</u>
NET CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES		
NET CHANGE IN CASH AND CASH EQUIVALENTS	24,548	11,626
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>112,688</u>	<u>101,062</u>
End of year	<u>\$ 137,236</u>	<u>\$ 112,688</u>

COMBINED STATEMENTS OF CASH FLOW-Continued

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

	Years Ended June 30,	
	2021	2020
(in thousands)		
RECONCILIATION OF NET OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 38,841	\$ 39,440
Adjustments to reconcile net operating revenues to net cash from operating activities:		
Depreciation	30,032	30,958
	<u>68,873</u>	<u>70,398</u>
CASH FLOWS IMPACTED BY CHANGES IN		
Accounts receivable	(9,332)	(4,109)
Inventory, prepaid expense, and unused vendor credits	(1,259)	2,692
Operating reserves and other deposits	14,524	4,582
Member advances	-	(387)
Regulatory assets	(3,752)	
Regulatory credits	3,703	3,671
Accounts payable and other liabilities	12,667	11,266
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 85,424</u>	<u>\$ 88,113</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENTS OF NET POSITION		
Cash and cash equivalents - current assets	\$ 56,133	\$ 27,103
Cash and cash equivalents - restricted assets	<u>81,103</u>	<u>85,585</u>
End of year	<u>\$ 137,236</u>	<u>\$ 112,688</u>
NON-CASH TRANSACTIONS:		
Future recoverable/(refundable) costs	\$ (15,622)	\$ 2,201
Amortization	(6,812)	(7,767)
Interest rate swap change in fair value	(2,923)	4,355
Gain/loss on investments	257	45

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

NOTE A -- ORGANIZATION

The Agency Northern California Power Agency (Agency) was formed in 1968 as a joint powers agency of the State of California. The membership consists of twelve cities with publicly-owned electric utility distribution systems, one port authority, a transit authority, one public utility district, and one associate member. The Agency is generally empowered to purchase, generate, transmit, distribute, and sell electrical energy. Members participate in the projects of the Agency on an elective basis.

Various legal and tax considerations caused the Agency to provide that separate Special District Entities should be delegated by the Agency to own the geothermal electrical generating projects undertaken by the Agency ("the Associated Power Corporations"). The Associated Power Corporations, Northern California Municipal Power Corporations Nos. Two and Three, have delegated to the Agency the authority to construct, operate and manage their respective geothermal plants and related assets. The Agency, in return for financing the costs of acquisition and construction, acquires all the capacity and energy generated by the plants. See Note E – Projects and Related Financing.

The Agency is governed by a Commission comprised of one representative for each member. The Commission is responsible for the general management of the affairs, property, and business of the Agency. Under the direction of the General Manager, the staff of the Agency is responsible for providing various administrative, operating, and planning services for the Agency.

NOTE B -- SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Principles of Combination For accounting purposes, the Agency is a special-purpose governmental entity that is engaged in a business-type activity, principally as a supplier of wholesale electricity and transmission to its member participants. As such, the Agency's financial statements are presented as an enterprise type fund.

The records of the Agency and its Associated Power Corporations are maintained substantially in accordance with the Federal Energy Regulatory Commission (FERC) Uniform System of Accounts. Accounting principles generally accepted in the United States of America are applied by the Agency in conformance with pronouncements of the Governmental Accounting Standards Board (GASB). When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed. The combined financial statements encompass the Agency and Associated Power Corporations on an accrual accounting basis. All significant intercompany balances and transactions have been eliminated from the combined amounts reported.

Cash and Cash Equivalents Cash and cash equivalents include all debt instruments purchased with an original maturity of 90 days or less, all investments in the Local Agency Investment Fund (LAIF) and in the California Asset Management Program (CAMP), and cash maintained in interest-bearing depository accounts, which are fully insured or collateralized in accordance with state law. Cash balances may be invested in either overnight repurchase agreements, which are fully collateralized by U.S. Government Securities, or in money market funds invested in short-term U.S. Treasury Securities. The Agency commingles operating cash for investment purposes only. Separate detailed accounting records are maintained for each account's related investments. All cash of the Agency is held by either the Agency's custodian or its primary bank and revenue bond trustee.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Custodial credit risk for cash deposits is the risk that, in the event of the failure of a depository financial institution, the Agency will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Under California Government Code Section 53651, depending on specific types of eligible securities, a bank must deposit eligible securities posted as collateral with its Agent having a fair value of 110% to 150% of the Agency's cash on deposit. All of the Agency's deposits are either insured by the Federal Depository Insurance Corporation (FDIC) or collateralized with pledged securities held in the trust department of the financial institutions.

Investments The Agency's investments are reported at fair value. Realized and unrealized gains and losses are included in interest income in the Statement of Revenue, Expenses and Changes in Net Position.

Accounts Receivable Accounts Receivable consists primarily of amounts due from participants and other governmental entities related to sales of energy and transmission. Amounts are deemed to be collectible and as such, no allowance for uncollectible accounts has been recorded.

Inventory and Supplies Inventory and supplies consist primarily of spare parts for the maintenance of plant assets and are stated at average cost.

Prepaid Expenses Prepaid expenses mainly consist of unamortized property and liability insurance that is amortized monthly during their policy terms.

Restricted Assets Cash and cash equivalents, investments and related accrued interest, which are restricted under terms of certain agreements, trust indentures or laws and regulations limiting the use of such funds, are included in restricted assets. When NCPA has restricted assets for specific purposes, and restricted and unrestricted resources are available for use, it is NCPA's policy to use restricted resources first, then unrestricted resources as they are needed.

Electric Plant Electric plant in service is recorded at historical cost. The cost of additions, renewals and betterments are capitalized; repairs and minor replacements are charged to operating expenses as incurred. The original cost of property retired, net of removal and salvage costs, is charged to accumulated depreciation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the related assets. The provision for depreciation was approximately 2.0% of the average electric plant in service for the Agency during both 2021 and 2020. Depreciation is calculated using the following estimated lives:

Generation and Transmission	25 to 42 years
General Plant	5 to 25 years
Furniture and Fixtures	10 years
Transportation Equipment	5 years
Computer and Electronic Equipment	5 years

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

A summary of changes in electric plant for the year ended June 30, 2021 is as follows:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
	(in thousands)			
Structures and Leasehold Improvements	\$ 320,779	\$ 1,594	\$ (569)	\$ 321,804
Reservoirs, Dams and Waterways	249,338	-	-	249,338
Equipment	747,717	2,811	(202)	750,326
Furniture and Fixtures	3,911	62	(54)	3,919
	1,321,745	4,467	(825)	1,325,387
Accumulated Depreciation	(1,018,869)	(30,032)	825	(1,048,076)
	302,876	(25,565)	-	277,311
Construction Work-In-Progress	-	-	-	-
Land and Land Rights	171,945	-	-	171,945
Electric Plant, Net	\$ 474,821	\$ (25,565)	\$ -	\$ 449,256

A summary of changes in electric plant for the year ended June 30, 2020 is as follows:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
	(in thousands)			
Structures and Leasehold Improvements	\$ 320,743	\$ 36	\$ -	\$ 320,779
Reservoirs, Dams and Waterways	249,338	-	-	249,338
Equipment	760,624	49,307	(62,214)	747,717
Furniture and Fixtures	3,716	195	-	3,911
	1,334,421	49,538	(62,214)	1,321,745
Accumulated Depreciation	(1,004,069)	(30,958)	16,158	(1,018,869)
	330,352	18,580	(46,056)	302,876
Construction Work-In-Progress	182	-	(182)	-
Land and Land Rights	171,945	-	-	171,945
Electric Plant, Net	\$ 502,479	\$ 18,580	\$ (46,238)	\$ 474,821

In January 2020, the turbine at LEC failed resulting in an unplanned outage of the unit. The turbine was repairable but due to economic reasons, the Agency made the decision to purchase a new turbine that was comparable in cost to the failed turbine repair costs. The Agency realized a loss of \$44.4 million upon disposal of the failed turbine. The Agency purchased and constructed a new turbine for \$44.2 million and placed the unit back into service in June 2020. The Agency filed a claim with the insurers and recovered \$42.9 million of the turbine replacement costs.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Construction Work-In-Progress Construction work-in-progress (CWIP) includes the capitalized cost of land, material, equipment, labor, interest (net of interest income), certain other financing costs incurred to facilitate the projects and an allocated portion of general and administrative expenses related to the development of electric plant. In addition, CWIP ultimately includes costs incurred prior to commencement of commercial operations during the test and start-up phase of projects.

Regulatory Assets/Credits In accordance with GASB Statement No. 62, the Agency has deferred certain items of expense and revenue that otherwise would have been charged to operations because it is probable that such items will be recovered in future years' operations. For items related to Net Pension and Other Post-Employment Benefits (OPEB) Liabilities, the Agency expects to recover these items through participant collections using the actuarially calculated amounts due as represented in the respective annual and biennial actuarial valuation reports. For other regulatory items, the Agency expects to recover these items through participant collections over the term of the related debt obligations it has issued. On an ongoing basis, the Agency reviews its operations to determine the continued applicability of these deferrals under GASB Statement No. 62.

The items of expense that have been deferred are net pension and OPEB liabilities, unfunded asset retirement obligations and assets originally paid from bond proceeds, including depreciation, certain bond amortizations, and interest paid from bond proceeds. These amounts are recorded to future recoverable amounts. Revenues used to acquire electric plant through debt issuance have also been deferred to future years. As of June 30, 2021, and 2020, the Agency had accumulated regulatory assets, net of regulatory credits, of approximately \$117,881,000 and \$137,474,000, respectively.

Investment in Associated Company Effective June 2018, the Agency invested \$265,000 (16.67% interest) into Hometown Connections Inc. (a not-for-profit corporation) (HCI). HCI is a national service corporation that provides consulting, management and metering services to public power utilities on a national level. This investment is accounted for using the equity method of accounting.

Debt Related Costs Debt issuance costs are expensed as incurred. Excess costs on refunding of bonds are considered deferred outflows of resources as prescribed by GASB Statement No. 65 and amortized over the life of the refunding bonds, or the life of the refunded bonds, whichever is shorter. Amortization is computed using the effective interest method and included in interest expense.

Compensated Absences Accumulated unpaid compensated absences are accrued as the obligation is incurred. Compensated absences are included in accounts payable and accrued expenses.

Pensions For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expenses, information about the fiduciary net position of the Agency's CalPERS plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post Employment Benefits (OPEB) For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB and OPEB expenses, information about the fiduciary net position of the Agency's California Employers' Retirement Benefit Trust (CERBT) Fund and additions to/deductions from Fund's fiduciary net position have been determined on the same basis as they are reported by CalPERS, the trust administrator. For this purpose, benefit

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Asset Retirement Obligations (ARO) For purposes of measuring the ARO liability, and deferred outflows of resources related to ARO, information about the estimated costs have been determined by utilizing third party projections. Cost estimates are adjusted for inflation or deflation on an annual basis. Factors relating to estimated asset retirement outlays are evaluated annually to determine if one or more factors are expected to result in a significant change and if an ARO should be remeasured as a result. Deferred outflows of resources are reduced and recognized as an expense over the estimated life of the capital assets.

Long-Term Debt Long-term debt is stated net of unamortized discounts and premiums. Discounts and premiums are amortized over the term of the related obligation using the effective interest method. Amortization of debt discounts and premiums is included in total interest expense for the period. See Note E - Projects and Related Financing.

Operating Reserves The Agency has established various funded operating reserves, in accordance with various bond indentures, project agreements, and prudent utility practice, for anticipated periodic operating costs and related liabilities including, but not limited to, scheduled maintenance other than ordinary repairs and replacements. Certain amounts funded each year are charged to operating expense because the collections established by the Agency for power sales to its members include these costs on a prospective basis. Changes to operating reserve levels are periodically evaluated during the annual budgeting process. A non-project specific, individual participant controlled, general operating reserve is also maintained for participating Agency members.

Changes in long-term operating reserves for the year ended June 30, 2021, are as follows:

	Balance at July 1, 2020	Increases	Decreases	Balance at June 30, 2021
	(in thousands)			
General Operating Reserve	\$ 82,488	\$ 6,343	\$ 4,898	\$ 83,933
CRR Collateral & SC Balancing Account	30,633	8,253	413	38,473
Capital Development Reserve	17,211	4,649	2,868	18,992
Power Management Service	1,697	1,004	1,359	1,342
Transmission Upgrade & GHG Allowances	218	1,555	1,521	252
Special Fund Reserve	1,500	-	-	1,500
	\$ 133,747	\$ 21,804	\$ 11,059	\$ 144,492

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Changes in long-term operating reserves for the year ended June 30, 2020, are as follows:

	Balance at July 1, 2019	Increases	Decreases	Balance at June 30, 2020
	(in thousands)			
General Operating Reserve	\$ 75,233	\$ 10,616	\$ 3,361	\$ 82,488
CRR Collateral & SC Balancing Account	29,584	1,646	597	30,633
Capital Development Reserve	14,971	4,899	2,659	17,211
Power Management Service	2,948	15	1,266	1,697
Transmission Upgrade & GHG Allowances	2,315	2,072	4,169	218
Special Fund Reserve	1,500	-	-	1,500
	\$ 126,551	\$ 19,248	\$ 12,052	\$ 133,747

Rates Power sales to participants for their resale include both power generated by operating plants and power purchased from outside sources. Collection rates for power sales are designed to recover costs that include budgeted annual operating costs and debt service. Additional amounts for operating reserves or rate stabilization may be included in collection rates under the terms of bond indentures. During fiscal years 2021 and 2020, no amounts were specifically collected for rate stabilization.

The Agency's collection rates for electric service are not subject to the regulatory jurisdiction of the California Public Utilities Commission (CPUC) or FERC. Rather, the Agency's rates are established annually in connection with its budget, which is approved by its governing Commission.

Power, Transmission and Fuel Forward Transactions In the normal course of its business, the Agency is required to manage loads, resources, and energy price risk on behalf of its members. Consequently, the Agency buys and sells power, transmission, and fuel in wholesale markets as required. The Agency does not enter into such agreements solely for trading purposes. All such transactions are normal purchases and sales subject to settlement at the agreed to contract prices for quantities delivered. While authorized to transact forward purchase contracts for terms of up to five years, forward contract purchases at fiscal year ended June 30, 2021 were for periods not greater than four years duration beyond the current fiscal year. In the event of default, undelivered transactions are required to be marked-to-market subject to the following limitations. If the Agency, as buyer, is the defaulting entity, the Agency's termination settlement amount is capped at the agreed to contract cost for all future undelivered commodities. If the selling counterparty is the defaulting entity, the seller's termination settlement is not capped for all future undelivered commodities. The defaulting entity is also subject to resultant transmission charges, brokerage fees, attorney fees, and all other reasonable expenses. See Note I - Commitments and Contingencies, Power Purchase Contracts.

Fair Values of Financial Instruments The following methods and assumptions were used by the Agency in estimating its fair value disclosures for financial instruments:

Cash and Cash Equivalents - The carrying amount reported in the statements of net position for cash and cash equivalents approximates its fair value.

Investments - The fair values for investments are based on quoted market prices and significant other observable inputs. See Note D – Fair Value Measurement.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Swaps - The fair values take into consideration the prevailing interest rate environment, the specific terms and conditions of a given transaction, and any upfront payments that were received. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement on the swaps. While the current net mark-to-market values are negative, this valuation would be realized only if the swaps were terminated at the valuation date.

Net Position The Agency classifies its net position into three components; invested in capital assets, restricted, and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets - This component consists of capital assets, net of accumulated depreciation reduced by outstanding debt balances, net of unspent bond proceeds.

Restricted - This component consists of net position with constraints placed on their use. Constraints include those imposed by debt indentures and other agreements; grants, or laws and regulations of other governments.

Unrestricted - This component consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

The Agency and the Associated Power Corporations are intended to operate on a not-for-profit basis. Therefore, any balance of net position represents differences between total revenues collected, using collection rates based on estimated operating expenses and debt service, and the total actual expenses incurred. In subsequent periods of operation, excess collections (net of encumbrances) that the participating members do not direct be held by or released to the Agency, are refunded to the participating members. Estimated encumbrances at June 30, 2021 and 2020 were \$5,363,000 and \$2,812,000, respectively. In the event the Agency incurs a negative net position balance, the balance would be subject to recovery in collection rates under the terms of the related take-or-pay member agreements. See Note E – Projects and Related Financing.

Deferred Outflows and Inflows of Resources The statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred Outflows of Resources consist of excess cost on refunding of debt, pension and OPEB deferrals and asset retirement obligations. Pension contributions made in the current year are reported as deferred outflows of resources as the CalPERS' valuation measurement date is June 30, 2020; those contributions were expensed in fiscal year 2021.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period(s) and will be recognized as revenue at that time. The Agency's deferred inflows of resources are comprised of regulatory credits intended to offset the effects of the collection rate process, pension and OPEB deferrals projected in the pension and OPEB actuarial reports and funds advanced for asset retirement obligations.

Recent Accounting Pronouncements In May, 2020, GASB Statement of Government Accounting Standards No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, provided temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. It postponed Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018 and later.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*, effective for financial statements for years beginning after December 15, 2019. This statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. During FY 2021 and FY 2020, the Agency did not have any fiduciary activities.

Accounting Pronouncements Effective in Future Fiscal Years

- **GASB Statement No. 87** – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of the Statement is to recognize in the Financial Statements certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The Statement originally is effective for the periods beginning after December 15, 2019, or the fiscal year 2021. GASB 95 postponed implementation to periods beginning after June 15, 2021 or fiscal year 2022. The Agency has not determined the effect of the statement.
- **GASB Statement No. 89** – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of the Statement is (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The Statement originally is effective for the periods beginning after December 15, 2019, or fiscal year 2021. GASB 95 postponed implementation to periods beginning after December 15, 2020 or fiscal year 2022. The Agency has not determined the effect of the statement.
- **GASB Statement No. 90** – In August 2018, GASB issued Statement No. 90, *Majority Equity Interest*. The objective of the Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement originally is effective for the periods beginning after December 15, 2018, or fiscal year 2020. GASB 95 postponed implementation to periods beginning after December 15, 2020 or fiscal year 2022. The Agency has not determined the effect of the statement.
- **GASB Statement No. 91** – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objective of the Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The Statement originally is effective for the periods beginning after December 15, 2020, or fiscal year 2022. GASB 95 postponed implementation to periods beginning after December 15, 2021 or fiscal year 2023. The Agency has not determined the effect of the statement.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

- **GASB Statement No. 92** – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objective of the Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The Statement originally is effective for the periods beginning after June 15, 2020, or fiscal year 2021. GASB 95 postponed implementation to periods beginning after June 15, 2021 or fiscal year 2022. The Agency has not determined the effect of the statement.
- **GASB Statement No. 93** – In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR), most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form on December 31, 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates. The Statement originally is effective for the periods beginning after June 15, 2020, or fiscal year 2021. GASB 95 postponed implementation to periods beginning after June 15, 2021 or fiscal year 2022. The Agency has not determined the effect of the statement.
- **GASB Statement No. 94** – In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or non-governmental entity) to provide public services by conveying control of the right to operate or use a non-financial asset, such as infrastructure or other capital asset for a period of time in an exchange or exchange-like transaction. The Statement is effective for the periods beginning after June 15, 2022, or fiscal year 2023. The Agency has not determined the effect of the statement.
- **GASB Statement No. 96** – In June 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments. This Statement:
 1. Defines a SBITA,
 2. Establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability,
 3. Provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and
 4. Requires note disclosure regarding a SBITA.

The Statement is effect for the periods beginning after June 15, 2022, or fiscal year 2023. The Agency has not determined the effect of the statement.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

- **GASB Statement No. 97** – In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Suppression of GASB Statement No. 32*. The objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units, (2) mitigate costs associated with the reporting of certain fiduciary component units in fiduciary fund financial statements, and (3) enhance the relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans. The Statement is effective for the periods beginning after June 15, 2021, or fiscal year 2022. The Agency has not determined the effect of the statement.

Use of Estimates in the Preparation of Financial Statements The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. Such reclassifications had no effect on net position.

NOTE C -- INVESTMENTS

The Agency is authorized to invest in obligations of the U.S. Government and its agencies and instrumentalities, in certificates of deposit, commercial paper, banker's acceptances, repurchase agreements, passbook savings account demand deposits, municipal bonds, the State Treasurer's LAIF pool, mid-term corporate notes, and in other instruments authorized by applicable sections of the Government Code of the State of California. The Agency's investments are stated at fair value.

The Agency's investment policy requires investments that assure safety of the principal, liquidity to meet specific obligations of the Agency when due, and investment quality all in compliance with California State law and the Agency's revenue bond indentures. Generally, operating and reserve funds' investment maturities are limited to one and five years, except for Geothermal Decommissioning Reserve and debt service reserve funds, which are allowed maturities up to ten years and fifteen years, respectively.

All securities owned by, or held on behalf of, the Agency are held by either the Agency's custodian, Union Bank of California, N.A., or its revenue bond trustee, U.S. Bank Trust, N.A.

The Agency's investment policy includes restrictions for investments relating to maximum amounts invested as a percentage of the portfolio and with a single issuer, maximum maturities, and minimum credit ratings.

Credit Risk To mitigate the risk that an issuer will not fulfill its obligation to the investment, the Agency limits investments in non-federally secured instruments to those rated, at a minimum, "A" rating category or equivalent for long/medium term notes by a nationally recognized statistical rating organization. Investments in municipal bonds, corporate bonds, and certificates of deposit are limited to the top three ratings issued by nationally recognized statistical rating organizations and all investments must be investment grade. Credit rating ranges and minimum rating requirements for the Agency's investments as of June 30, 2021 are listed below:

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Description	Min Rating	Credit Rating	
		Moody's	S&P
U.S. Agencies	N/A	Aaa/NR	AA+/NR
U.S. Treasury	N/A	NR	NR
Municipal Bonds	A-	A1/Aaa	A/AAA
Corporate Bonds	A-	A3/Aaa	A-/AAA
Certificates of Deposit*	A-	Aaa	AA+
Local Agency Investment Fund	N/A	NR	NR

*All Certificate of Deposit investments are \$250,000 or less and fully Federal Deposit Insurance Corporation (FDIC) insured. The FDIC is backed by the full faith and credit of the United States government, and the credit ratings are reflective thereof.

Custodial Credit Risk This is the risk that in the event of a failure of a depository financial institution, the Agency's deposits may not be returned or the Agency will not be able to recover its deposits, investments, or collateral securities that are in the possession of another party. The Agency's policy mitigates this risk by requiring transactions with approved institutions and firms that have one or more of the following attributes: recognized as a primary government dealer as designated by the Federal Reserve Bank; regional broker/dealer headquartered in the State of California; national or state chartered bank that must be a member of the FDIC; direct issuer of securities eligible for purchase by the Agency; brokers and dealers qualified under SEC Rule 15C3-1 (Uniform Net Capital Rule), must be registered with the Financial Industry Regulatory Authority (FINRA) and must be licensed to do business in the State of California. Capitalization, credit worthiness, experience, reference checks and services offered criteria are evaluated when selecting a custodian.

The Agency is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code under the oversight of the Treasurer of the State of California. The fair value of NCPA's investment in this pool is reported in the accompanying financial statements at amounts based upon the Agency's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Concentration of Credit Risk This is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The investment policy of the Agency contains no limitations on the amount that may be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than mutual funds and external investment pools) that represent 5% or more of total Agency investments include the following at June 30, 2021 and June 30, 2020.

Concentration of Credit Risk, June 30, 2021

Issuer:	Investment Type	Reported Amount	Percentage of Portfolio
		(in thousands)	
Federal Farm Credit Bank	Federal Agency	\$ 30,336	10.9%
Federal Home Loan Bank	Federal Agency	18,107	6.5%

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Concentration of Credit Risk, June 30, 2020

<u>Issuer:</u>	<u>Investment Type</u>	<u>Reported Amount</u>	<u>Percentage of Portfolio</u>
		(in thousands)	
Federal Home Loan Mortgage Corp.	Federal Agency	\$ 15,083	5.1%
Federal Farm Credit Bank	Federal Agency	18,886	6.4%
Federal Home Loan Bank	Federal Agency	55,021	18.6%

Interest Rate Risk Interest rate risk is the risk that changes in market interest rates may adversely affect the fair value of an investment. The Agency manages its exposure to interest rate risk by following a hold-to-maturity investment approach for some investments, purchasing a combination of shorter and longer-term investments, and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. In addition, the Agency periodically rebalances larger fund portfolios to maintain the appropriate rate of return through market cycles; such rebalances are performed only in instances when the result of the rebalance transaction is a net gain.

The following tables reflect the carrying and fair values and the weighted average maturity in years for the Agency's investment portfolios for fiscal years ended June 30, 2021 and 2020, respectively.

Investments at June 30, 2021			
<u>Description</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Wtd. Avg Maturity (In years)</u>
	(in thousands)		
U.S. Agencies	\$ 74,705	\$ 74,490	3.52
U.S. Treasury	7,891	7,891	0.09
Municipal Bonds	29,106	29,262	3.19
Corporate Bonds	74,600	75,736	2.63
Certificates of Deposit	1,500	1,560	1.36
TOTAL INVESTMENTS	\$ 187,802	\$ 188,939	

Investments at June 30, 2020			
<u>Description</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Wtd. Avg Maturity (In years)</u>
	(in thousands)		
U.S. Agencies	\$ 97,420	\$ 98,085	2.29
U.S. Treasury	5,175	5,207	0.50
Municipal Bonds	15,161	15,293	2.88
Corporate Bonds	74,662	77,843	2.67
Certificates of Deposit	1,500	1,601	2.37
TOTAL INVESTMENTS	\$ 193,918	\$ 198,029	

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

NOTE D -- FAIR VALUE MEASUREMENT

In accordance with GASB 72, Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Fair value is a market-based measurement for a particular asset or liability based on assumptions that market participants would use in pricing the asset or liability.

Valuation inputs are assumptions that market participants use in pricing an asset or liability. The hierarchy of inputs used to generate the valuation is classified into three different Levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities at the measurement date.
- Level 2 inputs include quoted prices for similar assets or liabilities in markets that are active; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for an asset, either directly or indirectly.
- Level 3 inputs are unobservable inputs from the asset or liability where there is very little market activity and they should be used only when relevant Level 1 and Level 2 inputs are unavailable.

Fair Value of Investments under GASB 72 – Debt and other securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Level 2 Securities are valued using a multi-dimensional relationship model or matrix pricing model utilizing market data including, but not limited to, benchmark yields, reported trades, and broker/dealer quotes.

Fair Value of Swaps under GASB 72 – Fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of a given transaction. The valuations of derivatives transactions provided are indicative values based on mid-market levels as of June 30, 2021. These valuations do not represent the actual terms at which new transactions could be entered into or the actual terms at which existing transactions could be liquidated. The valuations provided are derived from proprietary models based upon well-recognized financial principles and reasonable estimates about relevant future market conditions for interest rate swaps. The Agency's swap advisor categorized the swap's fair value as Level 2 based on its inputs used to perform the measurement.

The Agency's fair value measurements are performed on a recurring basis. Because investing is not a core part of the Agency's mission, the Agency determines that the disclosures related to these investments only need to be disaggregated by major type. The fair value of swaps reflect the nonperformance risk of their client counterparty relating to that liability, and the nonperformance risk of the bank counterparty relating to that asset.

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

The Agency has the following fair value measurements as of June 30, 2021:

	June 30, 2021	Fair Value Using		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments by fair value level				
Debt Securities				
U.S. Agencies	\$ 74,490	\$ 13,811	\$ 60,679	\$ -
U.S. Treasury	7,891	7,891	-	-
Municipal Bonds	29,262	-	29,262	-
Corporate Bonds	75,736	-	75,736	-
Certificates of Deposit	1,560	-	1,560	-
Total debt securities	188,939	21,702	167,237	-
Total investments by fair value level	\$ 188,939	\$ 21,702	\$ 167,237	\$ -
Derivative Instruments by fair value level				
Swap liability instruments	\$ (16,045)	\$ -	\$ (16,045)	\$ -
Total Derivative Instruments by fair value level	\$ (16,045)	\$ -	\$ (16,045)	\$ -

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

The Agency has the following fair value measurements as of June 30, 2020:

	Fair Value Using			
	June 30, 2020	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	(in thousands)			
Investments by fair value level				
Debt Securities				
U.S. Agencies	\$ 98,085	\$ 34,678	\$ 63,407	\$ -
U.S. Treasury	5,207	5,207	-	-
Municipal Bonds	15,293	-	15,293	-
Corporate Bonds	77,843	-	77,843	-
Certificates of Deposit	1,601	-	1,601	-
Total debt securities	198,029	39,885	158,144	-
Total investments by fair value level	\$ 198,029	\$ 39,885	\$ 158,144	\$ -
Derivative Instruments by fair value level				
Swap liability instruments	\$ (18,968)	\$ -	\$ (18,968)	\$ -
Total Derivative Instruments by fair value level	\$ (18,968)	\$ -	\$ (18,968)	\$ -

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

NOTE E -- PROJECTS AND RELATED FINANCING

Financing Programs The Agency's project construction and development programs have been individually financed by project revenue bonds that are collateralized by the Agency's assignment of all payments, revenues, and proceeds associated with its interest in each project. Each project participant is responsible to pay its proportionate share of debt service and other costs of the related project, notwithstanding the suspension, interruption, interference, reduction or curtailment of output from the project for any reason (that is, the take-or-pay member agreements). The project sales agreements also require project participants to step up their respective obligations in the event of a default by another project participant.

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Current Portion
(in thousands)					
Geothermal Project					
2012 Series A - Original Issue Amount \$12,910 Term, 2.289% due 2023 (direct placement)	\$ 3,570	\$ -	\$ 1,405	\$ 2,165	\$ 1,440
2016 Series A - Original Issue Amount \$17,530 Term, 1.670% due 2024 (direct placement)	16,530	-	3,190	13,340	3,250
Total Geothermal Project	20,100	-	4,595	15,505	4,690
Hydroelectric Project					
2008 Refunding Series A - Original Issue Amount \$85,160 Term, adjustable rate-weekly reset, due 2033	83,640	-	2,165	81,475	2,255
2012 Refunding Series A - Original Issue Amount \$76,665 Serial, 5.00% through 2033	76,665	-	-	76,665	-
2012 Refunding Series B - Original Issue Amount \$7,120 Serial, 4.32% through 2025	7,120	-	-	7,120	-
2018 Refunding Series A - Original Issue Amount \$68,875 Serial, 5.00% through 2025	59,990	-	10,730	49,260	11,310
2019 Refunding Series A - Original Issue Amount \$39,250 Serial, 4.00-5.00% through 2025	38,310	-	7,830	30,480	8,185
Add: Unamortized Premium, net	13,713	-	2,891	10,822	-
Total Hydroelectric Project	279,438	-	23,616	255,822	21,750

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Current Portion
	(in thousands)				
Capital Facilities Project					
2019 Refunding Series A - Original Issue Amount \$39,250 Serial, 4.00-5.00% through 2025	\$ 20,450	\$ -	\$ 2,575	\$ 17,875	\$ 4,080
Add: Unamortized Premium	2,008	-	567	1,441	-
Total Capital Facilities Project	22,458	-	3,142	19,316	4,080
Lodi Energy Center, Issue One					
2010 Series B (Federally Taxable - Direct Payment Build America Bonds) - Original Issue Amount \$176,625 Term, 7.311% due 2040	176,625	-	-	176,625	-
Lodi Energy Center, Issue Two					
2010 Series B (Federally Taxable - Direct Payment Build America Bonds) – Original Issue Amount \$110,225 Term, 5.679% due 2035	105,015	-	5,365	99,650	5,565
Lodi Energy Center, Issue One 2017 Series A – Original Issue Amount \$38,970					
Serial, 2.70% through 2025 (direct placement)	37,410	-	7,150	30,260	7,315
Total Lodi Energy Center Project	319,050	-	12,515	306,535	12,880
Total Long-Term Debt, Net	\$ 641,046	\$ -	\$ 43,868	\$ 597,178	\$ 43,400

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Debt service requirements for each of the next five years and in five-year cumulative increments thereafter as of June 30, 2021:

	Revenue Bonds		Notes from Direct Placements		Total
	Principal	Interest	Principal	Interest	
	(in thousands)				
2022	\$ 31,395	\$ 31,002	\$ 12,005	\$ 967	\$ 75,370
2023	32,990	29,403	11,505	714	74,613
2024	38,705	27,725	11,005	464	77,900
2025	40,400	25,763	11,250	235	77,647
2026	29,480	23,894	-	-	53,374
2027-2031	168,700	92,655	-	-	261,355
2032-2036	137,805	43,485	-	-	181,290
2037-2040	59,675	11,161	-	-	70,836
Add: Unamortized Bond Premium	12,263	-	-	-	12,263
	<u>\$ 551,413</u>	<u>\$ 285,088</u>	<u>\$ 45,765</u>	<u>\$ 2,381</u>	<u>\$ 884,647</u>

Interest includes interest requirements for fixed rate debt at their stated rate and variable rate debt covered by interest rate swaps at their fixed swap rate.

Changes in long-term debt obligations for the year ended June 30, 2021, are as follows:

	Balance at July 1, 2020	Increases	Decreases	Balance at June 30, 2021	Due Within One Year
	(in thousands)				
Revenue bonds	\$ 567,815	\$ -	\$ 28,665	\$ 539,150	\$ 31,395
Notes from direct placements	57,510	-	11,745	45,765	12,005
Add: Unamortized Premium, net	15,721	-	3,458	12,263	-
Total	<u>\$ 641,046</u>	<u>\$ -</u>	<u>\$ 43,868</u>	<u>\$ 597,178</u>	<u>\$ 43,400</u>

The Agency's outstanding notes from direct placements of \$45,765,000 contain provisions that in an event of default, outstanding amounts become immediately due if (1) the Agency is unable to pay the principal or interest when due, (2) files bankruptcy or becomes insolvent, or (3) S&P issues a downgrade below "BBB-."

The Agency's outstanding revenue bonds of \$539,150,000 contain provisions that in the event of a participant default, the project entitlement percentage of each non-defaulting project participant will increase on a prorated basis up to a maximum of 25% for Hydroelectric, Geothermal and Capital Facilities projects and 35% for Lodi Energy Center project.

Redemption Provisions As set forth in the bond indentures, the term bonds are subject to redemption prior to maturity in varying amounts at specific dates. At the option of the Agency, the bonds are also subject to early redemption at specific redemption prices and dates.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Defeased Debt Various bond refundings were undertaken to defease debt and realize future debt service savings. Debt was defeased by using the proceeds of the refunding issues and other available monies to irrevocably place in trust cash and U.S. Government Securities, which together with interest earned thereon, will be sufficient to pay both the interest and the appropriate maturity or redemption value of the refunded bonds as required. Detailed information about the refunding transactions follow.

On December 20, 2019, the Agency issued Capital Facilities Revenue Bonds, 2019 Refunding Series A, in the amount of \$20,450,000 with an average interest rate of 5.0000% to refund \$25,450,000 of outstanding Capital Facilities Revenue Bonds, 2010 Refunding Series A with an average interest rate of 5.2149%. The net proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the old bonds. As a result, the old bonds are considered defeased and the liability for that portion of the old bonds has been removed from the statement of net position. The outstanding 2010 Series A Bonds were called for redemption on February 1, 2020.

The cash flow requirements on the old bonds prior to the refunding was \$26,107,510 from August 1, 2019 through August 1, 2025. The cash flow requirements on the new bonds are \$23,373,451 from August 1, 2019 through August 1, 2024. The refunding resulted in an economic gain of \$2,431,189.

Accordingly, some of these defeased debt issues have been considered extinguished for financial reporting purposes. At year-end, the following defeased debt remained outstanding:

		2021	2020
		(in thousands)	
Hydroelectric:	Project No. One, 1985 Series A	\$ 12,150	\$ 12,150
	Project No. One, 1986 Series A	31,360	31,360
	Total Defeased Debt Outstanding	\$ 43,510	\$ 43,510

Geothermal Project In addition to a federal geothermal leasehold, steam wells, gathering system and related facilities, the project consists of two electric generating stations (Plant 1 and Plant 2) with combined 165 MW (nameplate rating) turbine generator units utilizing low temperature geothermal steam; associated electrical, mechanical and control facilities; a heat dissipation system; a steam gathering system, a transmission tap-line, and other related facilities. Geothermal steam for the project is derived from the geothermal property, which includes well pads, access roads, steam wells and re-injection wells.

Hydroelectric Project The Agency contracted to finance, manage, construct, and operate Hydroelectric Project Number One for the licensed owner, Calaveras County Water District. In exchange, the Agency has the right to the electric output of the project for 50 years from February 1982. The Agency also has an option to purchase power from the project in excess of the District's requirements for the subsequent Federal Energy Regulatory Commission project license term of 30 to 50 years.

As part of a refinancing plan in November 2004, the Agency entered into two forward starting interest rate swaps in an initial notional amount of \$85,160,000 and \$1,574,000. Payments under the swap agreements with Citigroup Financial Products, Inc. began on April 2, 2008. To complete the refinancing transaction and realize the debt service savings under the 2004 swap agreement, on April 2, 2008 the Agency completed a bond refunding of 2023 to 2032 maturities of the

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

1998 Hydroelectric Refunding Series A bonds. These fixed rate bonds were refinanced through the issuance of tax-exempt 2008 Hydroelectric Refunding Series A (\$85,160,000) bonds and taxable 2008 Hydroelectric Refunding Series B (\$3,165,000) bonds. Both issues were variable interest rate bonds bearing interest at weekly interest rates, payable semi-annually on July 1 and January 1 each year.

To support this financing, the Agency entered into two irrevocable direct pay letter of credit agreements with Citibank that have since expired, being substituted with letters of credit with the Bank of Montreal in 2014. On April 30, 2019, the Agency terminated the 2008 Hydroelectric, Series B swap with Citigroup, and on May 14, the outstanding principal of \$910,000 on the 2008 Hydroelectric, Series B bonds was called for redemption. On June 24, 2019 the agency completed a Letter of Credit substitution for the 2008 Hydroelectric, Series A bonds replacing the Bank of Montreal with Bank of America. The Letter of Credit expires on June 21, 2024.

The payment of principal and interest on the outstanding 2008 Hydroelectric Refunding Series A (\$85,160,000) bonds are not covered by any financial guaranty insurance policies. This 2008 Hydroelectric Refunding and the associated interest rate swaps are estimated to have reduced project debt service by \$11.8 million over the life of the debt providing the Agency with an estimated economic gain (difference between the present values of the old and new debt service payments) of approximately \$5.9 million.

The remaining swap for the 2008 Hydroelectric Refunding Series A (\$85,160,000) is a separate pay-fixed, receive-variable interest rate swap to produce savings or to result in lower costs over the life of the transaction than what the Agency would have paid using fixed-rate debt. While the swap is a derivative instrument and carries additional risks, the Agency's swap policy and favorable negotiations have helped to reduce such risks.

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2008 Hydroelectric Refunding Revenue Bonds Forward Starting Swap	
<u>Associated Interest Rate Swaps starting April 2, 2008</u>	<u>Series A</u>	
Counterparty to Interest Rate Swap	Citigroup Financial Products Inc.	
Notional Value of Interest Rate Swap	\$ 81,475,000	
Fair Value--Due from (to) Counterparty	\$(16,044,959)	
Credit Downgrade Required Collateral Posting:		
For Counterparty, Fair Value Above	\$10 million	
If S&P or Moody's Credit Rating falls to	A-/A3 and BBB-/Baa3	
For Agency (Credit of Agency's Insurer		
National Public Finance Guarantee formerly MBIA and		
NCPA credit), Fair Value Above	\$10 million	
If S&P or Moody's Credit Rating falls to	A+/A1	
Termination Date	July 1, 2032	
	<u>Terms</u>	<u>Rates</u>
Payments to (from) Counterparty	Fixed	3.819 %
Variable Payments (from) to Counterparty	54% LIBOR+.54%*	<u>(0.620)%</u>
Net Interest Rate Swap Payments		3.197 %
Variable-Rate Bond Payments	SIFMA**	<u>0.072 %</u>
Effective Interest Rate on Bonds		<u>3.268%</u>

Average to Date: *1-Month London Inter-Bank Offered Rate

**Securities Industry and Financial Market Association Municipal Swap Index (formerly the
Bond Market Association Municipal Swap Index)

Changes in interest rate swap liability for the year ended June 30, 2021, are as follows:

	<u>Balance at</u>			<u>Balance at</u>
	<u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2021</u>
		(in thousands)		
Interest rate swap liability	\$ 18,968	\$ -	\$ 2,923	\$ 16,045

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Changes in interest rate swap liability for the year ended June 30, 2020, are as follows:

	Balance at July 1, 2019	Increases	Decreases	Balance at June 30, 2020
	(in thousands)			
Interest rate swap liability	\$ 14,613	\$ 4,355	\$ -	\$ 18,968

The total fair value of outstanding swap instruments was a net liability of \$16,045,000 and \$18,968,000 at June 30, 2021 and June 30, 2020, respectively. These amounts are reported as a non-current liability. The interest rate swaps beginning in FY 2013 are both ineffective hedges and considered investment derivative instruments. The change in fair value was \$2.9 million and \$4.4 million for years ended June 30, 2021 and 2020, respectively and are recorded net of interest expense in the Statement of Revenues, Expenses, and Changes in Net Position. The net settlement payments of interest on these investment derivative instruments total \$2.6 million and \$2.0 million, which is recorded as interest expense in the Statement of Revenues, Expenses, and Changes in Net Position for FY 2021 and FY 2020, respectively. The value of the swaps noted above reflects the estimated fair value of the swaps at June 30, 2021 and 2020 as determined by the Agency's financial advisor. The fair value of the swaps will change due to notional amount, amortizations, and interest rate changes.

The interest rate swap exposes the Agency to basis risk should the relationship between LIBOR and SIFMA converge, changing the synthetic rate on the bonds. If a change occurs that results in the rates moving to convergence, the expected cost savings of the swap may not be realized. The Agency is exposed to interest rate risk on its pay-fixed, receive variable interest rate swaps. Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of the Agency's financial instruments or cash flows. As the LIBOR or SIFMA swap index decreases, the Agency's net payment on swaps increases. In addition, the Agency is exposed to interest rate risk if the counterparty to the swap defaults or if the swap is terminated. The Agency is also exposed to market access risk, the risk that it will not be able to enter credit markets or that credit will become more costly. The Agency's financial rating is tied to the credit strength of the major participants of the specific project for which each financial instrument is issued. The Agency is also exposed to market access risks caused by disruptions in the municipal bond market.

To mitigate the potential for credit risk, the swap counterparties are required by the agreement to post collateral should the fair value exceed certain thresholds as shown above. At June 30, 2021, credit ratings of the counterparties to the swaps were as follows:

Swap Counterparty & Agency's Insurer	Standard & Poor's	Moody's
Citigroup Financial Products Inc.	A+	Aa3
National Public Finance Guarantee formerly MBIA (the Agency's insurer)	NR	Baa2

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

The swaps utilized the International Swap Dealers Association (ISDA) Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. However, an additional provision under the Schedule to the ISDA Master Agreement allows the swap to be terminated by the Agency if the counterparty's credit rating falls below A- by Standard & Poor's or A3 by Moody's. If a swap is terminated, the applicable bonds would no longer carry a synthetic fixed interest rate. In addition, if a swap has a negative fair value at the time of an early termination, the Agency would be liable to the counterparty for a payment equal to the swap's fair value.

Combustion Turbine Project The original project consisted of five combustion turbine units, each nominally rated at approximately 25 megawatts. Concurrent with the final project bond maturity, two units located in Roseville were acquired by an Agency member. The remaining project consists of two units in Alameda and one in Lodi. The project provides capacity during peak load periods and emergency capacity reserves. Excess capacity and energy from the project are also sold to other entities from time to time.

Capital Facilities Project The project consists of one 49.9 megawatt natural gas-fired steam injected combustion turbine generator unit located in Lodi, California. Wastewater is reclaimed from the City of Lodi's White Slough water pollution control facility, processed to eliminate contaminants, and heated to steam and used in the turbine to produce augmented power and emissions control.

Lodi Energy Center (LEC) The project is a 296 MW base load, combined cycle, natural gas-fired, combustion turbine generating station (one gas turbine and one steam turbine) located in Lodi, California, next to the Capital Facilities Project discussed above. Pursuant to the Lodi Energy Center Power Sales Agreement, the Agency agreed to operate the LEC and has sold all of the capacity and energy of the LEC to thirteen participants (including four non-members) in accordance with their respective Generation Entitlement Shares (GES). Each participant has agreed to unconditionally provide for its share of the operation and maintenance expenses and all capital improvements based on its GES. The LEC will be operated and maintained by the Agency under the direction of the LEC Project Management and Operations Agreement among the Agency and the LEC Project Participants.

Lodi Energy Center Revenue Bonds, Issue One provided financing for 11 project participants with 55.7857% GES. Lodi Energy Center Revenue Bonds, Issue Two provided financing for the California Department of Water Resources 33.5% GES. The Modesto Irrigation District elected to provide its own financing for its 10.7143% GES of the costs of construction of the project. Modesto Irrigation District is not liable for any Agency debt service obligations for the project.

The Issue One Series B and the Issue Two Series B bonds were issued as Taxable Subsidy Bonds constituting Build America Bonds (BABs) for the purposes of the American Recovery and Reinvestment Act of 2009. The Act provides for a direct payment to the Agency from the federal government equal to 35% of the interest costs. The direct payment was reduced by 5.7% and 5.9% in 2021 and 2020, respectively due to federal government budget sequestration. Such payments may continue to be affected by sequestrations.

NOTE F – ASSET RETIREMENT OBLIGATION

NCPA constructed and operates generating plants, transmission, and other tangible assets that are used to provide its members with a portion of their power needs. For some of those assets, there are legally enforceable liabilities that require removal, disposal, remediation and other activities associated with their future retirement or with the termination of leases and licenses. The Agency has recognized Asset Retirement Obligations for those future asset retirement activities.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Geothermal Plant Decommissioning

The Agency developed the geothermal project (the "Geothermal Project") located on federal land in certain areas of Sonoma and Lake Counties, California (the "Geysers Area"). In addition to the geothermal leasehold, wells, gathering system and related facilities, the Geothermal Project consists of two electric generating stations (Plant 1 and Plant 2), with combined 165 MW (nameplate rating) turbine generator units utilizing low pressure, low temperature geothermal steam, associated electrical, mechanical and control facilities, a heat dissipation system, a steam gathering system, a transmission tapline and other related facilities. Geothermal steam for the project is derived from the geothermal property, which includes wellpads, access roads, steam wells and reinjection wells.

Steam for NCPA's geothermal plants comes from lands in the Geysers Area, which are leased by NCPA from the federal government. NCPA operates these steam-supply areas. Operation of the geothermal plants at high generation levels, together with high steam usage by others in the same area, resulted in a decline in the steam production from the steam wells at a rate greater than expected. As a result, NCPA partnered with other geothermal operators in the Geysers Area to finance and construct the Southeast Geysers Effluent Pipeline Project, which was completed in September 1997 and began operating soon thereafter. With the reduced rate of steam production decline, the useful life of the plant and associated tangible assets is projected through fiscal year 2059.

Under terms of the federal geothermal leasehold agreements, which became effective August 1, 1974, the leasehold had a 10-year primary term with provision for renewal as long thereafter as geothermal steam is produced or utilized, but not longer than 40 years. At the expiration of that period, if geothermal steam was still being produced, NCPA had a preferential right to renew the leasehold for a second term. In 2013, NCPA renewed the leasehold. The leasehold also requires NCPA to remove its leasehold improvements including the geothermal plants and steam gathering system when and if NCPA abandons the leasehold. Additionally, the United States Department of the Interior and Bureau of Land Management issued the License for Electric Power Plant Site Utilizing Geothermal Resources. The license requires that NCPA remove all structures, machinery, and other equipment and restore the land within one year following the termination of the license.

The Agency authorized a decommissioning study for the Geothermal Project, and Black and Veatch provided that study to NCPA in December 2016. The study included detailed cost estimates totaling approximately \$59.3 million (figures compiled prior to fiscal year 2016) for all retirement obligation activities. The study also projected the costs through 2020 using an Extrapolation Escalation Methodology for the following categories: 1) direct labor and subcontract costs less salvage value; 2) indirect costs; 3) construction equipment; 4) engineering and construction management; 5) and contingency. NCPA personnel then calculated the effective change between the escalated 2016 base and 2020 escalated costs to develop a composite escalation rate and assumed that the escalation rate was applicable evenly for each of the five years beginning in 2016; the resulting calculated annual escalation factor was 2.26%. The estimated retirement obligation costs for years ended June 30, 2021 and 2020 are \$67,784,000 and \$66,285,000, respectively. The annual retirement expense for years ended June 30, 2020 and 2020 are \$1,619,214 and \$1,580,795, respectively.

NCPA has been collecting monies to pay the expected decommissioning costs since 2007 and holds \$24.6 million in a designated reserve for such purpose as of June 30, 2021. The initial ARO recognition included a reclassification of that reserve from a liability to the members to a deferred inflow that will be reduced as the decommissioning costs are funded in the future.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Lodi Energy Center and Capital Facilities Project Well Plugging

The agency owns and operates the Lodi Energy Center (LEC) and Capital Facilities projects located in Lodi, California.

The Lodi Energy Center is a 296 megawatt base load, combined cycle, natural gas-fired, combustion turbine generating station (one gas turbine and one steam turbine). The electric generation components (the "Power Island") of the Lodi Energy Center consists of the following components: (1) one natural gas-fired Siemens STGS-5000F combustion turbine-generator (CTG), with an evaporative cooling system and dry low-NOx combustors to control air emissions; (2) one 3-pressure heat recovery steam generator (HRSG), (3) a selective catalytic reduction (SCR) and carbon monoxide ("CO") catalyst to further control NOx and CO emissions, respectively; (4) one Siemens SST-900RH condensing steam turbine generator ("STG"); (5) one natural gas-fired auxiliary boiler; (6) one 7-cell draft evaporative cooling tower; and (7) associated support equipment. The Lodi Energy Center was placed into commercial operation on November 27, 2012. There is also a Class I Underground Injection Control Well, located at the West side of White Slough Water Treatment Plant at LEC. The useful life of the plant and associated tangible assets including the injection well is projected through fiscal year 2040.

The Capital Facilities Project consists of a natural gas-fired combustion turbine power generating station, Unit One, with a design rating of 49.9 MW located in the City of Lodi. Construction of the Project began in September 1993, with commercial operation commencing in 1996. The power generating station consists of a single natural gas-fired steam injected gas turbine, generator, and required auxiliary and electrical interconnection systems. Additionally, the STIG project includes a Class I Underground Injection Control Well, located at the West side of White Slough Water Treatment Plant. The useful life of the plant and associated tangible assets including the injection well is projected through fiscal year 2040.

The LEC and Capital Facilities projects are located on property owned by the City of Lodi (City). The Agency entered into the Second Amended and Restated Ground Lease by and between the City of Lodi (Landlord) and the Northern California Power Agency (Tenant), dated April 29, 2013. The agreement requires that upon termination of the lease, NCPA must abandon and close any and all injection wells utilized on the premises with the exception of the Southeast Corner Test Well, which is the responsibility of the City. Additionally, Federal Environmental Protection Agency (EPA) regulations set forth requirements in subpart F of 40 CFR part 144 for the Federal Underground Injection Control (UIC) program and the plugging of injection wells.

The Agency commissioned engineering firm AECOM to develop construction cost estimates for closing the wells. The firm's estimates were included in Exhibit Q-1, Plugging and Abandonment Plan, Stig-1 & LEC-1 in a 2019 EPA permit filing. The estimated cost of plugging the Lodi Energy Center injection well totaled \$0.169 million, and the estimated cost of plugging the Capital Facilities injection well totaled \$0.149 million. The estimated costs are based on mobilization/demobilization, construction costs, contingency, and engineering and field oversight costs. The assumed escalation factor for these projects is 2.58% based on the 2018 Handy Handy-Whitman Index of Public Utility Construction Costs (Bulletin No. 187).

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

The estimated retirement obligation costs for the LEC well plugging is \$187,491 with an annual retirement obligation expense of \$8,210 for year ended June 30, 2021. The estimated retirement obligation costs for the LEC well plugging is \$182,773 with an annual retirement obligation expense of \$7,975 for year ended June 30, 2020. The estimated retirement obligation costs for the Capital Facilities Project well plugging is \$164,724 with an annual retirement obligation expense of \$7,213 for year ended June 30, 2021. The estimated retirement obligation costs for the Capital Facilities Project well plugging is \$160,579 with an annual retirement obligation expense of \$7,006 for year ended June 30, 2020.

Currently there are no assets restricted for payment of the injection well closures. To meet the legally required funding and assurance provisions of the injection well closures, NCPA files with the EPA annually. This filing includes a financial test to demonstrate financial assurance, as specified in subpart F of 40 CFR part 144.

NOTE G -- RETIREMENT PLAN

General Information about the Pension Plans

Plan Descriptions The Agency provides a defined benefit retirement plan to all eligible employees under the Public Employees' Retirement System (PERS). The Plan is an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. In 2012, the Public Employees' Pension Reform Act (PEPRA) became law that implemented new benefit formulas and final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of new member under PEPRA. Employees hired prior to January 1, 2013, and those new employees not meeting the PEPRA definition of new member, are considered classic members.

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

The Plans' provisions and benefits in effect at June 30, 2021 and 2020, are summarized as follows:

Hire date	Prior to January 1, 2013	On or After January 1, 2013
Benefit formula	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5 full-time years	5 full-time years
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	60 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	2.0% to 2.5%
Required employee contribution rates	8.00%	6.50%
Required employer contribution rates	32.649%	32.649%

Employees Covered – At June 30, 2021 and 2020, the following employees were covered by the benefit terms for each Plan:

	2021	2020
Inactive employees or beneficiaries currently receiving benefits	155	142
Inactive employees entitled to but not yet receiving benefits	16	15
Active employees	152	151
Total	323	308

Contributions Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2020 and 2019 (the measurement dates), the average active employee contribution rates were 9.434% and 8.961%, respectively, of annual pay and the Agency's contribution rates are 40.970% and 42.713%, respectively, of annual payroll. Employer contribution rates may change if plan contracts are amended.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Net Pension Liability - The Agency's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured at prior year end, using annual actuarial valuations as of the previous year end and rolled forward to the measurement date, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions - The total pension liabilities as of June 30, 2021 and 2020 were determined using the following actuarial assumptions:

	2021	2020
Valuation Date	June 30, 2019	June 30, 2018
Measurement Date	June 30, 2020	June 30, 2019
Actuarial Cost Method	Entry-Age Normal	Entry-Age Normal
Actuarial Assumptions:		
Discount Rate	7.150%	7.150%
Inflation	2.625%	2.750%
Payroll Growth	2.875%	3.000%
Projected Salary Increase	2.75%-8.50% (1)	2.75%-8.50% (1)
Investment Rate of Return	7.250% (2)	7.375% (2)
Mortality	(3)	(3)

(1) Depending on age and service.

(2) Net of pension plan investment expenses, including inflation.

(3) Derived using CalPERS' specific membership data with projected on-going mortality improvement using Scale BB published by the Society of Actuaries.

Discount Rate The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.00% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.15%. For the measurement year ended June 30, 2020 and 2019, using this lower discount rate resulted in a slightly higher total pension liability and net pension liability. This difference was deemed immaterial to the agent multiple-employer plan.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

On December 21 2016, CalPERS announced to employers that the CalPERS Board of Administration voted to lower the discount rate assumption, net of administrative expenses, from 7.5% to 7.0% over a three-year period as follows:

- FY 2017-2018: 7.375%
- FY 2018-2019: 7.25 %
- FY 2019-2020: 7.00 %

There will be a one-year implementation delay for school districts and public agencies deferring the first rate discount decrease to FY 2018-2019. Lowering the discount rate, also known as the assumed rate of return, means employers that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. CalPERS has estimated that the three-year reduction of the discount rate will result in average employer rate increases of about 1 percent to 3 percent of normal cost as a percent of payroll in addition to increases to the current unfunded accrued liability payments. Although CalPERS implemented the discount rate reduction over a three-year period to mitigate the impact to employer agencies, the GASB 68 Accounting Report assumed that the effective discount rate is 7.15% effective for fiscal year 2018 forward.

To mitigate the growing unfunded accrued liability, the Agency implemented a Long-Term Funding Plan for NCPA's Employee Pension Program which includes accelerated funding of the unfunded liability over a 15-year period. The plan includes: 1) a goal for minimum funding level of 80% within 15 years and annual Commission confirmation of the continued funding of the annual required employer contribution at 100%; 2) shorten the amortization period of the liability to 15 years; 3) research other ways to limit the pension liability; and 4) annual Finance Committee review in conjunction with annual CalPERS actuarial valuations and recommendation to the Commission as needed. In addition, the Agency has a budget policy that mandates an annual reconciliation of budgeted versus actual pension costs. The policy requires that positive budget variances are contributed as payments against the unfunded liability at year end.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

For measurement period ending June 30, 2020:

Asset Class	Strategic Allocation	Real Return Years 1-10¹	Real Return Years 11+²
Global Equity	50.00%	4.80%	5.98%
Private Equity	8.00%	6.30%	7.23%
Fixed Income	28.00%	1.00%	2.62%
Liquidity	1.00%	0.00%	-0.92%
Real Estate	13.00%	3.75%	4.93%
Inflation Assets	0.00%	0.77%	1.81%
Other	0.00%	0.00%	0.00%

¹ An expected inflation of 2.0% used for this period

² An expected inflation of 2.9% used for this period

For measurement period ending June 30, 2019:

Asset Class	Strategic Allocation	Real Return Years 1-10¹	Real Return Years 11+²
Global Equity	50.00%	4.80%	5.98%
Private Equity	8.00%	6.30%	7.23%
Fixed Income	28.00%	1.00%	2.62%
Liquidity	1.00%	0.00%	-0.92%
Real Estate	13.00%	3.75%	4.93%
Inflation Assets	0.00%	0.77%	1.81%
Other	0.00%	0.00%	0.00%

³ An expected inflation of 2.0% used for this period

⁴ An expected inflation of 2.9% used for this period

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Changes in the Net Pension Liability

The change in the Net Pension Liability for each Plan follows:

Description	Increase/(Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2020	\$ 169,590,988	\$ 108,609,501	\$ 60,981,487
Service cost incurred	3,605,566	-	3,605,566
Interest on total pension liability	12,102,589	-	12,102,589
Differences between actual and expected experience	2,181,919	-	2,181,919
Change in assumption	-	-	-
Change in benefits	-	-	-
Net Plan to Plan Resource Movement	-	-	-
Contributions – employer	-	8,878,939	(8,878,939)
Contributions – employee	-	2,044,537	(2,044,537)
Net investment income	-	5,409,344	(5,409,344)
Differences between projected and actual earnings on plan investments	-	-	-
Benefit payments	(8,617,434)	(8,617,434)	-
Administrative expense	-	(153,113)	153,113
Other Miscellaneous Income/(Expense)	-	-	-
Net changes	9,272,640	7,562,273	1,710,367
Balance at June 30, 2021	\$ 178,863,628	\$ 116,171,774	\$ 62,691,854

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Description	Increase/(Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019	\$ 160,611,316	\$ 99,538,182	\$ 61,073,134
Service cost incurred	3,521,688	-	3,521,688
Interest on total pension liability	11,463,532	-	11,463,532
Differences between actual and expected experience	1,919,478	-	1,919,478
Change in assumption	-	-	-
Change in benefits	-	-	-
Net Plan to Plan Resource Movement	-	-	-
Contributions – employer	-	8,704,519	(8,704,519)
Contributions – employee	-	1,826,209	(1,826,209)
Net investment income	-	6,536,424	(6,536,424)
Differences between projected and actual earnings on plan investments	-	-	-
Benefit payments	(7,925,026)	(7,925,026)	-
Administrative expense	-	(71,033)	71,033
Other Miscellaneous Income/(Expense)	-	226	(226)
Net changes	8,979,672	9,071,319	(91,647)
Balance at June 30, 2020	\$ 169,590,988	\$ 108,609,501	\$ 60,981,487

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan, calculated using the discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.15% for 2021 and 6.15% for 2020) or 1-percentage point higher (8.15% for 2020 and 8.15% for 2019) than the current rate:

2021	Discount Rate – 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Plan's Net Pension Liability	\$ 85,549,969	\$ 62,691,854	\$ 43,654,455

2020	Discount Rate – 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Plan's Net Pension Liability	\$ 82,947,879	\$ 60,981,487	\$ 42,702,182

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the years ending June 30, 2021 and 2020, the Agency incurred pension expense of \$8,355,692 and \$8,084,855, respectively. At June 30, 2021 and 2020, the Agency has deferred outflows of resources and deferred inflows of resources related to pensions as follows:

2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 11,158,004	\$ -
Changes in assumptions	-	(1,315,245)
Differences between actual and expected experience	2,542,860	(86,936)
Net differences between projected and actual earnings on plan investments	1,175,122	-
Total	\$ 14,875,986	\$ (1,402,181)

2020	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 8,879,479	\$ -
Changes in assumptions	2,208,826	(2,510,923)
Differences between actual and expected experience	1,441,487	(661,018)
Net differences between projected and actual earnings on plan investments	-	(396,185)
Total	\$ 12,529,792	\$ (3,568,126)

Pension contributions subsequent to measurement date of \$11,158,004 and \$8,879,479 reported as deferred outflows of resources for years ending June 30, 2021 and 2020, respectively, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022 and 2021, respectively.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

For reporting year ended June 30, 2021, amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ended June 30:	Deferred Outflows/ (Inflows) of Resources
2021	\$ (491,412)
2022	1,262,118
2023	1,066,345
2024	478,750
2025	-
Thereafter	-
Total	\$ 2,315,801

Payable to the Pension Plan At June 30, 2021 and 2020 the Agency did not have an outstanding amount of contributions payable to the pension plan required for the years ended.

NOTE H -- OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information about the OPEB Plan

The Agency contracts with the CalPERS under the Public Employees' Medical and Hospital Care Act (PEMHCA) for employee medical insurance. In connection with this plan, the Agency provides medical insurance to all active employees and their families, as well as all qualified retirees (and spouses), subject to certain limitations. The Agency has maintained an actuarially based restricted fund for the sole purpose of paying medical insurance premiums for qualified retired employees (and spouses) participating in the CalPERS medical plan. In 2007, the Agency became a participant in the CalPERS California Employers' Retiree Benefit Trust (CERBT), a pre-funding OPEB plan, which is an irrevocable multi-employer trust and plan consisting of an aggregation of single-employer plans, with pooled administrative and investment functions. CalPERS issues publicly available reports that include the net changes in Fiduciary Net Position by Employer that can be found on the CalPERS website.

The Agency makes its Actuarially Determined Contribution (ADC) to this OPEB plan annually. The ADC represents the service cost plus an amortized amount of net OPEB liabilities (NOL). The amortization of NOL is based on a 30 year level dollar amount on a "closed" basis. There are 23 years remaining as of the measurement date of June 30, 2020.

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Summary of certain plan provisions and benefits in effect during fiscal year ended June 30, 2020:

Required service for eligibility	Pre-1/1/2009 Hires, 5 full-time years On or After 1/1/2009 Hires, 5 full-time years and minimum 10 years CalPERS service
Minimum retirement age	50
Benefit payments	Monthly for life
Vesting for eligible employees	Pre-1/1/2009 Hires, 100% at 5 years On or After 1/1/2009 Hires, 50% at 10 years; 5%/year up to 100% at 20 years
Maximum monthly benefit	Hired pre-1/1/2019, 90% of Kaiser Family rate for the Sacramento area (Region 1). For Hydroelectric and Geothermal based employees, their cap is increased by \$75. Hired 1/1/2019 and later, capped at 100% of Kaiser Senior Advantage rate for Sacramento area (Region 1). For Geothermal based employees where the Kaiser plan is not available, their cap is increased by \$75.

Employees Covered – At June 30, 2021 and 2020, the following employees were covered by the benefit terms for each Plan:

	<u>2021</u>	<u>2020</u>
Inactive employees or beneficiaries currently receiving benefits	148	148
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	150	150
Total	298	298

Contributions The Actuarially Determined Contribution (ADC) and funded status of the OPEB plan were determined based on current cost trends of the CalPERS health plans in which the employees currently participate at the time of the actuarial valuation. The June 30, 2019 actuarial valuation (rollforward to June 30, 2020) was prepared on the basis of the OPEB assumption model, as prescribed by the CalPERS, in effect at the time of the valuation. At fiscal year-end June 30, 2021, the Agency had 150 active eligible employees and 148 retirees drawing benefits under this program.

The ADC and funded status of the plan are subject to periodic revision based on actual results, changes in assumptions or plan provisions, and new estimates of expected future circumstances. Future actuarial valuations will be performed every two years, as prescribed by CalPERS.

The Agency's ADC (based on actuarially established rates) was determined as part of a June 30, 2019 actuarial valuation using the entry age normal actuarial cost method. The primary actuarial assumptions included: valuation using the Entry Age Normal Cost Method, 6.75% annual discount rate, payroll growth of 3.52% to 9.27%, 2.75% inflation, and maximum employer contribution increases derived from the Getzen Model for developing long-term health care cost trends.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

To mitigate the growing OPEB unfunded accrued liability, the Agency implemented a Long-Term Funding Plan for the NCPA Retiree Medical Plan which includes: 1) establish a goal to obtain a minimum funding level of 80% within 15 years and confirm the policy of funding 100% or more of the ARC each year; 2) reduce actuarial liability by developing a cap for health care premiums going forward; 3) shorten the amortization period used in the actuarial calculations from 28 years to 15 years; 4) consider additional funding sources for increased funding of the ARC, including further budget reductions or new revenues (from members or new services/customers); and 5) conduct new actuarial studies on a biennial basis as required and review the updated results with the Finance Committee, who will make recommendations for revision to the Commission as needed.

The Agency has a budget policy that mandates an annual reconciliation of budgeted versus actual OPEB costs. The policy requires that positive budget variances are contributed as payments against the unfunded liability at fiscal year-end. Additionally, effective 1/1/2019, NCPA created a third-tier level for OPEB for employees hired after that date. Employees in tier three are eligible for Agency payment of 100% of the CalPERS Kaiser Senior Advantage rate for Sacramento area (Region 1); Tier 1 and Tier 2 employees are eligible for Agency payment of 90% of the CalPERS Kaiser Family Rate for Sacramento area. The change was included in the fiscal year 2020 actuarial valuation rollforward and will reduce NCPA's OPEB liability on a going forward basis as the Agency hires future employees.

Net OPEB Liability The Agency's net liability for the OPEB Plan is measured as the total OPEB liability, less the OPEB plan's fiduciary net position. The net OPEB liability of the Plan is measured at prior year end, using annual actuarial valuations as of the previous year end and rolled forward to the measurement date, using standard update procedures. A summary of principal assumptions and methods used to determine the net OPEB liability is shown below.

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Actuarial Assumptions The total OPEB liabilities as of June 30, 2021 and 2020 are determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>2021</u>	<u>2020</u>
Valuation Date	June 30, 2019	June 30, 2019
Measurement Date	June 30, 2020	June 30, 2019
Actuarial Cost Method	Entry-Age Normal	Entry-Age Normal
Actuarial Assumptions:		
Discount Rate	6.75%	6.75%
Inflation	3.52%	2.75%
Payroll Growth	3.52%-9.27%	3.52%-9.27%
Projected Salary Increase	Varies (1)	Varies (1)
Investment Rate of Return	6.75% (2)	6.75% (2)
Mortality	(3)	(3)
Healthcare cost trend rates	(4)	(4)

(1) Depending on age and service.

(2) Net of OPEB trust investment expenses, including inflation.

(3) Mortality rates are based on the 2016 California PERS (CalPERS) Pension report and includes a projection to 2028 using scale BB to account for anticipated future mortality improvement.

(4) Medical inflation was based on the "Getzen" model published by the Society of Actuaries for purposes of evaluating long term medical trends. A margin to reflect the impact of the excise tax in future years is reflected in the assumed trend. The trend also reflects the removal of the Health Insurer Fee for calendar year 2019. This fee was assessed again in calendar year 2020.

The Agency changed its OPEB trust funding strategy to a more conservative asset allocation in fiscal year 2022. This change is not expected to have a material impact on the net liability.

Discount Rate The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that the Agency's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB trust investments was applied to all periods of projected benefit payments to determine the total OPEB liability. To the extent that OPEB trust assets are insufficient to finance all OPEB benefits, the discount rate should be based on 20-year tax-exempt AA or higher Municipal Bonds as of the measurement date.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table (net of administrative expenses):

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

For measurement period ending June 30, 2020:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	59.00%	8.15%
US Fixed Income	25.00%	6.38%
Treasury Inflation-Protected Securities	5.00%	3.72%
Real Estate Investment Trusts	8.00%	7.77%
Commodities	3.00%	5.32%

For measurement period ending June 30, 2019:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	59.00%	8.15%
US Fixed Income	25.00%	6.38%
Treasury Inflation-Protected Securities	5.00%	3.72%
Real Estate Investment Trusts	8.00%	7.77%
Commodities	3.00%	5.32%

Changes in the Net OPEB Liability

Description	Increase/(Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2020	\$ 37,441,896	\$ 35,420,034	\$ 2,021,862
Service cost incurred	931,808	-	931,808
Interest on total OPEB liability	2,521,369	-	2,521,369
Differences between actual and expected experience	-	-	-
Change in assumption	-	-	-
Change in benefits	-	-	-
Contributions – employer	-	3,913,580	(3,913,580)
Contributions – employee	-	-	-
Net investment income	-	1,311,739	(1,311,739)
Differences between projected and actual earnings on plan investments	-	-	-
Benefit payments	(2,074,034)	(2,074,034)	-
Administrative expense	-	(17,734)	17,734
Net changes	1,379,143	3,133,551	(1,754,408)
Balance at June 30, 2021	\$ 38,821,039	\$ 38,553,585	\$ 267,454

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Description	Increase/(Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2019	\$ 36,314,217	\$ 31,261,362	\$ 5,052,855
Service cost incurred	1,036,513	-	1,036,513
Interest on total OPEB liability	2,456,709	-	2,456,709
Differences between actual and expected experience	(873,781)	-	(873,781)
Change in assumption	450,018	-	450,018
Change in benefits	-	-	-
Contributions – employer	-	4,094,854	(4,094,854)
Contributions – employee	-	-	-
Net investment income	-	2,012,435	(2,012,435)
Differences between projected and actual earnings on plan investments	-	-	-
Benefit payments	(1,941,780)	(1,941,780)	-
Administrative expense	-	(6,837)	6,837
Net changes	1,127,679	4,158,672	(3,030,993)
Balance at June 30, 2020	\$ 37,441,896	\$ 35,420,034	\$ 2,021,862

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Plan, calculated using the discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage point higher (7.75%) than the current rate:

2021	Discount Rate – 1% (5.75%)	Current Discount Rate (6.75%)	Discount Rate + 1% (7.75%)
Plan's Net OPEB Liability	\$ 4,826,347	\$ 267,454	\$ (3,528,870)

2020	Discount Rate – 1% (5.75%)	Current Discount Rate (6.75%)	Discount Rate + 1% (7.75%)
Plan's Net OPEB Liability	\$ 6,456,442	\$ 2,021,862	\$ (1,669,333)

NOTES TO COMBINED FINANCIAL STATEMENTS

**NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.

The following presents the net OPEB liability of the Plan, as well as what the Plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

2021	Healthcare Costs Trend Rate – 1%	Current Healthcare Costs Trend Rate	Healthcare Costs Trend Rate + 1%
Plan's Net OPEB Liability	\$ (4,307,488)	\$ 267,454	\$ 5,846,948

2020	Healthcare Costs Trend Rate – 1%	Current Healthcare Costs Trend Rate	Healthcare Costs Trend Rate + 1%
Plan's Net OPEB Liability	\$ (2,089,383)	\$ 2,021,862	\$ 7,081,920

OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ending June 30, 2021 and 2020, the Agency incurred OPEB expense of \$986,621 and \$1,057,789, respectively. At June 30, 2021 and 2020, the Agency has deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

2021	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 1,939,713	\$ -
Differences between actual and expected experience	-	(524,269)
Changes in consumption	270,010	-
Net differences between projected and actual earnings on plan investments	1,013,052	(260,155)
Total	\$ 3,222,775	\$ (784,424)

2020	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 3,911,488	\$ -
Differences between actual and expected experience	-	(699,025)
Changes in consumption	360,014	-
Net differences between projected and actual earnings on plan investments	135,168	(470,075)
Total	\$ 4,406,670	\$ (1,169,100)

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Amounts reported as deferred outflows/(inflows) of resources related to OPEB will be recognized in future OPEB expense as follows:

Measurement Period Ended June 30, 2021:	Deferred Outflows/(Inflows) of Resources
2021	\$ (32,958)
2022	126,716
2023	176,956
2024	227,924
2025	-
Thereafter	-
Total	\$ 498,638

Payable to the OPEB Plan At June 30, 2021 and 2020, the Agency did not have an outstanding amount of contributions payable to the OPEB plan required for the year ended.

The funded status of the plan and the annual required contributions are subject to periodic revision based on actual results, changes in assumptions or plan provisions, and new estimates of expected future circumstances. Future actuarial valuations will be performed every two years, as prescribed by CalPERS.

NOTE I -- COMMITMENTS AND CONTINGENCIES

Power Purchase Contracts The Agency had commitments of approximately \$39.2 million in connection with various power purchase contracts as of June 30, 2021. The contracts, extending through December 2040, are normal purchases at agreed to contract prices for fixed quantities of energy. Certain of the Agency's members have individually entered into certain other long-term contracts, which the Agency dispatches and schedules for them. See Note B - Summary of Significant Accounting Policies.

Some of these power purchase contracts include Renewable Energy Certificates (RECs) which are qualified by Western Renewable Energy Generation Information Systems (WREGIS) and used to meet California's Renewable Energy Portfolio. Generation from solar, wind, geothermal and certain sized hydroelectric units receive RECs for each MWh of renewable generation. Excess RECs may be sold in the California compliance market. At June 30, 2021, negotiated REC prices range from \$15 to \$16 per REC.

Resource Adequacy Contracts The Agency had commitments of approximately \$2.6 million in connection with various resource adequacy capacity contracts as of June 30, 2021. The contracts, extending through December 2021, are normal purchases at agreed to contract prices for fixed quantities of capacity. Certain of the Agency's members have individually entered into other long-term capacity contracts.

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Fuel Supply Agreements The Agency has entered into the following agreements to provide natural gas fuel supply for use in its generation resources:

- A 30-year agreement terminating in October 2023 with various natural gas pipeline management companies under which the Agency has acquired firm natural gas pipeline transportation capacity in four separate natural gas pipelines between Alberta, Canada and northern California. The estimated minimum annual natural gas transmission commitment is approximately \$700,000. The Agency's firm natural gas pipeline transportation capacity is scheduled by Mercuria Energy Gas Trading, LLC (Mercuria) pursuant to the term and conditions of an Asset Management Agreement for Pipeline Transportation Capacity that became effective on January 1, 2015.
- On behalf of the participants in the Combustion Turbine Project Number One and the Capital Facilities project, the Agency entered into an agreement with EDF Trading North America, LLC (EDF) effective January 1, 2013 to provide natural gas supply and scheduling, nomination, balancing and settlement services. The contract automatically renews each year on January 1, unless terminated earlier by six-months written notice by either party.
- The Agency had approximately \$9.2 million of gas purchase commitments at June 30, 2021. The commitments, extending through December 2023, are normal purchases at agreed to prices for fixed quantities of gas.

Western Area Power Administration Base Resource A number of the Agency's members, who had an aggregate 18.87957% of the Base Resource Contract with the Western Area Power Administration to receive electric power from the Central Valley Project in California, have assigned their shares to the Agency in order to create a power resource portfolio for the mutual benefit of participating Agency members. The assignments terminate the earlier of December 31, 2024 or 60 days after Western approves a reassignment.

Geothermal Royalties Under terms of federal geothermal leasehold agreements, the Agency is required to pay royalties to the United States (U.S.) on the value of geothermal steam produced. Currently, the effective rate of such royalties is 4.05% of an amount based on the Agency's monthly weighted average cost of third-party wholesale electricity purchases made by Agency members participating in the Geothermal Project. The U.S. Department of the Interior, Office of Natural Resources Revenue maintains the right to periodically review and withdraw their approval or to change this methodology should operations, market conditions, or Federal regulations change.

CLAIMS AND LITIGATION

California Energy Crisis During 2000 and 2001, California experienced extreme fluctuations in the prices and supplies of natural gas and electricity in much of the State. While there has been progress in addressing these issues, uncertainty remains. As a result, no assurance can be given that measures undertaken, together with measures to be taken in the future, will prevent the recurrence of shortages, price volatility or other energy problems that have adversely affected California electric utilities in the past. The Agency has settled with the plaintiffs in related litigation, and while the settlement has been approved by FERC, there are still some claims by others that remain ongoing. Although the Agency considers these claims to be lacking-in-merit, no assurance thereof can be given until all proceedings are finally concluded.

The California Parties have completed the process of reconciling the amounts recorded on the ISO and PX books with all the settlements entered into by the California Parties (including the settlement with NCPA). In their April 22, 2020 filing, the California Parties asserted that no adjustments were needed for NCPA to account for the differences between the interest owed and interest actually collected on certain escrow accounts. FERC accepted the California

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Parties' April 2020 filing. Those FERC orders are now final and unappealable. However, other issues related to the 2000-2001 period remain pending on appeal, the outcomes of which could theoretically impact the settlement reconciliation that FERC accepted.

Greenhouse Gas (GHG) Emissions The California Global Warming Solutions Act of 2006 (also known as California Assembly Bill 32 or AB 32) requires the gradual reduction of state-wide GHG emissions to the 1990 level by 2020. The California Air Resources Board (CARB) is the state agency charged with monitoring GHG levels and adopting regulations to implement and enforce AB 32. The CARB has approved various regulations, including regulations that established a state-wide, comprehensive "cap-and-trade" program that sets a gradually declining limit (or "cap") on the amount of GHGs that may be emitted by the major sources of GHG emissions each year. GHG emissions are measured in metric tons (MT) of carbon dioxide-equivalent greenhouse gases (CO_{2e}) per year.

The cap and trade program's first two-year compliance period, which began January 1, 2013, applies to the electricity generation and large industrial sectors. The next compliance period, from January 1, 2015 through December 31, 2017, expanded to include the natural gas supply and transportation sectors, effectively covering all the capped sectors until 2020. In July 2017, CARB adopted an updated set of cap-and-trade regulations that extends the cap-and-trade program to 2030. The updated regulations continue the direct allocation of allowances to distribution utilities which in turn can be transferred by members to the Agency.

The Agency's Lodi Energy Center gas plant, Steam Injected Gas Turbine gas plant and electricity imports (purchased power) are subject to the compliance rules established by CARB for the cap-and-trade program. As such, the Agency acquires sufficient compliance instruments to cover its compliance obligations or receives transfers of required compliance instruments from its project participants. At June 30, 2021, the Agency had cumulative compliance obligations of 1,210,065 MT with 1,366,031 MT of acquired allowances to meet its compliance obligations. At June 30, 2020, the Agency had cumulative compliance obligations of 945,062 MT with 1,355,782 MT of acquired allowances to meet its compliance obligations..

Other Factors Affecting the Electric Utility Industry Electric industry market participants, such as the Agency and its members, continue to face numerous potential risks and uncertainties including, but not limited to, significant volatility in energy prices and increased transmission and ancillary services costs; new federal and state renewable energy requirements, operating efficiency, and environmental standards; and, global pressures on economic and financial market conditions. The Agency and its members continue to study and to take various actions in an effort to mitigate and manage these risk and uncertainties. However, the Agency cannot predict either the ultimate outcome of these ongoing changes or whether such outcome will have a material adverse effect on its financial position or results of operations.

Other Legal Matters The Agency is engaged in various legal proceedings before federal and state courts and various administrative tribunals incidental to the Agency's operations.

Based on its review of the aforementioned proceedings with outside legal counsel, the Agency believes that the ultimate aggregate liability, if any, resulting from these proceedings will not have a materially adverse effect on the combined financial position or results of operations of the Agency.

Claims On September 9, 2015, a major wildfire (The Valley Fire) occurred in the California counties of Lake, Napa, and Sonoma. The fire burned approximately 74,000 acres and destroyed approximately 1,960 structures including homes, commercial properties, and other minor structures. The Agency's Geysers geothermal and effluent projects are located in Lake and Sonoma Counties, and some of those facilities were damaged in the fire. Damage and reparation costs totaled \$1.74 million in 2015 and 2016. A Presidential Disaster Declaration was issued on September 22, 2015. Public

NOTES TO COMBINED FINANCIAL STATEMENTS

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Assistance was added to the Disaster Declaration on October 9, 2015. The Agency recovered \$531,317 from the project insurance policy in fiscal year 2017. To date the Agency has collected \$290,200 in public assistance grants and this project is in the project-close-out process. NCPA will record additional proceeds in other non-operating revenue in the fiscal year in which they are received.

During the period of January 3-12, 2017, severe winter storms caused flooding and mudslides in many California Counties. As a result of those storms, the Beaver Creek Diversion Dam and McKays Point Reservoir filled with sediment and debris, and Beaver Creek required emergency dredging after the river flows receded during the summer. Additionally, much of the Project was inaccessible for weeks as a result of numerous road failures. Repair costs totaled approximately \$2.2 million. Construction was completed in fall 2017. The Agency recovered \$1,270,036 from the project insurance policy in fiscal year 2018. On February 14, 2017, a Presidential Disaster Declaration was issued including federal disaster assistance. To date the Agency has collected \$109,500 in public assistance grants and this project is in the project-close-out process. NCPA will record additional proceeds in other non-operating revenue in the fiscal year in which they are received.

In December 2019, a novel (new) coronavirus known as SARS.CoV-2 (COVID-19) was detected in Wuhan, China, causing outbreaks that have spread globally. The Secretary of Health and Human Services (HHS) declared a public health emergency on January 31, 2020. The Federal Government, along with State and local governments, has taken preventive and proactive measures to slow the spread of COVID-19, treat those affected, and accelerate the acquisition of personal protective equipment. On March 13, 2020, a Presidential National Emergency Declaration was issued including Public Assistance. In accordance with Section 502 of the Stafford Act, eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of the public health officials' may be reimbursed under Category B of Federal Emergency Management Agency's (FEMA) Public Assistance program. The Agency implemented certain procedures to mitigate the spread of COVID-19 in accordance with recommendations by the Centers for Disease Control and Prevention (CDC) and the Placer County Health Department. The Agency has filed a claim to recover costs associated with these new procedures. As of June 30, 2021, the claim remained active with no disbursements received from FEMA.

Risk Management The Agency is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, and on the job injuries of employees. These risks are covered through the purchase of, property, commercial, directors and officers, and workers compensation insurance, with minimal deductibles. Settled claims with insurers have not exceeded the commercial liability limits in any of the past three years. During the Agency's insurance renewal period in FY 2020, multiple catastrophic California wildfires that occurred over the last few years as well as fires in 2019 had a significant impact on the liability insurance market in California. In addition, some insurers have left the market completely while others have reduced capacities and/or excluded wildfire coverage altogether. As a result, the Agency experienced upward price pressure for liability and property coverage during FY 2021. Wildfire liability insurance coverage limits decreased from \$75.0 million to \$35.0 million while premiums for the reduced limits increased by 24.2%. Property coverage remained comparable to prior year, while premiums increased by 50%.

In compliance with Senate Bill 901, the Agency has developed and implemented a Wildfire Risk Mitigation Plan at the Geothermal and Hydroelectric Plants to utilize proactive measures to prevent or limit fires and resulting damages before they occur.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)
NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

**Schedule of Changes in the Net Pension Liability
and Related Ratios Last 10 Measurement Years ***

	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Total Pension Liability							
Service cost	\$ 3,605,566	\$ 3,521,688	\$ 3,511,108	\$ 3,548,776	\$ 3,152,017	\$ 3,256,167	\$ 3,220,329
Interest on total pension liability	12,102,589	11,463,532	10,837,217	10,678,090	10,328,232	9,734,270	9,285,364
Differences between expected and actual experience	2,181,919	1,919,478	(324,038)	(1,980,198)	581,539	(1,437,389)	-
Changes in assumptions	-	-	(4,902,279)	8,835,307	-	(2,354,661)	-
Changes in benefits	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(8,617,434)	(7,925,026)	(7,101,870)	(6,410,415)	(5,988,393)	(5,522,982)	(5,059,144)
Net change in total pension liability	9,272,640	8,979,672	2,020,138	14,671,560	8,073,395	3,675,405	7,446,549
Total pension liability - beginning	169,590,988	160,611,316	158,591,178	143,919,618	135,846,223	132,170,818	124,724,269
Total pension liability - ending (a)	\$ 178,863,628	\$ 169,590,988	\$ 160,611,316	\$ 158,591,178	\$ 143,919,618	\$ 135,846,223	\$ 132,170,818
Plan fiduciary net position							
Contributions - employer	\$ 8,878,939	\$ 8,704,519	\$ 7,769,425	\$ 6,752,236	\$ 5,406,928	\$ 5,584,985	\$ 5,507,642
Contributions - employee	2,044,537	1,826,209	1,532,206	1,556,483	1,453,722	1,433,343	1,410,488
Net investment income	5,409,344	6,536,424	7,654,116	8,979,321	434,144	1,754,108	10,868,237
Benefit payments	(8,617,434)	(7,925,026)	(7,101,870)	(6,410,415)	(5,988,393)	(5,522,982)	(5,059,144)
Administrative and other expense	(153,113)	(70,807)	(407,211)	(117,127)	(47,581)	(87,934)	-
Net change in plan fiduciary net position	7,562,273	9,071,319	9,446,666	10,760,498	1,258,820	3,161,520	12,727,223
Plan fiduciary net position - beginning	108,609,501	99,538,182	90,091,182	79,331,018	78,072,198	74,910,678	62,183,455
Plan fiduciary net position - ending (b)	\$ 116,171,774	\$ 108,609,501	\$ 99,538,182	\$ 90,091,516	\$ 79,331,018	\$ 78,072,198	\$ 74,910,678
Net pension liability - ending (a)-(b)	\$ 62,691,854	\$ 60,981,487	\$ 61,073,134	\$ 68,499,662	\$ 64,588,600	\$ 57,774,025	\$ 57,260,140
Plan fiduciary net position as a percentage of the total pension liability	64.95%	64.04%	61.97%	56.81%	55.12%	57.47%	56.68%
Covered - employee payroll	\$ 19,140,650	\$ 20,379,246	\$ 19,045,878	\$ 18,573,174	\$ 18,121,290	\$ 18,365,293	\$ 17,596,462
Net pension liability as percentage of covered-employee payroll	313.32%	318.60%	320.66%	368.81%	356.42%	314.58%	325.41%

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)
NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

Notes to Schedule:

Benefit changes The figures above do not include any liability impact that may have resulted from plan changes, which occurred after June 30, 2020. This applies for voluntary benefit changes as well as any offers to Two Years Additional Service Credit (aka Golden Handshakes).

Changes in assumptions In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2017, CalPERS reduced the discount rate from 7.65% to 7.15%. In 2016, GASB 68 was modified to state that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. Accordingly, the discount rate was changed from 7.50 percent (net of administrative expense in 2014) to 7.65 percent as of June 30, 2015 measurement date to reflect this required methodology change.

* Measurement fiscal year 2014 was the first year of implementation, therefore only seven years are shown.

REQUIRED SUPPLEMENTARY INFORMATION - Continued
(UNAUDITED)
NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS

Schedule of Pension Plan Contributions
Last 10 Fiscal Years *

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015
Actuarially Determined Contribution	\$ 7,437,021	\$ 6,839,592	\$ 6,837,159	\$ 6,263,130	\$ 5,715,970	\$ 5,406,928	\$ 5,065,861
Contributions in Relation to the Actuarially Determined Contribution	(8,878,939)	(8,704,519)	(8,703,934)	(7,769,768)	(6,752,236)	(5,406,928)	(5,584,985)
Contribution Deficiency (Excess)	\$ (1,441,918)	\$ (1,864,927)	\$ (1,866,775)	\$ (1,506,638)	\$ (1,036,266)	\$ -	\$ (519,124)
Covered-Employee Payroll ¹	\$ 20,008,691	\$ 19,140,650	\$ 20,379,246	\$ 19,045,878	\$ 18,573,174	\$ 18,121,290	\$ 18,365,293
Contributions as a Percentage of Covered-Employee Payroll ¹	44.38%	45.48%	42.71%	40.79%	36.35%	29.84%	30.41%

¹ Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Pensionable earnings are covered employee payroll reduced for earnings and other earnings adjustments not subject to pension contributions.

* Fiscal year 2015 was the first year of implementation, therefore only seven years are shown.

**REQUIRED SUPPLEMENTARY INFORMATION- Continued
(UNAUDITED)
NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

**Schedule of Changes in the Net OPEB
Liability and Related Ratios Last 10
Measurement Years ***

	FY2020	FY 2019	FY 2018	FY 2017
Total OPEB Liability				
Service cost	\$ 931,808	\$ 1,036,513	\$ 970,972	\$ 909,576
Interest on total OPEB liability	2,521,369	2,456,709	2,354,734	2,256,395
Differences between expected and actual experience	-	(873,781)	-	-
Changes in assumptions	-	450,018	-	-
Changes in benefits	-	-	-	-
Benefit payments, including refunds of employee contributions	(2,074,034)	(1,941,780)	(1,821,195)	(1,721,416)
Net change in total OPEB liability	1,379,143	1,127,679	1,504,511	1,444,555
Total OPEB liability - beginning	37,441,896	36,314,217	34,809,706	33,365,151
Total OPEB liability - ending (a)	\$ 38,821,039	\$ 37,441,896	\$ 36,314,217	\$ 34,809,706
Plan fiduciary net position				
Contributions - employer	\$ 3,913,580	\$ 4,094,854	\$ 3,642,455	\$ 3,914,644
Contributions - employee	-	-	-	-
Net investment income	1,311,739	2,012,435	2,147,351	2,390,569
Benefit payments	(2,074,034)	(1,941,780)	(1,821,195)	(1,721,416)
Administrative expense	(17,734)	(6,837)	(14,755)	(11,683)
Net change in plan fiduciary net position	3,133,551	4,158,672	3,953,856	4,572,114
Plan fiduciary net position - beginning	35,420,034	31,261,362	27,307,506	22,735,392
Plan fiduciary net position - ending (b)	\$ 38,553,585	\$ 35,420,034	\$ 31,261,362	\$ 27,307,506
Net OPEB liability - ending (a)-(b)	\$ 267,454	\$ 2,021,862	\$ 5,052,855	\$ 7,502,200
Plan fiduciary net position as a percentage of the total OPEB liability	99.31%	94.60%	86.09%	78.45%
Covered - employee payroll	\$ 21,671,909	\$ 20,379,246	\$ 19,556,204	\$ 18,573,174
Net OPEB liability as percentage of covered-employee payroll	1.23%	9.92%	25.84%	40.39%

Notes to Schedule:

Benefit changes The benefit payments for FY 2020, FY 2019, FY 2018 and FY 2017 consist of pay-as-you-go cost of \$1,653,682, \$1,521,428, \$1,426,947 and \$1,394,637, respectively, plus estimated implicit rate subsidy of \$420,352, \$420,352, \$394,248 and \$326,779, respectively.

Changes in assumptions NCPA funds, at minimum, the Actuarially Determined Contribution to the OPEB fund. During measurement period ending June 30, 2017, discount rate decreased from 7.00% to 6.75%.

* Measurement fiscal year 2017 was the first year of implementation, therefore only four years are shown.

**REQUIRED SUPPLEMENTARY INFORMATION - Continued
(UNAUDITED)
NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS**

**Schedule of OPEB Plan Contributions
Last 10 Fiscal Years ***

	FY 2021	FY 2020	FY 2019	FY 2018
Actuarially Determined Contribution	\$ 1,167,000	\$ 1,300,000	\$ 1,676,000	\$ 1,426,947
Contributions in Relation to the Actuarially Determined Contribution	(1,939,713)	(3,911,488)	(3,674,502)	(3,454,933)
Contribution Deficiency (Excess)	\$ (772,713)	\$ (2,611,488)	\$ (1,998,502)	\$ 2,027,985)
Covered-Employee Payroll	\$ 22,705,334	\$ 21,671,910	\$ 20,379,247	\$ 19,556,203
Contributions as a Percentage of Covered-Employee Payroll ¹	8.54%	18.05%	18.03%	17.67%

* Fiscal year 2018 was the first year of implementation, therefore only four years are shown.

Valuation Date:

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions used to Determine Contributions Rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll, closed
Amortization period	15 years
Asset valuation method	5-year smoothed market
Discount rate	6.75 percent
Healthcare cost trend rates	7.75% for pre-65 and 6.00% for post-65
Salary increases	3.52 percent
Investment rate of return	6.75 percent
Retirement age	In the 2019 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actual experience.
Mortality	Rates based on statistics taken from the latest California PERS (CalPERS) Pension Valuation Report. The mortality rates include an assumed improvement in future mortality based on Scale BB projected to 2028.

SUPPLEMENTARY INFORMATION (UNAUDITED)

COMBINING STATEMENT OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS
(000's omitted)

June 30, 2021

ASSETS	GENERATING & TRANSMISSION RESOURCES									Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission No. One	Purchased Power & Transmission	Associated Member Services	Other Agency	
CURRENT ASSETS										
Cash and cash equivalents										
Restricted	\$ 5,011	\$ 37,366	\$ 1,272	\$ -	\$ 7,997	\$ -	\$ 4,487	\$ -	\$ -	\$ 56,133
Unrestricted	661	5,070	1	1	1,788	-	14,515	110	58,957	81,103
Investments										
Restricted	1,622	5,352	2,870	-	7,457	-	-	-	-	17,301
Unrestricted	2,901	1,570	-	-	1,613	-	1,524	-	18,006	25,614
Accounts receivable										
Participants	-	-	-	-	-	-	-	39	135	174
Other	648	-	-	-	-	-	5,631	238	9,615	16,132
Interest receivable	120	105	-	-	46	-	78	-	426	775
Inventory and supplies	1,514	1,572	332	284	2,186	-	-	-	-	5,888
Prepaid expenses	676	890	71	103	684	-	-	84	741	3,249
Due from Agency and other programs*	9,348	(478)	2,657	5,832	19,244	-	21,909	7,033	(65,545)	-
TOTAL CURRENT ASSETS	22,501	51,447	7,203	6,220	41,015	-	48,144	7,504	22,335	206,369
NONCURRENT ASSETS										
Investments										
Restricted	-	-	-	-	4,401	-	-	-	-	4,401
Unrestricted	22,569	13,818	-	-	8,374	-	17,870	-	78,992	141,623
Electric plant in service	574,947	395,293	64,865	37,224	410,208	7,736	-	894	6,165	1,497,332
Less: accumulated depreciation	(546,087)	(290,558)	(54,980)	(35,068)	(109,018)	(7,736)	-	(635)	(3,994)	(1,048,076)
TOTAL NONCURRENT ASSETS	51,429	118,553	9,885	2,156	313,965	-	17,870	259	81,163	595,280
OTHER ASSETS										
Regulatory assets	289	123,790	4,805	-	29,810	-	-	-	51,305	209,999
Investment in associated company	-	-	-	-	-	-	-	-	265	265
TOTAL OTHER ASSETS	289	123,790	4,805	-	29,810	-	-	-	51,570	210,264
TOTAL ASSETS	74,219	293,790	21,893	8,376	384,790	-	66,014	7,763	155,068	1,011,913
DEFERRED OUTFLOWS OF RESOURCES										
Excess cost on refunding of debt	823	9,961	-	-	1,185	-	-	-	-	11,969
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	18,099	18,099
Asset Retirement Obligations	61,530	-	165	-	187	-	-	-	-	61,882
TOTAL DEFERRED OUTFLOWS OF RESOURCES	62,353	9,961	165	-	1,372	-	-	-	18,099	91,950
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 136,572	\$ 303,751	\$ 22,058	\$ 8,376	\$ 386,162	\$ -	\$ 66,014	\$ 7,763	\$ 173,167	\$ 1,103,863

* Eliminated in Combination

SUPPLEMENTARY INFORMATION (UNAUDITED)

COMBINING STATEMENT OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS

(000's omitted)

June 30, 2021

	GENERATING & TRANSMISSION RESOURCES									Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	
LIABILITIES										
CURRENT LIABILITIES										
Accounts payable and accrued expenses	\$ 511	\$ 646	\$ -	\$ 1	\$ 6,059	\$ -	\$ 38,083	\$ 44	\$ 17,476	\$ 62,820
Accounts and retentions payable - restricted for construction	-	-	-	-	-	-	-	-	-	-
Member advances	791	-	-	-	-	-	-	202	-	993
Operating reserves	2,077	250	617	4,221	15,995	-	-	-	-	23,160
Current portion of long-term debt	4,690	21,750	4,080	-	12,880	-	-	-	-	43,400
Accrued interest payable	136	4,571	339	-	1,101	-	-	-	-	6,147
TOTAL CURRENT LIABILITIES	8,205	27,217	5,036	4,222	36,035	-	38,083	246	17,476	136,520
NON-CURRENT LIABILITIES										
Net pension and OPEB liabilities	-	-	-	-	-	-	-	-	62,959	62,959
Operating reserves and other deposits	1,500	18,992	-	-	142	-	38,473	1,453	83,932	144,492
Interest rate swap liability	-	16,045	-	-	-	-	-	-	-	16,045
Asset Retirement Obligations	67,784	-	165	-	187	-	-	-	-	68,136
Long-term debt, net	10,815	234,073	15,236	-	293,654	-	-	-	-	553,778
TOTAL NON-CURRENT LIABILITIES	80,099	269,110	15,401	-	293,983	-	38,473	1,453	146,891	845,410
TOTAL LIABILITIES	88,304	296,327	20,437	4,222	330,018	-	76,556	1,699	164,367	981,930
DEFERRED INFLOWS OF RESOURCES										
Regulatory credits	41,810	3,927	1,157	2,395	39,683	-	-	259	2,887	92,118
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	2,187	2,187
TOTAL DEFERRED INFLOWS OF RESOURCES	41,810	3,927	1,157	2,395	39,683	-	-	259	5,074	94,305
NET POSITION										
Net investment in capital assets	2,027	(25,269)	(5,055)	-	3,209	-	-	-	-	(25,088)
Restricted for debt service	3,964	28,655	3,775	-	6,050	-	-	-	-	42,444
Unrestricted	467	111	1,744	1,759	7,202	-	(10,542)	5,805	3,726	10,272
TOTAL NET POSITION	6,458	3,497	464	1,759	16,461	-	(10,542)	5,805	3,726	27,628
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 136,572	\$ 303,751	\$ 22,058	\$ 8,376	\$ 386,162	\$ -	\$ 66,014	\$ 7,763	\$ 173,167	\$ 1,103,863

SUPPLEMENTARY INFORMATION (UNAUDITED)

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS

(000's omitted)

	For the Year Ended June 30, 2021									
	GENERATING & TRANSMISSION RESOURCES						Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission				
OPERATING REVENUES										
Participants	\$ 3,018	\$ 29,468	\$ 4,458	\$ 4,591	\$ 28,202	\$ -	\$ 305,955	\$ 20,652	\$ 2,055	\$ 398,399
Other Third-party	34,457	22,925	4,474	4,045	69,021	-	271,491	2,723	-	409,136
TOTAL OPERATING REVENUES	37,475	52,393	8,932	8,636	97,223		577,446	23,375	2,055	807,535
OPERATING EXPENSES										
Purchased power	1,041	2,946	402	661	2,152	-	407,503	-	-	414,705
Operations	18,360	4,723	2,878	1,901	48,056	-	2,640	10,839	-	89,397
Transmission	316	241	18	36	879	-	184,219	4	-	185,713
Depreciation	3,647	9,480	2,203	219	14,141	-	-	49	293	30,032
Maintenance	8,318	7,250	864	2,563	6,372	-	-	94	-	25,461
Administrative and general	5,394	4,809	820	960	5,426	-	-	7,665	(1,688)	23,386
Intercompany (sales) purchases, net*	(832)	311	70	77	404	-	-	(30)	-	-
TOTAL OPERATING EXPENSES	36,244	29,760	7,255	6,417	77,430	-	594,362	18,621	(1,395)	768,694
NET OPERATING INCOME	1,231	22,633	1,677	2,219	19,793	-	(16,916)	4,754	3,450	38,841
NON OPERATING (EXPENSES) REVENUES										
Interest expense	(539)	(15,601)	(218)	-	(13,800)	-	-	-	-	(30,158)
Interest income	254	77	38	52	162	-	631	62	(428)	848
Other	1,125	-	1,241	1	3,970	-	1,150	240	82	7,809
TOTAL NON OPERATING (EXPENSES) REVENUES	840	(15,524)	1,061	53	(9,668)	-	1,781	302	(346)	(21,501)
FUTURE RECOVERABLE AMOUNTS	(1,791)	(8,549)	(2,461)	74	862	-	-	-	(3,757)	(15,622)
REFUNDS TO PARTICIPANTS	(2,089)	(2,039)	(214)	129	(186)	-	(5,662)	(4,003)	(417)	(14,481)
INCREASE (DECREASE) IN NET POSITION	(1,809)	(3,479)	63	2,475	10,801	-	(20,797)	1,053	(1,070)	(12,763)
NET POSITION, Beginning of year	8,267	6,976	401	(716)	5,660	-	10,255	4,752	4,796	40,391
NET POSITION, End of year	\$ 6,458	\$ 3,497	\$ 464	\$ 1,759	\$ 16,461	\$ -	(10,542)	\$ 5,805	\$ 3,726	\$ 27,628

* Eliminated in Combination

SUPPLEMENTARY INFORMATION (UNAUDITED)

COMBINING STATEMENTS OF CASH FLOW

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS
(000's omitted)

For the Year Ended June 30, 2021										
GENERATING & TRANSMISSION RESOURCES										
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined Total
CASH FLOWS FROM OPERATING ACTIVITIES										
Received from participants	\$ 7,154	\$ 29,770	\$ 4,417	\$ 4,777	\$ 27,538	\$ -	\$ 306,060	\$ 20,567	\$ 1,961	\$ 402,244
Received from others	35,806	24,707	4,474	4,045	69,021	-	276,062	2,485	(4,220)	412,380
Payments for employee services	(12,187)	(4,868)	(828)	(1,239)	(5,753)	-	(2)	(10,915)	(8,709)	(44,501)
Payments to suppliers for goods and services	(21,758)	(15,493)	(4,277)	(3,587)	(52,043)	-	(586,018)	(8,057)	6,534	(684,699)
Payments from(to) other programs *	832	(311)	(70)	(77)	(404)	-	-	30	-	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	9,847	33,805	3,716	3,919	38,359	-	(3,898)	4,110	(4,434)	85,424
CASH FLOWS FROM INVESTING ACTIVITIES										
Proceeds from maturities and sales of investments	18,041	70,797	1,396	-	32,775	-	13,157	-	48,103	184,269
Interest received on cash and investments	567	427	37	-	325	-	1,061	64	1,324	3,805
Purchase of investments	(18,147)	(54,763)	(3,699)	-	(43,688)	-	(13,568)	-	(42,445)	(176,310)
NET CASH FLOWS FROM INVESTING ACTIVITIES	461	16,461	(2,266)	-	(10,588)	-	650	64	6,982	11,764
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES										
Acquisition and construction of electric plant	(3,096)	(162)	(13)	(349)	(845)	-	-	-	(7)	(4,472)
Insurance proceeds on asset disposals	-	-	-	-	6,549	-	-	-	-	6,549
Interest paid on long-term debt	(323)	(13,151)	(1,075)	-	(13,496)	-	-	-	-	(28,045)
Principal repayment on long-term debt	(4,595)	(20,724)	(2,575)	-	(12,515)	-	-	-	-	(40,409)
Proceeds from bond issues	-	-	-	-	-	-	-	-	-	-
Payments to refund debt	-	-	-	-	-	-	-	-	-	-
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(8,014)	(34,037)	(3,663)	(349)	(20,307)	-	-	-	(7)	(66,377)
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES										
Other proceeds	1,125	-	1,328	-	3,970	-	1,150	240	81	7,894
Refunds to participants	(2,089)	(2,027)	(214)	257	(2)	-	(5,662)	(4,003)	(417)	(14,157)
Payments from(to) other programs *	(939)	5,994	2,117	(3,827)	(17,393)	-	15,619	(386)	(1,185)	-
NET CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES	(1,903)	3,967	3,231	(3,570)	(13,425)	-	11,107	(4,149)	(1,521)	(6,263)
NET CHANGE IN CASH AND CASH EQUIVALENTS										
Beginning of year	5,281	22,240	255	1	15,746	-	11,143	85	57,937	112,688
End of year	\$ 5,672	\$ 42,436	\$ 1,273	\$ 1	\$ 9,785	\$ -	\$ 19,002	\$ 110	\$ 58,957	\$ 137,236

* Eliminated in Combination

SUPPLEMENTARY INFORMATION (UNAUDITED)

COMBINING STATEMENT OF CASH FLOW - Continued

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS
(000's omitted)

For the Year Ended June 30, 2021

	GENERATING & TRANSMISSION RESOURCES									
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
RECONCILIATION OF NET OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES										
Operating income	\$ 1,231	\$ 22,633	\$ 1,677	\$ 2,219	\$ 19,793	\$ -	\$ (16,916)	\$ 4,754	\$ 3,450	\$ 38,841
Adjustments to reconcile net operating revenues to net cash from operating activities:										
Depreciation	3,647	9,480	2,203	219	14,141	-	-	48	294	30,032
	4,878	32,113	3,880	2,438	33,934	-	(16,916)	4,802	3,744	68,873
CASH FLOWS IMPACTED BY CHANGES IN										
Accounts receivable	(299)	-	-	-	-	-	(3,163)	(273)	(5,597)	(9,332)
Inventory and prepaid expense	(292)	(390)	(101)	20	(273)	-	-	(84)	(139)	(1,259)
Operating reserves and other deposits	1,648	1,782	-	1,311	830	-	7,839	(330)	1,444	14,524
Member advances	-	-	-	-	-	-	-	-	-	-
Regulatory assets	-	-	-	-	-	-	-	-	(3,752)	(3,752)
Regulatory credits	4,136	302	(41)	186	(664)	-	-	(49)	(167)	3,703
Accounts payable and other liabilities	(224)	(2)	(22)	(36)	4,532	-	8,342	44	33	12,667
NET CASH FROM OPERATING ACTIVITIES	\$ 9,847	\$ 33,805	\$ 3,716	\$ 3,919	\$ 38,359	\$ -	\$ (3,898)	\$ 4,110	\$ (4,434)	\$ 85,424
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENTS OF NET POSITION										
Cash and cash equivalents - restricted	\$ 5,011	\$ 37,366	\$ 1,272	\$ -	\$ 7,997	\$ -	\$ 4,487	\$ -	\$ -	\$ 56,133
Cash and cash equivalents - unrestricted	661	5,070	1	1	1,788	-	14,515	110	58,957	81,103
End of year	\$ 5,672	\$ 42,436	\$ 1,273	\$ 1	\$ 9,785	\$ -	\$ 19,002	\$ 110	\$ 58,957	\$ 137,236

SUPPLEMENTARY INFORMATION (UNAUDITED)

COMBINING STATEMENT OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS

(000's omitted)

June 30, 2020

	GENERATING & TRANSMISSION RESOURCES									
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission No. One	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
ASSETS										
CURRENT ASSETS										
Cash and cash equivalents										
Restricted	\$ 3,615	\$ 16,579	\$ 254	\$ -	\$ 6,655	\$ -	\$ -	\$ -	\$ -	\$ 27,103
Unrestricted	1,666	5,661	1	1	9,091	-	11,143	85	57,937	85,585
Investments										
Restricted	3,001	18,798	566	-	3,670	-	-	-	-	26,035
Unrestricted	2,536	5,554	-	-	505	-	2,416	-	12,501	23,512
Accounts receivable										
Participants	-	-	-	-	-	-	105	4	202	311
Other	349	-	-	-	6,549	-	2,363	-	3,951	13,212
Interest receivable	120	119	-	-	21	-	114	-	663	1,037
Inventory and supplies	1,511	1,583	264	352	2,214	-	-	-	-	5,924
Prepaid expenses	387	489	38	55	383	-	-	-	602	1,954
Due from Agency and other programs*	8,409	5,516	4,770	2,005	1,851	-	37,528	6,647	(66,726)	-
TOTAL CURRENT ASSETS	21,594	54,299	5,893	2,413	30,939	-	53,669	6,736	9,130	184,673
NONCURRENT ASSETS										
Investments										
Restricted	-	4,898	-	-	4,782	-	-	-	-	9,680
Unrestricted	20,143	7,860	-	-	2,168	-	16,961	-	91,670	138,802
Electric plant in service	572,624	395,162	64,852	36,901	409,363	7,736	-	894	6,158	1,493,690
Less: accumulated depreciation	(543,209)	(281,109)	(52,777)	(34,874)	(94,878)	(7,736)	-	(587)	(3,699)	(1,018,869)
TOTAL NONCURRENT ASSETS	49,558	126,811	12,075	2,027	321,435	-	16,961	307	94,129	623,303
OTHER ASSETS										
Regulatory assets	2,076	132,350	7,269	-	29,132	-	-	-	55,062	225,889
Investment in associated company	-	-	-	-	-	-	-	-	265	265
TOTAL OTHER ASSETS	2,076	132,350	7,269	-	29,132	-	-	-	55,327	226,154
TOTAL ASSETS	73,228	313,460	25,237	4,440	381,506	-	70,630	7,043	158,586	1,034,130
DEFERRED OUTFLOWS OF RESOURCES										
Excess cost on refunding of debt	1,081	19,737	-	-	1,508	-	-	-	-	22,326
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	16,936	16,936
Asset Retirement Obligations	61,651	-	161	-	182	-	-	-	-	61,994
TOTAL DEFERRED OUTFLOWS OF RESOURCES	62,732	19,737	161	-	1,690	-	-	-	16,936	101,256
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 135,960	\$ 333,197	\$ 25,398	\$ 4,440	\$ 383,196	\$ -	\$ 70,630	\$ 7,043	\$ 175,522	\$ 1,135,386

* Eliminated in Combination

SUPPLEMENTARY INFORMATION (UNAUDITED)

COMBINING STATEMENT OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS

(000's omitted)

June 30, 2020

	GENERATING & TRANSMISSION RESOURCES									Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	
LIABILITIES										
CURRENT LIABILITIES										
Accounts payable and accrued expenses	\$ 735	\$ 648	\$ 22	\$ 37	\$ 1,527	\$ -	\$ 29,741	\$ -	\$ 17,443	\$ 50,153
Member advances	791	-	-	-	-	-	-	202	-	993
Operating reserves	429	250	617	2,910	15,175	-	-	-	-	19,381
Current portion of long-term debt	4,595	20,725	2,575	-	12,515	-	-	-	-	40,410
Accrued interest payable	179	6,083	542	-	1,119	-	-	-	-	7,923
TOTAL CURRENT LIABILITIES	6,729	27,706	3,756	2,947	30,336	-	29,741	202	17,443	118,860
NON-CURRENT LIABILITIES										
Net pension and OPEB liabilities	-	-	-	-	-	-	-	-	63,003	63,003
Operating reserves and other deposits	1,500	17,210	-	-	132	-	30,634	1,783	82,488	133,747
Interest rate swap liability	-	18,968	-	-	-	-	-	-	-	18,968
Asset Retirement Obligations	66,285	-	161	-	183	-	-	-	-	66,629
Long-term debt, net	15,505	258,713	19,882	-	306,536	-	-	-	-	600,636
TOTAL NON-CURRENT LIABILITIES	83,290	294,891	20,043	-	306,851	-	30,634	1,783	145,491	882,983
TOTAL LIABILITIES	90,019	322,597	23,799	2,947	337,187	-	60,375	1,985	162,934	1,001,843
DEFERRED INFLOWS OF RESOURCES										
Regulatory credits	37,674	3,625	1,198	2,209	40,347	-	-	308	3,054	88,415
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	4,737	4,737
TOTAL DEFERRED INFLOWS OF RESOURCES	37,674	3,625	1,198	2,209	40,347	-	-	308	7,791	93,152
NET POSITION										
Net investment in capital assets	1,712	(24,355)	(3,598)	-	1,083	-	-	-	-	(25,158)
Restricted for debt service	3,905	24,847	250	-	1,405	-	-	-	-	30,407
Unrestricted	2,650	6,483	3,749	(716)	3,174	-	10,255	4,750	4,797	35,142
TOTAL NET POSITION	8,267	6,975	401	(716)	5,662	-	10,255	4,750	4,797	40,391
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 135,960	\$ 333,197	\$ 25,398	\$ 4,440	\$ 383,196	\$ -	\$ 70,630	\$ 7,043	\$ 175,522	\$ 1,135,386

SUPPLEMENTARY INFORMATION (UNAUDITED)

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS
(000's omitted)

For the Year Ended June 30, 2020										
GENERATING & TRANSMISSION RESOURCES										
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
OPERATING REVENUES										
Participants	\$ 15,341	\$ 25,277	\$ 7,011	\$ 4,770	\$ 28,807	\$ -	\$ 303,236	\$ 21,568	\$ 2,110	\$ 408,120
Other Third-party	21,959	20,966	777	998	37,109	-	112,005	2,960	-	196,774
TOTAL OPERATING REVENUES	37,300	46,243	7,788	5,768	65,916		415,241	24,528	2,110	604,894
OPERATING EXPENSES										
Purchased power	544	2,452	69	180	1,453	-	219,354	-	-	224,052
Operations	17,266	4,655	1,471	1,324	31,495	-	3,822	11,714	-	71,747
Transmission	355	431	13	20	1,353	-	182,570	5	-	184,747
Depreciation	3,974	9,412	2,210	204	14,773	-	-	85	300	30,958
Maintenance	15,112	7,515	1,103	2,705	5,688	-	-	80	-	32,203
Administrative and general	4,796	4,308	1,027	1,153	4,781	-	-	7,522	(1,840)	21,747
Intercompany (sales) purchases, net*	(808)	294	75	136	359	-	-	(56)	-	-
TOTAL OPERATING EXPENSES	41,239	29,067	5,968	5,722	59,902	-	405,746	19,350	(1,540)	565,454
NET OPERATING REVENUES	(3,939)	17,176	1,820	46	6,014	-	9,495	5,178	3,650	39,440
NON OPERATING (EXPENSES) REVENUES										
Interest expense	(620)	(22,760)	(1,744)	-	(14,261)	-	-	-	-	(39,385)
Interest income	1,074	1,179	77	31	1,044	-	1,865	88	3,310	8,668
Other	(27)	465	1,476	-	1,848	-	-	(687)	313	3,388
TOTAL NON OPERATING (EXPENSES) REVENUES	427	(21,116)	(191)	31	(11,369)	-	1,865	(599)	3,623	(27,329)
FUTURE RECOVERABLE AMOUNTS	2,424	(414)	(1,613)	-	4,455	-	-	-	(2,651)	2,201
REFUNDS TO PARTICIPANTS	(598)	(2,353)	(38)	960	(941)	-	(2,263)	(4,642)	(2,422)	(12,297)
INCREASE (DECREASE) IN NET POSITION	(1,686)	(6,707)	(22)	1,037	(1,841)	-	9,097	(63)	2,200	2,015
NET POSITION, Beginning of year	9,953	13,682	423	(1,753)	7,503	-	1,158	4,813	2,597	38,376
NET POSITION, End of year	\$ 8,267	\$ 6,975	\$ 401	\$ (716)	\$ 5,662	\$ -	\$ 10,255	\$ 4,750	\$ 4,797	\$ 40,391

* Eliminated in Combination

SUPPLEMENTARY INFORMATION (UNAUDITED)

COMBINING STATEMENTS OF CASH FLOW

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS
(000's omitted)

For the Year Ended June 30, 2020											
GENERATING & TRANSMISSION RESOURCES											
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined Total	
CASH FLOWS FROM OPERATING ACTIVITIES											
Received from participants	\$ 16,978	\$ 25,282	\$ 7,345	\$ 4,925	\$ 30,445	\$ -	\$ 303,131	\$ 21,191	\$ 2,032	\$ 411,329	
Received from others	17,016	23,205	777	998	37,109	-	112,593	2,960	3,757	198,415	
Payments for employee services	(13,594)	(6,282)	(1,008)	(1,594)	(7,341)	-	-	(12,867)	-	(42,686)	
Payments to suppliers for goods and services	(21,127)	(13,617)	(2,576)	(4,033)	(35,732)	-	(404,224)	(8,735)	11,099	(478,945)	
Payments from(to) other programs *	808	(294)	(75)	(136)	(359)	-	-	56	-	-	
NET CASH FLOWS FROM OPERATING ACTIVITIES	81	28,294	4,463	160	24,122	-	11,500	2,605	16,888	88,113	
CASH FLOWS FROM INVESTING ACTIVITIES											
Proceeds from maturities and sales of investments	22,119	34,531	4,686	-	36,867	-	11,327	-	46,875	156,405	
Interest received on cash and investments	742	736	82	31	769	-	1,650	91	1,545	5,646	
Purchase of investments	(21,654)	(46,163)	(564)	-	(26,144)	-	(4,748)	-	(57,462)	(156,735)	
NET CASH FLOWS FROM INVESTING ACTIVITIES	1,207	(10,896)	4,204	31	11,492	-	8,229	91	(9,042)	5,316	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES											
Acquisition and construction of electric plant	(1,255)	(82)	7	(349)	(44,343)	-	-	(55)	(164)	(46,241)	
Insurance proceeds on asset disposals	-	-	-	-	36,400	-	-	-	-	36,400	
Interest paid on long-term debt	(451)	(11,217)	(1,773)	-	(13,995)	-	-	-	-	(27,436)	
Principal repayment on long-term debt	(4,420)	(12,685)	(4,195)	-	(12,040)	-	-	-	-	(33,340)	
Proceeds from bond issues	-	-	22,738	-	-	-	-	-	-	22,738	
Payments to refund debt	-	-	(25,450)	-	-	-	-	-	-	(25,450)	
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(6,126)	(23,984)	(8,673)	(349)	(33,978)	-	-	(55)	(164)	(73,329)	
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES											
Other proceeds	(27)	465	1,476	-	1,848	-	-	(252)	313	3,823	
Refunds to participants	(598)	(2,353)	(38)	960	(941)	-	(2,263)	(4,642)	(2,422)	(12,297)	
Payments from(to) other programs *	3,101	10,206	(2,666)	(802)	9,886	-	(10,052)	1,705	(11,378)	-	
NET CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES	2,476	8,318	(1,228)	158	10,793	-	(12,315)	(3,189)	(13,487)	(8,474)	
NET CHANGE IN CASH AND CASH EQUIVALENTS											
Beginning of year	7,643	20,508	1,489	1	3,317	-	3,729	633	63,742	101,062	
End of year	\$ 5,281	\$ 22,240	\$ 255	\$ 1	\$ 15,746	\$ -	\$ 11,143	\$ 85	\$ 57,937	\$ 112,688	

* Eliminated in Combination

SUPPLEMENTARY INFORMATION (UNAUDITED)

COMBINING STATEMENT OF CASH FLOW - Continued

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS
(000's omitted)

For the Year Ended June 30, 2020

	GENERATING & TRANSMISSION RESOURCES							Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission					
RECONCILIATION OF NET OPERATING REVENUES TO NET CASH FLOWS FROM OPERATING ACTIVITIES											
Operating income	\$ (3,939)	\$ 17,176	\$ 1,820	\$ 46	\$ 6,014	\$ -	\$ 9,495	\$ 5,178	\$ 3,650	\$ 39,440	
Adjustments to reconcile net operating revenues to net cash from operating activities:											
Depreciation	3,976	9,412	2,210	204	14,773	-	-	85	298	30,958	
	37	26,588	4,030	250	20,787	-	9,495	5,263	3,948	70,398	
CASH FLOWS IMPACTED BY CHANGES IN											
Accounts receivable	(74)	-	-	-	-	-	(567)	39	(3,507)	(4,109)	
Inventory and prepaid expense	2,931	(106)	(26)	(3)	(93)	-	-	40	(51)	2,692	
Operating reserves and other deposits	(4,871)	2,239	104	241	883	-	1,050	(2,321)	7,257	4,582	
Member advances	-	-	-	-	-	-	-	(387)	-	(387)	
Regulatory credits	1,637	5	334	155	1,638	-	-	(29)	(69)	3,671	
Accounts payable and other liabilities	421	(432)	21	(483)	907	-	1,522	-	9,310	11,266	
NET CASH FROM OPERATING ACTIVITIES	\$ 81	\$ 28,294	\$ 4,463	\$ 160	\$ 24,122	\$ -	\$ 11,500	\$ 2,605	\$ 16,888	\$ 88,113	
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENTS OF NET POSITION											
Cash and cash equivalents - restricted	\$ 3,615	\$ 16,579	\$ 254	\$ -	\$ 6,655	\$ -	\$ -	\$ -	\$ -	\$ 27,103	
Cash and cash equivalents - unrestricted	1,666	5,661	1	1	9,091	-	11,143	85	57,937	85,585	
End of year	\$ 5,281	\$ 22,240	\$ 255	\$ 1	\$ 15,746	\$ -	\$ 11,143	\$ 85	\$ 57,937	\$ 112,688	

OTHER INFORMATION

GENERATION ENTITLEMENT SHARES - UNAUDITED

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS

	Table of Generation Entitlement Shares					LEC Debt Shares	
	Geothermal Project No. 3	Hydroelectric Project No. One	Capital Facilities Project	Combustion Turbine No. One	Lodi Energy Center (LEC)	LEC Indenture Group A	LEC Indenture Group B
NCPA Member Participants:							
Alameda	16.8825%	10.0000%	19.0000%	21.8200%			
BART					6.6000%		11.8310%
Biggs	0.2270%			0.1970%	0.2679%		0.4802%
Gridley	0.3360%			0.3500%	1.9643%		3.5212%
Healdsburg	3.6740%	1.6600%		5.8330%	1.6428%		2.9448%
Lodi	10.2800%	10.3700%	39.5000%	13.3930%	9.5000%		17.0295%
Lompoc	3.6810%	2.3000%	5.0000%	5.8330%	2.0357%		3.6491%
Palo Alto		22.9200%					
Plumas-Sierra REC	0.7010%	1.6900%		1.8170%	0.7857%		1.4084%
Roseville	7.8830%	12.0000%	36.5000%				
Santa Clara	44.3905%	37.0200%		41.6670%	25.7500%		46.1588%
Ukiah	5.6145%	2.0400%		9.0900%	1.7857%		3.2010%
Other Participants:							
Azusa					2.7857%		4.9936%
California Dept. of Water Resources					33.5000%		100.0000%
Modesto Irrigation District					10.7143%		
Power & Water Resources Pooling Agency					2.6679%		4.7824%
Turlock Irrigation District	6.3305%						
	<u>100.0000%</u>	<u>100.0000%</u>	<u>100.0000%</u>	<u>100.0000%</u>	<u>100.0000%</u>	<u>100.000%</u>	<u>100.000%</u>
	Note A	Note A, B		Note A	Note B		

Note A: Project Entitlement shares are after transfers among participants.

Note B: Project Generation Shares may vary from project cost shares due to varied financing and fuel supply arrangements.



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Black & Veatch Corporation - Second 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

AGENDA CATEGORY: Consent

FROM:	Generation Services Assistant General Manager <i>MRP</i>	METHOD OF SELECTION:	N/A
Division:	Generation Services	<i>If other, please describe:</i>	
Department:	Combustion Turbines		

IMPACTED MEMBERS:

All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Shasta Lake	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>	Other	<input type="checkbox"/>

If other, please specify

RECOMMENDATION:

Approve Resolution 21-96 authorizing the General Manager or his designee to enter into a Second 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 November 26, 2021 to January 31, 2022, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Consulting services related to project support and plant operations are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA entered into a five year Multi-Task Professional Services Agreement with Black & Veatch Corporation effective May 26, 2016.

NCPA has been working on a renewal agreement with Black & Veatch, however this process is taking longer than anticipated. A First Amendment was executed on May 10, 2021 extending the agreement expiration date from May 26, 2021 to November 26, 2021. NCPA is currently utilizing Black & Veatch for hydrogen expertise support and consulting regarding Lodi's Lakehouse Development Project. This Second Amendment will extend the agreement expiration date from November 26, 2021 to January 31, 2022, to avoid any lapse in coverage while NCPA continues to work on the new agreement with Black & Veatch. NCPA has agreements in place for similar services with HDR Engineering, Inc., and Worley Group, Inc.

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. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

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.

COMMITTEE REVIEW:

On October 6, 2021, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On October 11, 2021, the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Randy S. Howard".

RANDY S. HOWARD
General Manager

Attachments (4):

- Resolution 21-96
- Multi-Task Professional Services Agreement with Black & Veatch Corporation
- First Amendment to Multi-Task Professional Services Agreement with Black & Veatch Corporation
- Second Amendment to Multi-Task Professional Services Agreement with Black & Veatch Corporation

RESOLUTION 21-96

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A SECOND AMENDMENT TO THE MULTI-TASK PROFESSIONAL SERVICES
AGREEMENT WITH BLACK & VEATCH CORPORATION

(reference Staff Report #226:21)

WHEREAS, consulting services related to project support and plant operations are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, NCPA entered into a Multi-Task Professional Services Agreement with Black & Veatch Corporation effective May 26, 2016 to provide such services, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; and

WHEREAS, NCPA entered into a First Amendment to the Multi-Task Professional Services Agreement with Black & Veatch Corporation effective May 10, 2021 extending the expiration date from May 26, 2021 to November 26, 2021 to allow for sufficient time to negotiate terms on a renewal agreement with Black & Veatch Corporation; and

WHEREAS, NCPA now desires to extend the agreement expiration date from November 26, 2021 to January 31, 2022 to allow additional time to continue to negotiate terms on a renewal agreement with Black & Veatch Corporation; and

WHEREAS, 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; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Second Amendment to the Multi-Task Professional Services Agreement with Black & Veatch Corporation, with any changes recommended and approved by the NCPA General Counsel or her designee, to extend the agreement expiration date from November 26, 2021 to January 31, 2022, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2021, by the following vote on roll call:

Table with 4 columns: Agency Name, Vote, Abstained, Absent. Rows include Alameda, San Francisco BART, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, Santa Clara, Shasta Lake, Truckee Donner, Ukiah, Plumas-Sierra.

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK
PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
BLACK & VEATCH CORPORATION**

This agreement for professional services (this "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 Black & Veatch Corporation, a corporation with its office located at 11401 Lamar, Overland Park, KS 66211 ("Consultant") (together sometimes referred to as the "Parties") as of 5/26/2016, ~~2015~~ ^{9/21} ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the range of services described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified in a Purchase Order or other written authorization.

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.

As used in this Section 1.2, "Warranty Period" means one (1) calendar year following completion of the Services, except that with regard to design, "Warranty Period" means one (1) calendar year following Substantial Completion of the related project; provided, however, that in no event will the Warranty Period extend beyond four years from Consultant's completion of the Services. "Substantial Completion" means the stage in which the progress of a project, or applicable portion thereof, is sufficiently complete such that the Agency can occupy or utilize the project or portion thereof for its intended purpose.

If, during the Warranty Period, it is shown there is an error in the Services caused solely by Consultant's failure to meet the standard of performance in this Section 1.2, and Agency has notified Consultant in writing of any such error within that period, Consultant shall re-perform, at no additional cost to Agency, such Services within the original scope of Services as may be necessary to remedy such error. Re-performed Services shall be warranted for an additional year, not to exceed four years from the completion of the original Services.

If the Services include a technical review of work performed by Agency's contractors or consultants, Consultant shall provide such technical review in order for Agency to have a

greater degree of confidence that such work will conform generally to the contract documents between Agency and Agency's contractors or consultants. Agency's contractors and consultants shall remain solely responsible for the quality of the work that Consultant reviews, and Consultant's review shall not be deemed to be a warranty or guarantee from Consultant regarding the quality of the work reviewed. Agency agrees that its exclusive remedy for defective work by others that is reviewed by Consultant shall be from Agency's contractors and consultants who performed the work.

Consultant shall have no liability for defects in the Services attributable to Consultant's reliance upon or use of data, design criteria, drawings, specifications, or other information furnished by Agency or third parties not under contract to Consultant (collectively, "Third Party Information"); provided, however, that (1) this provision shall not excuse Consultant's failure to perform the Services to the standard of care in this Section 1.2, and (2) where the scope of services includes checking or verifying the accuracy of Third Party Information, this provision shall not excuse Consultant from performing such checking or verifying to the standard of care in this Section 1.2.

The obligations and representations contained in this Section 1.2 are Consultant's sole warranty and guarantee obligations and Agency's exclusive remedy in respect of quality of the Services. EXCEPT AS PROVIDED IN THIS ARTICLE, CONSULTANT MAKES NO OTHER WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, RELATING TO CONSULTANT'S SERVICES AND CONSULTANT DISCLAIMS ANY IMPLIED WARRANTIES OR WARRANTIES IMPOSED BY LAW INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. This Section 1.2 governs, modifies, and supersedes any other terms in this Agreement which may be construed to address warranties or guarantees or the quality of the Services.

- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. 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, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 **Services Provided.** Services provided under this Agreement by Consultant may include Services 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 ("Members").
- 1.5 **Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have fourteen (14) days from the date of the Agency's issuance of the

Purchase Order in which to respond in writing whether Consultant chooses to perform the Requested Services. If Consultant fails to respond within such time and agree to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement, and its Exhibits, the Purchase Order is deemed rejected and Agency shall not be bound by the Purchase Order issued to Consultant.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED ONE MILLION FIVE HUNDRED THOUSAND** dollars (\$1,500,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant'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 Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Consultant 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;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when Consultant's Scope of Work identifies tasks, for each work item in each task, a copy of the applicable time entries 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.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for services 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 Consultant.

2.3 Payment of Taxes. Consultant 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 Services. The Consultant is not authorized to perform any Services 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. Consultant shall have ninety (90) days after completion of its Services to submit its final invoice. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

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

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant, 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 Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of one million dollars (\$1,000,000.00) per accident.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 Commercial General Insurance. Consultant 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 Consultant. The policy shall provide a 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 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. Consultant 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 Consultant, on or off Agency premises. The policy shall provide a 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. Consultant shall maintain professional liability insurance appropriate to Consultant's profession performing work in connection with this Agreement in an amount of one million dollars (\$1,000,000.00) and two million dollars (\$2,000,000) aggregate covering the Consultant'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 an "occurrence" basis, except that Consultant may maintain such insurance 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.

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. Consultant 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 [Intentionally left blank.]

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA and/or SCPPA members, Agency shall have the right to require the Consultant to provide certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or Agency member for which the Services are to be performed.

4.5 Waiver of Subrogation. Consultant agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant

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 Consultant, its employees, agents and subcontractors.

- 4.6** **Consultant's Obligation.** Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensues they are and remain covered by the policies referenced in Section 4 during this Agreement. Consultant shall also ensure that all workers involved in the provision of Services 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 CONSULTANT'S RESPONSIBILITIES.

- 5.1** **Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant 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, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

- 5.2** **Scope.** Consultant 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 third party claims for bodily injury (including death) or property damage to the extent arising out of the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. For the avoidance of doubt, claims of an employee of Agency or Consultant are deemed third party claims. Consultant 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 negligence or willful misconduct of the Agency.

For the avoidance of doubt, this Section 5.2 shall not affect direct claims or actions (including, but not limited to, claims for property damage) by Agency against Consultant.

- 5.3** **Limitation of Liability.** Having considered the risks and potential liabilities that may arise out of the Services, the benefits of the Services, and in specific consideration of the promises contained in this Agreement and other valuable consideration, receipt of which is acknowledged, Agency and Consultant allocate and limit such liabilities in accordance with

this Section 5.3. Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law:

In no event shall Consultant be liable to Agency for any loss of profits or revenue; loss of use; loss of opportunity; loss of goodwill; cost of substitute facilities, goods or services; cost of capital; cost of replacement power; governmental and regulatory sanctions (other than sanctions imposed on Consultant by governmental and regulatory agencies); and claims of customers for such damages; or for any special, consequential, incidental, indirect, punitive, or exemplary damages in any way arising from or related to the performance of this Agreement;

The total cumulative liability of Consultant and any entity owned by, owning, controlled by, controlling or under common control of Consultant to Agency for all claims, losses, damages, and expenses in any way arising from or related to the performance of this Agreement shall not be greater than Two Million Dollars (\$2,000,000).

Releases, waivers and limitations expressed in this Agreement concerning liability and remedies shall apply even in the event of the fault, tort (including negligence), strict liability, breach of contractor warranty, or other basis of liability of the Party released or whose liability is limited or against whom remedies have been limited and shall extend to the officers, directors, partners, employees, licensors, agents, subcontractors, vendors and related entities of such Party.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant 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.

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant 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. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing

the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

Consultant 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 Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant 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, Consultant 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 Consultant.

6.2 Consultant Not Agent. Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant 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 Consultant and is based upon a determination of Consultant'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 Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant 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, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services 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, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

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. Consultant 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.** Consultant represents and warrants to Agency that Consultant 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.

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 Consultant.

In the event of termination, Consultant shall be entitled to compensation for Services satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Consultant 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 all 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 Consultant shall survive the termination of this Agreement.

- 8.4** **Options upon Breach by Consultant.** If Consultant 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 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 Consultant pursuant to this Agreement that Agency has paid for, or for which Agency pays pursuant to a final invoice;

8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or

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

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1** **Records Created as Part of Consultant'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 Consultant is required to deliver to Agency as a deliverable under this Agreement shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents. Nothing contained in this Section shall be construed as limiting or depriving Consultant of its rights to use its basic knowledge and skills to design or carry out other projects or work for itself or others, whether or not such other projects or work are similar to the work to be performed pursuant to this Agreement.

9.2 Consultant's Books and Records. Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services 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 Consultant to this Agreement.

9.3 Inspection and Audit of Records. Any records or documents that this Agreement requires Consultant 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 the 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, consultants, 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 MISCELLANEOUS PROVISIONS.

10.1 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.

10.2 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.

- 10.3 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.
- 10.4 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.
- 10.5 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.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant 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.*

- 10.7 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
- 10.8 Notices.** Any written notice to Consultant shall be sent to:

Black & Veatch Corporation
Attention: Sean Kilgrow
10995 Gold Center Dr. Suite 100
Rancho Cordova, CA 95670

With copy to:

Black & Veatch Corporation
Attention: Carlos Araoz
10995 Gold Center Dr. Suite 100
Rancho Cordova, CA 95670

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:

Michael F. Dean
General Counsel
Northern California Power Agency
Meyers Nave
555 Capitol Mall, Suite 1200
Sacramento, CA 95814

- 10.9 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.
- 10.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 10.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Consultant agree to resolve the dispute in accordance with the following:
- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 10.11.3** 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.

- 10.11.4** 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.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative 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.*
- 10.12** **Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto, a Purchase Order, or the Consultant's Proposal, the Exhibits shall control.
- 10.13** **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.
- 10.14** **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.
- 10.15** **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 Consultant provide services 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 Services relating to such Member.

Section 11. SAFETY AND HAZARDOUS MATERIALS.

- 11.1** **Safety and Environmental Regulations.** Consultant shall be responsible for the safety of its own employees at all times during the performance of any Services. Consultant's safety program shall include all requisite components required under Federal, state and local regulations, and shall comply with all Agency or project site programs, if applicable.
- 11.1.1** Consultant shall not have control or charge of and shall not be responsible for: construction means, methods, techniques, sequences, or procedures of construction; the acts or omissions of Agency's contractors, vendors or suppliers; or the safety or environmental precautions and programs in connection with the work performed by Agency's contractors, vendors or

suppliers; provided, however, that this Section 11.1.1 shall not apply where the Services specified in a Purchase Order specifically include these responsibilities.

11.1.2 Consultant shall not be responsible for the adequacy or completeness of any other entity's safety or environmental programs, procedures, or precautions at the job site, and Consultant shall not have the authority to stop such other entity's work; provided, however, that this Section 11.1.2 shall not apply where the Services specified in a Purchase Order specifically include such responsibilities.

11.2 **Pre-Existing Contamination.** "Hazardous Waste" means any toxic or radioactive substance so defined under applicable federal, state or local laws or regulations. "Pre-Existing Contamination" is any Hazardous Waste present at the job site that was not brought onto such site by Consultant or at the direction of Consultant. Notwithstanding anything in this Agreement to the contrary, title to, ownership of, and legal responsibility and liability for Pre-Existing Contamination shall at all times remain with Agency. Agency agrees to release, defend, indemnify, and hold Consultant harmless from and against any and all liability and claims, including attorneys' fees, that may in any manner arise in any way directly or indirectly from such Pre-Existing Contamination.

Agency shall, at Agency's sole expense and risk, arrange for handling, storage, transportation, treatment, and delivery for disposal of Pre-Existing Contamination. Agency shall be solely responsible for obtaining a disposal site for Pre-Existing Contamination. Agency shall look to the disposal facility and transporter for any responsibility or liability arising from improper disposal or transportation of Pre-Existing Contamination. Consultant shall not have or exert any control over Agency in Agency's obligations or responsibilities as a generator in the storage, transportation, treatment, or disposal of any Pre-Existing Contamination. Agency shall complete and execute any forms or certificates relating to regulated activities, including generation, storage, handling, treatment, transportation, or disposal of Pre-Existing Contamination. In the event that Consultant executes or completes any such forms or certificates, Consultant shall be, and be deemed to have acted as, Agency's agent.

SIGNATURES ON FOLLOWING PAGE

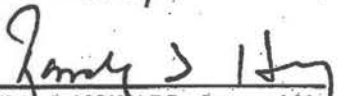
The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

BLACK & VEATCH CORPORATION

Date 5/31/16

Date 5/26/16


RANDY S. HOWARD, General Manager


JON R. FEICKERT, KAR
Power Generation Services Director

Attest:


Assistant Secretary of the Commission

Approved as to Form:


Assistant General Counsel

EXHIBIT A

SCOPE OF SERVICES

Black & Veatch Corporation ("Consultant") shall provide the Northern California Power Agency ("Agency") and, pursuant to Section 1.4 of the Agreement, Agency members, the Southern California Public Power Authority ("SCPPA"), and SCPPA members, with consulting services related to project support and plant operations as needed.

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

- Feasibility Studies
- Business Model Development
- Conceptual Design
- Cost Estimating
- Contract Planning
- Engineering Services (preliminary and detailed)
- Engineering Studies
- Execution Planning
- Operations and Maintenance Evaluation and Support
- Vendor Quality Assurance
- Construction Management
- Start-up and Commissioning Service
- Customer Information System Services
- Meter Data Management System Services
- Advanced Metering Infrastructure Services
- Smart Grid Solutions
- Technology Advisory Services
- Project Management Services
- Smart Grid Consulting Services

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

HOURLY BILLING RATES (see Client Billings and Notes)	
Title/Description	Hourly Billing Rate (\$USD)
Project Administration	
Project accounting and office support including clerical, secretarial and billing.	
Project Administration	\$77.00
Technicians and Technical Support	
Technical designers, drafters, and other technical support functions.	
Associate Technician / Designer	\$89.00
Staff Technician / Designer	\$111.00
Lead Technician/Designer	\$140.00
Senior Technician/Designer	\$182.00
Engineering and Management	
Engineering design, analysis, and management. Includes departmental and project assignments including project management, executives and engineering department management.	
Associate Engineers	\$99.00
Staff Engineers	\$120.00
Design Engineers	\$141.00
Project Engineers	\$168.00
Senior Engineers	\$199.00
Engineering Managers	\$215.00
Project Managers	\$225.00
Senior Project Managers	\$253.00
Executives	\$276.00
Estimating, Project Controls and Procurement	
Professionals who assess the cost related to projects, track the cost associated with a project, and perform planning and scheduling functions related to projects. These professionals also provide procurement support activities.	
Staff Professional	\$118.00
Lead Professional	\$148.00
Senior Professional	\$230.00
Specialized Staff	
Specialist staff such as scientists, geologists, environmental consultants, lawyers, equipment or technology experts, and construction specialists.	
Associate Specialist	\$92.00
Specialist	\$118.00
Lead Specialist	\$164.00
Senior Specialist	\$220.00

Client Billings: Client shall pay to Engineer for the performance of the Services the sum of the following amounts unless the compensation is otherwise stated in the specific task assignment.

1. Labor cost will be billed as actual hours charged to this project by Black & Veatch personnel and in accordance with the rates above.
2. Typical and customary home office expenses, including computer related expenses (network server charges, PC usage charges, software and design application charges, printing, plotting, and server storage), reprographic services, document production, fax, telephone, postage/courier, etc. will be billed at a rate of \$8.00 per hour of direct billed labor.
3. Expenses for travel and lodging will be billed at actual cost. These expenses include cost such as air-fare, personal mileage, lodging, meals, motor vehicles rental, telephone, special rental equipment, etc.
4. Cost of 3rd party services and for non-customary office costs such as production printing will be billed at actual cost plus 10%.
5. Field assignments of longer than 60 days will be billed as actual hours charged to this project by Black & Veatch personnel in accordance with the rate sheet plus uplift as determined by current field services policy. Expenses for field assignments can be per diem, actual expenses, or a combination of both as specific to the assignment.
6. Overtime applies only to non-exempt personnel as defined by the US Federal Wage and Hour Law. Overtime will be billed as actual hours charged to this project by Black & Veatch personnel in accordance with the rate sheet plus 50%.
7. Any other professionals not specifically identified above will be placed in the most appropriate category above based on function and experience.

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

The rates above are subject to one (1) annual adjustment upon thirty (30) days' prior written notice to Agency.

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Consultants

I, Jon R Feuckert Power Generation Services Director
(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

BLACK & VEATCH CORPORATION

for contract work at LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI CA 95242

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

Jon R Feuckert
(Signature of officer or agent)

KAR

Dated this 26 day of May, 2016.

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.

2598203.10

Attachment A. Billing Rates and Expense Schedule - 2019

Black & Veatch
Billing Rates and Expense Schedule
for
Home Office Consulting Engineering Services
Calendar Year 2019

HOURLY BILLING RATES (see Client Billing and Notes)

Title/Description/Hourly Billing Rate (\$USD)

Project Administration

Project accounting and office support including clerical, secretarial and billing.

Project Administration \$77.00

Technicians and Technical Support

Technical designers, drafters, and other technical support functions.

Associate Technician / Designer \$91.00

Staff Technician / Designer \$113.00

Lead Technician/Designer \$143.00

Senior Technician/Designer \$188.00

Engineering and Management

Engineering design, analysis, and management. Includes departmental and project assignments including project management, executives and engineering department management.

Associate Engineers \$102.00

Staff Engineers \$122.00

Design Engineers \$141.00

Project Engineers \$170.00

Senior Engineers \$202.00

Engineering Managers \$218.00

Project Managers \$235.00

Senior Project Managers \$266.00

Executives \$292.00

Professionals and Professional Support

Professionals who assess and track the cost related to projects, perform planning and scheduling functions related to projects, provide procurement and construction support, provide permitting support, and support other project related activities.

Associate Professional \$87.00

Staff Professional \$140.00

Lead Professional \$192.00

Senior Professional \$235.00

Specialized Staff

Specialist staff that provide legal, scientific, economic, and related services.

Associate Specialist \$100.00

Staff Specialist \$127.00

Lead Specialist \$172.00

Senior Specialist \$235.00

Client Billing: Client shall pay to Engineer for the performance of the Services the sum of the following amounts unless the compensation is otherwise stated in the specific task assignment.

1. Labor cost will be billed as actual hours charged to this project by Black & Veatch personnel and in accordance with the rates above.
2. Typical and customary home office expenses, including computer related expenses (network server charges, PC usage charges, software and design application charges, printing, plotting, and server storage), reprographic services, document production, fax, telephone, postage/courier, etc. will be billed at a rate of \$9.25 per hour of direct billed labor.
3. Expenses for travel and lodging will be billed at actual cost. These expenses include cost such as air-fare, personal mileage, lodging, meals, motor vehicles rental, telephone, special rental equipment, etc.
4. Cost of 3rd party services and for non-customary office costs such as production printing will be billed at actual cost plus 10%.
5. Field assignments of longer than 60 days will be billed as actual hours charged to this project by Black & Veatch personnel in accordance with the rate sheet plus uplift as determined by current field services policy. Expenses for field assignments can be per diem, actual expenses, or a combination of both as specific to the assignment.
6. Overtime applies only to non-exempt personnel as defined by the US Federal Wage and Hour Law. Overtime will be billed as actual hours charged to this project by Black & Veatch personnel in accordance with the rate sheet plus 50%.
7. Any other professionals not specifically identified above will be placed in the most appropriate category above based on function and experience.

Notes:

1. Billing rates are subject to annual adjustment on each January 1.
2. This Rate Sheet contains information that may be privileged, confidential and exempt from disclosure under applicable law. Any unauthorized disclosure, copying, or distribution of this document or any of its contents is prohibited.



FIRST AMENDMENT TO MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND BLACK & VEATCH CORPORATION

This First Amendment ("Amendment") to the Multi-Task Professional Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Black & Veatch Corporation ("Consultant") (collectively referred to as "the Parties") as of May 10, 2021.

WHEREAS, the Parties entered into a Multi-Task Professional Services Agreement dated effective May 26, 2016, (the "Agreement") for Consultant to provide consulting services related to project support and plant operations, as needed; and

WHEREAS, the Parties now desires to amend the Agreement to extend the term of the Agreement from the original expiration date of May 26, 2021 to a new date of November 26, 2021; 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 1.1—Term of Agreement:** Section 1.1 of the Agreement is deleted in its entirety and replaced with the following:

The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than November 26, 2021, whichever occurs sooner.

2. **Other Terms and Conditions:** Except as expressly set forth in this Amendment, the Agreement is otherwise unmodified, and terms and conditions remain in full force and effect.

SIGNATURES ON NEXT PAGE

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Date: 5/10/21

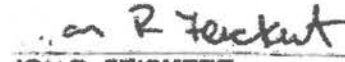
NORTHERN CALIFORNIA POWER AGENCY



RANDY S. HOWARD, General Manager

Date: 4/5/2021

BLACK & VEATCH CORPORATION



**JON R. FEICKERT,
Associate Vice President**

Attest:



Assistant Secretary of the Commission

Approved as to Form



Susie Benin, NCPA Outside Counsel



**SECOND AMENDMENT TO MULTI-TASK PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND BLACK & VEATCH
CORPORATION**

This Second Amendment (“Amendment”) to the Multi-Task Professional Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and Black & Veatch Corporation (“Consultant”) (collectively referred to as “the Parties”) as of _____, 2021.

WHEREAS, the Parties entered into a Multi-Task Professional Services Agreement dated effective May 26, 2016, (the “Agreement”) for Consultant to provide consulting services related to project support and plant operations; and

WHEREAS, the Parties entered into a First Amendment to the Multi-Task Professional Services Agreement on May 10, 2021 to extend the expiration date from May 26, 2021 to November 26, 2021; and

WHEREAS, the Agency now desires to amend the Agreement to extend the term of the Agreement from the current expiration date of November 26, 2021 to a new date of January 31, 2022; 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 1.1—Term of Agreement:** of the Agreement is amended and restated to read in full as follows:

The term of this Agreement shall begin on the Effective Date and shall end when the Consultant completes the Services, or no later than January 31, 2022, whichever occurs sooner.

- 2. **Other Terms and Conditions:** Except as expressly set forth in this Amendment, the Agreement is otherwise unmodified, and terms and conditions remain in full force and effect.

SIGNATURES ON NEXT PAGE

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Date: _____

NORTHERN CALIFORNIA POWER AGENCY

Date: _____

BLACK & VEATCH CORPORATION

RANDY S. HOWARD, General Manager

**JON R. FEICKERT,
Associate Vice President**

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Stephen C. Pearson, Assistant Counsel



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: ACCO Engineered Systems, Inc. – First Amendment to Five Year Multi-Task General Services Agreement for HVAC Maintenance Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Generation Services <i>MRP</i> Assistant General Manager	METHOD OF SELECTION: N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Combustion Turbines	

IMPACTED MEMBERS:			
All Members	<input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara <input type="checkbox"/>	Other <input type="checkbox"/>
<i>If other, please specify</i>			_____

RECOMMENDATION:

Approve Resolution 21-97 authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with ACCO Engineered Systems, Inc. for HVAC maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, extending the agreement expiration from November 17, 2021 to January 31, 2022, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

HVAC maintenance services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA entered into a five year Multi-Task General Services Agreement with ACCO Engineered Systems, Inc. effective November 17, 2016, for an amount not to exceed \$750,000, for use at all NCPA, NCPA Member, SCPPA, and SCPPA Member facilities. NCPA has utilized this vendor for the past five years for HVAC maintenance services at its CT plants, and this vendor has shown themselves to be competent and responsible.

The current agreement is set to expire on November 17, 2021. NCPA is currently in the process of obtaining bids for maintenance services for the CT facilities for the next five year term. NCPA now desires to enter into a First Amendment to the Multi-Task General Services agreement to extend the agreement expiration date to January 31, 2022 to allow NCPA additional time to obtain bids and negotiate terms of the agreement with the winning bidder. NCPA has agreements in place for similar services with ABM Building Solutions, Comfort Air, Inc., Creative Cooling Technologies, EMCOR Services Mesa Energy, Johnson Controls, Inc. and Pullman Heating & Cooling, Inc.

FISCAL IMPACT:

Upon execution, the total cost of the agreement will remain unchanged at not to exceed \$750,000 over the remainder of the contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

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 of the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

On October 6, 2021 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On October 11, 2021 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Randy S. Howard".

RANDY S. HOWARD
General Manager

Attachments (3):

- Resolution 21-97
- Multi-Task General Services Agreement with ACCO Engineered Systems, Inc.
- First Amendment to Multi-Task General Services Agreement with ACCO Engineered Systems, Inc.

RESOLUTION 21-97

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES
AGREEMENT WITH ACCO ENGINEERED SYSTEMS, INC.

(reference Staff Report #227:21)

WHEREAS, HVAC maintenance services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, NCPA and ACCO Engineered Systems, Inc. entered into a Multi-Task General Services Agreement effective November 17, 2016, to provide such services; and

WHEREAS, NCPA is currently obtaining bids for maintenance services for the CT facilities for the next five year term and this process will not be complete by the current agreement expiration date; and

WHEREAS, NCPA now desires to extend the agreement expiration date from November 17, 2021 to January 31, 2022 to allow for sufficient time to obtain bids and negotiate terms of the new agreement with the winning bidder; and

WHEREAS, 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 of the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with ACCO Engineered Systems, Inc., with any non-substantial changes as approved by the NCPA General Counsel, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ___ day of ___, 2021 by the following vote on roll call:

Table with 4 columns: Agency Name, Vote, Abstained, Absent. Rows include Alameda, San Francisco BART, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, Santa Clara, Shasta Lake, Truckee Donner, Ukiah, Plumas-Sierra.

DAVID HAGELE
CHAIR

ATTEST: CARY A. PADGETT
ASSISTANT SECRETARY



RECEIVED

OCT 28 2016

**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND CONTRACTS DEPT.
ACCO ENGINEERED SYSTEMS, INC.**

This agreement for general services ("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 Acco Engineered Systems, Inc., a corporation with its office located at 6265 San Fernando Road, Glendale, CA 91201 ("Contractor") (together sometimes referred to as the "Parties") as of 11/17, 2016 ("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 SEVEN HUNDRED FIFTY THOUSAND dollars (\$750,000.00)** 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.** [Intentionally omitted]
- 4.4 Pollution Insurance.** [Intentionally omitted]
- 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 the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, 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 all 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:

ACCO Engineered Systems, Inc.
Attention: Stephen Alwan
9290 Beatty Drive
Sacramento, CA 95826

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:

Michael F. Dean
General Counsel
Northern California Power Agency
Meyers Nave
555 Capitol Mall, Suite 1200
Sacramento, CA 95814

- 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.

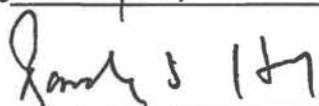
13.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

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 11/17/16


RANDY S. HOWARD,
General Manager

ACCO ENGINEERED SYSTEMS, INC.

Date 11-16-16


MICHAEL POTTS, *STEVEN TUTTLE*
Service Branch Manager *Senior Vice President*

Attest:



Assistant Secretary of the Commission

Approved as to Form:



Assistant General Counsel

EXHIBIT A

SCOPE OF WORK

ACCO Engineered Systems, Inc. ("Contractor") shall provide HVAC 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:

- HVAC maintenance
- Swamp Cooler maintenance
- Chiller maintenance

Preventative maintenance services specific to CT facilities to include:

GENERAL

General Operation & condition
Unusual noise & vibration

REFRIGERATION SYSTEM

Align & adjust drives, belts, couplings
Record refrigerant & oil pressures
Check refrigerant charge & controls
Inspect shaft seals & packing
Operation of capacity & safety controls

CENTRIFUGAL CHILLER

Chilled & condenser water circuits
Purge system
Oil system – level, pressure & proper operation of oil cooler & differential
Operating pressures, temps. & vacuum
Capacity & safety controls, flow switches, full load test chiller, check for proper starter operation

WATER TREATMENT

Closed loop(s) only
Water analysis
Add chemicals
Adjust bleed rate
Drain, flush & clean sumps

AIR HANDLING SYSTEMS

Lubricate fan bearings
Check fan belts & drive alignment
Check/clean drip pans and drains
Check expansion valves & bulb clamps
Check condition of fans, scrolls & coils

HEATING SYSTEM

Condition of heat exchangers
Heating coils, traps, strainers & valves
Electric resistance heaters
Operating & safety controls
Condensate return pump
Burner operation and flue stack
Expansion tank

WATER PUMPS

Condenser Chilled Hot
Lubricate pump bearings
Check operating pressures
Check drive alignment
Check seals and packing glands
Purge air from pumps

CENTRAL CONTROLS

Check/calibrate thermostats, humidistats
Check automatic control valves, damper & vane operators & central control panels

CONTROL AIR COMPRESSOR

Check drive belt tension & alignment
Compressor oil level
Drain condensate from receiver
Operation & adjustment of pressure switch/valve

ELECTRICAL

Record voltage & motor amperage
Lubricate motor bearings
Magnetic starter connections
Control box covers

CONDENSING MEDIUM

Tower Evaporative Air Cooled
Lubricate fan bearings
Check condenser coil for leaks & scale
Clean air intake screens
Operating & safety controls
Check sumps, chemicals & algae
Dampers, damper motors & linkage
Eliminators & spray nozzles

SERVICE PROGRAMS

ACCOGUARD: ACCO will regularly & systematically examine, adjust & lubricate your system as required; and, as conditions warrant, will repair or replace moving parts to keep your system operating. The ACCOGUARD agreement includes normal maintenance & emergency service labor, parts & repairs.

ACCOCARE: ACCO will regularly and systematically examine, adjust & lubricate your system as required. Under an ACCOCARE agreement all other service calls, including labor & replacement parts, will be done on proper NORTHERN CALIFORNIA POWER AGENCY authorization and billed as extra.

ACCOSERVE: ACCO will regularly & systematically examine, adjust & lubricate your system as required. The ACCOSERVE contract includes labor portion of normal maintenance, emergency service and cost of labor for repairs. All parts and materials will be billed extra.

ACCOAUDIT: ACCO will, at regular intervals, supervise your employees or make an inspection of your system and report findings in writing. ACCOAUDIT Agreement cost is based on estimated time spent, or fixed fee.

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:

Standard Hourly Rate (East Bay): \$149.00 (3% annual increase)

Standard Hourly Rate (Sacramento): \$135.00 (3% annual increase)

Overtime Hourly Rate (East Bay): 1.5 x standard rate

Overtime Hourly Rate (Sacramento): 1.5 x standard rate

Pricing specific for CT facilities preventative maintenance services mentioned in Exhibit A:

- Annual price (Year 1): \$13,875.00, invoiced quarterly at \$3,468.75
- Annual Price (Year 2): \$14,291.25, invoiced quarterly at \$3,572.81
- Annual Price (Year 3): \$14,719.99, invoiced quarterly at \$3,680.00
- Annual Price (Year 4): \$15,161.59, invoiced quarterly at \$3,790.40
- Annual Price (Year 5): \$15,616.44, invoiced quarterly at \$3,904.11

Pricing for services to be performed at other NCPA facilities, 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, Stephen Alwan, Service Sales Manager

(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

ACCO Engineered Systems, Inc.

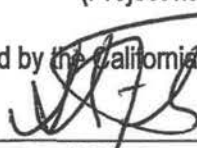
(Company name)

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 16 day of November, 20 16.

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 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 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: 11/16/16

Name of Employer

Acco ENGINEERED SYSTEMS

[Signature]

(Authorized Officer & Title)

STEVEN F. TUTTLE
Senior Vice President

(Address) 1133 Aladdin Ave

San Leandro, CA 94577



FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND ACCO ENGINEERED SYSTEMS, INC.

This First Amendment (“Amendment”) to the Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and ACCO Engineered Systems, Inc. (“Contractor”) (collectively referred to as “the Parties”) as of _____, 2021.

WHEREAS, the Parties entered into a Multi-Task General Services Agreement dated effective November 17, 2016, (the “Agreement”) for Contractor to provide HVAC maintenance services at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA) or SCPPA Members; and

WHEREAS, the Agency now desires to amend the Agreement to extend the term of the Agreement from the original expiration date of November 17, 2021 to a new date of January 31, 2022; 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 1.1—Term of Agreement** of the Agreement is deleted in its entirety and replaced with the following:

The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than January 31, 2022, whichever occurs sooner.

- 2. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

SIGNATURES ON FOLLOWING PAGE

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///

///

Date: _____

NORTHERN CALIFORNIA POWER AGENCY

RANDY S. HOWARD, General Manager

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

Date: _____

ACCO Engineered Systems, Inc.

BRANDON ELLIS, Service Sales Manager



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: CH2M Hill Engineers, Inc. – First Amendment to Five Year Multi-Task Professional Services Agreement for Compliance Support Services Including Biological Monitoring and General Compliance Support; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Generation Services Assistant General Manager <i>MKP</i>	METHOD OF SELECTION:	N/A
Division:	Generation Services	<i>If other, please describe:</i>	
Department:	Combustion Turbines		

IMPACTED MEMBERS:			
All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>
		City of Shasta Lake	<input type="checkbox"/>
		City of Ukiah	<input type="checkbox"/>
		Plumas-Sierra REC	<input type="checkbox"/>
		Port of Oakland	<input type="checkbox"/>
		Truckee Donner PUD	<input type="checkbox"/>
		Other	<input type="checkbox"/>
<i>If other, please specify</i>			

RECOMMENDATION:

Approve Resolution 21-98 authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task Professional Services Agreement with CH2M Hill Engineers, Inc. for compliance support services, including biological monitoring and general compliance support, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$200,000 to \$500,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Compliance support services, including biological monitoring and general compliance support services, are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA entered into a five-year Multi-Task Professional Services Agreement with CH2M Hill Engineers, Inc., effective April 23, 2018 for an amount not to exceed \$200,000, for use at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members

This agreement has been used frequently by NCPA for CEC certification at its plants and biological monitoring for various projects, and it is now running low on funds. To ensure sufficient funds are available for the remainder of the contract term, this amendment will increase the not to exceed amount from \$200,000 to \$500,000, for continued use at any facility owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

NCPA has agreements in place for similar services with EGS Consulting and Stratus Environmental.

FISCAL IMPACT:

Upon execution, the total not to exceed amount of the agreement will increase from \$200,000 to \$500,000 over the remainder of the contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

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 of the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

On October 6, 2021 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On October 11, 2021 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Randy S. Howard".

RANDY S. HOWARD
General Manager

Attachments (3):

- Resolution 21-98
- Multi-Task Professional Services Agreement with CH2M Hill Engineers, Inc.
- First Amendment to Multi-Task Professional Services Agreement with CH2M Hill Engineers, Inc.

RESOLUTION 21-98

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO THE MULTI-TASK PROFESSIONAL SERVICES
AGREEMENT WITH CH2M HILL ENGINEERS, INC.

(reference Staff Report #228:21)

WHEREAS, Northern California Power Agency (NCPA) and CH2M Hill Engineers, Inc. entered into a Multi-Task Professional Services Agreement, effective April 23, 2018, for CH2M Hill Engineers, Inc. to provide compliance support services, including biological monitoring and general compliance support, for use at any facilities owned and/or operated by NCPA, NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, this agreement has been used frequently by NCPA for CEC certification at its plants and biological monitoring for various projects, and is now running low on funds; and

WHEREAS, NCPA now desires to increase the not to exceed amount from \$200,000 to \$500,000 to ensure sufficient funds are available for the remainder of the contract term; and

WHEREAS, 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 of the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to the Multi-Task Professional Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, to increase the not to exceed amount from \$200,000 to \$500,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2021 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

DAVID HAGELE
CHAIR

ATTEST: _____
CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
CH2M HILL ENGINEERS, INC.**

This Professional 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 CH2M Hill Engineers, Inc., a corporation with its office located at 2485 Natomas Park Drive, Suite 600, Sacramento, CA 95833 ("Consultant") (together sometimes referred to as the "Parties") as of April 23, 2018 ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), 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 Consultant completes the Services, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 **Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. 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, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 **Services Provided.** Services provided under this Agreement by Consultant may include Services 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 Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services or does not respond within the seven day period

specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. **COMPENSATION.** Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED TWO HUNDRED THOUSAND** dollars (\$200,000.00) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant'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 Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 **Invoices.** Consultant 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;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when the Consultant's Scope of Work identifies tasks, for each work item in each task, a copy of the applicable time entries 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.

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 services 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 Consultant.

2.3 **Payment of Taxes.** Consultant 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 Services.** The Consultant is not authorized to perform any Services 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.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

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

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant, 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 Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of one million dollars (\$1,000,000.00) each accident.
- 4.2 Commercial General and Automobile Liability Insurance.**
- 4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering loss or liability, including the cost of defense of action, for bodily injury, death, personal injury and property damage which may arise out of the operations of Consultant. The policy shall provide a limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be ISO Commercial General Liability form CG 0001 on "an occurrence" basis covering General Liability.
- 4.2.2 Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 for the term of this Agreement covering any loss or liability, including the cost of defense of action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a limit of \$1,000,000 each accident. This insurance shall provide liability covering 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.** Consultant shall retain sufficient revenues and/or capitalization to self-insure Consultant's professional liability under this contract and shall at all times be capable to covering any resulting liability to Agency based upon Consultant's work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000.00) per occurrence and and two million dollars (\$2,000,000) aggregate to cover for the Consultant's errors and omissions. Consultant shall retain such revenues and/or capitalization for two (2) years after completion of the Services.
- 4.4 All Policies Requirements.**
- 4.4.1 Verification of coverage.** Prior to beginning any work under this Agreement, Consultant shall provide Agency with (1) a Acord Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy blanket 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 Cancellation of Coverage.** Consultant shall provide at least thirty (30) days prior written notice to Agency of any cancellation.
- 4.4.3 Reserved.**
- 4.4.4 Additional Certificates and Endorsements.** If Consultant provides services to Agency members, SCPPA and/or SCPPA members, Agency shall have the right to require the Consultant to provide certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPPA or Agency member for which the Services are to be performed.
- 4.5 Waiver of Subrogation.** Consultant agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain an endorsement 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 Consultant, its employees, agents and subcontractors.
- 4.6 Consultant's Obligation.** Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensues they are and remain covered by the policies referenced in Section 4, or self-insured by Consultant, during this Agreement. Consultant shall also ensure that all workers involved in the provision of Services are properly classified as employees, agents or independent contractors and are and remain covered by workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant 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, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 Scope.** Consultant 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 to the proportionate extent arising out of the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant 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 ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the negligence, active negligence, or willful misconduct of the Agency.
- 5.3 Limitation of Liability.** Consultant's liability for Agency's damages will, in the aggregate, not exceed the greater of five hundred thousand dollars (\$500,000) or the coverage limits provided by the insurance policies carried by Consultant in accordance with Section 4 of this Agreement. In no event shall Consultant, its affiliated corporations, officers, employees, or any of its subcontractors be liable for any incidental, indirect, special, punitive, economic or consequential damages, including but not limited to loss of revenue or profits, suffered or incurred by Agency or any of its agents, including other contractors engaged at the project site, as a result of this Agreement or Consultant's performance or non-performance of services pursuant to this Agreement. Limitations of liability provided here will apply whether the Consultant's liability arises under breach of contract or warranty; tort, including negligence; strict liability; statutory liability; or any other cause of action, and shall include Consultant's officers, affiliated corporations, employees and subcontractors.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant 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.

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant 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. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

Consultant 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 Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant 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, Consultant 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 Consultant.

- 6.2 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant 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 Consultant and is based upon a determination of Consultant'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 Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant 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, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant

itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services 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, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

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.** Consultant 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.** Consultant represents and warrants to Agency that Consultant 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.

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 Consultant.

In the event of termination, Consultant shall be entitled to compensation for Services satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Consultant 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 all 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 Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant 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 Consultant pursuant to this Agreement;
- 8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or
- 8.4.4 Charge Consultant the difference between the costs to complete the Services that are unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 **Records Created as Part of Consultant'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 Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 **Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services 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 Consultant to this Agreement.
- 9.3 **Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant 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 the 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, consultants, 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. MISCELLANEOUS PROVISIONS.

- 10.1 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.
- 10.2 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.
- 10.3 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.
- 10.4 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.
- 10.5 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.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Consultant 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.*
- 10.7 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.

10.8 Notices. Any written notice to Consultant shall be sent to:

CH2M Hill Engineers, Inc.
Attention: Karen Parker
2485 Natomas Park Drive, Suite 600
Sacramento, CA 95833

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

10.9 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.

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

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

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

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

10.11.3 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.

- 10.11.4 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.
- 10.11.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6 The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative 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.*

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

10.13 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.

10.14 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.

10.15 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 Consultant provide services 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 Services relating to such Member.

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

NORTHERN CALIFORNIA POWER AGENCY


Date 4/23/18



RANDY S. HOWARD
General Manager

CH2M HILL ENGINEERS, INC.

Date APRIL 23, 2018



BRETT ISBELL
Designated Manager

Attest:


Assistant Secretary of the Commission

Approved as to Form:


General Counsel

EXHIBIT A

SCOPE OF SERVICES

CH2M Hill Engineers, Inc. ("Consultant") shall provide on-call compliance support for biological monitoring and general compliance support 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:

- As identified in the Biological Resources Mitigation Implementation and Monitoring Plan ("BRMIMP") for the Project, biological monitoring will need to be conducted at the Project after construction is complete for the lifetime of the Project anytime there will be ground disturbance, or if biological resources (birds, wildlife, etc.) need to be relocated. Consultant will provide an on-call biological monitor for the Project.
- Regulatory compliance support such as review of permit conditions, changes in regulatory requirements, preparation of permit documentation, license amendments.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

2018 Hourly Rates

Category	Rate
Principal	\$ 242.82
Principal Technologist	\$ 209.04
Sr. Project Manager	\$ 209.04
Sr. Technologist	\$ 209.04
Project Manager	\$ 195.74
Engineer Specialist	\$ 195.74
Project Engineer	\$ 166.38
Associate Engineer	\$ 140.29
Staff Engineer 2	\$ 126.14
Staff Engineer 1	\$ 118.64
Sr Engineering/Environmental Tech	\$ 126.14
Jr Engineering/Environmental Tech	\$ 112.01
GIS/Graphics	\$ 140.01
Office/Clerical/Accounting	\$ 84.82

Expense Rates

Task	Unit	2018 Rate (\$)
Small Quantity In-house Reproduction	Each item	No cost
Other Direct Expenses	Each item	At cost
Overnight Mail	Each item	At cost
First Class Mail (for large mailings only)	Each item	At cost
Automobile Mileage (personal car)	Per mile	\$0.535*
Travel & Living	Each item	At cost
Health & Safety	Per hour for H&S-trained staff	\$1.75

Expense Rates

Task	Unit	2018 Rate (\$)
CH2M-owned Field Equipment (e.g., GPS Units)	Each item	At CH2M's standard rate
Subcontractors and Outside Services	Each item	At cost

* Or established federal rate.

The hourly rates contained in this Exhibit B are subject to a calendar year escalation adjustment upon 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 Consultant 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, BRETT ISBELL, DESIGNATED MANAGER

(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:

CH2M Hill Engineers, 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 23RD day of APRIL, 20 18.

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.



FIRST AMENDMENT TO MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND CH2M HILL ENGINEERS, INC.

This First Amendment (“Amendment”) to Multi-Task Professional Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and CH2M Hill Engineers, Inc. (“Consultant”) (collectively referred to as “the Parties”) as of _____, 202_.

WHEREAS, the Parties entered into a Professional Services Agreement, effective April 23, 2018 (the “Agreement”) for CH2M Hill Engineers, Inc. to provide compliance support for biological monitoring and general compliance support services at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA), or SCPPA Members; 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 \$200,000 to a “NOT TO EXCEED” amount of \$500,000; 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 Consultant an amount **NOT TO EXCEED FIVE HUNDRED THOUSAND** dollars (\$500,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant’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 Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

The remainder of Section 2 of the Agreement is unchanged.

- 2. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

SIGNATURES ON FOLLOWING PAGE

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Date: _____

NORTHERN CALIFORNIA POWER AGENCY

RANDY S. HOWARD, General Manager

Date: _____

CH2M HILL ENGINEERS, INC.

DAVID ALLARD, Manager of Projects

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Evoqua Water Technologies, LLC - First Amendment to Five Year Multi-Task General Services Agreement for Water Treatment Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Generation Services <i>MKP</i> Assistant General Manager	METHOD OF SELECTION: N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Combustion Turbines	

IMPACTED MEMBERS:		
All Members	<input checked="" type="checkbox"/>	
Alameda Municipal Power	<input type="checkbox"/>	
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	
City of Biggs	<input type="checkbox"/>	
City of Gridley	<input type="checkbox"/>	
City of Healdsburg	<input type="checkbox"/>	
City of Lodi	<input type="checkbox"/>	
City of Lompoc	<input type="checkbox"/>	
City of Palo Alto	<input type="checkbox"/>	
City of Redding	<input type="checkbox"/>	
City of Roseville	<input type="checkbox"/>	
City of Santa Clara	<input type="checkbox"/>	
City of Shasta Lake	<input type="checkbox"/>	
City of Ukiah	<input type="checkbox"/>	
Plumas-Sierra REC	<input type="checkbox"/>	
Port of Oakland	<input type="checkbox"/>	
Truckee Donner PUD	<input type="checkbox"/>	
Other	<input type="checkbox"/>	
<i>If other, please specify</i>		

RECOMMENDATION:

Approve Resolution 21-99 authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Evoqua Water Technologies, LLC for condensate polisher resin regeneration, DI mixed bed vessel rental and regeneration, RO & UF membrane cleaning and other water treatment support services, with any non-substantial changes recommended and approved by the NCPA General Counsel or her designee, modifying the warranty language in Sections 12.1 and 12.2 and adding emergency delivery pricing in Exhibit B, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Condensate polisher resin regeneration, DI mixed bed vessel rental and regeneration, RO & UF membrane cleaning and other water treatment support services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA entered into a five year Multi-Task General Services Agreement with Evoqua Water Technologies, LLC effective November 1, 2020.

Per Section 12.1 of the Agreement, "For the Lodi Energy Center Condensate Polishers, Contractor will guarantee, by way of an amendment to the Agreement, a throughput amount to be determined and mutually agreed upon...". Discussions were had between Evoqua and NCPA and a throughput amount of 28,000,000 gallons was mutually agreed upon. This First Amendment will modify the warranty language in Sections 12.1 and 12.2 and add emergency delivery pricing to Exhibit B.

FISCAL IMPACT:

Upon execution, the total cost of the agreement will remain unchanged at not to exceed \$1,000,000 over the remainder of the contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

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.

COMMITTEE REVIEW:

On October 6, 2021, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On October 11, 2021, the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (3):

- Resolution 21-99
- Multi-Task General Services Agreement with Evoqua Water Technologies, LLC
- First Amendment to Multi-Task General Services Agreement with Evoqua Water Technologies, LLC

RESOLUTION 21-99

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES AGREEMENT
WITH EVOQUA WATER TECHNOLOGIES, LLC**

(reference Staff Report #229:21)

WHEREAS, condensate polisher resin regeneration, DI mixed bed vessel rental and regeneration, RO & UF membrane cleaning and other water treatment support services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, NCPA entered into a Multi-Task General Services Agreement with Evoqua Water technologies, LLC effective November 1, 2020 to provide such services, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; and

WHEREAS, per Section 12.1 of the Agreement, "For the Lodi Energy Center Condensate Polishers, Contractor will guarantee, by way of an amendment to the Agreement, a throughput amount to be determined and mutually agreed upon...". Discussions were had between Evoqua and NCPA and a throughput amount of 28,000,000 gallons was mutually agreed upon; and

WHEREAS, NCPA now desires to modify the warranty language in Sections 12.1 and 12.2 and add emergency delivery pricing to Exhibit B; and

WHEREAS, 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; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Evoqua Water Technologies, LLC, with any changes recommended and approved by the NCPA General Counsel or her designee, to modify the warranty language in Sections 12.1 and 12.2 and add emergency delivery pricing to Exhibit B, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2021, by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
EVOQUA WATER TECHNOLOGIES, LLC**

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 Evoqua Water Technologies, LLC, a Delaware limited liability company with its office located at 210 Sixth Avenue, Suite 3300, Pittsburgh, PA 15222 ("Contractor") (together sometimes referred to as the "Parties") as of November 1, 2020 ("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 (\$1,000,000.00) 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 thirty (30) 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 thirty (30) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency. Additionally, invoices with errors will be returned to Contractor for correction. Contractor shall have thirty (30) days to resubmit corrected invoices. Any invoices not properly corrected or invoices that take longer than thirty (30) days to return, the 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 \$2,000,000 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 \$2,000,000 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, Contractor shall provide the certificates of insurance and 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.

4.5.5 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. In addition, 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.

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 from and against all third party losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), for personal injury, death or damage to tangible property to the extent caused by negligence 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.** If Contractor's Work involves its transporting hazardous materials, Contractor shall be deemed to be in exclusive possession and control of such materials and shall be responsible for any damages or injury caused thereby, including without limitation any spills, leaks, discharges or releases of such materials, until Agency accepts delivery at its Site. For the purposes of this Agreement, such acceptance shall occur after Contractor or its agents complete transfer of such materials into appropriate containers, machinery, storage tanks or other storage apparatus identified by NCPA. In the event a spill, leak, discharge or release requires notification to a federal, state or local regulatory agency, Contractor shall be responsible for all such notifications. Should Contractor be required to remedy or remove such materials as a result of a leak, spill, release or discharge of such materials into the environment at Agency's Site or elsewhere, Contractor agrees to remediate, remove or cleanup Agency's Site to a level sufficient to receive a "No Further Action Required" or "Closure Letter" from the appropriate regulatory authority.

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 provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

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 \$200.00 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.** 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. Contractor warrants the services for ninety (90) days from performance ("Warranty Period").

- 11.2 Deficiencies in Work.** If Agency gives prompt written notice of breach of this warranty to Contractor within the Warranty Period, Contractor shall be obligated at its own expense, and as Agency's sole and exclusive remedy, 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. Unless otherwise agreed to in writing by Contractor, (i) Agency shall be responsible for any labor required to gain access to the work so that Contractor can assess the available remedies and (ii) Agency shall be responsible for all costs of installation of repaired or replaced work. If Contractor determines that any claimed breach is not, in fact, covered by this warranty, Agency shall pay Contractor its then customary charges for any repair or replacement made by Contractor. Contractor's warranty is conditioned on Agency (a) operating and maintaining the work in accordance with Contractor's instructions, (b) not making any unauthorized repairs or alterations, and (c) not being in default of any payment obligation to Contractor. Contractor's warranty does not cover damage caused by chemical action or abrasive material, misuse or improper installation (unless installed by Contractor) and (ii) media goods (such as, but not limited to, resin, membranes, or granular activated carbon media) once media goods are installed.

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

Section 12. Mix Bed Guarantee

12.1 Warranty. Any deviations from the requirements, assumptions or conditions contained of this section 12 will void the warranty. Agency must ensure that all conditions set forth in this section, including all the feedwater water parameters listed in Exhibit A, ("Incoming Water") are met including Agency provided materials, equipment, facilities, utilities, and other things, described herein. This warranty shall be deemed void if Agency fails to meet any of the following obligations pertaining to media use and the system in which media is used.

For Lodi Energy Center Condensate Polishers, Contractor will guarantee, by way of an amendment to the Agreement, a throughput amount to be determined and mutually agreed upon, based upon the process as defined by the Throughput Volume Determination Plan by May 31, 2021 as per the treated water specifications outlined in Exhibit A ("Effluent Water"). If the parties are unable to mutually agree to the throughput amount by the date specified, the throughput guarantee will be void and Contractor will have no responsibility or liability as it relates to the throughput guarantee.

The warranty shall be deemed void if the Agency fails to meet the following influent water conditions:

- Feed water must not contain any oxidizing agents including, without limitation, chlorine, ozone or permanganate.
- Sequestrants, cleaning or treatment chemicals, and any other chemicals used in the system must be compatible with the media.
- Influent water to each vessel shall be free of entrained air to the extent that entrained air could disrupt media beds in any system.
- Bacteria levels in the influent and influent delivery mechanisms such as, for example, piping and manifolds in any well, shall be <5 cfu/ml. If Contractor Water Technologies is requested to backwash and sanitize a specific media bed after the start of a particular run then Condition a. applies. Furthermore, the detection of bacteria at any level in the influent and influent delivery mechanisms may compromise the media bed life. Therefore, Contractor assumed no responsibility or liability relating to the bacteriological quality of the incoming water or within the wells and shall bear no costs relating to media sterilization due to bacteria in the incoming water or elsewhere in the wells.
- Should any of the sodium, chloride, sulfate, phosphate, silica, specific conductivity, ammonia, total organic carbon, temperature range, temperature peak, and total iron values exceed the feedwater water parameters listed in Exhibit A, the warranted treatment volume will be adjusted and a new Warranty would be provided.

This section 12.1 does not require Agency to do any additional monitoring.

12.2 Remedies. The sole remedy for each of Contractor's vessel that fails to reach 50% of this mix bed guarantee is a full credit for the regeneration cost will be applied to Agency's account. If a vessel reaches 50%-100% throughput, then a pro-rated credit for the regeneration cost will be applied to the Agency's account.

For example, if the throughput is 21,000,000 gallons, then the Agency would only pay for 70% of the price.

12.3 System Operation and Maintenance. Agency agrees, at its own expense, to at all times maintain the system as necessary for Contractor to fulfill its obligations hereunder. The design parameters (system, equipment and peripheral components) must be consistent with sound engineering practice and the system is operated within the design parameters. The system shall be operated and maintained in accordance with the written parameters provided in this supplied Media Bed Life Warranty. The warranty shall be deemed void if the Agency fails to meet the following system conditions:

- The media must be operationally protected against excessive hydraulic changes including, without limitation, water hammer, and rapid pressure swings.
- The system shall not be backwashed or the beds otherwise hydraulically altered once a service run has started, as this will reduce the expected throughput.
- The media must be maintained in a clean condition and must not be contaminated by particulate matter, colloidal or precipitated solids, biological growth or foreign materials (including but not restricted to cationic surfactants, solvents, soluble oils, free oils, lipids, and high molecular weight natural polymers.
- Agency must keep media moist at all times after installation.
- Media loss from the bed will be excluded from this warranty. Without limitation, loss of media due to failure of distributors, media traps, or other procedures are the responsibility of the Agency.
- Warranty does not apply if media bed is removed from service before the throughput is reached. Prematurely removing media for reasons including, without exceeding effluent water specifications, uranium loading or high differential pressure will void the warranty.

12.4 Water Monitoring. Agency is responsible for ensuring that frequent, adequate system performance data are routinely recorded in a systematic format that is regularly reviewed. Agency agrees to provide conductivity data on a daily basis, as well as total volume treated. Agency agrees to make this data available to Contractor on a reasonable basis at Contractor's reasonable request. Contractor reserves the right to obtain copies of calibration records for requested parameters.

12.5 Disputes. Should premature breakthrough occur, Contractor reserves the right to inspect installed media bed to investigate effects of flow characteristics. Inspection will include but not be limited to inspection of top of media bed to

ensure that no visible shifting or channeling has occurred, and the collection of water samples and spent media. Should it be determined by Evoqua that premature breakthrough has occurred due to improper operation, warranty will be void.

- 12.6** THE FOREGOING SETS FORTH CONTRACTOR'S SOLE AND EXCLUSIVE WARRANTY AND REMEDY WITH RESPECT TO MEDIA BED LIFE. THIS IS NOT A PERFORMANCE GUARANTEE. CONTRACTOR LIABILITY UNDER THIS WARRANTY SHALL BE LIMITED TO DIRECT DAMAGES ONLY AND SHALL NOT EXCEED THE ANNUAL PRICE PAID TO CONTRACTOR UNDER THE CONTRACT. CONTRACTOR RESERVES THE RIGHT TO UPDATE THIS BED LIFE GUARANTEE ON A YEARLY BASIS.

FURTHERMORE, THE DETECTION OF BACTERIA AT ANY LEVEL IN THE INFLUENT AND INFLUENT DELIVERY MECHANISMS MAY COMPROMISE THE BED LIFE. THEREFORE, EVOQUA ASSUMES NO RESPONSIBILITY OR LIABILITY RELATING TO THE BACTERIOLOGICAL QUALITY OF THE INCOMING WATER OR WITHIN THE WELLS AND SHALL BEAR NO COSTS RELATING TO MEDIA STERILIZATION DUE TO BACTERIA IN THE INCOMING WATER OR ELSEWHERE IN THE WELLS.

- 12.7** THE WARRANTIES SET FORTH IN SECTIONS 11 AND 12 ARE THE CONTRACTOR'S SOLE AND EXCLUSIVE WARRANTIES AND ARE SUBJECT TO THE LIMITATION OF LIABILITY PROVISION BELOW. CONTRACTOR MAKES NO OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE

Section 13. 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.

- 13.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 13.2** 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.
- 13.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.

- 13.4** 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.
- 13.5** 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.
- 13.6** 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.
- 13.7** Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 13.8** 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.
- 13.9** 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.
- 13.10** 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 13.1, 13.2, 13.4, 13.5, and 13.6 hereof.

Section 14. MISCELLANEOUS PROVISIONS.

- 14.1** **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.

- 14.2 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.
- 14.3 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.
- 14.4 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.
- 14.5 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.
- 14.6 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.*

- 14.7 Contract Administrator.** This Agreement shall be administered by Joel Ledesma, 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.
- 14.8 Notices.** Any written notice to Contractor shall be sent to:

Evoqua Water Technologies LLC
Attention: Branch Manager
1440 Venture Lane
Turlock, CA 95380

With a Copy to:
Evoqua Water Technologies LL
Attention: General Counsel
210 Sixth Avenue, Suite 3300
Pittsburgh, PA 15222

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:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

- 14.9 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.
- 14.10 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.
- 14.11 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:
- 14.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 14.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 14.11.3** 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.
- 14.11.4** 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.

- 14.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 14.11.6** 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.*

- 14.12 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.
- 14.13 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.
- 14.14 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.
- 14.15 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.

Section 15. LIMITATION OF LIABILITY.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY, CONTRACTOR SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR OTHER INDIRECT DAMAGES, AND EXCEPT FOR INDEMNITY OBLIGATIONS FOR THIRD PARTY CLAIMS FOR PERSONAL INJURY, DEATH OR DAMAGE TO TANGIBLE PROPERTY TO EXTENT OF CONTRACTOR'S NEGLIGENCE, CONTRACTOR'S TOTAL LIABILITY ARISING AT ANY TIME FROM THE SALE OR USE OF THE WORK, INCLUDING WITHOUT LIMITATION ANY LIABILITY FOR ALL WARRANTY CLAIMS OR FOR ANY BREACH OR FAILURE TO PERFORM ANY OBLIGATION UNDER THE CONTRACT, SHALL NOT EXCEED ONE MILLION DOLLARS PAID FOR THE WORK. THESE LIMITATIONS APPLY WHETHER

THE LIABILITY IS BASED ON CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER THEORY.

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


NORTHERN CALIFORNIA POWER AGENCY

EVOQUA WATER TECHNOLOGIES, LLC

Date 11/3/20

Date 10/29/2020





RANDY S. HOWARD,
General Manager

WILLIAM MERTES,
Director of Operations

Attest:



Assistant Secretary of the Commission

Approved as to Form:



Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF WORK

Evoqua Water Technologies, LLC ("Contractor") shall provide condensate polisher resin regeneration, DI mixed bed vessel rental and regeneration, RO & UF membrane cleaning, and other water treatment support services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA) or SCPPA members:

CT Facilities services to include, but not be limited to the following:

Lodi Energy Center – Condensate Polisher

These units will be provided on a rental and exchange basis that will be charged \$100 per month per vessel rental and \$1,458.00 per exchange. The estimated exchange frequency is one (1) vessel per month but this number could change based on the feedwater to the vessels and resin performance. A minimum of two vessels are to be shipped for regeneration at any one time which will still allow for there to be sufficient resin capacity on site for the demineralization process. One vessel is to be in service, with one in standby and one in on-site inventory.

BOTTLE TYPES AND FUNCTIONS*

Num.	Vessel Size	Resin Type	Bottle Function
5	60 ft ³ Steel Vessels	Mixed Bed	Removal of dissolved solids to produce de-ionized water

*Note: These vessels remain the property of Evoqua.

FEEDWATER/TREATED WATER SPECIFICATIONS

I. Condensate polisher feed water characteristics:

Parameter	Feed water	Unit
Sodium	< 3	ug/L
Chloride	< 3	ug/L
Sulfate	< 3	ug/L
Phosphate	< 3	ug/L
Silica	< 10	ug/L
Specific Conductivity	< 30	uS/cm
Ammonia (as NH ₃)	< 5	mg/L
Total Organic Carbon	< 300	ug/L
Temperature Range, normal	70-120	°F
Temperature - peak during bypass	160 for 30-60 min	°F
Total Iron	< 0.2	mg/L

ii. Treated Water Specification:

Parameter	Feed water	Unit
Sodium	< 1	ug/L
Chloride	< 1	ug/L
Sulfate	< 1	ug/L
Phosphate	< 1	ug/L
Silica	< 5	ug/L
Specific Conductivity	< 0.1	uS/cm
Temperature Range, normal	90	°F
Temperature - peak during bypass	160 for 30-60 min	°F

REGENERATION PROCEDURE QUALITY CONTROL, AND TROUBLESHOOTING

To provide increased reliability based on proximity, Evoqua worked to establish a reliable regeneration procedure specific for the NCPA condensate polisher resin that could be completed at our facility in Milpitas, CA. The general (approximately 8 hour) regeneration procedure is included below. Dedicated NCPA resin is regenerated alone and is not intermingled with our float resin or resin from another customer. The regeneration procedure is proprietary but we can share a more detailed summary upon request.

Procedure

- Vessel arrival and logging
- Resin separation anion/cation
- Inspect individual resin volume
- Add either or both anion and cation resin from NCPA maintained heel if necessary
- NaOH 50% anion soak – Extended
- HCl 36% cation soak – Extended
- Quality Check
 - <5ppb silica
 - >10 meg ohm resistivity

Quality Control and Troubleshooting

NCPA charges are received and segregated from all other resin as the first step to our quality control and tracking. Following the regeneration above, the following steps are completed to ensure that the resin processed meets the quality specification and run length anticipated:

- High purity DI Water rinse
- Measure rinse water for resistivity targeting >10megohm
- When resistivity target is reached – test rinse water for silica target is <5ppb
- Transfer to vessel, apply batch label, and make ready for shipment.

Troubleshooting is a subjective exercise based on the resin application and the issues being observed. However, a general approach to assessing performance includes:

- Interfacing with Operations to determine system performance
- Determining correct vessel resin volumes
- Vessel inlet/outlet water sampling
- Resin capacity testing

To ensure resin capacity, in addition the resin sampling associated with the current short run troubleshooting, we will conduct annual resin sampling before and after regeneration. Samples to be collected in Milpitas and transferred to Rockford for analysis.

A quality control report will be attached to and provided with the return of each vessel. The quality report will document the date and time the regeneration process started and finished, rinse water Silica, resistivity and chlorides, individual resin volumes as received, volume of resin added, heel volume remaining. Failure to provide the quality report will deem the vessel has not been regenerated. No charge will be incurred for such a vessel and it will be sent back unused for regeneration.

Agency's exhausted resin may be stored at Contractor's facility.

Lodi Energy Center – CT2 (STIG) Mixed Bed Polisher

These units and resin will be provided on a rental and exchange basis that will be charged \$265 per month per vessel rental and \$875.00 per exchange. The estimated exchange frequency is not readily predictable but based on historical data, we anticipate two (2) vessels per month. A minimum of two vessels are to be shipped for regeneration at any one time which will still allow for there to be sufficient resin capacity on site for the demineralization process.

BOTTLE TYPES AND FUNCTIONS*

Num.	Vessel Size	Resin Type	Bottle Function
8	60 ft3 Steel Vessels	Mixed Bed	Removal of dissolved solids to produce de-ionized water

*Note: These vessels remain the property of Evoqua.

CT1 – Lodi Peaker / Alameda Peaker Mixed Bed Polisher

These units and resin will be provided on a rental and exchange basis that will be charged \$18.75 per month per bottle rental and \$62.00 per exchange. The estimated exchange frequency is not readily predictable but based on historical data, we anticipate 64 bottles per year.

BOTTLE TYPES AND FUNCTIONS*

Facility	Num.	Bottle Size	Resin Type	Bottle Function
Lodi	16	3.6 ft3 FRP Bottles	Mixed Bed	Removal of dissolved solids to produce de-ionized water
Alameda	16	3.6 ft3 FRP Bottles	Mixed Bed	Removal of dissolved solids to produce de-ionized water

*Note: These vessels remain the property of Evoqua.

Deionized Mixed Bed Vessel and Bottle Specifications

Parameter	Unit	CT2 (STIG)	CT1 Lodi Peaker	CT1 Alameda Peaker
Quantity	No.	6 (4 in svc 2 stby)	12	16
Volume	Cubic Feet	60	3.6	3.6
Resistivity	Meg Ohm/cm	>10	>10	>10
Silica	Ug/L	<20	<20	<20

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:

CT Facilities costs:

<u>Cost Summary</u>	
<u>Item</u>	<u>Estimated Annual Cost</u>
Condensate Polisher Rental	\$6000/year
Condensate Polisher Regen	\$14,175/year
60 cu. ft. DI Vessel Rental	\$25,440/year
60 cu. ft. DI Vessel Regen	\$15,750/year*
3.6 cu. ft DI Vessel Rental	\$7,200/year
<u>Estimated Annual Total Cost</u>	<u>\$68,565/yr</u>

*based on historical exchange frequency

Pricing for services to be performed at other NCPA facilities, 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, William A. Meites

(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

Evoqua Water Technologies, LLC

(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.

William A. Meites
(Signature of officer or agent)

Dated this Oct 29 day of _____, 20 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, William A. Mertes

(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,

Evoqua Water Technologies, LLC

(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.

William A. Mertes
(Signature of officer or agent)

Dated this 08 29 day of _____, 20 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)

EXHIBIT F

Throughput Volume Determination Plan

SUMMARY

Due to the high variability of throughput volumes observed over the past several years, a mutually equitable throughput guarantee could not be determined and included in the current contract renewal. Through review of the data and discussions between Evoqua and NCPA Operations staff, a plan was developed to determine and address the causes of the variability. With the variability addressed, we are confident a mutually agreeable throughput volume guarantee can be determined.

APPROACH

Evoqua observed a recent resin slurry operation, performed by NCPA. At the end of the slurry process, a significant amount of exhausted resin remained in the vessel, visually estimated to be between 10% - 15% of the resin load. Exhausted resin, when later mixed with regenerate resin, will impact the subsequent run by increasing leakage of inorganic constituents. In order to verify that this is the cause of short runs, a mutually-agreed-upon approach was developed to ensure all resin is removed during the slurry process. For the data to be meaningful, the effort will target three consecutive slurry/regeneration events. Historically, for successful runs, the average run time has been about 2.5 months. However, the duration is highly variable based upon plant operation. As a result, the process of generating the necessary data will take several months to complete.

ACTIONS

During each of the next three vessel slurry/regen operations:

- Contact Evoqua prior to initiating sluicing to allow for Evoqua participation
- NCPA to confirm all resin is removed during the sluicing process, preferably with photographs
- Evoqua to grab samples of spent resin prior to and after regeneration for analysis. Analysis will define the level of exhaustion on receipt and validate the efficacy of the regeneration process by measuring the H/OH conversion %.
- Evoqua to photo-verify removal of all resin from transport vessel prior to regeneration.
- Evoqua to quantify that the volume and ratio of spent resin received, and after regeneration. The target regenerated resin volume is 54 cuft with a 2:1 ratio of cation to anion.
- If required, Evoqua will add resin as required to meet the target volume and ratio
- NCPA to track analytical data (NCPA LEC Steam Cycle Chemistry Log) on a periodic basis, as well as total throughput achieved (Condensate Polisher Log) and share that data with Evoqua for mutual verification

Additional step for short run:

- Open 20" manway to inspect resin bed PRIOR to sluicing
- o Due to the high velocity operation, bed mixing is possible, and inspection may provide insight into this possible contributor to a short run

CONCLUSION

Data review after the conclusion of the three controlled vessel change outs will be used to identify a mutually agreeable throughput guarantee.



**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND EVOQUA WATER TECHNOLOGIES,
LLC**

This First Amendment (“Amendment”) to the Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and Evoqua Water Technologies, LLC (“Contractor”) (collectively referred to as “the Parties”) as of _____, 2021.

WHEREAS, the Parties entered into a Multi-Task General Services Agreement dated effective November 1, 2020, (the “Agreement”) for Contractor to provide condensate polisher resin regeneration, DI mixed bed vessel rental and regeneration, RO & UF membrane cleaning, and other water treatment support services; and

WHEREAS, the Agency now desires to amend the Warranty and Remedies language set forth in Sections 12.1 and 12.2 to the Agreement; and

WHEREAS, the Agency now desires to amend the pricing 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 12.1 Warranty is amended and restated to read as follows:

Any deviations from the requirements, assumptions or conditions contained of this section 12 will void the warranty. Agency must ensure that all conditions set forth in this section, including all the feedwater water parameters listed in Exhibit A, (“Incoming Water”) are met including Agency provided materials, equipment, facilities, utilities, and other things, described herein. This warranty shall be deemed void if Agency fails to meet any of the following obligations pertaining to media use and the system in which media is used.

For Lodi Energy Center Condensate Polishers, Contractor will guarantee 28,000,000 gallons throughput.

The warranty shall be deemed void if the Agency fails to meet the following influent water conditions:

- a. Feed water must not contain any oxidizing agents including, without limitation, chlorine, ozone or permanganate.
- b. Sequestrants, cleaning or treatment chemicals, and any other chemicals used in the system must be compatible with the media.
- c. Influent water to each vessel shall be free of entrained air to the extent that entrained air could disrupt media beds in any system.

- d. Bacteria levels in the influent and influent delivery mechanisms such as, for example, piping and manifolds in any well, shall be <5 cfu/ml. If Contractor Water Technologies is requested to backwash and sanitize a specific media bed after the start of a particular run then Condition a. applies. Furthermore, the detection of bacteria at any level in the influent and influent delivery mechanisms may compromise the media bed life. Therefore, Contractor assumed no responsibility or liability relating to the bacteriological quality of the incoming water or within the wells and shall bear no costs relating to media sterilization due to bacteria in the incoming water or elsewhere in the wells.
- e. Should any of the sodium, chloride, sulfate, phosphate, silica, specific conductivity, ammonia, total organic carbon, temperature range, temperature peak, and total iron values exceed the feedwater water parameters listed in Exhibit A, the warranted treatment volume will be adjusted and a new Warranty would be provided.

This section 12.1 does not require Agency to do any additional monitoring.

2. **Section 12.2 Remedies** is amended and restated to read as follows:

The sole remedy for each of Contractor’s vessel that fails to reach 50% of this mix bed guarantee is a full credit for the regeneration cost will be applied to Agency’s account. If a vessel reaches 50%-100% throughput, then a pro-rated credit for the regeneration cost will be applied to the Agency’s account. For example, if the throughput is 21,000,000 gallons, then the Agency would only pay for 75% of the price.

- 3. **Exhibit B – COMPENSATION SCHEDULE AND HOURLY FEES** is amended and restated to read in full as set forth in the Attached Exhibit B.
- 4. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

Date: _____

Date: _____

NORTHERN CALIFORNIA POWER AGENCY

EVOQUA WATER TECHNOLOGIES, LLC

RANDY S. HOWARD, General Manager

AARON BOLES, Area/District Manager

Attest:

 Assistant Secretary of the Commission

Approved as to Form:

 Jane E. Luckhardt, General Counsel

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:

CT Facilities costs:

<u>Cost Summary</u>	
<u>Item</u>	<u>Estimated Annual Cost</u>
Condensate Polisher Rental	\$6000/year
Condensate Polisher Regen	\$14,175/year
60 cu. ft. DI Vessel Rental	\$25,440/year
60 cu. ft. DI Vessel Regen	\$15,750/year*
3.6 cu. ft DI Vessel Rental	\$7,200/year
<u>Estimated Annual Total Cost</u>	<u>\$68,565/yr</u>

*based on historical exchange frequency

The rate for weekend and emergency delivery of tanks to CT1, CT2 and LEC, not due to fault of Contractor, will be \$150/hour with a four (4) hour minimum.

Pricing for services to be performed at other NCPA facilities, 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.



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Hometown Connections, Inc. – First Amendment to Five Year Multi-Task Consulting Services Agreement Applicable to Northern California Power Agency (NCPA), NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Monty Hanks <i>MH</i> Assistant General Manager/CFO	METHOD OF SELECTION:	N/A
Division:	Administrative Services	<i>If other, please describe:</i>	
Department:	Information Services		

IMPACTED MEMBERS:					
All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Shasta Lake	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>	Other	<input type="checkbox"/>
<i>If other, please specify</i>				_____ _____	

RECOMMENDATION:

Approve Resolution 21-104 authorizing the Northern California Power Agency (NCPA) General Manager or his designee to enter into a First Amendment to the Multi-Task Consulting Services Agreement with Hometown Connections, Inc. for various consulting related tasks including but not limited to organization assessments, strategic planning, market research, and training, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed to \$1,000,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, the Southern California Public Power Authority (SCPPA), or SCPPA Members.

BACKGROUND:

Hometown Connections, Inc. (HCI) is a national, non-profit utility services organization specializing in the unique challenges of community-owned utilities. Their team of consultants and vendor partners help utilities streamline business processes, enhance customer service, improve security, and develop plans for the future. Serving community-owned utilities of every size and type, HCI provides products and services to develop all areas of the utility business, including operations, cybersecurity, business strategy, customer care, finance, workforce, and technology.

On July 19, 2019, NCPA entered into a five-year Multi-Task Consulting Services Agreement with HCI, for services to the Agency and/or its Members in an amount not-to-exceed \$250,000. Since inception, HCI's contract has been used six times by NCPA Members (Redding (3), Alameda, Lompoc, and Truckee Donner) nearing the not-to-exceed limit. Due to expressed Member interest, the Agency now desires to amend the agreement to increase the total compensation from the not-to-exceed amount of \$250,000 to a not-to-exceed amount of \$1,000,000 over the term. NCPA's investment in HCI as a founding member in 2018 was for just this purpose – to provide access to technology and services and integrated solutions that are specifically designed to help public power utilities succeed in the communities they serve.

FISCAL IMPACT:

Upon execution, the total not-to-exceed amount of the agreement will increase from \$250,000 to \$1,000,000 with no other changes to the terms and conditions. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA and/or Member 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.

COMMITTEE REVIEW:

On October 6, 2021 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On October 11, 2021 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Randy S. Howard".

RANDY S. HOWARD
General Manager

Attachments:

- Resolution 21-104
- First Amendment to Multi-Task Consulting Services Agreement with Hometown Connections, Inc.
- Multi-Task Consulting Services Agreement with Hometown Connections, Inc.

RESOLUTION 21-104

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO THE MULTI-TASK CONSULTING SERVICES
AGREEMENT WITH HOMETOWN CONNECTIONS, INC.**

(reference Staff Report #238:21)

WHEREAS, Northern California Power Agency (NCPA) and Hometown Connections, Inc. entered into a five-year Multi-Task Consulting Services Agreement effective June 19, 2019, for Consultant to provide for various consulting related tasks including but not limited to organization assessments, strategic planning, market research, and training; for use at any facilities owned and/or operated by NCPA, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Hometown Connections, Inc. is a provider of these services being utilized six times by NCPA Members nearing the not-to-exceed limit; and

WHEREAS, due to continued expressed interest in utilizing the Consultant, the Agency now desires to amend the Agreement to increase the total compensation from the not-to-exceed amount of \$250,000 to a not-to-exceed amount of \$1,000,000; and

WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into the First Amendment, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2021 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**FIRST AMENDMENT TO MULTI-TASK CONSULTING SERVICES AGREEMENT
BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND
HOMETOWN CONNECTIONS, INC.**

This First Amendment (“Amendment”) to Multi-Task Consulting Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and Hometown Connections, Inc. (“Consultant”) (collectively referred to as “the Parties”) as of _____, 2021.

WHEREAS, the Parties entered into a Multi-Task Consulting Services Agreement dated effective July 19, 2019, (the “Agreement”) for Hometown Connections, Inc. to provide consulting services based on public power best practices including organization assessment, strategic planning, compensation studies, management consulting, training and workshop services, and other services as requested; 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 \$250,000 to a NOT TO EXCEED amount of \$1,000,000; and

WHEREAS, the Parties now desire to amend the Scope of Services set forth in Exhibit A to the Agreement to update the listed subcontractors utilized by Consultant; 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 Consultant an amount **NOT TO EXCEED** one million dollars (\$1,000,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant’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 Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

The remainder of Section 2 of the Agreement is unchanged.

2. **Exhibit A – SCOPE OF SERVICES** is amended and restated to read in full as set forth in the attached Exhibit A.
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

Date: _____

HOMETOWN CONNECTIONS, INC.

TIM L. BLODGETT, President and CEO

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Hometown Connection, Inc. ("Consultant") shall provide the following consulting services based on public power best practices as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by the Agency*, its Members, SCPPA, or SCPPA members, including, but not limited to:

- Organization assessment
- Strategic planning
- Customer services
- Market research
- Compensation studies
- Management consulting
- Training and Workshop services
 - Leadership Development
 - Governance Facilitation
- Other services as requested

***This agreement is not intended for use at NCPA's Lodi Energy Center facility.**

Subcontractors utilized by Consultant include:

- Phyllis E. Currie
- Susan Ryba



**MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
HOMETOWN CONNECTIONS, INC.**

This Consulting 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 Hometown Connections, Inc., a Delaware charitable nonstock corporation created by its Members, with its office located at 12081 W. Alameda Pkwy, #464, Lakewood, CO 80228-2701 ("HCI" or "Consultant") (together sometimes referred to as the "Parties") as of 7/19/, 2019 ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), 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 Consultant completes the Services, or no later than five (5) year from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. 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, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant may include Services 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 Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to

perform the Requested Services, or does not respond within the seven day period specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000.00)** for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant'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 Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Consultant shall submit invoices, not more often than once a month per service/purchase order 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;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when the Consultant's Scope of Work identifies tasks, for each work item in each task, a copy of the applicable time entries 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.

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 services 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 Consultant.

2.3 Payment of Taxes. Consultant 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 Services.** The Consultant is not authorized to perform any Services 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.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice for the Requested Services. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

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

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant, 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 Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant 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.** Consultant 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 Consultant. The policy shall provide a minimum limit of \$2,000,000 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.** Consultant 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 Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 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. Intentionally omitted

4.4 All Policies Requirements.

4.4.1 Verification of coverage. Prior to beginning any work under this Agreement, Consultant 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. Consultant 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 Consultant maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Consultant.

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPA, and/or SCPA members pursuant to this Agreement, Consultant shall provide certificates of insurance and policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPA or SCPA member.

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

4.5 Consultant's Obligation. Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services 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. Consultant shall also ensure that all workers involved in the provision of Services 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 CONSULTANT'S RESPONSIBILITIES.

- 5.1 **Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant 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, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 **Scope.** Consultant 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 Consultant, 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 CONSULTANT.

- 6.1 **Independent Contractor.** Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant 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.

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant 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. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

Consultant 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 Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant 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, Consultant 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 Consultant.

- 6.2 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant 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 Consultant and is based upon a determination of Consultant'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 Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant 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, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services 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.** This agreement is not intended for use at NCPA's Lodi Energy Center.

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.** Consultant 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.** Consultant represents and warrants to Agency that Consultant 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.

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 Consultant.

In the event of termination, Consultant shall be entitled to compensation for Services satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Consultant 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 all 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 Consultant shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Consultant.** If Consultant 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 Consultant pursuant to this Agreement;

- 8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or
- 8.4.4 Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 **Records Created as Part of Consultant'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 Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 **Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services 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 Consultant to this Agreement.
- 9.3 **Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant 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 the 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, consultants, 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. MISCELLANEOUS PROVISIONS.

- 10.1 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.
- 10.2 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.
- 10.3 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.
- 10.4 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.
- 10.5 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.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Consultant 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.*
- 10.7 Contract Administrator.** This Agreement shall be administered by Monty Hanks, Chief Financial Officer and Assistant General Manager, or his designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 10.8 Notices.** Any written notice to Consultant shall be sent to:

Mr. Tim Blodgett, President and CEO
Hometown Connections, Inc.
12081 W. Alameda Pkwy., #464
Lakewood, CO 80228-2701

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:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

- 10.9 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.
- 10.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 10.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Consultant agree to resolve the dispute in accordance with the following:
- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
 - 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
 - 10.11.3** 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.

- 10.11.4 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.
- 10.11.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6 The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative 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.*

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

10.13 **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.

10.14 **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.

10.15 **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 Consultant provide Services to an Agency member, SCCPA and/or a SPCPA member (collectively for the purposes 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 Services relating to such Member.

///

///

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

NORTHERN CALIFORNIA POWER AGENCY

HOMETOWN CONNECTIONS, INC.

Date 7/19/2019

Date 7/22/19

Warty Haul for

RANDY S. HOWARD, General Manager

Tim Blodgett

TIM L. BLODGETT, President and CEO

Attest:

[Signature]

Assistant Secretary of the Commission

Approved as to Form:

[Signature]

Jane E. Lückhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Hometown Connection, Inc. ("Consultant") shall provide the following consulting services based on public power best practices as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by the Agency*, its Members, SCPPA, or SCPPA members, including, but not limited to:

- Organization assessment
- Strategic planning
- Customer services
- Market research
- Compensation studies
- Management consulting
- Training and Workshop services
 - Leadership Development
 - Governance Facilitation
- Other services as requested

***This agreement is not intended for use at NCPA's Lodi Energy Center facility.**

Subcontractors utilized by Consultant include:

- Phyllis E. Currie
- Thomas Nanney
- Paul H. Allen, P.E.
- Susan Ryba

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 of this Agreement.

The hourly rates and or compensation break down and an estimated amount of expenses will be quoted at the time services are requested.

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

20



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Approval of the Third Amendment to the Lease Agreement with Consolidated Communications for the Disaster Recovery Center Facility

AGENDA CATEGORY: Consent

FROM:	Monty Hanks <i>MH</i>	METHOD OF SELECTION:
	Assistant General Manager/CFO	N/A
Division:	Administrative Services	
Department:	General Services	

IMPACTED MEMBERS:		
All Members <input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power <input type="checkbox"/>	City of Lompoc <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit <input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
City of Biggs <input type="checkbox"/>	City of Redding <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Gridley <input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg <input type="checkbox"/>	City of Santa Clara <input type="checkbox"/>	Other <input type="checkbox"/>
<i>If other, please specify</i>		

RECOMMENDATION:

Approve Resolution 21-105 authorizing the General Manager or his designee to execute the Third Amendment to the Lease Agreement extending the period for up to two years or April 30, 2024, with any non-substantial changes recommended and approved by the General Counsel.

BACKGROUND:

In 2009 the NCPA Commission approved the lease of a 3,797 square foot facility from SureWest Telephone (now Consolidated Communications) as the backup site for our mission critical 24/7 Scheduling and Dispatch operations. This facility provides replicated hardware, software and data to provide seamless transfer of personnel to this site in case of emergency.

In early 2021, Consolidated Communications approached NCPA with an offer to purchase the building. Since multiple buildings sit on the parcel sharing utilities (electric, gas, water, wastewater, etc.), NCPA needed to engage with an architect firm to analyze the scope of work and provide an estimated cost to split the parcel, add independent utilities, an emergency generator, and impacts of other property attributes. With the current lease set to expire in April 2022, staff requested a two-year extension to the current lease. This will allow sufficient time to analyze the financial impacts of a parcel split. If a parcel split is not financially feasible, it allows additional time to seek alternatives such as an ownership percentage of the same property or finding another building to purchase.

The terms of this third amendment are largely unchanged with monthly base rent increasing 2% each year, the same as previous amendments. New language was added to terminate the lease upon sale of the building to NCPA. There will be no further options to extend the lease when it ends on April 30, 2024.

FISCAL IMPACT:

Approval of the third amendment will cost \$130,608 through April 2024. The lease is included in the current fiscal year budget with funds available in the General Services budget.

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.

COMMITTEE REVIEW:

On October 6, 2021 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD

General Manager

Attachments:

- Resolution 21-105
- Third Amendment to DRC Lease Agreement

SR: 239:21

RESOLUTION 21-105

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING THE THIRD AMENDMENT TO THE LEASE AGREEMENT WITH
CONSOLIDATED COMMUNICATIONS**

(reference Staff Report #239:21)

WHEREAS, in 2009 the NCPA Commission approved the lease of a 3,797 square foot facility from SureWest Telephone (now Consolidated Communications) as the backup site for mission critical 24/7 Scheduling and Dispatch operations; and

WHEREAS, Consolidated Communications approached NCPA with an offer to purchase the building which requires NCPA additional time to hire an architect to analyze the scope of work, provide an estimated cost to split the parcel, add independent utilities, an emergency generator and impacts of other property attributes; and

WHEREAS, the current lease set to expire in April 2022 requires NCPA to request a two-year extension to the current lease allowing sufficient time to analyze the financial impacts of a parcel split or if not financially feasible, allow additional time to seek other properties for purchase or lease; and

WHEREAS, NCPA seeks approval of the Third Amendment which will cost a total of \$130,608 through the end of the lease; and

WHEREAS, 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; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency adopts authorizing the General Manager or his designee to execute the Third Amendment to the Lease Agreement extending the period for up to two years or April 30, 2024, with any non-substantial changes recommended and approved by the General Counsel.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2021, by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY

**THIRD AMENDMENT TO STANDARD
INDUSTRIAL/COMMERCIAL MULTI- TENANT LEASE-GROSS**

(7664 Old Auburn Rd., Building A, Citrus Heights, California)

THIS THIRD AMENDMENT TO STANDARD INDUSTRIAL/COMMERCIAL MULTI-TENANT LEASE - GROSS (this "**Amendment**"), dated solely for reference purposes as of June 28, 2021, is entered into by and between CONSOLIDATED COMMUNICATIONS OF CALIFORNIA COMPANY (FKA SUREWEST TELEPHONE), a California corporation ("**Lessor**"), and NORTHERN CALIFORNIA POWER AGENCY, a California joint powers agency ("**Lessee**").

RECITALS

A. Lessor and Lessee are parties to that certain Standard Industrial/Commercial Multi-Tenant Lease-Gross, dated December 15, 2009 (the "**Original Lease**") which was previously amended by a certain First Amendment to the Lease dated as of April 6, 2015 (the "**First Amendment**") and the certain Second Amendment to the Lease dated as of March 29, 2019 (the "**Second Amendment**"). The Original Lease, First Amendment and Second Amendment are hereafter collectively referred to as the "**Lease.**" Capitalized terms used herein and not otherwise defined herein shall have the meaning or meanings given them in the Lease.

B. Pursuant to the Lease, Lessor has leased to Lessee space agreed to contain 3,800 rentable square feet (the "**Premises**") in the building located at 7664 Old Auburn Rd., Building A, Citrus Heights, California (the "**Building**").

C. The Lease by its terms shall expire on April 30, 2022 but Lessor is nonetheless prepared to extend the Term of the Lease, all on the following terms and conditions.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. Extension. The Term of the Lease is hereby extended such that the Lease shall expire on April 30, 2024. Lessee shall have no further option to extend the Term of the Lease.

2. Base Rent. Base Rent shall continue in effect until April 30, 2022 under the terms of the second Amendment. From and after May 1, 2022, the schedule of Base Rent shall be as follows:

Period	Monthly Base Rent
May 1, 2022 – April 30, 2023	\$5,388.00
May 1, 2023 – April 30, 2024	\$5,496.00

All such Base Rent shall be payable by Lessee in accordance with the terms of the Lease. Should Lessor and Lessee agree to a sale of the Building to Lessee, Lessee's obligation to pay Base Rent shall cease on the date the Building is sold to Lessee and the rent for any partial month shall be prorated for the number of days in the month that precede the date of sale.

3. No Additional Security Deposit. No additional security deposit shall be required in connection with this Amendment.

4. Termination. Either party may terminate the Lease by providing written notice of termination to the other party no less than three hundred and sixty-five (365) days written notice. In addition, this Lease shall terminate upon sale of the Building to Lessee.

5. Condition of the Premises. Lessee is in possession of the Premises and accepts the same "as is" without any agreements, representations, understandings or obligations on the part of Lessor to perform any alterations, repairs or improvements, except as expressly provided in the Lease (as amended by this Amendment).

6. Inspection by a CASp in Accordance with Civil Code Section 1938. To Lessor's actual knowledge, the property being leased or rented pursuant to the Lease (as amended by this Amendment) has not undergone inspection by a Certified Access Specialist (CASp). The foregoing verification is included in this Amendment solely for the purpose of complying with California Civil Code Section 1938 and shall not in any manner affect Lessor's and Lessee's respective responsibilities for compliance with construction-related accessibility standards as provided under the Lease.

7. OFAC Representations. Lessee represents and warrants to Lessor that (a) each individual executing this Amendment on behalf of Lessee is authorized to do so on behalf of Lessee and that Lessee is not, and the entities or individuals constituting Lessee or which may own or control Lessee or which may be owned or controlled by Lessee are not, (i) in violation of any laws relating to terrorism or money laundering, or (ii) among the individuals or entities identified on any list compiled pursuant to Executive Order 13224 for the purpose of identifying suspected terrorists or on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <http://www.treas.gov/ofac/tllsdn.pdf> or any replacement website or other replacement official publication of such list, and (b) Lessee shall not engage in any actions in violation of any such laws or associate with such individuals or entities during the Term of the Lease. Lessee hereby agrees to defend, indemnify and hold harmless

Lessor from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing representation and warranty.

8. Lease Status. As a material inducement to Lessor to enter into this Amendment, Lessee warrants, represents and certifies to Lessor that: (a) to the best of Lessee's actual knowledge, Lessor is not in breach or default under the Lease, nor has any event occurred, which, with the passage of time or the giving of notice, or both, would constitute a breach of default by Lessor; (b) Lessor has fully performed all of Lessor's construction obligations (if any) and paid any Lessee improvement allowance (if any) owing to Lessee; (c) Lessee has accepted possession of the Premises; (d) Lessee does not have any defenses or offsets to payment of rent and performance of its obligations under the Lease as and when same becomes due; (e) no actions, whether voluntary or otherwise, are pending against Lessee under the bankruptcy laws of the United States or any state thereof; (f) Lessee has not assigned the Lease or subleased any portion of the Premises; and (g) the Lease, as amended by this Amendment, constitutes the complete agreement of Lessor and Lessee with respect to the Premises, and there are no other amendments, oral or written, to the Lease.

9. Right of First Opportunity to Purchase: If, at any time, during the lease term, Lessor elects to sell the Building, Lessor shall notify Lessee of its intent to sell the building. Lessee shall have one hundred and twenty (120) days to come to mutually agreeable purchase terms with Lessor. If Lessee and Lessor can't come to mutually agreeable purchase terms within one hundred and twenty (120) days, then Lessor shall be free to openly market the Building for sale to other parties.

10. Miscellaneous.

(a) This Amendment and the attached exhibits, which are hereby incorporated into and made a part of this Amendment, set forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements. Under no circumstances shall Lessee be entitled to any Rent abatement, improvement allowance, leasehold improvements, or other work to the Premises, or any similar economic incentives that may have been provided Lessee in connection with entering into the Lease, unless specifically set forth in this Amendment.

(b) Except as herein modified or amended, the provisions, conditions and terms of the Lease shall remain unchanged and in full force and effect.

(c) In the case of any inconsistency between the provisions of the Lease and this Amendment, the provisions of this Amendment shall govern and control.

(d) Submission of this Amendment by Lessor is not an offer to enter into this Amendment but rather is a solicitation for such an offer by Lessee. Lessor shall not be bound by this Amendment until Lessor has executed and delivered the same to Lessee.

(e) Each signatory of this Amendment represents hereby that he or she has the authority to execute and deliver the same on behalf of the party hereto for which such signatory is acting.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Amendment as of the day and year first written above

LESSOR:

LESSEE:

CONSOLIDATED COMMUNICATIONS
POWER OF CALIFORNIA COMPANY,
California joint a California Corporation

NORTHERN CALIFORNIA
AGENCY, a not-for-profit
powers agency

By: _____

By: _____

Print Name: _____

Print Name: _____

Its: _____

Its: _____

Date: _____

Date: _____



26

Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: IBEW Local 1245 Memorandum of Understanding

AGENDA CATEGORY: Discussion/Action

FROM:	Elizabeth Gonzalez	METHOD OF SELECTION:
	Human Resources Manager	N/A
Division:	Administrative Services	
Department:	Human Resources	

This item is being considered in Closed Session.

Pursuant to Government Code Section 54957.6: Agency representatives: General Manager Randy S. Howard, Assistant General Manager Monty Hanks, and Human Resources Manager Elizabeth Gonzalez. Employee organization: IBEW Local 1245 (Geothermal and Combustion Turbines).

Contingent upon action taken during **Closed Session Item 24**, the Staff Report, Resolution and Memorandum of Understanding will be provided to the Full Commission in Open Session for final consideration and approval.



27

Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Hydroelectric Employee Association (HEA) Memorandum of Understanding

AGENDA CATEGORY: Discussion/Action

FROM: Elizabeth Gonzalez Human Resources Manager	METHOD OF SELECTION: N/A
Division: Administrative Services	
Department: Human Resources	

This item is being considered in Closed Session.

Pursuant to Government Code Section 54957.6: Agency representatives: General Manager Randy S. Howard, Assistant General Manager Monty Hanks, and Human Resources Manager Elizabeth Gonzalez. Employee organization: Hydroelectric Employees Association (Hydroelectric Facility).

Contingent upon action taken during **Closed Session Item 25**, the Staff Report, Resolution and Memorandum of Understanding will be provided to the Full Commission in Open Session for final consideration and approval.



28

Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Approval of Major Insurance Renewals for Policy Year 2022

AGENDA CATEGORY: Discussion/Action

FROM:	Monty Hanks <i>MH</i> Assistant General Manager/CFO	METHOD OF SELECTION: Competitive Pricing Process
Division:	Administrative Services	<i>If other, please describe:</i>
Department:	Risk Management	

IMPACTED MEMBERS:

All Members <input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power <input type="checkbox"/>	City of Lompoc <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit <input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
City of Biggs <input type="checkbox"/>	City of Redding <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Gridley <input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg <input type="checkbox"/>	City of Santa Clara <input type="checkbox"/>	Other <input type="checkbox"/>

If other, please specify

RECOMMENDATION:

Approve Resolution 21-106 authorizing the General Manager to negotiate and bind policy year 2022 property and liability coverages at a not-to-exceed amount of \$5,700,000. This authority includes a not-to-exceed of \$3,700,000 for property insurance and \$2,000,000 for casualty insurance.

BACKGROUND:

Property Program

Last year when the Agency embarked on the 2021 insurance marketing, it was a challenging renewal process. The property insurance market continued to harden and the Agency was faced with the catastrophic loss of the LEC turbine with insurers paying out \$44 million for the claim. The Agency found itself in a difficult position where we had to increase our not-to-exceed authority three times. As a result, the property premium almost doubled from the prior year.

Despite this setback, the Agency made a commitment to the Members to hit the 'reset' button on our approach to marketing our insurance program and included it in our 2021-2026 Strategic Plan to "***Develop a strategy for long-term, cost-effective insurance coverage.***" The Agency terminated the agreement with our insurance broker, Aon Risk Solutions, and issued an RFP to five capable firms. The Agency selected Alliant Insurance Services to serve as our insurance brokerage consultant.

Each insurance policy and the related insurance market conditions are reviewed before the renewal date and remarketed as requirements for qualified insurers experienced in underwriting the applicable insurance risk. Current property and liability insurance coverage expires on December 15 and December 31, 2021, respectively. NCPA met with Alliant in August 2021 to strategize how to approach the markets this year and decided on the following:

1. Find new markets to bid on our program
2. Focus on further strengthening our current market relationships
 - a. When safe, schedule onsite visits, tours and in-person meetings
 - b. Attend industry conferences
 - c. Communicate frequently throughout the year
3. Enhance program effectiveness
 - o Focus on concurrency in terms and conditions
 - o Remain open to evaluating alternative levels of insurance for NCPA
 - o Appraise assets in 2022, as currently scheduled

In September 2021, Alliant scheduled 13 marketing meetings with nine US and twelve London underwriters; both incumbent and new markets. Overall, the meetings went well but feedback from our incumbents made it clear the market is still facing another year of premium increases due to market conditions and the continued recovery of the LEC loss. Most underwriters quoted that we would see a "meaningful" or "significant" rate increase in excess of 20% and some indicated to expect higher deductibles. In 2021, NCPA's property premium was \$4.76 million. A rate increase of 20% would reflect a premium of \$5.7 million— an increase of almost \$1 million as shown in the table below.

	Expiring Policy			Estimated Renewal	
	% of Program	Full Premium	Net Premium	Full Premium	Net Premium
AEGIS	39%	\$3,500,000	\$1,365,000	\$4,200,000	\$1,638,000
AIG	20%	\$7,450,000	\$1,490,000	\$8,940,000	\$1,788,000
Swiss Re	10%	\$4,077,670	\$407,767	\$4,893,204	\$489,320
Munich Re	10%	\$3,555,261	\$355,526	\$4,266,313	\$426,631
Lloyds Syndicates	10%	\$5,520,100	\$552,010	\$6,624,120	\$662,412
Starr Tech	3.50%	\$6,443,196	\$225,512	\$7,731,835	\$270,614
EIM	3%	\$3,500,000	\$105,000	\$4,200,000	\$126,000
Helvetia	2.50%	\$5,417,500	\$135,438	\$6,501,000	\$162,525
AEGIS Lloyds	2%	\$3,462,138	\$69,243	\$4,154,566	\$83,091
Terrorism			\$49,960		\$59,952
	100%		\$4,755,455		\$5,706,546

New Market - FM Global

Shortly after the last renewal, staff reached out to FM Global directly given their significant experience and strong reputation in the property insurance market. Founded in 1835, FM Global insures more than a third of the Fortune 1000 companies and total assets in excess of \$25 billion. FM Global takes an engineering-first approach helping their clients be resilient against natural disasters—and this philosophy matched our core principles. FM Global is guided by the belief that most losses are preventable and they will dig deep to understand each business’ needs to help reduce risk.

We marketed our program to them in 2018, but never understood why they did not provide our broker with a quote. We learned very quickly that they perform their own Loss Control analysis and do not rely on other firms reports when evaluating risk—meaning FM Global’s robust underwriting process takes more time to complete than others in the industry. Since the marketing of NCPA’s program starts just three months prior to expiration of our program, this was not enough time to coordinate site visits for FM Global engineers. In order to have FM Global quote, NCPA held weekly meetings beginning in February and eventually scheduled site visits in April, May and June. After FM Global completed its review, a meeting with the Plant Managers was held to review findings and recommendations. This was the critical last step prior to FM Global providing a quote. To put this in perspective, AEGIS, the current incumbent with a 39% share, scheduled virtual loss control visits. Feedback received from the Plant Managers regarding the loss control process was more positive with the FM Global team than the AEGIS team.

A comparison of key terms in the expiring program and FM Global’s proposal is detailed in the table below:

	Expiring	Est. Renewal	100% of Account		
	Stacked Program	Stacked Program	FM Global Option 1	FM Global Option 2	FM Global Option 3**
Premium	\$4,755,455	\$5,706,546	\$3,402,621	\$3,692,561	\$4,094,315
LEC Share*	\$1,290,000	\$1,548,000	\$923,020	\$1,001,671	\$1,403,425
Policy Limit	\$325,000,000		\$500,000,000		
Business Interruption	\$50,000,000		\$50,000,000		
Earth Movement	\$75,000,000		\$40,000,000	\$75,000,000	\$75,000,000
Flood	\$75,000,000 (aggregate)		\$100,000,000 (per occurrence)		
Debris Removal	lesser of \$25,000,000 or 25% of loss		Policy Limit		
Decontamination Costs	\$5,000,000		Policy Limit		
Demolition	\$25,000,000		Policy Limit		
Water Damage	\$5,000,000		Policy Limit		
Deductibles					
Property	3.5% @ \$5m, 2.5% @ \$2.5m 54% @ \$1m, 40% @ \$500k; Total \$978k		\$1,000,000		
LEC Turbines	3.5% @ \$5m, 3% @ \$2.5m 84% @ \$2m, 10% @ \$1m; Total \$2.018m		\$2,500,000		
Flood	3.5% @ \$5m, 2.5% @ \$2.5m 54% @ \$1m, 40% @ \$500k; Total \$978k		\$1,000,000		
Wildfire	\$10,000,000		\$1,000,000		
Rate Lock	One Year		Two Year		

*Assumes allocation based on percentage of AV
 **Option 3 includes BI for LEC. BI is purchased by Hydro & Geo

As shown in the table, FM Global's proposal has several enhancements in critical areas such as providing a policy limit of \$500 million versus \$325 million and higher sublimits. In addition to the policy enhancements and reduced premium, FM Global provides other value-added services that help reduce NCPA risk, truly making this a partnership. Loss control visits and engineering services are included at no additional charge. For example, if staff engages in a large or complex project, the FM Global team of engineers are ready to assist with plan review services providing their input based on their experiences and data fact sheets, where applicable. To reflect their commitment to a long-term partnership, FM Global's proposal also includes a two-year rate lock. The property premium quoted in Option 2 is \$1 million less than 2021 premiums and \$2 million less than what is estimated from the other markets for 2022. Coupled with a 2-year term, the Agency is set to save over \$4 million.

The remaining markets have been directed to provide their indications by the week of October 18th. Unless they can competitively quote, match (or improve) policy coverages, and provide similar value-added services, staff plans to bind property coverages with FM Global.

FM Global's proposal includes three options for the Agency to consider. Staff recommends selecting Option 2, keeping the Earth Movement at \$75 million. While the likelihood of an earthquake is unknown, the policy limit is based on an aggregate total. Damage from one earthquake could use the majority, if not all, of the \$40 million aggregate offered in Option 1

very quickly, limiting available protection and increasing potential exposure if another earthquake impacts one of our other facilities during the same policy period. In addition, the LEC PPC declined adding Business Interruption insurance as provided in Option 3. If Option 2 is selected, staff recommends a not-to-exceed authority of \$3.7 million providing sufficient room to bind coverage.

Casualty Program

Alliant Insurance Services plans to target an aggressive marketing of the primary liability program to ensure best in class pricing, terms, and conditions. While Alliant is estimating an increase of 15% to the program (resulting in a new premium of around \$1.72 million), staff recommends establishing a not-to-exceed of \$1.8 million to provide sufficient flexibility for the General Manager to bind coverage.

Since LEC has no transmission lines and is not located in one of the CPUC’s wildfire threat tiers, liability insurance is much easier and more cost effective to obtain on a separate policy. Last year, staff sought a not-to-exceed amount of \$209,100 and the actual premium was \$150,369. While Alliant is estimating an increase of 15% to the program (resulting in a new premium of around \$173,000), the LEC PPC recommends establishing a not-to-exceed of \$200,000 to provide sufficient flexibility for the General Manager to bind coverage.

A comparison of the Casualty premiums is reflected in the table below.

NCPA

Coverage	2021 Premium	2022 Premium Expectations
Auto	\$51,620	\$60,000
WC	\$232,185	\$240,000
AEGIS- \$35M x \$200k	\$999,876	\$1,149,800
EIM- \$25M x \$35M	\$151,141	\$188,900
Ironshore- \$15M x \$60M	\$65,650	\$82,000
TOTAL:	\$1,500,472	\$1,720,700

LEC

Coverage	2021 Premium	2022 Premium Expectations
AEGIS- \$35M x \$200k	\$150,369	\$173,000

FISCAL IMPACT:

The total cost of the policy year 2022 insurance programs is an estimated, not-to-exceed of \$5,700,000. The Agency is estimated to save at least \$2 million in property premiums over the expiring coverages in 2022 and over \$4 million during the term. The Casualty program is expected to increase approximately 15%. Staff will return in January with a final report of coverages and premiums.

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.

COMMITTEE REVIEW:

On October 11, 2021 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

On October 14, 2021 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,

A handwritten signature in blue ink that reads "Randy S. Howard". The signature is written in a cursive, flowing style.

RANDY S. HOWARD
General Manager

Attachments:

- Resolution 21-106

RESOLUTION 21-106

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING THE MAJOR INSURANCE RENEWALS
FOR THE POLICY YEAR OF 2022**

(reference Staff Report #240:21)

WHEREAS, the Northern California Power Agency (the Agency) is required by various of its contracts and agreements with its members and its generating and transmission project participants to provide for property, casualty and other insurance to protect its interests therein; and

WHEREAS, the Agency utilizes the insurance brokerage services of Alliant Insurance Services, Inc. to market and place the Agency's insurance programs. Each insurance policy and the related insurance market conditions are reviewed prior to the renewal date and remarketed as required to qualified insurers experienced in underwriting the applicable insurance risk; and

WHEREAS, underwriters have provided premium indications for property and casualty programs; and

WHEREAS, in order to negotiate coverage before expiration of the policies, this action grants the authority to the General Manager to bind coverages with not-to-exceed rates for the 2022 renewal premiums of \$3,700,000 for property damage coverage which includes \$1,001,671 for LEC and \$2,000,000 for casualty coverage which includes \$200,000 for LEC; and

WHEREAS, LEC PPC reviewed and approved on October 11th and the Facilities Committee reviewed and recommended on October 14th; and

WHEREAS, 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; and

NOW, THEREFORE BE IT RESOLVED that the Commission of the Northern California Power Agency approves granting the authority to the General Manager to bind coverages at the proposed not-to-exceed rates for the 2022 renewal premiums of \$3,700,000 for property coverage and \$2,000,000 for casualty coverage.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2021
 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

 DAVID HAGELE
 CHAIR

ATTEST: _____
 CARY A. PADGETT
 ASSISTANT SECRETARY



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Overview of Budget Process and Approach – Request for Guidance of FY2023
NCPA Operating Budget Directions

AGENDA CATEGORY: Discussion/Action

FROM:	Monty Hanks <i>MH</i> Assistant General Manager/CFO	METHOD OF SELECTION: N/A
Division:	Administrative Services	<i>If other, please describe:</i>
Department:	Accounting & Finance	

IMPACTED MEMBERS:

All Members <input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power <input type="checkbox"/>	City of Lompoc <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit <input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
City of Biggs <input type="checkbox"/>	City of Redding <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Gridley <input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg <input type="checkbox"/>	City of Santa Clara <input type="checkbox"/>	Other <input type="checkbox"/>

If other, please specify

RECOMMENDATION:

Staff recommends the Commission provide guidance and direct staff to prepare the FY2023 Operating Budget in accordance with the accepted directions.

BACKGROUND:

As part of the budget process, staff is seeking Commission guidance of budget directions prior to budget preparation for the next fiscal year (FY2023). Staff discussed the budget review process and specific budget directions/targets with the Facilities Committee and Utility Directors at their meetings on October 6th and 14th, respectively. No changes were suggested by the Utility Directors.

FISCAL IMPACT:

Direction provided in this presentation will provide budget guidance for FY2023. Specific fiscal impact is not known at this time. Actual fiscal impact will be presented at the time of final approval of the budget, currently scheduled for April 2022.

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.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

Budget Directions FY2023 Presentation



Operating Budget for FY23

Proposed Process and Recommendations

Monty Hanks
October 2021

NCPA Strategic Plan 2021-2026

- Mission**

- We provide cost effective wholesale power leading to a reliable and resilient carbon neutral supply, ratepayer focused power management, sustainable generating assets, energy-related services, and advocacy on behalf of public power consumers through joint action.

- Vision**

- To be the premier provider of energy generation, energy-related services and support to our citizen owned members and customers.

- Strategic Priorities**

Attract	•Develop and retain professional, diverse, high quality staff and governance
Advocate	•Maintain position as a credible, solution-oriented coalition builder and leader in state and federal legislative and regulatory policy arenas
Prepare	•Develop and maintain diverse generation resource portfolio in accordance with or exceeding renewable portfolio standard and capacity obligations
Protect	•Prepare, utilize and build on the strengths and unique aspects and aggregation of joint powers agency structure to benefit NCPA's members
Value	•Develop and enhance strategies to control costs and minimize risks while optimizing the value of assets
Strength	•Maintain financial strength, grow new revenue to reduce member costs
Opportunity	•Provide products and services that enhance the opportunity that NCPA Member utilities provide to their communities

Proposed Budget Process

- Continued approach to review draft budgets through Facilities, LEC and L&R Committees, UD Meetings, etc.
- Budget is prepared on a project/program basis
- Allocation for all allocated costs (Power Management, L&R, Judicial Action, Administrative & General and direct allocations) will use previously approved methods – no changes proposed at this time but will be reviewed internally
- Continued focus on NCPA controllable costs and aligning budgets with expectations and previous actuals

Issues Impacting FY2022/23 Budget

- Inflation – CPI Index as of August 2021 was 5.3%
 - Impact to plant O&M budgets
 - Used as a baseline for increases to routine expenses
- Plants
 - Hydro
 - McKays Cleanout +\$4.4m
 - Reduced \$3.3m in FY22 to \$2.2m to keep budget flat to prior year
 - Forecast of \$6.6m in FY23 & FY24
 - D/S +\$3m
 - 2012 Hydro refunding should generate savings
 - Reservoir levels could impact generation and revenue

Issues Impacting FY2022/23 Budget

- Plants (cont.)
 - Geo
 - Projects +\$2.5m (minimum), could be higher with new projects or updated estimates after engineering studies
 - Fire system modernization
 - Maintenance reserve funding -\$1.3m
 - Battery storage study / activities
 - LEC
 - New projects identified
 - PG&E rate case
 - Hydrogen study / activities
- Transmission, energy & natural gas prices

Issues Impacting FY2022/23 Budget

- Insurance Premiums
 - Property – ~~20% increase, ~\$1m+~~
 - Casualty – 15% increase
 - Pressures to increase deductibles (\$200k) without premium offset
- Legal and Consulting
 - Increased use of legal contracts
 - Integration of new projects

Issues Impacting FY2022/23 Budget

- PERS Pension
 - ~\$200k increase
 - Normal cost and 15y UAL remains relatively flat from prior year
 - 10y UAL contribution ~\$1.8m increase over 15y
- OPEB
 - \$1.5m reduction (no UAL); funding normal cost

Budget Recommendations for 2022/23

- Plant costs
 - Debt service as scheduled plus trustee & administrative costs
 - Fuel as required for estimated plant operations
 - Regular operating & maintenance – target **5.3%** increase
 - Maintenance/capital projects – reviewed with project participants (Facilities Committee & LEC Participants)
- Transmission Costs
 - Based on the published rate (estimated during budget prep)
- CAISO Energy Load Costs
 - Forecasted Load x Dlap Price (based on forward curve)

Budget Recommendations for 2022/23

- Pass-throughs
 - Based on information from outside entities
 - Membership dues, subscriptions, transmission services, WREGIS, and other member services projects, etc.
- Legal
 - Judicial action and all other legal expenses should be lower than previous years

Budget Recommendations for 2022/23

- Salaries

- Target of ~\$1m increase to include:
 - Unions negotiated general wage increases
 - Broad banding adjustments for merits, promotions, upgrades, etc.
- PERS UAL
 - Include two budget versions to fund at 10y and 15y amortization

- All other operating expenses

- Target no more than **5.3%** increase from previous year base budget continuing to refine by aligning closer to actuals

Budget Recommendations for 2022/23

Questions?



30

Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: NCPA's Emergency Declaration Discussion

AGENDA CATEGORY: Discussion/Action

FROM:	Jane Luckhardt	METHOD OF SELECTION:
	General Counsel	N/A
Division:	Executive Services	
Department:	Legal	

Staff will provide a verbal update and discussion on NCPA's Existing Emergency Declaration regarding COVID-19 at the meeting.



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: Overview of FY 2021 Billing Settlement Process and Preliminary Results

AGENDA CATEGORY: Informational

FROM:	Monty Hanks <i>MA</i>	METHOD OF SELECTION:
	Assistant General Manager/CFO	N/A
Division:	Administrative Services	
Department:	Accounting & Finance	

Staff will provide an overview and presentation at the meeting.



FY2021 Annual Settlements Summary

Preliminary Draft Results

Sondra Ainsworth
October 2021

Timeline

- FY2021 Annual Settlements Process
 - 9/10: Lockdown FY21 data
 - 9/17: Settlement team related work
 - 9/18 to 9/26: Accounting team related work
 - 9/27: Settlements creates preliminary draft
 - 10/1: Accounting internal review
 - 10/5: Final billing settlement draft
 - 10/6: Draft ready for Facilities review [informational]
 - 10/11: Draft ready for LEC PPC review [informational]
 - 10/28: Draft ready for Commission review [informational]



Draft Results: Plant Budget

Lodi Energy Center
Annual Operating Cost Summary Report

	FY 2019 Budget	FY 2019 Actual	FY 2020 Budget	FY 2020 Actual Through December, 2019	Proposed FY 2021 Budget	Budget Increase/ (Decrease)
Routine O & M Costs						
Variable	\$4,733,380	\$4,384,901	\$5,381,629	\$1,187,499	\$5,436,362	\$54,733
Fixed	3,443,662	4,310,567	2,646,090	1,700,222	2,717,065	70,975
Administration	205,529	101,790	209,845	73,243	211,377	1,532
Mandatory Costs	298,336	394,669	304,750	169,162	309,455	4,705
Routine O & M Costs without Labor	8,680,907	9,191,927	8,542,314	3,150,126	8,674,259	131,945
Labor	5,284,165	5,363,628	5,558,310	2,723,771	5,789,039	230,729
Total Routine O & M Costs	13,965,072	14,555,555	14,100,624	5,873,897	14,463,298	362,674
Other Plant Costs						
Fuel	33,092,116	45,844,088	39,513,147	18,761,167	32,955,703	(6,557,444)
GHG Allowance Costs	0	0	0	0	8,695,359	8,695,359
CA ISO Charges (variable)	550,660	739,706	883,969	508,292	780,641	(103,126)
CA ISO Energy Purchases (variable)	5,113,848	4,392,275	3,826,263	916,441	3,049,750	(776,513)
Debit Service	26,079,852	26,050,858	26,054,428	13,027,214	26,023,635	(30,593)
Insurance	625,976	614,129	674,648	306,404	896,336	223,690
Other Costs	124,926	201,128	128,792	70,636	106,546	(22,246)
Generation Services Shared	368,963	325,938	339,783	199,715	353,712	13,929
Administrative & General	2,182,080	2,075,401	2,105,792	906,606	2,317,930	212,138
Power Management Allocated Costs	1,446,134	1,322,317	1,439,156	719,578	1,523,860	84,704
Total O & M Costs	83,549,627	96,121,395	89,066,602	41,269,970	91,169,172	2,102,570
Projects						
Operations & Maintenance	52,000	41,020	917,433	8,324	1,060,956	143,523
Capital	100,000	6,950	2,919,108	592,458	6,500	(2,912,608)
Maintenance Reserve	1,461,107	1,461,107	1,496,174	746,067	1,836,332	342,158
Total Projects	1,613,107	1,509,077	5,332,715	1,348,869	2,905,788	(2,426,927)
Annual Budget Cost	85,162,734	97,630,472	94,399,317	42,638,839	94,074,960	(324,357)
Less: Third Party Revenue						
ISO Energy Sales	52,414,938	76,972,681	72,602,551	31,770,378	55,590,251	(17,012,300)
Ancillary Services Sales	1,028,631	1,631,418	1,432,533	1,033,934	1,711,966	279,453
GHG Allowance Credits	0	0	0	0	8,463,375	8,463,375
Interest Income - Operations	94,945	276,884	94,945	187,534	94,945	0
Interest Income (NCPA)	242,355	308,449	242,355	133,693	242,355	0
Interest Income (CDWR)	48,545	65,791	48,545	30,077	48,545	0
Other Income	0	5,797	0	530	0	0
	53,829,414	79,261,020	74,420,929	33,156,146	66,151,457	(8,289,472)
Net Annual Budget Cost To Participants	\$31,333,320	\$18,349,452	\$19,978,388	\$9,482,693	\$27,923,503	\$7,945,115

Draft Results: Plant Generation Performance

Project	Budget MWh	Actual MWh	Over / (Under) Estimate
Hydro	508,507	203,126	(305,381)
Geo	738,552	759,263	20,711
CT1	15,641	11,861	(3,780)
CT2 (STIG)	4,987	44,799	39,812
LEC	1,316,988	1,231,541	(85,447)

Draft Results: Plant Revenue Performance

Project	Budget Net ISO Revenue Including Fuel	Actual Net ISO Revenue Including Fuel	Already Refunded or (Collected) thru Settlements
Hydro	\$21.8m	\$21.1m	(\$721k)
Geo	\$25.3m	\$30.8m	\$5.5m
CT1	\$281k	\$2.3m	\$2.0m
CT2 (STIG)	\$1.3m	\$2.9m	\$1.6m
LEC	\$20.3m	\$29.7m	\$9.4m
		Total	\$17.8m

Draft Results: Plant Summary ~\$1.5m Charge

Project	Collections	Actual	Refund / (Deficit)
Hydro	\$29.89 million	\$30.12 million	\$250k
Geo	\$3.04 million	\$3.83 million	(\$799k)
CT1	\$4.57 million	\$4.54 million	\$31k
CT2 (STIG)	\$3.96 million	\$4.43 million	(\$471k)
LEC	\$15.54 million	\$16.0 million	(\$459k)

Draft Results: Hydro Project

	FY21 Approved Budget	FY21 Actual Costs/Revenues	FY21 Under/(Over) Budget
O & M*	\$ 43,991,105	\$ 44,157,994	\$ (166,889)
Labor	5,389,265	4,867,345	521,920
Projects	4,880,000	4,929,916	(49,916)
Total Annual Budget Cost	54,260,370	53,955,255	305,115
Less Revenues*	25,093,526	24,325,198	768,328
Net Cost to Participants	29,166,844	29,630,057	(463,213)
	Budget Net ISO/Fuel Revenue	Actual Net ISO/Fuel Revenue	Already Refunded or (Collected) Thru ARB
*(Costs)/Revenue Previously Tued Up During FY21	21,808,296	21,086,670	(721,626)
Net Settlements Refund/(Collection)			258,413



Draft Results: Geo Project

	FY21 Approved Budget	FY21 Actual Costs/Revenues	FY21 Under/(Over) Budget
O & M*	\$ 21,855,201	\$ 23,459,911	\$ (1,604,710)
Labor	11,121,191	10,867,547	253,644
Projects	2,585,000	3,983,721	(1,398,721)
Total Annual Budget Cost	35,561,392	38,311,178	(2,749,786)
Less Revenues*	27,055,567	34,479,441	(7,423,874)
Net Cost to Participants	8,505,825	3,831,738	4,674,087
	Budget Net ISO/Fuel Revenue	Actual Net ISO/Fuel Revenue	Already Refunded or (Collected) Thru ARB
*(Costs)/Revenue Previously Tued Up During FY21	25,276,296	30,749,120	5,472,824
Net Settlements Refund/(Collection)			(798,737)

Draft Results: CT1 Project

	FY21 Approved Budget	FY21 Actual Costs/Revenues	FY21 Under/(Over) Budget
O & M*	\$ 3,023,351	\$ 3,721,217	\$ (697,866)
Labor	1,193,226	1,239,019	(45,793)
Projects	3,667,000	3,691,856	(24,856)
Total Annual Budget Cost	7,883,577	8,652,092	(768,515)
Less Revenues*	1,311,400	4,109,207	(2,797,807)
Net Cost to Participants	6,572,177	4,542,885	2,029,292
	Budget Net ISO/Fuel Revenue	Actual Net ISO/Fuel Revenue	Already Refunded or (Collected) Thru ARB
*(Costs)/Revenue Previously Trued Up During	280,535	2,278,537	1,998,002
Net Settlements Refund/(Collection)			31,290

Draft Results: CT2 Project

	FY21 Approved Budget	FY21 Actual Costs/Revenues	FY21 Under/(Over) Budget
O & M*	\$ 7,072,079	\$ 9,938,053	\$ (2,865,974)
Labor	880,502	828,546	51,956
Projects	36,500	8,272	28,228
Total Annual Budget Cost	7,989,081	10,774,871	(2,785,790)
Less Revenues*	2,371,273	6,340,736	(3,969,463)
Net Cost to Participants	5,617,808	4,434,135	1,183,673
	Budget Net ISO/Fuel Revenue	Actual Net ISO/Fuel Revenue	Already Refunded or (Collected) Thru ARB
*(Costs)/Revenue Previously Trued Up During f	1,275,405	2,930,533	(1,655,128)
Net Settlements Refund/(Collection)			(471,455)



Draft Results: LEC Project

	FY21 Approved Budget	FY21 Actual Costs/Revenues	FY21 Under/(Over) Budget
O & M*	\$ 85,380,130	\$ 90,790,629	\$ (5,410,499)
Labor	5,789,039	5,753,140	35,899
Projects	2,905,789	2,209,035	696,754
Total Annual Budget Cost	94,074,958	98,752,803	(4,677,845)
Less Revenues*	66,151,457	79,801,819	(13,650,362)
Net Cost to Participants	27,923,501	18,950,985	8,972,516
	Budget Net ISO/Fuel Revenue	Actual Net ISO/Fuel Revenue	Already Refunded or (Collected) Thru ARB
*(Costs)/Revenue Previously Trued Up During FY21	20,283,959	29,715,946	9,431,987
Net Settlements Refund/(Collection)			(459,471)

Draft Results: Other ~\$1.9m Refund

- Management Services
 - Legislative & Regulatory \$307k
 - Judicial Action \$41k
 - Power Management (\$73k)
 - Risk Mgmt., Settlements, Integrated Systems Support \$443k
- Pass-through Costs \$417k
- Third Party Revenues
 - Interest income \$642k
 - PM revenues (excess of budget) \$220k

Encumbrances – Totaling \$5.36m

- Hydro - \$327k
 - Union Dam Maintenance, vehicle, and misc. invoices received after June 30
- Geo - \$330k
 - Emergency Eyewash Stations*, SCADA system upgrade, Geo Facility upgrade, Plant 2 Diesel Tank and vehicle
- CT1 - \$2.27m
 - Diesel Starter project and legal
- LEC - \$155k
 - Legal and misc. invoices received after June 30
- Admin Services - \$772k
 - GP Software upgrade**, EV Station** and misc invoices received after June 30
- IS - \$487k
 - Med impact activity (consulting and cyber security software and protections)
- Travel, Training, Legal, and Contingency - \$1.04m

*Capital projects carried over from FY20

**Capital project carried over from FY19

Next Steps

- Calendar

- 11/3 – Present final to Facilities Committee
- 11/15 – Present final to LEC PPC
- 11/18 – Present final to UDs
- 12/2 – Commission approval



Commission Staff Report

COMMISSION MEETING DATE: October 28, 2021

SUBJECT: CLOSED SESSION ITEMS 21-25

AGENDA CATEGORY: Closed Session

FROM: Jane Luckhardt General Counsel	METHOD OF SELECTION: N/A
Division: Executive Services	
Department: Legal	

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL

- 21. 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.*
- 22. Anticipated Litigation pursuant to Government Code Section 54956.9(d)(2) – two (2) cases.
- 23. 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.*
- 24. Pursuant to Government Code Section 54957.6: Agency representatives: General Manager Randy S. Howard, Assistant General Manager Monty Hanks, and Human Resources Manager Elizabeth Gonzalez. Employee organization: IBEW Local 1245 (Geothermal and Combustion Turbines).
- 25. Pursuant to Government Code Section 54957.6: Agency representatives: General Manager Randy S. Howard, Assistant General Manager Monty Hanks, and Human Resources Manager Elizabeth Gonzalez. Employee organization: Hydroelectric Employees Association (Hydroelectric Facility).