



651 Commerce Drive  
Roseville, CA 95678

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

# Minutes

---

**Date:** January 16, 2020  
**To:** NCPA Commission  
**From:** Cary A. Padgett, Assistant Secretary to the Commission  
**Subject:** NCPA Commission Meeting

---

## ***1. Call Meeting to Order and Introductions***

Chair Roger Frith called the meeting to order at 9:24 am at the Kimpton Sawyer Hotel, 500 J Street, Sacramento, California. A quorum was present. Introductions were made. Those in attendance are shown on the attached attendance list.

## ***2. Approve Minutes of the December 5, 2019, Regular Commission Meeting***

Motion: A motion was made by John Allard and seconded by Mark Chandler to approve the Minutes of the December 5, 2019, Regular Commission Meeting. The motion carried by a majority on a voice vote of those members present.

## **PUBLIC FORUM**

No comments from the public addressed the Commission.

## **REPORTS AND COMMITTEE UPDATES**

### ***3. General Manager's Business Progress Report and Update***

- Thanked the NCPA L&R Team for their effort in putting together another successful Strategic Issue Conference Program.
- Gave an update on NCPA's Support and Shared Services Agreements and provided a copy of the monthly status report.
- Gave an update on the Geothermal facility switching project. The facility is still down as a result of the Kincadee fire. However, staff installed a temporary jumper with the goal to put in the actual switch that will give staff the ability to roll to different transmission lines if need during outages.
- Provided an overview of the tree trimming challenges surrounding transmission lines. Working with CMUA on this issue and plan to meet with IBEW to discuss further.

- Continue to pay close attend to Wildfire Insurance going forward as this continues to be a growing concern.

#### **4. Executive Committee**

Committee Chair Frith reported the Committee met once since the last Commission meeting. The Committee heard reports from the General Manager and General Counsel, and met in closed session. No reportable action was taken.

#### **5. Facilities Committee**

Assistant General Manager Tony Zimmer reported the Committee met once since the last Commission meeting. The Committee met and discussed items 12-20 on today's agenda. A quorum of the Committee was established and recommend Commission approval of all items. A resolution was presented to Tikan Singh in recognition of his time serving as Chair of the Committee.

#### **6. Finance Committee**

Chair Greg Scharff reported that the Committee did not meet since the last Commission meeting. The next regular Committee meeting is scheduled on February 11.

#### **7. Legal Committee**

General Counsel Jane Luckhardt reported that the Committee did not meet since the last Commission meeting. The next regular Committee meeting is scheduled on February 6.

#### **8. Legislative & Regulatory Affairs Committee**

Chair Mark Chandler reported that the Committee did not meet since the last Commission meeting. Chair Chandler did report that NCPA held its annual Strategic Issues Conference at the Kimpton Sawyer Hotel in Sacramento January 14-15, and provided a brief overview of the conference program. NCPA staff will hold a state legislative briefing on January 27 at 8 am at the Hyatt Regency in Sacramento prior to CMUA's Capitol Day. The 2020 NCPA Federal Policy Conference is scheduled for April 19-23 in Washington, D.C. The next Committee meeting is scheduled on February 19 at NCPA – registration opens next month.

#### **9. Members' Announcements & Meeting Reporting**

No Members announcement or reporting was mentioned.

#### **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 the Consent Calendar.

Motion: A motion was made by Jerry Serventi and seconded by James Takehara to approve the Consent Calendar consisting of Items 10-19. The motion carried by a majority of those members present on a roll call vote with the abstentions noted below for each item. *San Francisco BART, Lompoc, Port of Oakland, and Truckee Donner were absent.*

10. ***NCPA's Financials for the Month Ended November 30, 2019*** – approval by all members.
11. ***Treasurer's Report for the Month Ended November 30, 2019*** – accept by all members.
12. ***Resolution 20-02, Process Innovations, Inc. – Five Year Multi-Task Consulting Services Agreement for OS/soft Plant Information (PI) Software Support Services; Applicable to the following projects: 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 Process Innovations, Inc. for OS/soft PI software support 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 all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.  
**Fiscal Impact:** Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
13. ***Resolution 20-03, Premium Inspection Company – Five Year Multi-Task General Services Agreement for maintenance inspection services; Applicable to the following projects: 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 Premium Inspection Company for maintenance inspection 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 all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.  
**Fiscal Impact:** Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
14. ***Resolution 20-04, Fossil Consulting Services, Inc. – Five Year Multi-Task Consulting Services Agreement for developing, reviewing and updating training and qualification manuals; Applicable to the following projects: 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 Fossil Consulting Services, Inc. for services related to developing, reviewing and updating training and qualification manuals, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.  
**Fiscal Impact:** Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

- 15. Resolution 20-05, Kimberly Fields dba K. Weatherman Logging – First Amendment to Five Year Multi Task General Services Agreement; Applicable to the following Projects: All Northern California Power Agency (NCPA) Facilities and NCPA 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 Kimberly Fields dba K. Weatherman Logging, with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$235,000 to \$1,000,000, expanding the Scope of Work to include heavy machinery usage and road easement maintenance, and amending the Compensation Schedule to include heavy equipment rates, for continued use at any facilities owned and/or operated by NCPA and NCPA Members.  
**Fiscal Impact:** Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
- 16. Resolution 20-06, Ronwright Logging Lumber Construction, Inc. – First Amendment to Five Year Multi Task General Services Agreement; Applicable to the following Projects: All Northern California Power Agency (NCPA) Facilities and NCPA 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 Ronwright Logging Lumber Construction, Inc., with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$225,000 to \$1,000,000 and expanding the Scope of Work to include road and easement maintenance, for continued use at any facilities owned and/or operated by NCPA and NCPA Members.  
**Fiscal Impact:** Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
- 17. Resolution 20-07, Tanner Logging, Inc. – Second Amendment to Five Year Multi-Task General Services Agreement; Applicable to the following Projects: All Northern California Power Agency (NCPA) Facilities and NCPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Second Amendment to the Multi Task General Services Agreement with Tanner Logging, Inc., with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$225,000 to \$1,000,000 and expanding the Scope of Work to include road and easement maintenance, for continued use at any facilities owned and/or operated by NCPA and NCPA Members.  
**Fiscal Impact:** Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
- 18. Resolution 20-08, NCPA Geothermal Plant 1 HVAC System Project; Applicable to the following projects: NCPA Geothermal Facility** – adopt resolution by all members authorizing the NCPA Geothermal Plant 1 HVAC System 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 \$893,817.  
**Fiscal Impact:** The Plant 1 HVAC System Project will cost \$893,817. This project was deferred from FY19 budget to FY20 budget. Purchase orders referencing the terms and

conditions of any agreements executed for work related to this project will be issued following NCPA procurement policies and procedures.

*Palo Alto, Redding, and Shasta Lake abstained.*

**19. Resolution 20-09, NCPA Geothermal Plant 2 Unit 4 NCG Steam Ejector Replacement Project; Applicable to the following projects: NCPA Geothermal Plant 2 Facility** – adopt resolution by all members authorizing the NCPA Geothermal Plant 2 Unit 4 NCG Steam Ejector Replacement 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 \$300,000.

**Fiscal Impact:** The NCPA Geothermal Plant 2 Unit 4 NCG Steam Ejector Replacement Project was included as a part of NCPA's Geothermal facility FY20 budget, approved in the May 28, 2019 Commission meeting (Resolution 19-43). This project was originally budgeted to cost \$200,000. The forecasted project cost has increased, and staff is now seeking an additional \$100,000, for a total revised project cost not to exceed \$300,000. The additional requested funds can be absorbed within the FY20 budget, and no budget augmentation is required.

*Palo Alto, Redding, and Shasta Lake abstained.*

## **DISCUSSION / ACTION ITEMS**

**20. Resolution 20-10, Approval of Amendment No. 2 to the Services Agreement between Northern California Power Agency and the City of San José** – adopt resolution by all members approving Amendment No. 2 to the Services Agreement between NCPA and the City of San José, pursuant to Resolution 20-10, and authorize the General Manager of NCPA to execute Amendment No. 2 to the Services Agreement, acting on behalf of NCPA, including any non-substantive modifications to Amendment No. 2 to the Services Agreement approved by NCPA's General Counsel.

**Fiscal Impact:** By extending the Services Agreement for one (1) additional year beyond the Initial Term, NCPA will receive \$655,452 as compensation for the services rendered to the City of San José. NCPA's administrative costs for development of Amendment No. 2 to the Services Agreement will be allocated in accordance with approved cost allocation methodologies as described in the NCPA annual budget.

Assistant General Manager Tony Zimmer provided a presentation and discussed the Amendment No. 2 to the Services Agreement between NCPA and the City of San Jose. The Commission discussed and asked questions regarding possible additional years and the potential cost impacts.

**Motion:** A motion was made by Mark Chandler and seconded by Greg Scharff to adopt resolution by all members approving Amendment No. 2 to the Services Agreement between NCPA and the City of San José, pursuant to Resolution 20-10, and authorize the General Manager of NCPA to execute Amendment No. 2 to the Services Agreement, acting on behalf of NCPA, including any non-substantive modifications to Amendment No. 2 to the Services Agreement approved by NCPA's General Counsel. The motion carried by a majority on a roll call vote of those members present.

*San Francisco BART, Lompoc, Port of Oakland, and Truckee Donner were absent.*

**21. Resolution 20-11, Approval of Third Amendment to Employment Agreement with Jane E. Luckhardt, General Counsel** – adopt resolution by all members approving the Third

Amendment to Employment Agreement between NCPA and Jane E. Luckhardt; authorize the Chair of Commission to execute the Third Amendment to Employment Agreement; and approve the General Counsel's Performance Goals for 2020.

**Fiscal Impact:** Funds are available in the Executive Services – Legal Salaries and Benefits account; there is no material change to the current fiscal year budget.

Item 21 was not discussed and tabled to the February Commission meeting.

Non-essential Members and NCPA staff left the meeting for Closed Session discussion.

### **CLOSED SESSION**

**22. CONFERENCE WITH LEGAL COUNSEL** – Existing litigation pursuant to Government Code Section 54956.9(d)(1): Name of case: *Northern California Power Agency, City of Redding, City of Roseville, and City of Santa Clara v. the United States*, Court of Federal Claims No. 14-817C.

**23. 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.

**24. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION** – Initiation of litigation pursuant to Government Code Section 54956.9(d)(4) – One (1) case.

**25. CONFERENCE WITH LABOR NEGOTIATORS AND PERFORMANCE EVALUATION** – a) Labor negotiations pursuant to Government Code section 54957.6: Agency representatives: NCPA Executive Committee Members and Assistant General Manager/CFO Monty Hanks; Unrepresented Public Employee: General Counsel; and b) Performance evaluation pursuant to Government Code Section 54957: Unrepresented Public Employee: One Category: General Counsel

### **RECONVENED TO OPEN SESSION**

All meeting attendees rejoined the meeting.

### **REPORT FROM CLOSED SESSION**

*Closed Session Disclosure:* General Counsel Jane Luckhardt stated there was no reportable action taken on Closed Session items 22, 23 and 25.

*Closed Session Disclosure:* General Counsel Jane Luckhardt stated reportable action was taken on Closed Session item 24. The Commission approved the negotiated UBS AG Labor States' Attorneys General Settlement and authorized the General Manager to execute Election to Participate and Release on behalf of the Agency.

### **NEW BUSINESS**

No new business was discussed.

## **ADJOURNMENT**

The January 16, 2020, Commission meeting was adjourned at 10:20 am.

Respectfully submitted,

ROGER FRITH  
Commission Chair

Prepared by,

CARY A. PADGETT  
Assistant Secretary to the Commission

Attachments

**Northern California Power Agency  
Commission Meeting of  
January 16, 2020  
Attendance List**

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

NAME	AFFILIATION
Gandy Sauer	City of Ukiah
Diana D'Amico	Ukiah
Suran Singh	Lompoc
Jeff Gauld	Alameda
Nico Pross	Alameda
Dan Bears	Reddy
James Takehara	Stasta Lake
Vidhi Chawla	Alameda
Tony Zimmer	NCPA
Basil Wong	Santa Clara
Jeff Berkheimer	Lodi
PAUL ECKERT	GRIDLEY
Mike Brozo	PSREC
ALAN KUROTORI	SANTA CLARA
Jane Cirrincione	NCPA
Dean Batchelor	Palo Alto
Pauline Rocucci	Roseville
Michelle Bertolino	ROSEMIRE
TERRY CROWLEY	MEALSBURG
David Hogle	Healdsburg
Joel Ledesma	NCPA
Marty Hauks	NCPA
Jane Luckhardt	INCPA
Randy S. Howard	NCPA



Northern California Power Agency  
 Commission Meeting [REDACTED]  
 January 16, 2020  
**COMMISSIONER**  
 Attendance List

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

MEMBER	NAME
1 - ALAMEDA	<i>Jerry Servert</i>
2 - BIGGS	<i>Ron L. Paul</i>
3 - GRIDLEY	<i>PAUL ECKERT</i>
4 - HEALDSBURG	<i>[Signature]</i>
5 - LODI	<i>Mark Chandler</i>
6 - LOMPOC	
7 - PALO ALTO	<i>[Signature]</i>
8 - PORT OF OAKLAND	
9 - PLUMAS-SIERRA REC	<i>Michael Brog</i>
10 - REDDING	<i>[Signature]</i>
11 - ROSEVILLE	<i>[Signature]</i>
12 - SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT	
13 - SANTA CLARA	<i>Teresa O'Neill</i>
14 - SHASTA LAKE	<i>Samuel Tokokian</i>
15 - TRUCKEE DONNER	
16 - UKIAH	<i>Mel J. Gaudin</i>

**Northern California Power Agency  
Commission Meeting :  
January 16, 2020  
Attendance List**

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

NAME	AFFILIATION
Roger Frith	Biggs
RAGUEL SANTANA	NCPA
Jake Eymann	NCPA
DENNIS SISMAET	NCPA
Jeremy Lawson	NCPA
Cary Padgett	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: **January 16, 2020**

Consent Items Listed on the Agenda: # 10 to # 19

Consent Items Removed from the Agenda and Approved Separately:

# Ø

**ROLL-CALL VOTE BY MEMBERS:** *Alameda Shasta*

Member	Item Numbers Abstained	Vote	Absent
Alameda		Y	
BART		Y	X
Biggs		Y	
Gridley		Y	
Healdsburg		Y	
Lodi		Y	
Lompoc			X
Palo Alto	18, 19	Y	
Port of Oakland			X
Redding	18, 19	Y	
Roseville	<del>18, 19</del>	Y	
Santa Clara		Y	
Shasta Lake	18, 19	Y	
Truckee Donner			X
Ukiah		Y	
Plumas-Sierra		Y	

ATTEST:

\_\_\_\_\_  
 Cary A. Padgett  
 Assistant Secretary to the Commission

**Northern California Power Agency  
ROLL CALL VOTE**

**Topic:** Resolution 20-10 - item #20

	<u>VOTE</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Alameda	Y		
BART			X
Biggs	Y		
Gridley	Y		
Healdsburg	Y		
Lodi	Y		
Lompoc			X
Palo Alto	Y		
Plumas-Sierra	Y		
Port of Oakland			X
Redding	X		
Roseville	Y		
Santa Clara	X		
Shasta Lake	X		
Truckee Donner			X
Ukiah	Y		

Passed and adopted this 16<sup>th</sup> day of January 2020, by the above vote on roll call.

\_\_\_\_\_  
ROGER FRITH  
Commission Chair

ATTEST: \_\_\_\_\_  
CARY A. PADGETT  
Assistant Secretary



651 Commerce Drive  
Roseville, CA 95678

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

# Minutes

---

**To:** NCPA Commission  
**From:** Cary A. Padgett, Assistant Secretary to the Commission  
**Subject:** January 27, 2020, NCPA Special Commission Meeting Minutes

---

## 1. *Call Meeting to Order and Introductions*

Chair Roger Frith called the meeting to order at 8:04 am at the Hyatt Regency Sacramento, 1209 L Street, Sacramento, California. Introductions were made. Chair Frith moved to recess the meeting at 8:08 am due to a lack of a quorum of the Commission. At 8:15 am, Chair Frith called the meeting back into session due to a quorum of the Commission was present. Those in attendance are shown on the attached attendance list.

## **PUBLIC FORUM**

Chair Frith asked if any members of the public were present who would like to address the Commission on the agenda items. No members of the public were present.

## **DISCUSSION / ACTION**

2. ***Resolution, 20-12, Lodi Energy Center Turbine Failure*** – adopt resolution by all members authorizing the General Manager to execute agreements and issue Purchase Orders to carry out the work approved by the Lodi Energy Center Project (LEC) Project Participant Committee (PPC) in an amount not-to-exceed \$3,000,000 for disassembly/investigation into the cause of the Lodi Energy Center forced outage on January 16, 2020, and to perform the associated work needed on the combustion turbine to better understand the damage and evaluate the options to repair and restore the unit to operation.

**Fiscal Impact:** The turbine failure was not anticipated in the budget. The disassembly/investigation of the turbine costs total an estimated \$3,000,000. A summary of the disassembly costs are in the table below. Initially, NCPA is recommending using funds from LEC's Maintenance Reserve account to fund this initial work. NCPA is working with Siemens Energy, Inc., through its Long Term Maintenance Program Agreement (LTMA) and will file a warranty claim depending on the outcome of the investigation. The LTMA provides coverage for \$1,000,000 per event, \$2,000,000 annual limits, which are available under the contract limitations of the Agreement. Any funds reimbursed by the insurance company will be used to replenish funds taken from the Maintenance Reserve account. Any shortfalls will need a budget augmentation to replenish the Maintenance Reserve account. NCPA will keep the LEC PPC advised as to the status.

General Manager Randy Howard briefed the Commission on Resolution 20-12 with a short description of the turbine failure at the Lodi Energy Center (LEC), and NCPA's efforts to find the root cause of the failure and NCPA's notification to the insurance companies for LEC. Mr. Howard stated the funds needed for the initial assessment would initially come from the Maintenance Reserve, and that the requested amount to spend \$3 million is simply to assess the damage and create a plan for repair and to restart the LEC. At this time, NCPA does not have an estimate of the costs or the time to repair and restart the LEC.

**Motion:** A motion was made by Mark Chandler and seconded by Teresa O'Neill to adopt resolution by all members authorizing the General Manager to execute agreements and issue Purchase Orders to carry out the work approved by the Lodi Energy Center Project (LEC) Project Participant Committee (PPC) in an amount not-to-exceed \$3,000,000 for disassembly/investigation into the cause of the Lodi Energy Center forced outage on January 16, 2020, and to perform the associated work needed on the combustion turbine to better understand the damage and evaluate the options to repair and restore the unit to operation. The motion carried by a majority on a roll call vote of those members present. *Alameda, Port of Oakland, Redding and Roseville abstained. San Francisco BART, Healdsburg, Palo Alto, Plumas-Sierra, Truckee Donner, and Ukiah were absent.*

### **ADJOURNMENT**










The January 27, 2020, Special Commission meeting was adjourned at 8:25 am.

Respectfully submitted,

CARY A. PADGETT  
Assistant Secretary to the Commission

Northern California Power Agency  
 Special Commission Meeting  
 January 27, 2020  
**COMMISSIONER**  
 Attendance List

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

MEMBER	NAME
1 - ALAMEDA	
2 - BIGGS	
3 - GRIDLEY	
4 - HEALDSBURG	
5 - LODI	
6 - LOMPOC	
7 - PALO ALTO	
8 - PORT OF OAKLAND	 J. C. at
9 - PLUMAS-SIERRA REC	
10 - REDDING	
11 - ROSEVILLE	
12 - SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT	
13 - SANTA CLARA	
14 - SHASTA LAKE	
15 - TRUCKEE DONNER	
16 - UKIAH	





**Northern California Power Agency  
ROLL CALL VOTE**

**Topic:**

	<u>VOTE</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Alameda	_____	✓	_____
BART	_____	_____	✓
Biggs	y	_____	_____
Gridley	_____	_____	✓
Healdsburg	_____	_____	✓
Lodi	y	_____	_____
Lompoc	_____	_____	✓
Palo Alto	_____	✓	_____
Plumas-Sierra	_____	_____	✓
Port of Oakland	_____	✓	_____
Redding	_____	✓	_____
Roseville	y	_____	_____
Santa Clara	y	_____	_____
Shasta Lake	y	_____	_____
Truckee Donner	_____	_____	✓
Ukiah	_____	_____	✓

Passed and adopted this 27<sup>th</sup> day of January 2020, by the above vote on roll call.

  
 ROGER FRITH  
 Commission Chair

ATTEST:   
 ROBYN JACKSON  
 OFFICE ASSISTANT



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:** February 20, 2020  
**To:** NCPA Commission  
**Subject:** February 5, 2020 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:** February 12, 2020  
**To:** NCPA Facilities Committee  
**From:** Carrie Pollo  
**Subject:** February 5, 2020 Facilities Committee Meeting Minutes

---

- 1. Call Meeting to Order & Roll Call** – The meeting was called to order by Committee Chair Brian Schinstock at 9:05 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle and Alex Smith (Alameda), Paul Eckert (Gridley), Shiva Swaminathan (Palo Alto), Jared Carpenter (Port of Oakland), Nick Rossow (Redding) and Steve Hance and Paulo Apolinario (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Biggs, Healdsburg, Lompoc, TID, and Ukiah were absent. A quorum of the Committee was established.

## **PUBLIC FORUM**

No public comment.

## **OPEN SESSION**

## **DISCUSSION / ACTION ITEMS**

- 2. Approve Minutes from the January 8, 2020 Facilities Committee Meeting.**

Motion: A motion was made by Jiayo Chiang and seconded by Brian Schinstock recommending approval of the January 8, 2020 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

- 3. All Generation Services Facilities, Members, SCPPA – Industrial Door Company MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Industrial Door Company for commercial and industrial door maintenance services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

This is a new agreement with a new vendor. Staff contacted Industrial Door Company because they have worked near the Geysers area. It is an enabling agreement with no commitment of funds. Execution of this enabling agreement will also increase the pool of qualified vendors

willing to work in the more remote location of NCPA's Geothermal facility, which will result in more competitive bidding when services are needed. NCPA has one other agreement in place for similar services with Barton Overhead Door, Inc. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Basil Wong and seconded by Mike Brozo recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Industrial Door Company for commercial and industrial door maintenance 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 all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

4. **NCPA Geothermal Facility – Vince Sigal Electric, Inc. MTGSA** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Vince Sigal Electric, Inc. for specialized electrical services, including labor and materials for miscellaneous maintenance purposes, with a not to exceed amount of \$500,000, for use at NCPA's Geothermal facility. All purchase orders will be issued following NCPA procurement policies and procedures.

*\*\*This item was pulled from the agenda.\*\**

5. **All Generation Services Facilities, Members, SCPPA – Farwest Insulation Contracting First Amendment to MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task General Services Agreement with Farwest Insulation Contracting, increasing the not to exceed amount from \$500,000 to \$3,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, 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 Farwest Insulation Contracting effective December 6, 2019 for an amount not to exceed \$500,000. The Lodi Energy Center (LEC) is currently in a forced outage, and will need continued insulation support services for the duration of the outage, which will quickly exhaust the amount that is currently remaining on the agreement. This amendment will increase the not to exceed amount from \$500,000 to \$3,500,000. It will remain an enabling agreement with no commitment of funds. NCPA has one other enabling agreement in place for similar services with Bayside Insulation and Construction. A draft Commission Staff Report and draft First Amendment with the original agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Mike Brozo 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 Farwest Insulation Contracting, with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$500,000 to \$3,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

- 6. All Generation Services Facilities, Members, SCPPA – Maxim Crane Works, L.P. First Amendment to MTGSA** – Staff provided background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task General Services Agreement with Maxim Crane Works, L.P., increasing the not to exceed amount from \$500,000 to \$1,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, 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 Maxim Crane Works, L.P. effective April 4, 2016 for an amount not to exceed \$500,000. The Lodi Energy Center is currently in a forced outage, and will need continued crane support services for the duration of the outage. Staff estimates that this vendor's work related to the current LEC outage will exceed the amount remaining on the agreement. This amendment increases the not to exceed amount from \$500,000 to \$1,500,000. It will remain an enabling agreement with no commitment of funds. Other agreements in place for similar services are with American Crane Rental, Inc., Hatton Crane & Rigging, OST Trucks & Cranes, Inc., Summit Crane Company of Solano, Inc. and Titan Crane & Rigging, Inc. A draft Commission Staff Report and draft First Amendment with the original agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Jiayo Chiang and seconded by Basil Wong recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Maxim Crane Works, L.P., with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$500,000 to \$1,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

- 7. All Generation Services Facilities – Nalco Company, LLC MTGSA** – Staff gave background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Nalco Company, LLC for specialty chemicals and related services, with a not to exceed amount of \$2,500,000, for use at all facilities owned and/or operated by NCPA. All purchase orders will be issued following NCPA procurement policies and procedures.

This is a renewal agreement with an existing vendor. NCPA had a previous agreement in place which expired in November 2019, and have a good working relationship with this vendor. It is an enabling agreement with no commitment of funds. NCPA recently requested competitive bids for a project at the CT facilities. Nalco was one of the prospective bidders. Execution of this enabling agreement will also increase the pool of qualified and proven vendors for these types of services. Other agreements in place for similar services are with CellMark USA, Inc. (Geo only), Dow Chemical Company (Geo only), SUEZ WTS USA, Inc., and Univar USA, Inc. This agreement will be for use at NCPA facilities only since it is for specialty chemicals and related services. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Mike Brozo and seconded by Brian Schinstock recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Nalco Company, LLC for specialty chemicals and services, 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 all facilities owned and/or operated by NCPA. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto,

Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

- 8. Nexant Cost Allocation Model Billing Determinants** – Staff reviewed the finalized calendar year 2019 billing determinants that will be used in the FY2021 Nexant Cost Allocation Model. The prescribed Nexant determinants are appropriate for use as allocators in the cost allocation model. This review does not include offsetting Power Management services revenues. Staff was also seeking a recommendation for Commission approval of the modification to exclude contract deals from NCPA’s deal capture system having ‘Submitted’ deal status for use as inputs into the Nexant Model.

The proposed modification to the current Nexant Cost Allocation Model was reviewed by staff. NCPA’s Deal capture system accounts for contracts arranged with counter parties for the purchase or sale of energy and capacity transactions. Typically, ‘Submitted’ deals represent an inactive status until they are subsequently modified to ‘Finalized’ or ‘Verified’ status. The ‘Submitted’ status has more recently been used as a means to store information for deals not associated with scheduling or settlements. This requested change ensures that Submitted deals are not included as inputs into the Nexant model, as they do not reflect any incremental time or effort performed by either NCPA staff or NCPA applications.

Motion: A motion was made by Shiva Swaminathan and seconded by Brian Schinstock recommending Commission approval of the proposed modification to exclude contract deals from NCPA’s deal capture system having ‘Submitted’ deal status for use as inputs into the FY 2021 Nexant Cost Allocation Model. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

- 9. NCPA Hydroelectric Facility – Hydro Wildfire Risk Mitigation Project** – Staff provided background information and was seeking a recommendation for Commission approval of the Hydroelectric Wildfire Risk Mitigation Project, with a not to exceed amount of \$3,000,000, and approval of a budget augmentation for the FY20 Hydroelectric Budget in the amount of \$1,700,000, and use of up to \$1,300,000 in Hydro Capital Development Reserve funds.

In September 2019, NCPA contracted with Power Engineers to prepare a Wildfire Risk Mitigation Report and Recommendations. Part of the Collierville-Bellota 230 kV line crosses through a Cal Fire Tier II Fire Hazard Severity Zone. In consideration of the age of the insulators, the observed failures, and changing design standards, Power Engineers recommended that the approximately 30 year old EPDM polymer-type insulators be replaced with new silicon polymer insulators with corona rings, and other hardware modifications such as changing out some suspension clamps, inspecting the conductors for fatigue or damaged stands, upgrading shield wire grounding installations, and adding anchor shackles at the suspension insulator Y-clevis end in specific tangent towers. In addition, Power Engineers recommended increasing the line-ground clearance in one span, and fire hardening the McKays 17 kV overhead line. The NCPA Hydroelectric Wildfire Mitigation Project will implement the Power Engineer recommendations for the Collierville-Bellota 230 kV line and McKays 17 kV line.

After discussion, Members expressed they would prefer to use the not to exceed amount of \$3,000,000 from the existing Hydroelectric Capital Development Reserve collection funds for the project rather than a budget augmentation for the FY20 Hydroelectric Budget.

Motion: A motion was made by Brian Schinstock and seconded by Basil Wong recommending Commission approval authorizing the NCPA Hydroelectric Wildfire Mitigation 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 \$3,000,000, and authorizing use of up to \$3,000,000, in existing Hydroelectric Capital Development Reserve collections to fund the project. The Hydroelectric Capital Development Reserve will need to be replenished in future budget years. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 10. NCPA Geothermal Facility – Geo Wildfire Risk Mitigation Project** – Staff presented background information and was seeking a recommendation for Commission approval of the Geothermal Wildfire Risk Mitigation Project, with a not to exceed amount of \$450,000, to be funded from existing Geothermal bond fund account(s).

There have been three major wildfires over the last five years in areas surrounding the NCPA Geothermal Facility. Fortunately, the facility has incurred minimal damage from these fires. An assessment of NCPA facilities was performed by Power Engineers and recommendations were provided based on best business practices. Therefore, the Wildfire Risk Mitigation Report and Recommendations and lessons learned from the recent fires have resulted in Geothermal Facility specific recommended mitigation measures for the project which consists of repairs and lidar surveys to the 230 kV transmission towers and 21 kV power distribution line, purchase and rental of vehicles for power line inspection and vegetation management, and improved fire retardant signage, per Cal Fire, to assist local firefighting crews.

The Wildfire Risk Mitigation Project will require a one-time cost of \$450,000. While this increase was not included in the FY20 budget, staff recommend using a portion of excess bond Reserve funds that was released when the final maturity of the 2009 Geothermal bonds was paid on July 1, 2019. The Reserve fund released was approximately \$3.5 million which would have been included as part of the FY 2020 annual settlements reconciliation. Therefore, no budget augmentation is required. Purchase orders referencing the terms and conditions of any agreements executed for work related to this project will be issued following NCPA procurement policies and procedures.

Motion: A motion was made by Mike Brozo and seconded by Jiayo Chiang recommending Commission approval authorizing the NCPA Geothermal Facility Wildfire Risk Mitigation 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 \$450,000. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto, Port of Oakland, and Redding. The motion passed.

- 11. NID Services Agreement** – Staff presented background information and was seeking a recommendation for Commission approval of a Services Agreement with Nevada Irrigation District (NID), pursuant to which NCPA will supply certain scheduling and dispatch services to NID.

NID issued a Request for Information on April 9, 2019, seeking proposals for scheduling and dispatch services for NID's Deer Creek Powerhouse. In response to NID's Request for Information, NCPA submitted a Statement of Qualifications and proposal to supply scheduling coordination, control center, and reliability standards compliance services for NID's Deer Creek Powerhouse. On September 3, 2019, NID formally selected NCPA's proposal. Staff, in coordination with NID, has developed a Services Agreement under which NCPA will supply scheduling, control center, and reliability standards compliance services for NID's Deer Creek Powerhouse. NID has now requested additional services for the Combie South Powerhouse. Services requested are the same services as requested for the Deer Creek Powerhouse. The

Combie South Powerhouse is a 1.5 MW Hydroelectric “run-of-river” production. It qualifies as RPS and RA, with limited dispatch flexibility. The key provisions contained in the Services Agreement included a defined scope of services, terms for compensation, and terms to limit NCPA’s liability.

Compensation for services rendered will be \$34,000 per, with a 2% increase per year. The initial term will be for two years from March 1, 2020 to February 28, 2022 with an automatic extension. The agreement will be structured to be flexible, enabling adding capacity. Additional NID hydroelectric projects produce 82.2 MW of capacity. Lompoc will purchase the Deer Creek Powerhouse output. Purchase of the Combie South Powerhouse output is pending with another NCPA Member.

Motion: A motion was made by Jiayo Chiang and seconded by Brian Schinstock recommending Commission approval of the Services Agreement between NCPA and NID, pursuant to which NCPA will supply scheduling, control center, and reliability standards compliance services to NID, including any non-substantive modifications to the Services Agreement as may be approved by NCPA’s General Counsel. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

## **INFORMATIONAL ITEMS**

### **12. NCPA Generation Services Plant Updates –** NCPA Plant Staff provided the Committee with an informational update on current plant activities and conditions.

**Hydro** – December 2019 was a good month for precipitation, keeping the average percentages up for the current water year. However, January 2020 did not have much precipitation, so brought the percentages down to only 52% of normal by the end of the month. Hopefully the precipitation will pick back up again in the future.

**CTs** – The January operations were busy for CT1 with 32 actual starts of four that were forecasted. The FYTD is 209, with 30 of those starts in real time. CT2 had 0 starts with 0 forecasted. The FYTD is 36 for CT2. Alameda Unit 1 & 2 had nine mini forced outages due to electrical and control issues. There was one planned outage for CT1 Lodi. Work was done on the transformer heaters, valve position indication, CBIT, and some routine maintenance. The Generator Circuit Breaker Project has been deferred due to the parts being late. Staff did not want to extend the CT1 outage any longer than scheduled.

**Geo** – There were no safety incidents to report this past month. Vegetation management is continuing at Geo. Both Plant 1 and Plant 2 were up and running by the end of January. The Fulton and Lakeville transmission lines have been inter-tied with temporary jumper lines. These were installed January 22, and will be removed February 28. Staff are working to install a permanent switch. The Fulton transmission line will be down until February 29. The FY 2020 net generation is 350.1 GWh, which is 19% below what was forecasted, due to the Kincadee fire. Insulation repairs were done in both plants and the steam field. The P-7 wing valve was also repaired.

### **13. New Business Opportunities –** Staff provided an update regarding new business opportunities.

Sonoma Clean Energy (SCE) issued a RFO on January 28, 2020. SCE is a well-established, operational CCA that began services in May 2014. The peak load is 500 MW, equaling 2,500 GWh. Services requested include scheduling coordinator services. Responses are due February 11, 2020. Staff will meet internally to discuss options.

A new CCA is forming in Butte County, Butte Choice Energy (BCE), which includes the City of Chico, and the County of Butte. The estimated load will be 1,000 GWh per year. Operations are



scheduled to commence January 1, 2021. BCE issued a RFP on January 28, 2020. The scope of services includes CAISO scheduling coordination, risk management, and power procurement. Proposals are due February 13, 2020. Staff will meet internally to discuss options. A proposal will likely be submitted with exceptions, such as posting collateral on behalf of BCE, and certain financing and credit obligations.

#### **14. Planning and Operations Update –**

- NCPA actively working to develop and publish a “Rolling” Renewable RFP on behalf of the Members – Staff is currently working to develop a RPS RFP similar to SCPPA’s rolling Renewable RFP. NCPA will work to develop a process for presenting offers to Members for consideration (possible dashboard), and present the draft to Members for comments, and questions.
- BAMx Agreement Development – The cities of Palo Alto, and Santa Clara are part of the BAMx Agreement with Flynn RCI, for transmission studies, which is expiring. A new agreement is being developed. Please contact Tony Zimmer if interested in becoming a participant of the BAMx Agreement.
- Western Base Resource Contract Negotiation Complete – Western has completed the negotiations for the new Base Resource Contract. Next steps include review of the draft contract. Please contact Tony Zimmer, or Vela Wann with any questions.

**15. Next Meeting** – A Special Facilities Committee meeting is scheduled for Wednesday, February 12, 2020 to review the FY 2021 budget. The next regular Facilities Committee meeting is scheduled for March 4, 2020.

#### **ADJOURNMENT**

The meeting was adjourned at 12:12 pm.



**Northern California Power Agency  
February 5, 2020 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>
<b>ALAMEDA</b>	
<b>BART</b>	
<b>BIGGS</b>	
<b>GRIDLEY</b>	
<b>HEALDSBURG</b>	
<b>LODI</b>	<i>Juayou Chuang</i>
<b>LOMPOC</b>	
<b>PALO ALTO</b>	
<b>PLUMAS-SIERRA REC</b>	<i>Amila Broz</i>
<b>PORT OF OAKLAND</b>	
<b>REDDING</b>	
<b>ROSEVILLE</b>	<i>Brian Schinstock</i>
<b>SANTA CLARA</b>	<i>Basil Wong</i>
<b>TID</b>	
<b>UKIAH</b>	



# Commission Staff Report

February 11, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** December 31, 2019 Financial Report (Unaudited)

**AGENDA CATEGORY:** Consent

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

<b>IMPACTED MEMBERS:</b>		
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:**

Approval by all members

**NOTICE:**

The disbursements of the Northern California Power Agency (NCPA) for the month reported herein, will be approved at the February 20, 2020 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 December 2019 financial reports are also included.

**FISCAL IMPACT:**

This report has no direct budget impact to the Agency.

**ENVIRONMENTAL ANALYSIS:**

The financial report 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.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments: (1)

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

**Schedule of Disbursements  
(Unaudited)**

**For the Month of December 2019**

**Operations:**

<b>Geothermal</b>	<b>\$</b>	<b>1,446,704</b>
<b>Hydroelectric</b>		<b>3,164,753</b>
<b>CT#1 Combustion Turbines</b>		<b>96,463</b>
<b>CT#2 STIG</b>		<b>249,774</b>
<b>Lodi Energy Center</b>		<b>4,822,489</b>
<b>NCPA Operating</b>		<b>36,754,119</b>
<b>Total</b>	<b>\$</b>	<b><u>46,534,302</u></b>

NORTHERN CALIFORNIA POWER AGENCY  
 REPORT OF BUDGET VS. ACTUAL COST  
 FOR THE PERIOD ENDED DECEMBER 31, 2019

PERCENT OF YEAR ELAPSED 50%
-----------------------------------

	This Month	Actual Year To-Date	FY 2020 Budget	% Used	
<b>GENERATION RESOURCES</b>					
<b>NCPA Plants</b>					
Hydroelectric					
Other Plant Cost	\$ 1,637,834	\$ 9,539,096	\$ 20,767,239	46%	
Debt Service (Net)	2,775,572	16,653,431	33,306,862	50%	
Annual Budget Cost	4,413,406	26,192,527	54,074,101	48%	
<b>Geothermal</b>					
Other Plant Cost	2,348,357	15,260,758	30,365,288	50%	
Debt Service (Net)	412,144	2,472,862	4,945,723	50%	
Annual Budget Cost	2,760,501	17,733,620	35,311,011	50%	
<b>Combustion Turbine No. 1</b>					
	438,579	2,980,523	6,169,530	48%	
<b>Combustion Turbine No. 2 (Stig)</b>					
Fuel and Pipeline Transport Charges	133,803	637,360	1,089,118	59%	(a)
Other Plant Cost	180,645	1,206,406	2,552,870	47%	
Debt Service (Net)	483,035	2,898,210	5,796,421	50%	
Annual Budget Cost	797,483	4,741,976	9,438,409	50%	
<b>Lodi Energy Center</b>					
Fuel	4,679,964	18,761,187	39,513,147	47%	
Other Plant Cost	2,139,370	10,130,862	27,392,586	37%	
Debt Service (Net)	2,171,202	13,027,214	26,054,428	50%	
Annual Budget Cost	8,990,536	41,919,263	92,960,161	45%	
<b>Member Resources - Energy</b>	4,700,168	32,708,372	56,228,967	58%	(b)
<b>Member Resources - Natural Gas</b>	463,828	2,244,494	3,540,898	63%	(c)
<b>Western Resources</b>	1,523,233	11,045,948	23,325,119	47%	
<b>Market Power Purchases</b>	1,930,519	11,926,290	15,123,482	79%	(d)
<b>Load Aggregation Costs - CAISO</b>	56,133,716	304,531,586	256,029,593	119%	(e)
<b>Net GHG Obligations</b>	-	1,499,594	496,955	302%	(f)
	<b>82,151,969</b>	<b>457,524,193</b>	<b>552,698,226</b>	<b>83%</b>	
<b>TRANSMISSION</b>					
<b>Independent System Operator</b>					
Grid Management Charge	576,919	3,669,116	2,813,086	130%	(g)
Wheeling Access Charge	6,735,638	57,620,963	110,581,940	52%	(h)
Ancillary Services	113,662	3,466,109	2,372,540	146%	(i)
Other ISO Charges/(Credits)	(3,574,698)	12,639,764	1,321,289	957%	(j)
	<b>3,851,521</b>	<b>77,395,952</b>	<b>117,088,855</b>	<b>66%</b>	
<b>MANAGEMENT SERVICES</b>					
<b>Legislative &amp; Regulatory</b>					
Legislative Representation	146,581	946,165	2,132,130	44%	
Regulatory Representation	55,966	319,189	748,387	43%	
Western Representation	59,129	293,932	745,117	39%	
Customer Programs	26,760	114,849	423,678	27%	
Judicial Action	30,826	130,298	625,000	21%	
<b>Power Management</b>					
System Control & Load Dispatch	509,716	2,989,902	6,082,417	49%	
Forecasting, Planning, Prescheduling & Trading	193,606	1,210,061	2,934,143	41%	
Industry Restructuring & Regulatory Affairs	30,686	174,089	414,479	42%	
Contract Admin, Interconnection Svcs & External Affairs	69,016	456,671	953,716	48%	
Gas Purchase Program	4,966	31,839	77,386	41%	
Market Purchase Project	6,513	43,949	111,270	39%	

Management Services continued on next page

**NORTHERN CALIFORNIA POWER AGENCY  
REPORT OF BUDGET VS. ACTUAL COST  
FOR THE PERIOD ENDED DECEMBER 31, 2019**

<b>PERCENT OF YEAR ELAPSED 50%</b>
--

	This Month	Actual Year To-Date	FY 2020 Budget	% Used
<b>Energy Risk Management</b>	(4,191)	63,095	211,744	30%
<b>Settlements</b>	62,499	385,977	979,916	39%
<b>Integrated Systems Support</b>	1,944	17,971	243,161	7%
<b>Participant Pass Through Costs</b>	198,493	764,388	1,560,447	49%
<b>Support Services</b>	57,058	668,127	-	N/A
	<b>1,449,568</b>	<b>8,610,502</b>	<b>18,242,991</b>	<b>47%</b>
<b>TOTAL ANNUAL BUDGET COST</b>	<b>87,453,058</b>	<b>543,530,647</b>	<b>688,030,072</b>	<b>79%</b>
<b><u>LESS: THIRD PARTY REVENUE</u></b>				
Plant ISO Energy Sales	11,134,566	53,818,518	127,623,712	42%
Member Resource ISO Energy Sales	3,184,332	15,881,607	29,156,411	54% (k)
Member Owned Generation ISO Energy Sales	5,505,099	40,374,633	67,107,648	60% (l)
NCPA Contracts ISO Energy Sales	1,660,953	9,875,384	15,623,339	63% (l)
Western Resource Energy Sales	1,045,343	13,001,017	18,304,471	71% (m)
Load Aggregation Energy Sales	32,855,050	167,841,615	-	N/A
Ancillary Services Sales	601,108	4,144,088	4,196,879	99% (n)
Transmission Sales	-	45,990	110,376	42%
Western Credits, Interest and Other Income	73,422	42,944,090	19,227,470	223% (o)
	<b>56,059,873</b>	<b>347,926,942</b>	<b>281,350,306</b>	<b>124%</b>
<b>NET ANNUAL BUDGET COST TO PARTICIPANTS</b>	<b>\$ 31,393,185</b>	<b>\$ 195,603,705</b>	<b>\$ 406,679,766</b>	<b>48%</b>

- (a) Increase in costs due to greater than projected MWhs of generation. CT2 is at 138% of budgeted MWhs at 12/31/19. Fuel costs and CA ISO charges have increased as a result of increased generation.
- (b) Variance caused by greater than anticipated member contracts for Palo Alto and Port of Oakland.
- (c) Variance caused by greater than anticipated natural gas for Lodi, Lompoc, Gridley, and Ukiah.
- (d) Variance due to unbudgeted market purchases and NCPA contracts. Unbudgeted deals made after the FY20 budget including certain NextEra and Exelon deals.
- (e) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (f) Increase primarily due to greater than anticipated GHG allowances purchased at auction for City of Lodi, BART, San Jose CE, East Bay CE, and Ukiah.
- (g) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (h) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (i) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (j) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (k) Increase due to unbudgeted revenue from energy contracts entered into by Palo Alto following the issuance of the FY20 budget.
- (l) Variance due to unbudgeted revenue from market purchases and NCPA contracts. Unbudgeted deals made after the FY20 budget include certain NextEra and Exelon deals.
- (m) Increase due to greater than anticipated MWhs due to the good hydro year. MWhs are 122% of budget at 12/31/19.
- (n) Increase due to greater than projected MWhs of generation.
- (o) Variance caused by unbudgeted revenue from customers and greater than anticipated member contract sales.



**COMBINED STATEMENTS OF NET POSITION**

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

**UNAUDITED**

	December 31,	
	2019	2018
	(in thousands)	
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 28,654	\$ 21,554
Investments	57,048	45,236
Accounts receivable		
Participants	3,480	46
Other	287	269
Interest receivable	663	411
Inventory and supplies	8,891	9,746
Prepaid expenses	732	1,224
TOTAL CURRENT ASSETS	<u>99,755</u>	<u>78,486</u>
<b>RESTRICTED ASSETS</b>		
Cash and cash equivalents	42,196	53,845
Investments	177,128	166,856
Interest receivable	754	618
TOTAL RESTRICTED ASSETS	<u>220,078</u>	<u>221,319</u>
<b>ELECTRIC PLANT</b>		
Electric plant in service	1,507,957	1,505,096
Less: accumulated depreciation	(1,019,576)	(988,695)
	<u>488,381</u>	<u>516,401</u>
Construction work-in-progress	182	182
TOTAL ELECTRIC PLANT	<u>488,563</u>	<u>516,583</u>
<b>OTHER ASSETS</b>		
Regulatory assets	220,889	229,553
Preliminary survey and investigation costs	651	165
Investment in associated company	265	265
TOTAL ASSETS	<u>1,030,201</u>	<u>1,046,371</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Excess cost on refunding of debt	28,388	37,138
Pension deferrals	17,055	19,200
Deferred Outflows - ARO	62,048	62,204
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>107,491</u>	<u>118,542</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,137,692</u>	<u>\$ 1,164,913</u>

COMBINED STATEMENTS OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY  
AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

	December 31,	
	2019	2018
	(in thousands)	
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 45,439	\$ 15,281
Accounts and retentions payable - restricted for construction	10	10
Member advances	1,634	1,213
Operating reserves	18,618	23,718
Current portion of long-term debt	58,505	41,950
Accrued interest payable	7,744	8,049
TOTAL CURRENT LIABILITIES	131,950	90,221
NON-CURRENT LIABILITIES		
Net pension and OPEB liability	66,126	76,002
Operating reserves and other deposits	135,803	133,890
Interest rate swap liability	15,747	13,326
Asset Retirement Obligations	65,892	63,713
Long-term debt, net	596,963	663,561
TOTAL NON-CURRENT LIABILITIES	880,531	950,492
TOTAL LIABILITIES	1,012,481	1,040,713
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	83,315	86,308
Pension and OPEB deferrals	5,802	3,195
TOTAL DEFERRED INFLOWS OF RESOURCES	89,117	89,503
NET POSITION		
Net investment in capital assets	(41,891)	(51,835)
Restricted	42,359	54,167
Unrestricted	35,626	32,365
TOTAL NET POSITION	36,094	34,697
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,137,692	\$ 1,164,913

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

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

**UNAUDITED**

	Six Months Ended December 31,	
	2019	2018
	(in thousands)	
OPERATING REVENUES		
Participants	\$ 198,815	\$ 208,748
Other Third-Party	119,958	148,989
TOTAL OPERATING REVENUES	<u>318,773</u>	<u>357,737</u>
OPERATING EXPENSES		
Purchased power	112,812	153,928
Operations	43,089	55,546
Transmission	102,788	90,381
Depreciation	15,508	15,470
Maintenance	12,939	11,443
Administrative and general	9,973	10,526
TOTAL OPERATING EXPENSES	<u>297,109</u>	<u>337,294</u>
NET OPERATING REVENUES	<u>21,664</u>	<u>20,443</u>
NON OPERATING (EXPENSES) REVENUES		
Interest expense	(18,926)	(21,017)
Interest income	1,857	5,763
Other	3,047	3,454
TOTAL NON OPERATING EXPENSES	<u>(14,022)</u>	<u>(11,800)</u>
FUTURE RECOVERABLE AMOUNTS	(2,807)	(1,580)
REFUNDS TO PARTICIPANTS	<u>(7,117)</u>	<u>(10,434)</u>
INCREASE (DECREASE) IN NET POSITION	(2,282)	(3,371)
NET POSITION, Beginning of year	<u>38,376</u>	<u>38,068</u>
NET POSITION, Period ended	<u>\$ 36,094</u>	<u>\$ 34,697</u>

**OTHER FINANCIAL INFORMATION**  
**COMBINING STATEMENT OF NET POSITION**  
**NORTHERN CALIFORNIA POWER AGENCY**  
**AND ASSOCIATED POWER CORPORATIONS**  
**(000's omitted)**

December 31, 2019

	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
<b>ASSETS</b>										
<b>CURRENT ASSETS</b>										
Cash and cash equivalents	\$ 1	\$ -	\$ 1	\$ 1	\$ 75	\$ -	\$ -	\$ 168	\$ 28,408	\$ 28,654
Investments	-	-	-	-	-	-	-	-	57,048	57,048
Accounts receivable	-	-	-	-	-	-	-	-	3,480	3,480
Participants	-	-	-	-	-	-	205	-	82	287
Other	-	-	-	-	-	-	166	1	496	663
Interest receivable	4,509	1,574	246	359	2,203	-	-	-	8,891	8,891
Inventory and supplies	578	-	-	-	-	-	-	4	150	732
Prepaid expenses	8,762	4,279	2,535	2,842	31,287	-	25,160	-	(81,013)	-
Due from Agency and other programs*	13,850	5,853	2,782	3,202	33,565	-	25,531	6,321	8,651	99,755
<b>TOTAL CURRENT ASSETS</b>										
	571,998	395,148	64,853	36,726	424,445	7,736	-	894	6,157	1,507,957
Electric plant in service	(541,366)	(276,402)	(51,674)	(34,772)	(103,486)	(7,736)	-	(561)	(3,579)	(1,019,576)
Less: accumulated depreciation	30,632	118,746	13,179	1,954	320,959	-	-	333	2,578	488,381
Construction work-in-progress	-	-	-	-	182	-	-	-	-	182
<b>TOTAL ELECTRIC PLANT</b>	30,632	118,746	13,179	1,954	321,141	-	-	333	2,578	488,563
<b>OTHER ASSETS</b>										
Regulatory assets	(1,469)	131,510	7,843	-	25,291	-	-	-	57,714	220,889
Preliminary survey and investigation costs	-	-	-	-	-	-	-	651	-	651
Investment in associated company	-	-	-	-	-	-	-	-	265	265
<b>TOTAL ASSETS</b>	70,886	303,358	24,168	5,156	412,039	-	55,678	7,305	151,611	1,030,201
<b>DEFERRED OUTFLOWS OF RESOURCES</b>										
Excess cost on refunding of debt	1,208	24,534	980	-	1,666	-	-	-	-	28,388
Pension deferrals and OPEB deferrals	-	-	-	-	-	-	-	-	17,055	17,055
Asset Retirement Obligations	61,709	-	159	-	180	-	-	-	62,048	62,048
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	62,917	24,534	1,139	-	1,846	-	-	-	17,055	107,491
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	\$ 133,803	\$ 327,892	\$ 25,307	\$ 5,156	\$ 413,885	\$ -	\$ 55,678	\$ 7,305	\$ 168,666	\$ 1,137,692

\* Eliminated in Combination

**OTHER FINANCIAL INFORMATION**  
**COMBINING STATEMENT OF NET POSITION**  
**NORTHERN CALIFORNIA POWER AGENCY**  
**AND ASSOCIATED POWER CORPORATIONS**  
**(000's omitted)**

December 31, 2019

	GENERATING & TRANSMISSION RESOURCES									
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
<b>LIABILITIES</b>										
<b>CURRENT LIABILITIES</b>										
Accounts payable and accrued expenses	\$ 108	\$ 518	\$ 4	\$ 514	\$ 4,980	\$ -	\$ 31,974	\$ -	\$ 7,341	\$ 45,439
Accounts and retentions payable - restricted for construction	-	10	-	-	-	-	-	-	-	10
Member advances	791	-	-	-	-	-	-	843	-	1,634
Operating reserves	(770)	250	578	3,319	15,241	-	-	-	-	18,618
Current portion of long-term debt	5,290	20,725	20,450	-	12,040	-	-	-	-	58,505
Accrued interest payable	183	5,865	539	-	1,157	-	-	-	-	7,744
<b>TOTAL CURRENT LIABILITIES</b>	<b>5,602</b>	<b>27,368</b>	<b>21,571</b>	<b>3,833</b>	<b>33,418</b>	<b>-</b>	<b>31,974</b>	<b>843</b>	<b>7,341</b>	<b>131,950</b>
<b>NON-CURRENT LIABILITIES</b>										
Net pension and OPEB liability	-	-	-	-	-	-	-	-	66,126	66,126
Operating reserves and other deposits	1,833	15,031	-	-	1,159	-	33,136	2,246	82,398	135,803
Interest rate swap liability	-	15,747	-	-	-	-	-	-	-	15,747
Asset Retirement Obligations	65,553	-	159	-	180	-	-	-	-	65,892
Long-term debt, net	15,505	260,121	2,288	-	319,049	-	-	-	-	596,963
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>82,891</b>	<b>290,899</b>	<b>2,447</b>	<b>-</b>	<b>320,388</b>	<b>-</b>	<b>33,136</b>	<b>2,246</b>	<b>148,524</b>	<b>880,531</b>
<b>TOTAL LIABILITIES</b>	<b>88,493</b>	<b>318,267</b>	<b>24,018</b>	<b>3,833</b>	<b>353,806</b>	<b>-</b>	<b>65,110</b>	<b>3,089</b>	<b>155,865</b>	<b>1,012,481</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Regulatory credits	34,933	3,597	825	2,126	38,445	-	-	333	3,056	83,315
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	5,802	5,802
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>34,933</b>	<b>3,597</b>	<b>825</b>	<b>2,126</b>	<b>38,445</b>	<b>-</b>	<b>-</b>	<b>333</b>	<b>8,858</b>	<b>89,117</b>
<b>NET POSITION</b>										
Net investment in capital assets	(2,584)	(19,242)	(1,285)	-	(18,780)	-	-	-	-	(41,891)
Restricted	3,716	22,149	(174)	-	19,487	-	(2,823)	-	4	42,359
Unrestricted	9,245	3,121	1,923	(803)	20,927	-	(6,609)	3,883	3,939	35,626
<b>TOTAL NET POSITION</b>	<b>10,377</b>	<b>6,028</b>	<b>464</b>	<b>(803)</b>	<b>21,634</b>	<b>-</b>	<b>(9,432)</b>	<b>3,883</b>	<b>3,943</b>	<b>36,094</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 133,803</b>	<b>\$ 327,892</b>	<b>\$ 25,307</b>	<b>\$ 5,156</b>	<b>\$ 413,885</b>	<b>\$ -</b>	<b>\$ 55,678</b>	<b>\$ 7,205</b>	<b>\$ 168,666</b>	<b>\$ 1,137,692</b>

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 Six Months Ended December 31, 2019

	GENERATING & TRANSMISSION RESOURCES										Other Agency	Combined	
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services					
<b>OPERATING REVENUES</b>													
Participants	8,521	8,015	3,346	2,442	22,509	-	142,861	10,492	629	198,815			
Other Third-Party	11,336	12,362	682	684	32,804	-	60,727	1,363	-	119,958			
<b>TOTAL OPERATING REVENUES</b>	<b>19,857</b>	<b>20,377</b>	<b>4,028</b>	<b>3,126</b>	<b>55,313</b>	<b>-</b>	<b>203,588</b>	<b>11,855</b>	<b>629</b>	<b>318,773</b>			
<b>OPERATING EXPENSES</b>													
Purchased power	307	1,343	70	157	916	-	110,019	-	-	112,812			
Operations	8,213	1,961	890	722	23,184	-	2,244	5,875	-	43,089			
Transmission	211	403	4	7	508	-	101,653	2	-	102,788			
Depreciation	2,040	4,705	1,107	102	7,315	-	-	58	181	15,508			
Maintenance	5,045	3,956	480	1,473	1,949	-	-	36	-	12,939			
Administrative and general	2,611	1,756	555	597	2,167	-	-	3,403	-	9,973			
Intercompany (sales) purchases, net*	(451)	150	43	88	202	-	-	(32)	-	-			
<b>TOTAL OPERATING EXPENSES</b>	<b>17,976</b>	<b>14,274</b>	<b>3,149</b>	<b>3,146</b>	<b>36,241</b>	<b>-</b>	<b>213,916</b>	<b>9,342</b>	<b>(935)</b>	<b>297,109</b>			
<b>NET OPERATING REVENUES</b>	<b>1,881</b>	<b>6,103</b>	<b>879</b>	<b>(20)</b>	<b>19,072</b>	<b>-</b>	<b>(10,328)</b>	<b>2,513</b>	<b>1,564</b>	<b>21,664</b>			
<b>NON OPERATING (EXPENSES) REVENUES</b>													
Interest expense	(310)	(10,814)	(657)	-	(7,145)	-	-	-	-	(18,926)			
Interest income	229	283	47	10	524	-	555	51	158	1,857			
Other	(1)	128	852	-	1,817	-	-	251	-	3,047			
<b>TOTAL NON OPERATING (EXPENSES) REVENUES</b>	<b>(82)</b>	<b>(10,403)</b>	<b>242</b>	<b>10</b>	<b>(4,804)</b>	<b>-</b>	<b>555</b>	<b>51</b>	<b>409</b>	<b>(14,022)</b>			
<b>FUTURE RECOVERABLE AMOUNTS</b>													
REFUNDS TO PARTICIPANTS	(1,122)	(1,254)	(1,042)	-	611	-	-	-	-	(2,807)			
<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>(254)</b>	<b>(2,100)</b>	<b>(38)</b>	<b>960</b>	<b>(746)</b>	<b>-</b>	<b>(817)</b>	<b>(3,494)</b>	<b>(628)</b>	<b>(7,117)</b>			
<b>NET POSITION, Beginning of year</b>	<b>423</b>	<b>(7,654)</b>	<b>41</b>	<b>950</b>	<b>14,133</b>	<b>-</b>	<b>(10,590)</b>	<b>(930)</b>	<b>1,345</b>	<b>(2,282)</b>			
<b>NET POSITION, Period ended</b>	<b>9,954</b>	<b>13,682</b>	<b>423</b>	<b>(1,753)</b>	<b>7,501</b>	<b>-</b>	<b>1,158</b>	<b>4,813</b>	<b>2,598</b>	<b>38,376</b>			
<b>NET POSITION, Period ended</b>	<b>10,377</b>	<b>6,028</b>	<b>464</b>	<b>(803)</b>	<b>21,634</b>	<b>-</b>	<b>(9,432)</b>	<b>3,883</b>	<b>3,943</b>	<b>36,094</b>			

\* Eliminated in Combination

**NORTHERN CALIFORNIA POWER AGENCY & ASSOCIATED POWER CORPORATIONS**  
**AGED ACCOUNTS RECEIVABLE**  
 December 31, 2019

<u>Status</u>	<u>Participant / Customer</u>	<u>Description</u>	<u>Amount</u>
CURRENT			\$ 3,698,033
PAST DUE:			
1 - 30	Merced Irrigation District	December 2019 ARB	34,145 *
	Pioneer Community Energy	December 2019 ARB	34,883 *
31 - 60			
61 - 90			
91 - 120			
Over 120 Days			
	PARTICIPANT and OTHER RECEIVABLES (net)		<u><u>\$ 3,767,061</u></u>

\* Denotes items paid/applied after December 31, 2019.



11


# Commission Staff Report

February 11, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Treasurer's Report for Month Ended December 31, 2019

**AGENDA CATEGORY:** Consent

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

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



**RECOMMENDATION:**

Approval by all members.

**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 \$11,992,535 of which approximately \$27,887 was applicable to Special and Reserve Fund Deposits, \$6,803,656 to Debt Service and \$5,160,992 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 \$292,628,668 at month end. The current market value of the portfolio totaled \$294,253,980.

The overall portfolio had a combined weighted average interest rate of 2.234% with a bond equivalent yield (yield to maturity) of 2.265%. Investments with a maturity greater than one year totaled \$178,098,000. December maturities totaled \$49 million and monthly receipts totaled \$40 million. During the month \$29 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 6 basis points (from 1.61% to 1.55%) and rates on one year T-Bills decreased 2 basis points (from 1.59% to 1.57%).

To the best of my knowledge and belief, all securities held by NCPA as of December 31, 2019 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

SR: 115:20

# **NORTHERN CALIFORNIA POWER AGENCY**

## **TREASURER'S REPORT**

**DECEMBER 31, 2019**

### **TABLE OF CONTENTS**

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

**Northern California Power Agency  
Treasurer's Report  
Cash & Investment Balance  
December 31, 2019**

	CASH	INVESTMENTS	TOTAL	PERCENT
<b>NCPA FUNDS</b>				
Operating	\$ 1,872,967	\$ 112,666,797	\$ 114,539,764	37.60%
Special Deposits	1,348,109	-	1,348,109	0.45%
Construction	1,939,916	3,165,109	5,105,025	1.68%
Debt Service	6,803,656	22,653,457	29,457,113	9.67%
Special & Reserve	27,887	154,143,305	154,171,192	50.61%
	<b>\$ 11,992,535</b>	<b>\$ 292,628,668</b>	<b>\$ 304,621,203</b>	<b>100.00%</b>

Portfolio Investments at Market Value

\$ 294,253,980

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency  
Treasurer's Report  
Cash Activity Summary  
December 31, 2019**

	RECEIPTS			EXPENDITURES			CASH INCREASE / (DECREASE)
	INTEREST	INVESTMENTS	INVESTMENTS	INTER-COMPANY/	FUND TRANSFERS		
	OPS/CONSTR	(NOTE B)	(NOTE A)	OPS/CONSTR		(NOTE B)	
<b>NCPA FUNDS</b>							
Operating	\$ 35,746,307	\$ 130,474	\$ 24,759,814	\$ (23,929,622)	\$ (13,003,496)	\$ (23,702,005)	\$ 1,472
Special Deposits	4,251,514	5	-	(17,897,255)	-	13,505,460	(140,276)
Construction	-	-	1,707,000	-	-	-	1,707,000
Debt Service	436,076	1,516	20,420,171	(12,570,188)	(7,933,048)	4,839,839	5,194,366
Special & Reserve	-	311,763	2,102,199	(1,655,074)	(7,770,667)	5,356,706	(1,655,073)
	<u>\$ 40,433,897</u>	<u>\$ 443,758</u>	<u>\$ 48,989,184</u>	<u>\$ (56,052,139)</u>	<u>\$ (28,707,211)</u>	<u>\$ -</u>	<u>\$ 5,107,489</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  
December 31, 2019**

	PURCHASED	SOLD OR MATURED	(NON-CASH)	(NON-CASH)	INVESTMENTS	
			DISC/(PREM) AMORT	GAIN/(LOSS) ON SALE	TRANSFERS	INCREASE / (DECREASE)
<b>NCPA FUNDS</b>						
Operating	\$ 13,003,496	\$ (24,759,814)	\$ 13,415	\$ -	\$ -	\$ (11,742,903)
Special Deposits	-	-	-	-	-	-
Construction	-	(1,707,000)	3,988	-	-	(1,703,012)
Debt Service	7,933,048	(20,420,171)	29,550	-	-	(12,457,573)
Special & Reserve	7,770,667	(2,102,199)	1,948	-	-	5,670,416
	<u>\$ 28,707,211</u>	<u>\$ (48,989,184)</u>	<u>\$ 48,901</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,233,072)</u>
<b>Less Non- Cash Activity</b>						
Disc/(Prem) Amortization & Gain/(Loss) on Sale						<u>(48,901)</u>
<b>Net Change in Investment --Before Non-Cash Activity</b>						<u>\$ (20,281,973)</u>

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency  
Total Portfolio  
Investment Maturities Analysis  
December 31, 2019**

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	\$ 14,719	\$ 2,464	\$16,746	\$ 6,684	\$ 5,475	\$ 108,912	\$ 2,000	\$ 157,000	53.22%
Corporate Bonds (MTN)	-	-	1,000	-	1,000	65,540	-	67,540	22.89%
US Bank Trust Money Market	122	-	-	-	-	-	-	122	0.04%
Commercial Paper	8,430	-	-	-	-	-	-	8,430	2.87%
Investment Trusts (LAIF)	51,287	-	-	-	-	-	-	51,287	17.39%
Investment Trusts (CAMP)	5,143	-	-	-	-	-	-	5,143	1.75%
U.S.Treasury Market Acct. *	2,143	-	-	-	-	-	-	2,143	0.73%
U.S.Treasury Bill/Note	-	1,494	-	66	118	146	-	1,824	0.62%
Certificates of Deposit	10	-	-	-	-	1,500	-	1,510	0.51%
<b>Total Dollars</b>	<b>\$ 81,854</b>	<b>\$3,958</b>	<b>\$17,746</b>	<b>\$6,750</b>	<b>\$6,593</b>	<b>\$176,098</b>	<b>\$2,000</b>	<b>\$ 294,999</b>	<b>100.00%</b>
<b>Total Percents</b>	<b>27.74%</b>	<b>1.34%</b>	<b>6.02%</b>	<b>2.29%</b>	<b>2.23%</b>	<b>59.69%</b>	<b>0.68%</b>	<b>100.00%</b>	

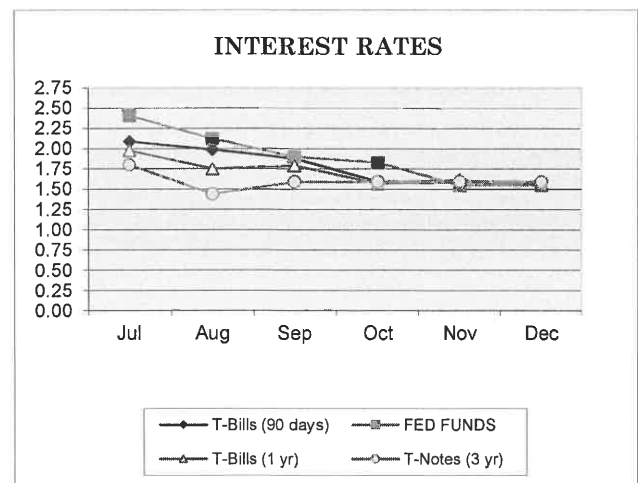
Investments are shown at Face Value, in thousands.

\* 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 Union Bank of California is invested nightly in fully collateralized U.S. Treasury Securities.

**Northern California Power Agency  
Interest Rate/Yield Analysis  
December 31, 2019**

	<b>WEIGHTED AVERAGE INTEREST RATE</b>	<b>BOND EQUIVALENT YIELD</b>
<b>OVERALL COMBINED</b>	<b>2.234%</b>	<b>2.265%</b>
<b><u>OPERATING FUNDS:</u></b>	<b>2.215%</b>	<b>2.320%</b>
<b><u>PROJECTS:</u></b>		
Geothermal	2.384%	2.483%
Capital Facilities	0.000%	0.000%
Hydroelectric	2.230%	2.298%
Lodi Energy Center	1.844%	1.685%

<b>KEY INTEREST RATES</b>		
	<b>CURRENT</b>	<b>PRIOR YEAR</b>
Fed Fds (Overnight)	1.55%	2.40%
T-Bills (90da.)	1.55%	2.43%
Agency Disc (90da.)	1.62%	2.28%
T-Bills (1yr.)	1.57%	2.59%
Agency Disc (1yr.)	1.55%	2.36%
T-Notes (3yr.)	1.59%	2.55%



**NORTHERN CALIFORNIA POWER AGENCY**

**Detail Report Of Investments**

**APPENDIX**

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



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	6,444,600	1.850	1/12/2014	6,444,600		1	1.850	6,444,600	SYS70101	70101	6,444,600
Local Agency Investm	LAIF	24,502,570	2.446	07/01/2013	24,502,570		1	2.446	24,502,570	SYS70000	70000	24,502,570
California Asset Mgmt	CMP	4,504	2.640	10/19/2018	4,504		1	2.640	4,504	SYS70070	70070	4,504
Union Bank of Califo	UBOC	21,710	0.002	07/01/2013	21,710		1	0.002	21,710	SYS70014	70014	21,710
US Bank	USB	1,872,967	0.001	06/30/2013	1,872,967		1	0.001	1,872,967	SYS70050	70050	1,872,967
US Bank	USB	1,985,849	0.850	08/24/2017	1,985,849		1	0.850	1,985,849	SYS70056	70056	1,985,849
US Bank	USB	10,000	0.050	10/07/2019	10,000	01/07/2020	6	0.050	10,000	SYS30319	30319	10,000
General Dynamics	UBOC	1,000,000	2.875	09/20/2018	998,980	05/11/2020	131	2.937	1,003,470	369550BA5	26688	999,776
Federal Home Loan Ba	UBOC	4,975,000	1.600	08/28/2017	4,990,373	07/17/2020	198	1.490	4,974,353	3130ABTW6	26466	4,977,900
U.S. Treasury	UBOC	118,000	1.750	10/31/2019	118,184	11/15/2020	319	1.598	118,101	9128283G3	28908	118,154
Walmart, Inc.	UBOC	1,000,000	1.900	09/20/2018	979,580	12/15/2020	349	2.848	1,001,370	931142EA7	26674	991,274
John Deere Capital C	UBOC	500,000	2.350	09/21/2018	492,195	01/08/2021	373	3.057	502,700	24422ETZ2	26676	496,536
Federal Home Loan Ba	UBOC	2,785,000	1.400	07/19/2016	2,783,608	01/19/2021	384	1.411	2,778,817	3130A8P80	26355	2,784,675
Cisco Systems Inc.	UBOC	1,000,000	2.200	09/20/2018	982,020	02/28/2021	424	2.969	1,005,850	17275RBD3	26667	991,461
NATIONAL RURAL UTIL	UBOC	500,000	2.900	07/31/2019	506,370	03/15/2021	439	2.096	505,630	63748HER9	26847	504,734
Home Depot Inc.	UBOC	500,000	2.000	03/21/2018	487,800	04/01/2021	456	2.846	501,210	437076BL5	26558	494,963
Intel Corp	UBOC	1,000,000	1.700	09/20/2018	968,960	05/19/2021	504	2.919	999,410	458140AW0	26670	983,861
Pfizer Inc	UBOC	500,000	1.950	06/12/2018	487,130	06/03/2021	519	2.858	502,325	717081DX8	26617	493,847
Federal Farm Credit	UBOC	2,602,000	1.720	08/28/2017	2,611,784	07/26/2021	572	1.620	2,608,583	3133EHSR5	26465	2,605,926
Federal Home Loan Mt	UBOC	3,500,000	1.500	11/23/2016	3,500,000	08/23/2021	600	1.500	3,485,055	3134GAVH4	26385	3,500,000
American Honda Finan	UBOC	1,000,000	1.700	09/20/2018	959,220	09/09/2021	617	3.149	998,420	02665WBG5	26689	976,806
3M Company	UBOC	1,000,000	3.000	09/21/2018	999,480	09/14/2021	622	3.018	1,017,440	88579YBA8	26675	999,703
Procter & Gamble	UBOC	1,000,000	2.300	09/20/2018	975,770	02/06/2022	767	3.060	1,013,550	742718DY2	26673	984,956
Johnson & Johnson	UBOC	1,000,000	2.250	09/20/2018	976,140	03/03/2022	792	2.982	1,011,050	478160CC4	26671	984,989
TD Ameritrade	UBOC	500,000	2.950	05/15/2018	493,385	04/01/2022	821	3.315	511,150	87236YAE8	26601	496,162
PepsiCo Inc.	UBOC	500,000	2.250	03/21/2018	487,005	05/02/2022	852	2.924	505,345	713448DT2	26557	492,621
Apple Inc.	UBOC	1,123,337	2.300	02/01/2018	1,121,966	05/11/2022	861	2.329	1,136,828	037833CQ1	26525	1,122,580
Boeing Co.	UBOC	500,000	2.200	06/12/2018	482,180	10/30/2022	1,033	3.074	502,285	097023BN4	26612	488,493
American Honda Finan	UBOC	500,000	2.600	06/12/2018	488,550	11/16/2022	1,050	3.157	510,115	02665WCA7	26614	492,565
Chevron Corp.	UBOC	500,000	2.355	03/21/2018	485,760	12/05/2022	1,069	3.008	507,005	168764AB6	26555	491,140
Visa Inc.	UBOC	400,000	2.800	08/03/2018	394,552	12/14/2022	1,078	3.135	411,628	92826CAC6	26647	396,314
Toyota Motor Credit	UBOC	1,000,000	2.700	08/03/2018	974,760	01/11/2023	1,106	3.315	1,020,460	89236TEL5	26645	982,784
Simon Property Group	UBOC	500,000	2.750	05/15/2018	484,585	02/01/2023	1,127	3.464	509,955	828807CN5	26603	489,911
Oracle Corp.	UBOC	500,000	2.625	03/21/2018	488,010	02/15/2023	1,141	3.154	510,625	68389XBR5	26556	492,360
Exxon Mobil Corporat	UBOC	1,000,000	2.726	08/03/2018	985,450	03/01/2023	1,155	3.068	1,024,280	30231GAR3	26648	989,935
John Deere Capital C	UBOC	500,000	2.800	06/12/2018	489,875	03/06/2023	1,160	3.264	513,110	24422ETG4	26613	493,197
Berkshire Hathaway I	UBOC	500,000	2.750	03/21/2018	492,280	03/15/2023	1,169	3.086	512,710	084670BR8	26554	496,034
United Parcel Servic	UBOC	500,000	2.500	05/15/2018	483,225	04/01/2023	1,186	3.248	509,200	911312BK1	26600	488,823
United Parcel Servic	UBOC	500,000	2.500	09/21/2018	483,120	04/01/2023	1,186	3.308	509,200	911312BK1	26677	487,884
Walmart, Inc.	UBOC	500,000	2.550	07/31/2019	507,870	04/11/2023	1,196	2.104	510,870	931142DH3	26848	506,982

Northern California Power Agency  
Treasurer's Report  
12/31/2019



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
Bank of NY Mellon Co	UBOC	500,000	3.500	05/15/2018	501,265	04/28/2023	1,213	3.443	524,575	06406RAG2	26602	500,849
Hershey Company	UBOC	500,000	3.375	06/12/2018	503,125	05/15/2023	1,230	3.236	523,570	427866AZ1	26615	502,140
US Bank	UBOC	1,000,000	3.400	08/03/2018	1,000,000	07/24/2023	1,300	3.399	1,044,830	90331HNV1	26646	1,000,000
Microsoft Corp.	UBOC	1,000,000	2.000	09/20/2018	947,350	08/08/2023	1,315	3.172	1,007,140	594918BQ6	26672	991,156
Oracle Corp.	UBOC	4,145,000	2.400	05/31/2019	4,106,452	09/15/2023	1,353	2.630	4,214,222	66389XBL8	26820	4,111,695
Federal Home Loan Mt	UBOC	219,000	2.000	10/30/2019	219,000	10/30/2023	1,398	2.000	218,641	3134GULV0	26905	219,000
JP Morgan	UBOC	500,000	3.875	02/15/2019	514,550	02/01/2024	1,492	3.561	533,690	46625HJT8	26760	511,976
Bank of America Corp	UBOC	1,700,000	2.500	09/24/2019	1,700,000	09/24/2024	1,728	2.577	1,688,950	06048WD56	26872	1,700,000
Federal Agricultural	UBOC	3,000,000	2.000	09/25/2019	3,000,000	09/25/2024	1,729	2.000	2,986,530	31422BME7	26886	3,000,000
Federal Farm Credit	UBOC	2,300,000	1.890	09/27/2019	2,300,000	09/27/2024	1,731	1.890	2,281,393	3133EKU20	26888	2,300,000
Toyota Motor Credit	UBOC	1,000,000	2.150	09/27/2019	1,000,000	09/27/2024	1,731	2.323	991,930	89236TGH2	26887	1,000,000
Federal Home Loan Ba	UBOC	1,500,000	2.000	10/04/2019	1,500,000	10/02/2024	1,736	1.989	1,476,375	3130AHTF4	26889	1,500,000
<b>Fund Total and Average</b>		<b>\$ 85,709,537</b>	<b>2.139</b>		<b>\$ 85,294,109</b>		<b>558</b>	<b>2.282</b>	<b>\$ 86,066,146</b>			<b>\$ 85,445,382</b>

MPP GHG Auction Acct

Local Agency Investm		167,830	2.446	07/01/2013	167,830		1	2.446	167,830	SYS70045	70045	167,830
<b>Fund Total and Average</b>		<b>\$ 167,830</b>	<b>2.446</b>		<b>\$ 167,830</b>		<b>1</b>	<b>2.446</b>	<b>\$ 167,830</b>			<b>\$ 167,830</b>

SCPA Balancing Account

Local Agency Investm	LAIF	1,647,688	2.446	07/01/2013	1,647,688		1	2.446	1,647,688	SYS70022	70022	1,647,688
Union Bank of Califo	UBOC	84,510	0.002	07/01/2013	84,510		1	0.002	84,510	SYS70023	70023	84,510
Federal Home Loan Ba	UBOC	750,000	2.875	11/27/2018	750,045	09/11/2020	264	2.870	755,445	313370US5	26717	750,017
Federal National Mig	UBOC	1,150,000	1.630	12/20/2018	1,128,369	10/30/2020	303	2.672	1,149,172	3135GORM7	26734	1,140,347
Bank of NY Mellon Co	UBOC	500,000	2.050	04/03/2018	486,105	05/03/2021	488	3.000	501,590	06406FAB9	26570	493,966
Microsoft Corp.	UBOC	500,000	2.375	04/04/2018	492,295	02/12/2022	773	2.798	506,805	594918BA1	26574	495,776
Walt Disney Company/	UBOC	500,000	2.450	07/24/2018	487,520	03/04/2022	793	3.186	507,125	25468PDQ6	26630	492,483
TD Ameritrade	UBOC	500,000	2.950	04/03/2018	487,200	04/01/2022	821	3.100	511,150	87236YAE8	26571	498,423
Home Depot Inc.	UBOC	500,000	2.625	04/04/2018	494,290	06/01/2022	882	2.918	510,155	437076BQ6	26572	496,662
Public Storage	UBOC	500,000	2.370	04/04/2018	483,705	09/15/2022	988	3.161	505,575	74460DAB5	26573	490,087
Visa Inc.	UBOC	250,000	2.800	07/24/2018	246,975	12/14/2022	1,078	3.096	257,268	92826CAC6	26632	247,965
Intel Corp	UBOC	500,000	2.700	06/22/2018	492,300	12/15/2022	1,079	3.070	512,400	458140AM2	26625	494,921
Toyota Motor Credit	UBOC	550,000	2.825	05/09/2018	536,294	01/10/2023	1,105	3.203	560,819	89233P7F7	26598	541,121
Cisco Systems Inc.	UBOC	500,000	2.600	06/22/2018	487,555	02/28/2023	1,154	3.170	511,240	17275RBE1	26624	491,675
Exxon Mobil Corporat	UBOC	500,000	2.726	05/09/2018	482,570	03/01/2023	1,155	3.055	512,140	30231GAR3	26599	495,175
Berkshire Hathaway I	UBOC	500,000	2.750	05/09/2018	490,280	03/15/2023	1,169	3.185	512,710	084670BR8	26596	493,576
United Parcel Servc	UBOC	500,000	2.500	06/22/2018	484,780	04/01/2023	1,186	3.191	509,200	911312BK1	26627	489,641
Nike Inc	UBOC	500,000	2.250	05/09/2018	480,350	05/01/2023	1,216	3.108	508,205	654106AC7	26597	486,842
Simon Property Group	UBOC	500,000	2.750	07/24/2018	484,725	06/01/2023	1,247	3.438	511,145	828807DD6	26631	489,245
Federal Home Loan Mt	UBOC	2,600,000	2.750	08/17/2018	2,603,900	06/15/2023	1,261	3.467	2,612,714	3134GSMY8	26653	2,602,791
<b>Fund Total and Average</b>		<b>\$ 167,830</b>	<b>2.446</b>		<b>\$ 167,830</b>		<b>1</b>	<b>2.446</b>	<b>\$ 167,830</b>			<b>\$ 167,830</b>

Northern California Power Agency  
Treasurer's Report  
12/31/2019

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
Pfizer Inc	UBOC	500,000	3.000	06/22/2018	498,550	06/15/2023	1,281	3.150	519,875	717081DH3	26626	497,606
Federal Home Loan Mt	UBOC	2,500,000	3.050	08/28/2018	2,501,250	08/28/2023	1,335	3.039	2,516,475	3134GSUZ6	26654	2,500,915
Federal Home Loan Ba	UBOC	2,000,000	3.100	12/28/2018	2,000,000	12/28/2023	1,457	3.100	2,020,180	3130AFKR7	26736	2,000,000
Federal Home Loan Mt	UBOC	2,500,000	2.875	02/28/2019	2,500,000	02/28/2024	1,519	2.875	2,503,475	3134GS3G8	26759	2,500,000
Federal Home Loan Mt	UBOC	2,000,000	2.760	04/01/2019	2,000,000	04/01/2024	1,552	2.760	2,003,840	3134GS7J8	26797	2,000,000
Federal Home Loan Mt	UBOC	2,000,000	2.650	04/01/2019	2,000,000	04/01/2024	1,552	2.853	2,002,860	3134GS7H2	26798	2,000,000
Federal Home Loan Mt	UBOC	2,180,000	2.700	04/30/2019	2,180,000	04/30/2024	1,581	2.700	2,185,145	3134GTCQ4	26799	2,180,000
Toyota Motor Credit	UBOC	500,000	2.410	07/25/2019	500,000	07/25/2024	1,667	2.410	486,365	89236TGD1	26831	500,000
Federal Agricultural	UBOC	1,250,000	2.000	09/25/2019	1,250,000	09/25/2024	1,729	2.000	1,244,388	31422BME7	26873	1,250,000
<b>Fund Total and Average</b>		<b>\$ 28,962,198</b>	<b>2.653</b>		<b>\$ 28,779,466</b>		<b>1192</b>	<b>2.913</b>	<b>\$ 29,179,659</b>			<b>\$ 28,851,462</b>

General Operating Reserve

Local Agency Investm	LAIF	19,048,302	2.446	07/01/2013	19,048,302		1	2.446	19,048,302	SYS70000	70002	19,048,302
California Asset Mgm	CMP	5,138,474	2.640	12/14/2018	5,138,474		1	2.640	5,138,474	SYS70071	70071	5,138,474
Union Bank of Califo	UBOC	28,887	0.002	07/01/2013	28,887		1	0.002	28,887	SYS70019	70019	28,887
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYS70051	70051	0
Federal Home Loan Mt	UBOC	2,330,000	1.875	12/11/2019	2,335,895	11/17/2020	321	1.600	2,334,567	3137EAEK1	26922	2,335,544
Federal Farm Credit	UBOC	4,285,000	1.440	07/20/2016	4,280,715	01/19/2021	384	1.463	4,262,718	3133EGMP7	26356	4,284,000
Federal Home Loan Ba	UBOC	9,720,000	1.400	07/19/2016	9,715,140	01/19/2021	384	1.411	9,698,422	3130A8P80	26354	9,718,866
Federal National Mtg	UBOC	5,162,000	1.625	05/25/2016	5,162,000	05/25/2021	510	1.625	5,137,429	3136G3NL5	26332	5,162,000
Federal National Mtg	UBOC	1,300,000	1.500	08/30/2016	1,300,000	05/28/2021	513	1.500	1,294,774	3136G33W3	26368	1,300,000
Federal Farm Credit	UBOC	9,129,000	1.680	06/02/2016	9,129,000	06/02/2021	518	1.690	9,115,398	3133EGDH5	26335	9,129,000
Microsoft Corp.	UBOC	400,000	2.375	04/26/2018	391,480	02/12/2022	773	2.972	405,444	594918BA1	26578	395,254
TD Ameritrade	UBOC	500,000	2.950	04/26/2018	492,950	04/01/2022	821	3.335	511,150	87236YAE8	26582	495,964
Apple Inc.	UBOC	4,025,452	2.300	02/01/2018	4,020,538	05/11/2022	861	2.329	4,073,798	037833CQ1	26524	4,022,739
Federal Home Loan Ba	UBOC	3,575,000	2.125	08/28/2017	3,634,560	06/10/2022	891	1.760	3,616,184	313379Q69	26467	3,605,402
PepsiCo Inc.	UBOC	500,000	3.100	04/26/2018	500,310	07/17/2022	928	3.083	515,930	713448CX4	26580	500,187
Walt Disney Company/	UBOC	500,000	2.350	01/30/2019	489,400	12/01/2022	1,065	2.937	507,460	25468PCW4	26739	491,941
Visa Inc.	UBOC	500,000	2.800	04/26/2018	492,600	12/14/2022	1,078	3.145	514,535	92826CAC6	26584	495,284
US Bank, N.A.	UBOC	750,000	2.850	01/30/2019	741,900	01/23/2023	1,118	3.140	788,105	90331HNL3	26737	743,771
Bank of NY Mellon Co	UBOC	500,000	2.950	04/26/2018	491,790	01/29/2023	1,124	3.325	513,505	06408RAE7	26575	494,690
Oracle Corp.	UBOC	500,000	2.625	04/26/2018	487,350	02/15/2023	1,141	3.195	510,625	68389XBR5	26579	491,776
Praxair Inc	UBOC	500,000	2.700	04/26/2018	488,350	02/21/2023	1,147	3.225	510,690	74006PBF0	26581	492,412
Berkshire Hathaway I	UBOC	500,000	2.750	04/26/2018	488,920	03/15/2023	1,169	3.243	512,710	084670BR8	26576	492,731
United Parcel Servic	UBOC	500,000	2.500	04/26/2018	483,135	04/01/2023	1,186	3.245	509,200	911312BK1	26583	488,883
Chevron Corp.	UBOC	750,000	2.566	01/30/2019	738,750	05/16/2023	1,231	2.939	765,135	166764BK5	26740	741,159
Boeing Co.	UBOC	500,000	1.875	01/30/2019	477,500	06/15/2023	1,261	2.979	496,875	097023BQ7	26741	482,229
Chevron Corp.	UBOC	500,000	3.191	02/07/2019	507,025	06/24/2023	1,270	2.847	520,530	166764AH3	26755	505,582
Walmart, Inc.	UBOC	500,000	3.400	02/07/2019	510,960	06/26/2023	1,272	2.864	525,750	931142EK5	26758	508,711
Pfizer Inc	UBOC	500,000	3.200	01/30/2019	506,250	09/15/2023	1,353	2.908	521,675	717081EN9	26738	505,008
Citibank NA	UBOC	500,000	3.650	02/07/2019	507,490	01/23/2024	1,483	3.319	529,320	17325FA57	26756	506,131

Northern California Power Agency  
Treasurer's Report  
12/31/2019

General Operating Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equity Yield	Market Value	CUSIP	Investment #	Carrying Value
JP Morgan	UBOC	500,000	3.875	02/07/2019	515,120	02/01/2024	1,492	3.535	533,690	466251JTB	26757	512,389
US Bank, N.A.	UBOC	440,000	3.375	10/31/2019	462,862	02/05/2024	1,496	2.083	462,053	91159HHV5	26906	461,968
HSBC USA INC	UBOC	1,700,000	3.000	02/20/2019	1,700,000	02/20/2024	1,511	3.503	1,696,600	40435JGC2	26754	1,700,000
Federal Home Loan Mt	UBOC	500,000	2.700	04/30/2019	500,000	04/30/2024	1,581	2.700	501,180	3134GTCQ4	26816	500,000
Toyota Motor Credit	UBOC	750,000	2.410	07/25/2019	750,000	07/25/2024	1,667	2.410	744,548	89236TGD1	26841	750,000
Federal Agricultural	UBOC	3,000,000	2.100	08/26/2019	3,000,000	08/26/2024	1,699	2.100	2,961,660	31422BKG4	26671	3,000,000
Federal Home Loan Ba	UBOC	1,000,000	2.000	10/04/2019	1,000,000	10/02/2024	1,736	1.999	984,250	3130AH7F4	26890	1,000,000
JP Morgan	UBOC	1,500,000	2.300	11/27/2019	1,500,000	11/27/2024	1,792	2.386	1,494,765	48128GM49	26912	1,500,000
<b>Fund Total and Average</b>		<b>\$ 82,032,115</b>	<b>2.139</b>		<b>\$ 82,017,653</b>		<b>568</b>	<b>2.152</b>	<b>\$ 82,266,338</b>			<b>\$ 82,029,284</b>

**GRAND TOTALS:** \$ 196,871,680 2.215 \$ 196,259,048 655 \$ 197,679,973. \$ 196,493,948

\*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 12/31/2019

Investment #26332 FNMA Callable quarterly  
 Investment #26354 FHLB Callable anytime  
 Investment #26355 FHLB Callable anytime  
 Investment #26356 FFCB Callable anytime  
 Investment #26368 FNMA Callable quarterly  
 Investment #26385 FHLMC Callable quarterly  
 Investment #26646 USB Callable on 6/23/2023  
 Investment #26653 FHLMC Callable on 6/15/2020  
 Investment #26736 FHLB Callable on 12/28/2020  
 Investment #26754 HSBC Callable on 2/20/2020  
 Investment #26797 FHLMC Callable on 4/01/2020  
 Investment #26798 FHLMC Callable on 4/01/2020  
 Investment #26799 FHLMC Callable on 4/30/2020  
 Investment #26816 FHLMC Callable on 4/30/2020  
 Investment #26820 ORCL Callable on 7/15/2023  
 Investment #26831 TOYOTA Callable semi-annually starting 7/25/2021  
 Investment #26841 TOYOTA Callable semi-annually starting 7/25/2021  
 Investment #26848 WMT Callable on 01/11/2023  
 Investment #26871 FAMC Callable quarterly starting 8/26/2020  
 Investment #26872 BAC Callable semi-annually starting 09/24/2021  
 Investment #26873 FAMC Callable semi-annually starting 09/25/2020  
 Investment #26886 FAMC Callable semi-annually starting 09/25/2020  
 Investment #26887 TOYOTA Callable semi-annually starting 09/27/2021  
 Investment #26888 FFCB Callable anytime starting 09/27/2021  
 Investment #26889 FHLB Callable anytime starting 10/02/2020  
 Investment #26905 FHLMC Callable on 4/30/2020  
 Investment #26906 USBANK Callable on 1/05/2024  
 Investment #26912 JPM Callable quarterly starting 11/27/2021



Northern California Power Agency  
Treasurer's Report  
12/31/2019

GEO 2012 Construction Fund

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 Home Loan Ba	USB	709,000	1.940	07/30/2019	695,131	07/27/2020	208	1.956	702,598	313384ZX0	26850	701,053
<b>Fund Total and Average</b>		<b>\$ 709,000</b>	<b>1.940</b>	<b>\$ 695,131</b>		<b>208</b>	<b>208</b>	<b>1.956</b>	<b>\$ 702,598</b>			<b>\$ 701,053</b>

Geo 2012A Debt Service

Federal Home Loan Ba	USBT	125,000	1.904	09/25/2019	124,345	01/02/2020	1	1.941	125,000	313384RG6A	26876	124,993
Federal Home Loan Ba	USBT	124,000	1.630	10/29/2019	123,635	01/02/2020	1	1.657	124,000	313384RG6A	26895	123,994
Federal Home Loan Mt	USBT	127,000	1.960	07/25/2019	125,887	01/02/2020	1	2.004	127,000	313396RG0	26832	126,993
Federal Home Loan Mt	USBT	124,000	1.760	08/26/2019	123,218	01/02/2020	1	1.795	124,000	313396RG0	26857	123,994
<b>Fund Total and Average</b>		<b>\$ 500,000</b>	<b>1.815</b>	<b>\$ 497,985</b>		<b>1</b>	<b>1</b>	<b>1.851</b>	<b>\$ 500,000</b>			<b>\$ 499,974</b>

Geo 2016A Debt Service

Federal Home Loan Ba	USBT	290,000	1.905	09/25/2019	288,481	01/02/2020	1	1.941	290,000	313384RG6A	26877	289,985
Federal Home Loan Ba	USBT	290,000	1.630	10/29/2019	289,147	01/02/2020	1	1.657	290,000	313384RG6A	26896	289,987
Federal Home Loan Mt	USBT	293,000	1.960	07/25/2019	290,432	01/02/2020	1	2.004	293,000	313396RG0	26833	292,994
Federal Home Loan Mt	USBT	291,000	1.760	08/26/2019	289,165	01/02/2020	1	1.795	291,000	313396RG0	26858	290,986
<b>Fund Total and Average</b>		<b>\$ 1,164,000</b>	<b>1.814</b>	<b>\$ 1,157,225</b>		<b>1</b>	<b>1</b>	<b>1.850</b>	<b>\$ 1,164,000</b>			<b>\$ 1,163,942</b>

Geothermal Special Reserve

Union Bank of Calif	UBOC	0	0.002	07/01/2013	0		1	0.002	0	SYS70015	70015	0
Federal Home Loan Ba	UBOC	1,500,000	2.100	07/30/2019	1,500,000	04/29/2021	484	2.100	1,500,225	3130AGT64	26853	1,500,000
<b>Fund Total and Average</b>		<b>\$ 1,500,000</b>	<b>2.100</b>	<b>\$ 1,500,000</b>		<b>484</b>	<b>484</b>	<b>2.101</b>	<b>\$ 1,500,225</b>			<b>\$ 1,500,000</b>

Geo Decommissioning Reserve

Local Agency Investm	LAIF	608,909	2.446	07/01/2013	608,909		1	2.446	608,909	SYS70027	70027	608,909
Union Bank of Calif	UBOC	57,738	0.002	07/01/2013	57,738		1	0.002	57,738	SYS70034	70034	57,738
American Honda Finan	UBOC	500,000	2.850	11/30/2018	493,500	02/12/2021	408	3.265	504,585	02865WCD1	26726	496,709
Toyota Motor Credit	UBOC	500,000	2.950	11/30/2018	496,300	04/13/2021	468	3.276	507,540	89236TEU5	26727	497,996
Federal National Mtg	UBOC	2,000,000	1.500	08/30/2016	2,000,000	05/28/2021	513	1.500	1,991,960	3136G33W3	26369	2,000,000
Ally Bank	UBOC	250,000	3.000	08/30/2018	250,000	09/30/2021	607	3.002	255,343	02007GEQ2A	30312	250,000
PNC Bank NA	UBOC	750,000	2.550	03/15/2018	735,450	12/09/2021	708	3.103	759,075	69353REY0	26553	742,444
Apple Inc.	UBOC	861,211	2.300	11/29/2017	860,117	05/11/2022	861	2.329	871,554	03783CCQ1	26499	860,631
Wells Fargo Bank	UBOC	250,000	3.150	08/30/2018	250,000	08/30/2022	972	3.154	258,870	948763TLOA	30311	250,000
Great North Bank	UBOC	250,000	3.050	08/31/2018	250,000	08/31/2022	973	3.051	258,218	39103CAF3A	30310	250,000
Discover Bank	UBOC	250,000	3.150	09/06/2018	250,000	09/06/2022	979	3.152	258,865	254673T8A	30313	250,000

Northern California Power Agency  
Treasurer's Report

12/31/2019

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
Walt Disney Company/	UBOC	750,000	2.350	03/15/2018	728,580	12/01/2022	1,065	3.004	761,190	25468PCW4	26551	736,739
John Deere Capital C	UBOC	750,000	2.800	03/15/2018	739,748	01/27/2023	1,122	3.104	768,398	24422ERT8	26550	743,528
Bank of NY Mellon Co	UBOC	750,000	2.950	03/15/2018	740,610	01/29/2023	1,124	3.229	770,258	06406RAE7	26549	744,068
IBM Credit LLC	UBOC	500,000	3.000	03/15/2018	496,820	02/06/2023	1,132	3.140	514,695	44932HAH6	26548	497,997
Enerbank USA	UBOC	250,000	3.200	08/30/2018	250,000	08/30/2023	1,337	3.203	282,103	29278TCP3A	30309	250,000
Citibank NA	UBOC	250,000	3.300	09/07/2018	250,000	09/07/2023	1,345	3.301	282,990	17312QSS4A	30314	250,000
Federal Home Loan Mt	UBOC	1,000,000	2.760	04/01/2019	1,000,000	04/01/2024	1,552	2.760	1,001,920	3134GS7J8	26817	1,000,000
Federal Home Loan Mt	UBOC	2,000,000	2.850	04/01/2019	2,000,000	04/01/2024	1,552	2.853	2,002,860	3134GS7H2	26818	2,000,000
Federal Home Loan Mt	UBOC	1,960,000	2.700	04/30/2019	1,960,000	04/30/2024	1,581	2.700	1,964,626	3134GTCQ4	26819	1,960,000
Toyota Motor Credit	UBOC	500,000	2.410	07/25/2019	500,000	07/25/2024	1,667	2.410	496,365	89236TGD1	26842	500,000
Federal Agricultural	UBOC	750,000	2.000	09/25/2019	750,000	09/25/2024	1,729	2.000	746,633	31422BME7	26874	750,000
Federal Home Loan Ba	UBOC	1,000,000	2.000	10/04/2019	1,000,000	10/02/2024	1,736	1.999	984,250	3130AH7F4	26891	1,000,000
Federal Home Loan Ba	UBOC	940,000	2.125	10/30/2019	940,000	10/29/2024	1,763	2.124	940,103	3130AHG56	26907	940,000
Federal Home Loan Mt	UBOC	1,604,000	2.000	11/12/2019	1,604,000	11/12/2024	1,777	2.144	1,595,723	3134GUNG1	26910	1,604,000
Federal Farm Credit	UBOC	2,000,000	3.450	07/27/2018	1,999,300	07/23/2025	2,030	3.455	2,040,400	3133EJUT4	26644	1,999,443
<b>Fund Total and Average</b>		<b>\$ 21,281,858</b>	<b>2.520</b>		<b>\$ 21,211,072</b>		<b>1294</b>	<b>2.640</b>	<b>\$ 21,445,161</b>			<b>\$ 21,240,192</b>

Geo 2012A DSR Account

U.S. Treasury	USB	66,000	1.551	08/26/2019	64,996	08/13/2020	225	1.590	65,373	912796TD1	26867	65,360
Federal National Mtg	USBT	1,517,000	1.625	05/25/2016	1,517,000	05/25/2021	510	1.625	1,509,779	3136G3NLS	26333	1,517,000
<b>Fund Total and Average</b>		<b>\$ 1,583,000</b>	<b>1.622</b>		<b>\$ 1,581,996</b>		<b>498</b>	<b>1.624</b>	<b>\$ 1,575,152</b>			<b>\$ 1,582,360</b>
<b>GRAND TOTALS:</b>		<b>\$ 26,737,858</b>	<b>2.384</b>		<b>\$ 26,642,509</b>		<b>1092</b>	<b>2.483</b>	<b>\$ 26,887,136.</b>			<b>\$ 26,687,521</b>

\*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 12/31/2019

- Investment #26333 FNMA Callable quarterly
- Investment #26369 FNMA Callable quarterly
- Investment #26644 FFCB Callable anytime starting 7/23/2021
- Investment #26817 FHLMC Callable on 4/01/2020
- Investment #26818 FHLMC Callable on 4/01/2020
- Investment #26819 FHLMC Callable on 4/30/2020
- Investment #26842 TOYOTA Callable semi-annually starting 7/25/2021
- Investment #26853 FHLB Callable quarterly starting 01/29/2020
- Investment #26874 FAMC Callable semi-annually starting 09/25/2020
- Investment #26890 FHLB Callable anytime starting 10/02/2020
- Investment #26891 FHLB Callable anytime starting 10/02/2020
- Investment #26907 FHLB Callable on 1/29/2020
- Investment #26910 FHLMC Callable quarterly starting 05/12/2020



**Northern California Power Agency  
Treasurer's Report  
12/31/2019**

**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	3,772,460	2.446	07/01/2013	3,772,460		1	2.446	3,772,460	SYS70028	70028	3,772,460
Union Bank of Calif	UBOC	20,001	0.002	07/01/2013	20,001		1	0.002	20,001	SYS70031	70031	20,001
Federal Farm Credit	UBOC	1,995,000	1.750	11/06/2019	1,997,753	10/26/2020	299	1.606	1,996,736	3133EHJ95	26909	1,997,320
Branch Banking & Tru	UBOC	500,000	2.625	06/13/2018	488,420	01/15/2022	745	3.314	506,710	07330NAQ8	26618	493,421
Exxon Mobil Corporat	UBOC	500,000	2.397	06/13/2018	490,350	03/06/2022	795	2.946	505,450	30231GAJ1	26621	494,359
US Bank	UBOC	550,000	3.000	08/10/2018	546,607	03/15/2022	804	3.182	562,744	91159HHC7	26651	547,919
Public Storage	UBOC	500,000	2.370	03/14/2018	485,770	09/15/2022	988	3.051	505,575	74460DA85	26546	491,450
Federal Home Loan Mt	UBOC	1,300,000	1.900	11/14/2019	1,300,000	11/14/2022	1,048	1.900	1,299,922	3184GUPY0	26911	1,300,000
Visa Inc.	UBOC	500,000	2.800	03/14/2018	494,470	12/14/2022	1,078	3.051	514,535	92826CAC6	26547	496,562
Toyota Motor Credit	UBOC	500,000	2.700	06/13/2018	489,100	01/11/2023	1,106	3.215	510,230	89236TEL5	26619	482,791
Oracle Corp.	UBOC	500,000	2.625	03/14/2018	488,715	02/15/2023	1,141	3.121	510,625	66389XBR5	26545	482,838
Boeing Co.	UBOC	500,000	2.800	03/14/2018	496,070	03/01/2023	1,155	2.971	510,230	097023BW4	26544	497,493
United Parcel Serv	UBOC	500,000	2.500	06/13/2018	484,900	04/01/2023	1,186	3.182	509,200	911312BK1	26620	489,776
Colgate-Palmolive Co	UBOC	550,000	2.100	08/09/2018	528,660	05/01/2023	1,216	2.985	555,401	19416QEC0	26652	534,954
Federal Home Loan Ba	UBOC	1,500,000	3.250	10/19/2018	1,500,000	10/19/2023	1,387	3.250	1,514,775	3130AEYR5	26701	1,500,000
Federal Farm Credit	UBOC	1,513,000	2.190	08/23/2019	1,513,000	11/15/2023	1,414	2.190	1,513,000	3133EKZQ2	26670	1,513,000
Federal Home Loan Ba	UBOC	2,000,000	3.100	01/29/2019	2,000,000	01/29/2024	1,489	3.100	2,001,240	3130AFRR0	26742	2,000,000
<b>Fund Total and Average</b>		<b>\$ 17,200,461</b>	<b>2.488</b>		<b>\$ 17,096,276</b>		<b>834</b>	<b>2.621</b>	<b>\$ 17,308,834</b>			<b>\$ 17,134,344</b>

**Hydro Initial Facilities**

Federal Farm Credit	USB	2,464,000	2.540	02/12/2019	2,464,493	02/12/2020	42	2.519	2,467,450	3133EKAF3	26761	2,464,056
<b>Fund Total and Average</b>		<b>\$ 2,464,000</b>	<b>2.540</b>		<b>\$ 2,464,493</b>		<b>42</b>	<b>2.520</b>	<b>\$ 2,467,450</b>			<b>\$ 2,464,056</b>

**Hydro Debt Service**

Federal Home Loan Ba	USBT	796,000	1.904	09/25/2019	791,830	01/02/2020	1	1.941	796,000	31338ARG6A	26878	795,958
Federal Home Loan Ba	USBT	794,000	1.630	10/29/2019	791,663	01/02/2020	1	1.657	794,000	31338ARG6A	26897	793,964
Federal Home Loan Mt	USBT	2,821,000	1.960	07/25/2019	2,796,272	01/02/2020	1	2.004	2,821,000	313396RG0	26834	2,820,846
Federal Home Loan Mt	USBT	796,000	1.760	08/26/2019	790,980	01/02/2020	1	1.795	796,000	313396RG0	26859	795,961
<b>Fund Total and Average</b>		<b>\$ 5,207,000</b>	<b>1.871</b>		<b>\$ 5,170,745</b>		<b>1</b>	<b>1.910</b>	<b>\$ 5,207,000</b>			<b>\$ 5,206,729</b>

**Hydro 2018A Debt Service**

Federal Home Loan Ba	USBT	1,150,000	1.904	09/25/2019	1,143,975	01/02/2020	1	1.941	1,150,000	31338ARG6A	26879	1,149,939
Federal Home Loan Ba	USBT	1,148,000	1.630	10/29/2019	1,144,621	01/02/2020	1	1.657	1,148,000	31338ARG6A	26898	1,147,948
Federal Home Loan Mt	USBT	1,156,000	1.960	07/25/2019	1,145,867	01/02/2020	1	2.004	1,156,000	313396RG0	26835	1,155,937
Federal Home Loan Mt	USBT	1,151,000	1.759	08/26/2019	1,143,741	01/02/2020	1	1.795	1,151,000	313396RG0	26860	1,150,944

Northern California Power Agency

Treasurer's Report

12/31/2019

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
<b>Fund Total and Average</b>		\$ 4,605,000	1.814		\$ 4,578,204		1	1.850	\$ 4,605,000			\$ 4,604,768
<b>Hydro 2019A Debt Service</b>												
Federal Home Loan Ba	USBT	810,000	1.905	09/25/2019	805,757	01/02/2020	1	1.941	810,000	313384R0G6	26880	809,957
Federal Home Loan Ba	USBT	808,000	1.630	10/29/2019	805,622	01/02/2020	1	1.657	808,000	313384R0G6	26899	807,963
Federal Home Loan Mt	USBT	814,000	1.959	07/25/2019	806,865	01/02/2020	1	2.004	814,000	313396R0G0	26836	813,956
Federal Home Loan Mt	USBT	811,000	1.760	08/26/2019	805,885	01/02/2020	1	1.795	811,000	313396R0G0	26861	810,960
<b>Fund Total and Average</b>		\$ 3,243,000	1.814		\$ 3,224,129		1	1.850	\$ 3,243,000			\$ 3,242,836

Hydro 2012A Rebate Account

U.S. Treasury	USB	32,000	1.690	08/26/2019	31,733	02/20/2020	50	1.727	31,934	912796T0G4	26868	31,925
Federal Home Loan Mt	USB	689,000	1.875	04/28/2017	691,391	08/09/2021	566	1.790	689,041	3134G93A3	26432	689,897
<b>Fund Total and Average</b>		\$ 721,000	1.867		\$ 723,124		562	1.787	\$ 720,975			\$ 721,822

Hydro Special Reserve

Local Agency Investm	LAIF	0	0.377	07/01/2013	0		1	0.377	0	SYS70000	70003	0
Union Bank of Califo	UBOC	0	0.002	07/01/2013	0		1	0.002	0	SYS70016	70016	0
Federal Home Loan Ba	UBOC	1,500,000	2.100	07/30/2019	1,500,000	04/29/2021	484	2.100	1,500,225	3130AGT54	26854	1,500,000
<b>Fund Total and Average</b>		\$ 1,500,000	2.100		\$ 1,500,000		484	2.101	\$ 1,500,225			\$ 1,500,000

Hydro 2012 DSRA

Federal Farm Credit	USB	100,000	1.750	08/28/2015	100,329	08/04/2020	216	1.680	100,126	3133EE5Z9	26244	100,039
U.S. Treasury	USB	146,000	2.250	02/27/2018	145,992	02/15/2021	411	2.251	146,981	9128283X6	26539	145,997
Federal National Mtg	USB	94,000	1.530	07/28/2016	94,000	07/28/2021	574	1.530	93,798	3136G3S97	26359	94,000
Federal Home Loan Mt	USB	3,928,000	2.375	02/09/2012	3,926,232	01/13/2022	743	2.380	3,988,570	3137EADB2	25852	3,927,638
Federal Farm Credit	USB	150,000	1.850	09/03/2019	150,000	03/03/2022	792	1.850	149,531	3133EKH66	26875	150,000
<b>Fund Total and Average</b>		\$ 4,418,000	2.321		\$ 4,416,553		718	2.324	\$ 4,479,006			\$ 4,417,674
<b>GRAND TOTALS:</b>		\$ 39,358,461	2.230		\$ 39,173,524		476	2.298	\$ 39,531,490.			\$ 39,292,229

\*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 12/31/2019

Investment #26359 FNMA Callable quarterly  
 Investment #26701 FHLB Callable until 10/19/2020  
 Investment #26742 FHLB Callable quarterly  
 Investment #26854 FHLB Callable quarterly starting 01/29/2020  
 Investment #26870 FCCB Callable anytime  
 Investment #26875 FCCB Callable on and anytime after 09/03/2020  
 Investment #26911 FHLMC Callable quarterly starting 02/14/2020



Northern California Power Agency  
Treasurer's Report  
12/31/2019



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		75,103	2.446	07/01/2013	75,103		1	2.446	75,103	SYS70046	70046	75,103
<b>Fund Total and Average</b>		<b>\$ 75,103</b>	<b>2.446</b>		<b>\$ 75,103</b>		<b>1</b>	<b>2.446</b>	<b>\$ 75,103</b>			<b>\$ 75,103</b>

LEC Issue#1 2010A DS Fund

US Bank Trust	USB	336	0.600	07/01/2013	336		1	0.600	336	SYS79003	79003	336
Federal Home Loan Ba	USBT	3,621,000	1.550	12/30/2019	3,596,991	06/01/2020	152	1.582	3,596,993	313384XP9 A	26918	3,597,303
<b>Fund Total and Average</b>		<b>\$ 3,621,336</b>	<b>1.550</b>		<b>\$ 3,597,327</b>		<b>152</b>	<b>1.582</b>	<b>\$ 3,597,329</b>			<b>\$ 3,597,639</b>

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	764	0.600	07/01/2013	764		1	0.600	764	SYS79004	79004	764
Federal Home Loan Ba	USBT	743,000	1.549	12/30/2019	738,074	06/01/2020	152	1.582	738,074	313384XP9 A	26919	738,137
<b>Fund Total and Average</b>		<b>\$ 743,764</b>	<b>1.549</b>		<b>\$ 738,838</b>		<b>152</b>	<b>1.581</b>	<b>\$ 738,838</b>			<b>\$ 738,901</b>

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	371	0.600	07/01/2013	371		1	0.600	371	SYS79012	79012	371
Federal Home Loan Ba	USBT	3,036,000	1.550	12/30/2019	3,015,870	06/01/2020	152	1.582	3,015,871	313384XP9 A	26920	3,016,131
<b>Fund Total and Average</b>		<b>\$ 3,036,371</b>	<b>1.550</b>		<b>\$ 3,016,241</b>		<b>152</b>	<b>1.582</b>	<b>\$ 3,016,242</b>			<b>\$ 3,016,502</b>

LEC Issue#1 2017A DS Fund

Federal Home Loan Ba	USBT	586,000	1.550	12/30/2019	582,114	06/01/2020	152	1.582	582,115	313384XP9 A	26921	582,165
<b>Fund Total and Average</b>		<b>\$ 586,000</b>	<b>1.550</b>		<b>\$ 582,114</b>		<b>152</b>	<b>1.582</b>	<b>\$ 582,115</b>			<b>\$ 582,165</b>

LEC Issue #1 2010 DSR Fund

US Bank Trust	USB	81,276	0.600	07/01/2013	81,276		1	0.600	81,276	SYS79005	79005	81,276
U.S. Treasury	USB	333,000	2.000	07/25/2019	329,633	01/23/2020	22	2.048	332,714	912796TC3	26844	332,593
Federal Farm Credit	USB	4,360,000	1.660	06/08/2016	4,360,000	05/25/2021	510	1.659	4,353,896	3133EGE27	26337	4,360,000
Federal Home Loan Mt	USB	150,000	1.125	07/28/2017	146,648	08/12/2021	589	1.699	148,893	3137EAE9	26454	148,660
Federal Home Loan Ba	USB	4,100,000	2.125	08/28/2017	4,168,306	06/10/2022	891	1.760	4,147,232	313379Q69	26463	4,134,867
<b>Fund Total and Average</b>		<b>\$ 9,024,276</b>	<b>1.866</b>		<b>\$ 9,085,863</b>		<b>663</b>	<b>1.711</b>	<b>\$ 9,064,011</b>			<b>\$ 9,057,396</b>

LEC Iss#1 2010B BABS Subs Resv

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
US Bank Trust	USB	37,189	0.600	07/01/2013	37,189		1	0.600	37,189	SYS79006	79006	37,189
Federal Home Loan Ba	USB	2,145,000	3.375	07/28/2017	2,255,146	06/12/2020	163	1.540	2,160,616	313370E38	26455	2,162,150
Federal Home Loan Ba	UBOC	150,000	1.920	07/25/2019	147,080	07/24/2020	205	1.980	148,665	313384ZU6	26845	148,360
<b>Fund Total and Average</b>		<b>\$ 2,332,189</b>	<b>3.239</b>		<b>\$ 2,439,415</b>		<b>163</b>	<b>1.553</b>	<b>\$ 2,346,470</b>			<b>\$ 2,347,699</b>

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	1,598	0.600	07/01/2013	1,598		1	0.600	1,598	SYS79013	79013	1,598
U.S. Treasury	USB	1,129,000	1.999	07/25/2019	1,117,585	01/23/2020	22	2.048	1,128,029	912796TC3	26846	1,127,620
<b>Fund Total and Average</b>		<b>\$ 1,130,598</b>	<b>1.998</b>		<b>\$ 1,119,183</b>		<b>22</b>	<b>2.046</b>	<b>\$ 1,129,627</b>			<b>\$ 1,129,218</b>

LEC O & M Reserve

Local Agency Investm	UBOC	1,464,496	2.446	07/01/2013	1,464,496		1	2.448	1,464,496	SYS70047	70047	1,464,496
Union Bank of Callo	UBOC	56,897	0.002	07/18/2013	56,897		1	0.002	56,897	SYS70041	70041	56,897
Federal Home Loan Ba	UBOC	3,615,000	1.540	06/30/2017	3,613,952	06/05/2020	156	1.550	3,613,699	31300ABJQ0	26440	3,614,847
Federal National Mfg	UBOC	3,000,000	1.300	06/30/2016	3,000,000	06/30/2020	181	1.300	2,994,060	31386GUJ2	26341	3,000,000
Federal Farm Credit	UBOC	500,000	1.500	10/15/2019	499,335	04/15/2021	470	1.590	499,620	3133EKY83	26892	499,429
Federal Farm Credit	UBOC	1,000,000	1.920	10/21/2019	1,000,000	04/21/2022	841	1.920	999,480	3133EK2S4	26894	1,000,000
US Bank, N.A.	UBOC	595,000	2.650	05/31/2019	598,290	05/23/2022	873	2.456	606,144	90331HPC1	26822	597,646
Federal Home Loan Mt	UBOC	1,250,000	2.000	10/16/2019	1,250,000	10/16/2023	1,384	2.000	1,244,225	3134GUJ7	26893	1,250,000
<b>Fund Total and Average</b>		<b>\$ 11,481,393</b>	<b>1.724</b>		<b>\$ 11,482,970</b>		<b>386</b>	<b>1.721</b>	<b>\$ 11,478,621</b>			<b>\$ 11,483,315</b>

GRAND TOTALS: \$ 32,031,030 1.844 \$ 32,137,054 376 1.685 \$ 32,028,356 \$ 32,027,938

\*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 12/31/2019

Investment #26337 FFCB Callable anytime  
 Investment #26822 USB Callable on and anytime after 4/22/2022  
 Investment #26893 FHLMC Callable on and anytime after 4/16/2020  
 Investment #26894 FFCB Callable on and anytime after 01/21/2020



# Commission Staff Report

February 11, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** January 31, 2020 Financial Report (Unaudited)

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Sondra Ainsworth <i>SA</i>	<b>METHOD OF SELECTION:</b>
	Treasurer-Controller	N/A
<b>Division:</b>	Administrative Services	
<b>Department:</b>	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:**

Approval by all members

**NOTICE:**

The disbursements of the Northern California Power Agency (NCPA) for the month reported herein, will be approved at the February 20, 2020 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 January 31, 2020 financial reports are also included.

**FISCAL IMPACT:**

This report has no direct budget impact to the Agency.

**ENVIRONMENTAL ANALYSIS:**

The financial report 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.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments: (1)

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

**Schedule of Disbursements  
(Unaudited)**

**For the Month of January 2020**

**Operations:**

<b>Geothermal</b>	<b>\$ 1,301,331</b>
<b>Hydroelectric</b>	<b>6,042,368</b>
<b>CT#1 Combustion Turbines</b>	<b>267,974</b>
<b>CT#2 STIG</b>	<b>395,741</b>
<b>Lodi Energy Center</b>	<b>8,572,609</b>
<b>NCPA Operating</b>	<b><u>31,015,172</u></b>
<b>Total</b>	<b><u>\$ 47,595,195</u></b>

NORTHERN CALIFORNIA POWER AGENCY  
 REPORT OF BUDGET VS. ACTUAL COST  
 FOR THE PERIOD ENDED JANUARY 31, 2020

PERCENT OF YEAR ELAPSED 58%
-----------------------------------

	This Month	Actual Year To-Date	FY 2020 Budget	% Used	
<b>GENERATION RESOURCES</b>					
<b>NCPA Plants</b>					
Hydroelectric					
Other Plant Cost	\$ 1,460,089	\$ 10,999,184	\$ 20,767,239	53%	
Debt Service (Net)	2,775,572	19,429,003	33,306,862	58%	
Annual Budget Cost	4,235,661	30,428,187	54,074,101	56%	
<b>Geothermal</b>					
Other Plant Cost	2,509,358	17,770,117	30,365,288	59%	
Debt Service (Net)	412,144	2,885,005	4,945,723	58%	
Annual Budget Cost	2,921,502	20,655,122	35,311,011	58%	
<b>Combustion Turbine No. 1</b>					
	421,939	3,402,462	6,169,530	55%	
<b>Combustion Turbine No. 2 (Stig)</b>					
Fuel and Pipeline Transport Charges	61,879	699,240	1,089,118	64%	(a)
Other Plant Cost	203,705	1,410,109	2,552,870	55%	
Debt Service (Net)	483,035	3,381,246	5,796,421	58%	
Annual Budget Cost	748,619	5,490,595	9,438,409	58%	
<b>Lodi Energy Center</b>					
Fuel	1,495,664	20,256,851	39,513,147	51%	
Other Plant Cost	4,016,188	13,840,927	27,392,586	51%	
Debt Service (Net)	2,171,202	15,198,416	26,054,428	58%	
Annual Budget Cost	7,683,054	49,296,194	92,960,161	53%	
<b>Member Resources - Energy</b>	4,356,249	37,064,621	56,228,967	66%	(b)
<b>Member Resources - Natural Gas</b>	458,079	2,702,573	3,540,898	76%	(c)
<b>Western Resources</b>	565,376	11,611,324	23,325,119	50%	
<b>Market Power Purchases</b>	2,416,673	14,342,962	15,123,482	95%	(d)
<b>Load Aggregation Costs - CAISO</b>	59,685,195	364,216,780	256,029,593	142%	(e)
<b>Net GHG Obligations</b>	-	1,499,594	496,955	302%	(f)
	<b>83,492,347</b>	<b>540,710,414</b>	<b>552,698,226</b>	<b>98%</b>	
<b>TRANSMISSION</b>					
<b>Independent System Operator</b>					
Grid Management Charge	561,593	4,230,709	2,813,086	150%	(g)
Wheeling Access Charge	6,185,046	63,806,009	110,581,940	58%	
Ancillary Services	750,340	4,216,449	2,372,540	178%	(h)
Other ISO Charges/(Credits)	702,623	13,342,387	1,321,289	1010%	(i)
	<b>8,199,602</b>	<b>85,595,554</b>	<b>117,088,855</b>	<b>73%</b>	
<b>MANAGEMENT SERVICES</b>					
<b>Legislative &amp; Regulatory</b>					
Legislative Representation	177,977	1,124,142	2,132,130	53%	
Regulatory Representation	53,241	372,430	748,387	50%	
Western Representation	41,120	335,051	745,117	45%	
Customer Programs	13,140	127,989	423,678	30%	
Judicial Action	139,452	269,750	625,000	43%	
<b>Power Management</b>					
System Control & Load Dispatch	466,723	3,456,625	6,082,417	57%	
Forecasting, Planning, Prescheduling & Trading	198,105	1,408,166	2,934,143	48%	
Industry Restructuring & Regulatory Affairs	32,912	207,000	414,479	50%	
Contract Admin, Interconnection Svcs & External Affairs	70,271	526,943	953,716	55%	
Gas Purchase Program	5,048	36,887	77,386	48%	
Market Purchase Project	5,693	49,641	111,270	45%	

Management Services continued on next page

NORTHERN CALIFORNIA POWER AGENCY  
 REPORT OF BUDGET VS. ACTUAL COST  
 FOR THE PERIOD ENDED JANUARY 31, 2020

PERCENT OF YEAR ELAPSED 58%
-----------------------------------

	This Month	Actual Year To-Date	FY 2020 Budget	% Used
Energy Risk Management	13,531	76,626	211,744	36%
Settlements	59,547	445,524	979,916	45%
Integrated Systems Support	9,243	27,214	243,161	11%
Participant Pass Through Costs	10,145	774,533	1,560,447	50%
Support Services	214,945	883,072	-	N/A
	<b>1,511,093</b>	<b>10,121,593</b>	<b>18,242,991</b>	<b>55%</b>
<b>TOTAL ANNUAL BUDGET COST</b>	<b>93,203,042</b>	<b>636,427,561</b>	<b>688,030,072</b>	<b>92%</b>
<b>LESS: THIRD PARTY REVENUE</b>				
Plant ISO Energy Sales	5,589,598	59,408,116	127,623,712	47%
Member Resource ISO Energy Sales	2,235,261	18,116,868	29,156,411	62% (j)
Member Owned Generation ISO Energy Sales	2,585,671	42,960,305	67,107,648	64% (k)
NCPA Contracts ISO Energy Sales	1,636,973	11,512,357	15,623,339	74% (k)
Western Resource Energy Sales	343,420	13,344,437	18,304,471	73% (l)
Load Aggregation Energy Sales	35,289,976	203,131,592	-	N/A
Ancillary Services Sales	338,224	4,482,312	4,196,879	107% (m)
Transmission Sales	18,396	64,386	110,376	58%
Western Credits, Interest and Other Income	10,428,268	53,372,358	19,227,470	278% (n)
	<b>58,465,787</b>	<b>406,392,731</b>	<b>281,350,306</b>	<b>144%</b>
<b>NET ANNUAL BUDGET COST TO PARTICIPANTS</b>	<b>\$ 34,737,255</b>	<b>\$ 230,034,830</b>	<b>\$ 406,679,766</b>	<b>57%</b>

- (a) Increase in costs due to greater than projected MWhs of generation. CT2 is at 131% of budgeted MWhs at 1/31/20. Fuel costs and CA ISO charges have increased as a result of increased generation.
- (b) Variance caused by greater than anticipated member contracts for Palo Alto and Port of Oakland.
- (c) Variance caused by greater than anticipated natural gas for Lodi, Lompoc, Gridley, Biggs, Healdsburg, and Ukiah.
- (d) Variance due to unbudgeted market purchases and NCPA contracts. Unbudgeted deals made after the FY20 budget including certain NextEra and Exelon deals.
- (e) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (f) Increase primarily due to greater than anticipated GHG allowances purchased at auction for City of Lodi, BART, San Jose CE, East Bay CE, and Ukiah.
- (g) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (h) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (i) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (j) Increase due to unbudgeted revenue from energy contracts entered into by Palo Alto following the issuance of the FY20 budget.
- (k) Variance due to unbudgeted revenue from market purchases and NCPA contracts. Unbudgeted deals made after the FY20 budget include certain NextEra and Exelon deals.
- (l) Increase due to greater than anticipated MWhs due to the good hydro year. MWhs are 113% of budget at 1/31/20.
- (m) Increase due to greater than projected MWhs of generation.
- (n) Variance caused by unbudgeted revenue from customers and greater than anticipated member contract sales.

**COMBINED STATEMENTS OF NET POSITION**

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

**UNAUDITED**

	January 31,	
	2019	2018
(in thousands)		
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 24,559	\$ 25,564
Investments	59,938	50,245
Accounts receivable		
Participants	3,211	14
Other	488	292
Interest receivable	555	332
Inventory and supplies	8,891	9,746
Prepaid expenses	3,801	2,483
TOTAL CURRENT ASSETS	101,443	88,676
RESTRICTED ASSETS		
Cash and cash equivalents	36,116	42,152
Investments	181,907	177,349
Interest receivable	557	404
TOTAL RESTRICTED ASSETS	218,580	219,905
ELECTRIC PLANT		
Electric plant in service	1,508,061	1,505,259
Less: accumulated depreciation	(1,022,154)	(991,260)
	485,907	513,999
Construction work-in-progress	182	182
TOTAL ELECTRIC PLANT	486,089	514,181
OTHER ASSETS		
Regulatory assets	220,363	229,221
Preliminary survey and investigation costs	655	183
Investment in associated company	265	265
TOTAL ASSETS	1,027,395	1,052,431
DEFERRED OUTFLOWS OF RESOURCES		
Excess cost on refunding of debt	27,531	36,348
Pension deferrals	17,055	19,200
Deferred Outflows - ARO	62,039	62,204
TOTAL DEFERRED OUTFLOWS OF RESOURCES	106,625	117,752
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,134,020	\$ 1,170,183



COMBINED STATEMENTS OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY  
AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

	January 31,	
	2019	2018
	(in thousands)	
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 43,747	\$ 18,791
Accounts and retentions payable - restricted for construction	10	10
Member advances	1,643	1,229
Operating reserves	18,968	23,290
Current portion of long-term debt	57,810	41,275
Accrued interest payable	4,885	4,658
TOTAL CURRENT LIABILITIES	127,063	89,253
NON-CURRENT LIABILITIES		
Net pension and OPEB liability	66,126	76,002
Operating reserves and other deposits	137,047	129,344
Interest rate swap liability	15,747	13,326
Asset Retirement Obligations	66,014	63,713
Long-term debt, net	596,718	663,354
TOTAL NON-CURRENT LIABILITIES	881,652	945,739
TOTAL LIABILITIES	1,008,715	1,034,992
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	82,822	85,781
Pension and OPEB deferrals	5,802	3,195
TOTAL DEFERRED INFLOWS OF RESOURCES	88,624	88,976
NET POSITION		
Net investment in capital assets	(44,432)	(54,170)
Restricted	42,663	60,382
Unrestricted	38,450	40,003
TOTAL NET POSITION	36,681	46,215
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,134,020	\$ 1,170,183

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

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

**UNAUDITED**

	Seven Months Ended January 31,	
	2019	2018
	(in thousands)	
OPERATING REVENUES		
Participants	\$ 234,225	\$ 263,944
Other Third-Party	137,809	164,977
TOTAL OPERATING REVENUES	<u>372,034</u>	<u>428,921</u>
OPERATING EXPENSES		
Purchased power	137,537	181,059
Operations	49,090	64,927
Transmission	114,326	105,697
Depreciation	18,086	18,035
Maintenance	15,547	12,883
Administrative and general	12,431	11,937
TOTAL OPERATING EXPENSES	<u>347,017</u>	<u>394,538</u>
NET OPERATING REVENUES	<u>25,017</u>	<u>34,383</u>
NON OPERATING (EXPENSES) REVENUES		
Interest expense	(21,892)	(24,150)
Interest income	2,367	6,188
Other	3,684	4,580
TOTAL NON OPERATING EXPENSES	<u>(15,841)</u>	<u>(13,382)</u>
FUTURE RECOVERABLE AMOUNTS	(3,332)	(1,912)
REFUNDS TO PARTICIPANTS	<u>(7,539)</u>	<u>(10,942)</u>
INCREASE (DECREASE) IN NET POSITION	(1,695)	8,147
NET POSITION, Beginning of year	<u>38,376</u>	<u>38,068</u>
NET POSITION, Period ended	<u>\$ 36,681</u>	<u>\$ 46,215</u>

**OTHER FINANCIAL INFORMATION**  
**COMBINING STATEMENT OF NET POSITION**  
**NORTHERN CALIFORNIA POWER AGENCY**  
**AND ASSOCIATED POWER CORPORATIONS**  
**(000's omitted)**

January 31, 2020

	GENERATING & TRANSMISSION RESOURCES										Other Agency	Combined	
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission No. One	Purchased Power & Transmission	Associated Member Services					
<b>ASSETS</b>													
<b>CURRENT ASSETS</b>													
Cash and cash equivalents	\$ 1	\$ -	\$ -	\$ 1	\$ 1	\$ 118	\$ -	\$ -	\$ 513	\$ -	\$ 23,925	\$ 24,559	
Investments	-	-	-	-	-	-	-	-	-	-	59,938	59,938	
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-	
Participants	-	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	3,211	3,211	
Interest receivable	-	-	-	-	-	-	-	-	-	-	488	488	
Inventory and supplies	4,509	1,574	2,46	3,59	2,203	-	-	-	1	208	351	555	
Prepaid expenses	1,109	904	73	106	684	-	-	-	-	-	-	8,891	
Due from Agency and other programs*	8,784	5,410	2,720	2,831	27,003	-	-	-	6,738	30,172	921	3,801	
<b>TOTAL CURRENT ASSETS</b>	<b>14,403</b>	<b>7,888</b>	<b>3,040</b>	<b>3,297</b>	<b>30,008</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,256</b>	<b>30,517</b>	<b>5,034</b>	<b>101,443</b>	
<b>RESTRICTED ASSETS</b>													
Cash and cash equivalents	914	4,876	1	-	2,625	-	-	-	-	3,051	-	36,116	
Investments	26,567	38,345	477	-	31,582	-	-	-	-	27,123	-	181,907	
Interest receivable	105	110	-	-	60	-	-	-	-	-	282	557	
<b>TOTAL RESTRICTED ASSETS</b>	<b>27,586</b>	<b>43,331</b>	<b>478</b>	<b>-</b>	<b>34,267</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,174</b>	<b>-</b>	<b>218,580</b>	
<b>ELECTRIC PLANT</b>													
Electric plant in service	572,101	395,147	64,852	36,726	424,445	7,736	-	-	894	-	6,160	1,508,061	
Less: accumulated depreciation	(541,703)	(277,187)	(51,858)	(34,789)	(104,705)	(7,736)	-	-	(568)	-	(3,608)	(1,022,154)	
	30,398	117,960	12,994	1,937	319,740	-	-	-	326	-	2,552	485,907	
Construction work-in-progress	-	-	-	-	182	-	-	-	-	-	-	182	
<b>TOTAL ELECTRIC PLANT</b>	<b>30,398</b>	<b>117,960</b>	<b>12,994</b>	<b>1,937</b>	<b>319,922</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>326</b>	<b>-</b>	<b>2,552</b>	<b>486,089</b>	
<b>OTHER ASSETS</b>													
Regulatory assets	(1,661)	131,106	7,813	-	25,392	-	-	-	-	-	57,713	220,363	
Preliminary survey and investigation costs	-	-	-	-	-	-	-	-	655	-	-	655	
Investment in associated company	-	-	-	-	-	-	-	-	-	-	265	265	
<b>TOTAL ASSETS</b>	<b>70,726</b>	<b>300,285</b>	<b>24,325</b>	<b>5,234</b>	<b>409,589</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,237</b>	<b>60,691</b>	<b>148,308</b>	<b>1,027,395</b>	
<b>DEFERRED OUTFLOWS OF RESOURCES</b>													
Excess cost on refunding of debt	1,187	23,735	971	-	1,638	-	-	-	-	-	-	27,531	
Pension deferrals and OPEB deferrals	-	-	-	-	-	-	-	-	-	-	17,055	17,055	
Asset Retirement Obligations	61,699	-	159	-	181	-	-	-	-	-	-	62,039	
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>62,886</b>	<b>23,735</b>	<b>1,130</b>	<b>-</b>	<b>1,819</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,055</b>	<b>106,625</b>	
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 133,612</b>	<b>\$ 324,020</b>	<b>\$ 25,455</b>	<b>\$ 5,234</b>	<b>\$ 411,408</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,237</b>	<b>\$ 60,691</b>	<b>\$ 165,363</b>	<b>\$ 1,134,020</b>	

\* Eliminated in Combination

**OTHER FINANCIAL INFORMATION**  
**COMBINING STATEMENT OF NET POSITION**  
**NORTHERN CALIFORNIA POWER AGENCY**  
**AND ASSOCIATED POWER CORPORATIONS**  
**(000's omitted)**

GENERATING & TRANSMISSION RESOURCES										
January 31, 2020										
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
\$	78	\$ 579	\$ -	\$ 507	\$ 1,559	\$ -	\$ 36,792	\$ -	\$ 4,232	\$ 43,747
	-	10	-	-	-	-	-	-	-	10
	791	-	-	-	-	-	-	852	-	1,643
	(569)	250	607	3,324	15,356	-	-	-	-	18,968
	4,595	20,725	20,450	-	12,040	-	-	-	-	57,810
	26	1,887	650	-	2,322	-	-	-	-	4,885
	4,921	23,451	21,707	3,831	31,277	-	36,792	852	4,232	127,063
	-	-	-	-	-	-	-	-	-	-
	1,976	15,358	-	-	1,201	-	33,206	2,566	66,126	137,047
	-	15,747	-	-	-	-	-	-	82,740	15,747
	65,675	-	159	-	180	-	-	-	-	66,014
	15,505	259,886	2,277	-	319,050	-	-	-	-	596,718
	83,156	290,991	2,436	-	320,431	-	33,206	2,566	148,866	881,652
	88,077	314,442	24,143	3,831	351,708	-	69,998	3,418	153,098	1,008,715
	34,640	3,581	818	2,109	38,308	-	-	327	3,039	82,822
	-	-	-	-	-	-	-	-	5,802	5,802
	34,640	3,581	818	2,109	38,308	-	-	327	8,841	88,624
	(2,172)	(20,981)	(1,492)	-	(19,787)	-	-	-	-	(44,432)
	3,223	21,883	(172)	-	20,548	-	(2,823)	-	4	42,663
	9,844	5,095	2,158	(706)	20,631	-	(6,484)	4,492	3,420	38,450
	10,895	5,997	494	(706)	21,392	-	(9,307)	4,492	3,424	36,681
\$	133,612	\$ 324,020	\$ 25,455	\$ 5,234	\$ 411,408	\$ -	\$ 60,691	\$ 8,237	\$ 165,363	\$ 1,134,020

**LIABILITIES**

**CURRENT LIABILITIES**

Accounts payable and accrued expenses  
Accounts and retentions payable - restricted for construction  
Member advances  
Operating reserves  
Current portion of long-term debt  
Accrued interest payable

**TOTAL CURRENT LIABILITIES**

**NON-CURRENT LIABILITIES**

Net pension and OPEB liability  
Operating reserves and other deposits  
Interest rate swap liability  
Asset Retirement Obligations  
Long-term debt, net

**TOTAL NON-CURRENT LIABILITIES**

**TOTAL LIABILITIES**

**DEFERRED INFLOWS OF RESOURCES**

Regulatory credits  
Pension and OPEB deferrals

**TOTAL DEFERRED INFLOWS OF RESOURCES**

**NET POSITION**

Net investment in capital assets  
Restricted  
Unrestricted

**TOTAL NET POSITION**

**TOTAL LIABILITIES, DEFERRED INFLOWS  
OF RESOURCES AND NET POSITION**

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 Seven Months Ended January 31, 2020

	GENERATING & TRANSMISSION RESOURCES										Other Agency	Combined	
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services					
<b>OPERATING REVENUES</b>													
Participants	\$ 10,287	\$ 10,846	\$ 3,903	\$ 2,855	\$ 26,061	\$ -	\$ 167,382	\$ 12,200	\$ 691	\$ 234,225			
Other Third-Party	13,135	13,689	687	803	35,702	-	72,064	1,729	-	137,809			
<b>TOTAL OPERATING REVENUES</b>	<b>23,422</b>	<b>24,535</b>	<b>4,590</b>	<b>3,658</b>	<b>61,763</b>	<b>-</b>	<b>239,446</b>	<b>13,929</b>	<b>691</b>	<b>372,034</b>			
<b>OPERATING EXPENSES</b>													
Purchased power	348	1,505	61	151	1,256	-	134,216	-	-	137,537			
Operations	9,274	2,358	1,030	820	26,383	-	2,703	6,522	-	49,090			
Transmission	228	439	16	20	820	-	112,800	3	-	114,326			
Depreciation	2,377	5,490	1,291	119	8,534	-	-	65	210	18,086			
Maintenance	6,172	4,497	539	1,718	2,579	-	-	42	-	15,547			
Administrative and general	2,961	2,056	708	661	2,602	-	-	4,004	(561)	12,431			
Intercompany (sales) purchases, net*	(510)	174	49	96	228	-	-	(37)	-	-			
<b>TOTAL OPERATING EXPENSES</b>	<b>20,850</b>	<b>16,519</b>	<b>3,694</b>	<b>3,585</b>	<b>42,402</b>	<b>-</b>	<b>249,719</b>	<b>10,599</b>	<b>(351)</b>	<b>347,017</b>			
<b>NET OPERATING REVENUES</b>	<b>2,572</b>	<b>8,016</b>	<b>896</b>	<b>73</b>	<b>19,361</b>	<b>-</b>	<b>(10,273)</b>	<b>3,330</b>	<b>1,042</b>	<b>25,017</b>			
<b>NON OPERATING (EXPENSES) REVENUES</b>													
Interest expense	(361)	(12,428)	(766)	-	(8,337)	-	-	-	-	(21,892)			
Interest income	299	357	51	14	599	-	693	57	297	2,367			
Other	(1)	128	1,000	-	2,301	-	-	-	256	3,684			
<b>TOTAL NON OPERATING (EXPENSES) REVENUES</b>	<b>(63)</b>	<b>(11,943)</b>	<b>285</b>	<b>14</b>	<b>(5,437)</b>	<b>-</b>	<b>693</b>	<b>57</b>	<b>553</b>	<b>(15,841)</b>			
<b>FUTURE RECOVERABLE AMOUNTS</b>													
REFUNDS TO PARTICIPANTS	(1,314)	(1,658)	(1,072)	-	712	-	-	-	-	(3,332)			
INCREASE (DECREASE) IN NET POSITION	(254)	(2,100)	(38)	960	(745)	-	(885)	(3,708)	(769)	(7,539)			
NET POSITION, Beginning of year	941	(7,685)	71	1,047	13,891	-	(10,465)	(321)	826	(1,695)			
NET POSITION, Period ended	9,954	13,682	423	(1,753)	7,501	-	1,158	4,813	2,598	38,376			
<b>NET POSITION, Period ended</b>	<b>\$ 10,895</b>	<b>\$ 5,997</b>	<b>\$ 494</b>	<b>\$ (706)</b>	<b>\$ 21,392</b>	<b>\$ -</b>	<b>\$ (9,307)</b>	<b>\$ 4,492</b>	<b>\$ 3,424</b>	<b>\$ 36,681</b>			

\* Eliminated in Combination

**NORTHERN CALIFORNIA POWER AGENCY & ASSOCIATED POWER CORPORATIONS**  
**AGED ACCOUNTS RECEIVABLE**  
 January 31, 2020

<u>Status</u>	<u>Participant / Customer</u>	<u>Description</u>	<u>Amount</u>
CURRENT			\$ 3,698,962
PAST DUE:			
1 - 30			
31 - 60			
61 - 90			
91 - 120			
Over 120 Days			
<b>PARTICIPANT and OTHER RECEIVABLES (net)</b>			<b><u>\$ 3,698,962</u></b>



# Commission Staff Report

February 11, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Treasurer's Report for Month Ended January 31, 2020

**AGENDA CATEGORY:** Consent

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

**IMPACTED MEMBERS:**

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

*If other, please specify*

---



---

**RECOMMENDATION:**

Approval by all members.

**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 \$4,727,336 of which approximately \$75,251 was applicable to Special and Reserve Fund Deposits, \$4,492 to Debt Service and \$4,647,593 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 \$297,501,381 at month end. The current market value of the portfolio totaled \$299,832,363.

The overall portfolio had a combined weighted average interest rate of 2.105% with a bond equivalent yield (yield to maturity) of 2.134%. Investments with a maturity greater than one year totaled \$156,221,000. January maturities totaled \$53 million and monthly receipts totaled \$45 million. During the month \$57 million was invested.

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

Interest Rates – During the month, rates on 90-day T-Bills increased 1 basis point (from 1.55% to 1.56%) and rates on one year T-Bills decreased 7 basis points (from 1.57% to 1.50%).

To the best of my knowledge and belief, all securities held by NCPA as of January 31, 2020 are in compliance with NCPA's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

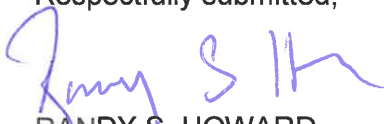
**FISCAL IMPACT:**

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

SR: 120:20



# NORTHERN CALIFORNIA POWER AGENCY

## TREASURER'S REPORT

JANUARY 31, 2020

### 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  
January 31, 2020**

	CASH	INVESTMENTS	TOTAL	PERCENT
<b>NCPA FUNDS</b>				
Operating	\$ 1,560,156	\$ 111,801,662	\$ 113,361,818	37.51%
Special Deposits	1,347,790	-	1,347,790	0.45%
Construction	1,739,647	3,366,739	5,106,386	1.69%
Debt Service	4,492	29,225,839	29,230,331	9.67%
Special & Reserve	75,251	153,107,141	153,182,392	50.68%
	<u>\$ 4,727,336</u>	<u>\$ 297,501,381</u>	<u>\$ 302,228,717</u>	<u>100.00%</u>

Portfolio Investments at Market Value

\$ 299,832,363

NOTE A -Investment amounts shown at book carrying value.

NOTE B - The total portfolio book value includes Boeing Aerospace Company (Boeing) bonds totaling \$1,469,186 with maturity dates in 2022 and 2023. Moody's Investors Service (Moody's) downgraded their credit rating of Boeing to A3 from A2 (rating at time of purchase) on 12/18/19 with a negative outlook and then from A3 to Baa1 with a negative outlook on 1/30/2020. S&P Global Ratings downgraded their credit rating of Boeing from A (rating at time of purchase) to A- with a negative outlook on 12/18/19. Fitch downgraded their credit rating of Boeing from A (rating at time of purchase) to A- on 1/17/2020. NCPA sold the bonds for a total gain of \$32,359 on 2/6/20.

**Northern California Power Agency  
Treasurer's Report  
Cash Activity Summary  
January 31, 2020**

	RECEIPTS			EXPENDITURES			CASH INCREASE / (DECREASE)
	OPS/CONSTR	INTEREST (NOTE B)	INVESTMENTS (NOTE A)	OPS/CONSTR	INVESTMENTS (NOTE B)	INTER-COMPANY/ FUND TRANSFERS	
<b>NCPA FUNDS</b>							
Operating	\$ 44,627,336	\$ 299,465	\$ 26,061,826	\$ (25,265,123)	\$ (25,183,276)	\$ (20,853,039)	\$ (312,811)
Special Deposits	11,683	5	-	(16,763,109)	-	16,751,102	(319)
Construction	-	-	-	-	(200,269)	-	(200,269)
Debt Service	-	2,567	14,719,124	(5,818,205)	(21,262,005)	5,559,355	(6,799,164)
Special & Reserve	-	467,320	11,725,623	-	(10,688,161)	(1,457,418)	47,364
	<u>\$ 44,639,019</u>	<u>\$ 769,357</u>	<u>\$ 52,506,573</u>	<u>\$ (47,846,437)</u>	<u>\$ (57,333,711)</u>	<u>\$ -</u>	<u>\$ (7,265,199)</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  
January 31, 2020**

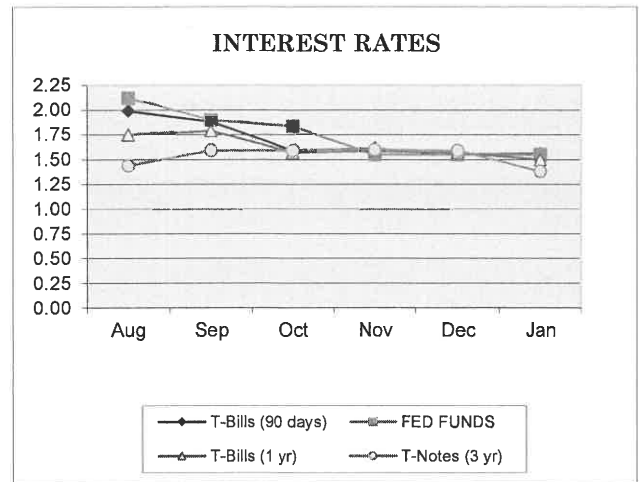
	PURCHASED	SOLD OR MATURED	(NON-CASH)	(NON-CASH)	INVESTMENTS	
			DISC/(PREM) AMORT	GAIN/(LOSS) ON SALE	TRANSFERS	INCREASE / (DECREASE)
<b>NCPA FUNDS</b>						
Operating	\$ 25,183,276	\$ (26,061,826)	\$ 13,415	\$ -	\$ -	\$ (865,135)
Special Deposits	-	-	-	-	-	-
Construction	200,269	-	1,361	-	-	201,630
Debt Service	21,262,005	(14,719,124)	29,502	-	-	6,572,383
Special & Reserve	10,688,161	(11,725,623)	1,298	-	-	(1,036,164)
	<u>\$ 57,333,711</u>	<u>\$ (52,506,573)</u>	<u>\$ 45,576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,872,714</u>
Less Non- Cash Activity						
Disc/(Prem) Amortization & Gain/(Loss) on Sale						<u>(45,576)</u>
Net Change in Investment --Before Non-Cash Activity						<u>\$ 4,827,138</u>

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency  
Interest Rate/Yield Analysis  
January 31, 2020**

	<b>WEIGHTED AVERAGE INTEREST RATE</b>	<b>BOND EQUIVALENT YIELD</b>
<b>OVERALL COMBINED</b>	<b>2.105%</b>	<b>2.134%</b>
<b>OPERATING FUNDS:</b>	<b>2.120%</b>	<b>2.226%</b>
<b>PROJECTS:</b>		
Geothermal	2.286%	2.384%
Capital Facilities	1.527%	1.560%
Hydroelectric	1.892%	1.960%
Lodi Energy Center	1.745%	1.598%

<b>KEY INTEREST RATES</b>		
	<b>CURRENT</b>	<b>PRIOR YEAR</b>
Fed Fds (Overnight)	1.55%	2.40%
T-Bills (90da.)	1.56%	2.40%
Agency Disc (90da.)	1.62%	2.33%
T-Bills (1yr.)	1.50%	2.59%
Agency Disc (1yr.)	1.55%	2.34%
T-Notes (3yr.)	1.38%	2.56%



**Northern California Power Agency  
Total Portfolio  
Investment Maturities Analysis  
January 31, 2020**

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	\$ -	\$ 2,464	\$43,765	\$ 3,274	\$ 20,690	\$ 87,535	\$ 2,000	\$ 159,728	53.29%
Corporate Bonds (MTN)	-	-	1,000	-	1,500	65,040	-	67,540	22.53%
US Bank Trust Money Market	41	-	-	-	-	-	-	41	0.01%
Commercial Paper	16,475	-	-	-	-	-	-	16,475	5.51%
Investment Trusts (LAIF)	40,160	-	-	-	-	-	-	40,160	13.40%
Investment Trusts (CAMP)	5,151	-	-	-	-	-	-	5,151	1.73%
U.S.Treasury Market Acct. *	3,956	-	-	-	-	-	-	3,956	1.32%
U.S.Treasury Bill/Note	-	32	755	66	4,174	146	-	5,173	1.73%
Certificates of Deposit	-	10	-	-	-	1,500	-	1,510	0.50%
<b>Total Dollars</b>	<b>\$ 65,783</b>	<b>\$2,506</b>	<b>\$45,520</b>	<b>\$3,340</b>	<b>\$26,364</b>	<b>\$154,221</b>	<b>\$2,000</b>	<b>\$ 299,734</b>	<b>100.00%</b>
<b>Total Percents</b>	<b>21.94%</b>	<b>0.84%</b>	<b>15.19%</b>	<b>1.11%</b>	<b>8.80%</b>	<b>51.45%</b>	<b>0.67%</b>	<b>100.00%</b>	

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 Union Bank of California 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

01/31/2020

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	8,325,600	1.850	11/26/2014	8,325,600		1	1.850	8,325,600	SYS70101	70101	8,325,600
Local Agency Investm	LAIF	14,041,010	2.246	07/01/2013	14,041,010		1	2.246	14,041,010	SYS70000	70000	14,041,010
California Asset Mgm	CMP	4,510	2.640	10/19/2018	4,510		1	2.640	4,510	SYS70070	70070	4,510
Union Bank of Califo	UBOC	150,184	0.002	07/01/2013	150,184		1	0.002	150,184	SYS70014	70014	150,184
US Bank	USB	1,560,156	0.001	06/30/2013	1,560,156		1	0.001	1,560,156	SYS70050	70050	1,560,156
US Bank	USB	8,149,321	0.850	08/24/2017	8,149,321		1	0.850	8,149,321	SYS70056	70056	8,149,321
US Bank	USB	10,000	0.050	01/07/2020	10,000	04/07/2020	66	0.050	10,000	SYS30320	30320	10,000
General Dynamics	UBOC	1,000,000	2.875	09/20/2018	998,980	05/11/2020	100	2.937	1,003,100	369550BA5	26688	999,827
Federal Home Loan Ba	UBOC	4,975,000	1.600	08/28/2017	4,990,373	07/17/2020	167	1.490	4,976,244	3130ABTW6	26466	4,977,456
U.S. Treasury	UBOC	118,000	1.750	10/31/2019	118,184	11/15/2020	288	1.598	118,175	9128283G3	26908	118,139
Walmart, Inc.	UBOC	1,000,000	1.900	09/20/2018	979,580	12/15/2020	318	2.848	1,002,940	931142EA7	26674	992,035
John Deere Capital C	UBOC	500,000	2.350	09/21/2018	492,195	01/08/2021	342	3.057	503,195	24422ETZ2	26676	496,819
Federal Home Loan Ba	UBOC	2,785,000	1.400	07/19/2016	2,783,608	01/19/2021	353	1.411	2,773,219	3130A8P80	26355	2,784,701
Cisco Systems Inc.	UBOC	1,000,000	2.200	09/20/2018	982,020	02/28/2021	393	2.969	1,005,700	17275RBD3	26667	992,075
NATIONAL RURAL UTIL	UBOC	500,000	2.900	07/31/2019	506,370	03/15/2021	408	2.096	507,175	63743HER9	26847	504,407
Home Depot Inc.	UBOC	500,000	2.000	03/21/2018	487,800	04/01/2021	425	2.846	502,665	437076BL5	26558	495,299
Intel Corp	UBOC	1,000,000	1.700	09/20/2018	968,960	05/19/2021	473	2.919	1,001,800	458140AW0	26670	984,852
Pfizer Inc	UBOC	500,000	1.950	06/12/2018	487,130	06/03/2021	488	2.858	502,965	717081DX8	26617	494,208
Federal Farm Credit	UBOC	2,802,000	1.720	08/28/2017	2,811,784	07/26/2021	541	1.620	2,615,687	3133EHSR5	26465	2,605,717
Federal Home Loan Mt	UBOC	3,500,000	1.500	11/23/2016	3,500,000	08/23/2021	569	1.500	3,497,340	3134GAVH4	26385	3,500,000
American Honda Finan	UBOC	1,000,000	1.700	09/20/2018	959,220	09/09/2021	586	3.149	1,000,830	02865WBG5	26689	977,951
3M Company	UBOC	1,000,000	3.000	09/21/2018	995,480	09/14/2021	591	3.018	1,020,600	88579YBA8	26675	999,717
Procter & Gamble	UBOC	1,000,000	2.300	09/20/2018	975,770	02/06/2022	736	3.050	1,015,160	742718DY2	26673	985,554
Johnson & Johnson	UBOC	1,000,000	2.250	09/20/2018	976,140	03/03/2022	761	2.982	1,015,290	478160CD4	26671	985,565
TD Ameritrade	UBOC	500,000	2.950	05/15/2018	493,385	04/01/2022	790	3.315	512,335	87236YAE8	26601	496,304
PepsiCo Inc.	UBOC	500,000	2.250	03/21/2018	487,005	05/02/2022	821	2.924	508,355	713448DT2	26557	492,884
Apple Inc.	UBOC	1,123,337	2.300	02/01/2018	1,121,966	05/11/2022	830	2.329	1,141,378	037833CQ1	26525	1,122,607
Boeing Co.	UBOC	500,000	2.200	06/12/2018	482,180	10/30/2022	1,002	3.074	503,060	097023BN4	26612	488,831
American Honda Finan	UBOC	500,000	2.600	06/12/2018	488,550	11/16/2022	1,019	3.157	512,640	02665WCA7	26614	492,781
Chevron Corp.	UBOC	500,000	2.355	03/21/2018	485,760	12/05/2022	1,038	3.008	509,350	166764AB6	26555	491,392
Visa Inc.	UBOC	400,000	2.800	08/03/2018	394,552	12/14/2022	1,047	3.135	413,108	92826CA06	26647	396,418
Toyota Motor Credit	UBOC	1,000,000	2.700	08/03/2018	974,760	01/11/2023	1,075	3.315	1,032,450	89236TEL5	26645	983,258
Simon Property Group	UBOC	500,000	2.750	05/15/2018	484,585	02/01/2023	1,096	3.464	514,925	828807CN5	26603	490,184
Oracle Corp.	UBOC	500,000	2.625	03/21/2018	488,010	02/15/2023	1,110	3.154	514,980	66389XBR6	26556	492,564
Exxon Mobil Corporat	UBOC	1,000,000	2.726	08/03/2018	985,450	03/01/2023	1,124	3.068	1,031,050	30231GAR3	26648	990,200
John Deere Capital C	UBOC	500,000	2.800	06/12/2018	489,875	03/06/2023	1,129	3.284	517,845	24422ETG4	26613	493,375
Berkshire Hathaway I	UBOC	500,000	2.750	03/21/2018	492,280	03/15/2023	1,138	3.086	517,050	084670BR8	26554	495,163
United Parcel Servic	UBOC	500,000	2.500	05/15/2018	463,225	04/01/2023	1,155	3.248	513,075	911312BK1	26600	489,110
United Parcel Servic	UBOC	500,000	2.500	09/21/2018	483,120	04/01/2023	1,155	3.308	513,075	911312BK1	26677	488,194
Walmart, Inc.	UBOC	500,000	2.550	07/31/2019	507,870	04/11/2023	1,165	2.104	514,595	931142DH3	26848	506,805



Northern California Power Agency  
Treasurer's Report  
01/31/2020



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
Bank of NY Mellon Co	UBOC	500,000	3.500	05/15/2018	501,265	04/28/2023	1,182	3.443	528,125	06406RAG2	26602	500,828
Hershey Company	UBOC	500,000	3.375	06/12/2018	503,125	05/15/2023	1,199	3.236	529,170	427866AZ1	26615	502,087
US Bank	UBOC	1,000,000	3.400	08/03/2018	1,000,000	07/24/2023	1,269	3.399	1,057,180	90331HNV1	26646	1,000,000
Microsoft Corp.	UBOC	1,000,000	2.000	09/20/2018	947,350	08/08/2023	1,284	3.172	1,015,570	594918B06	26672	962,055
Oracle Corp.	UBOC	4,145,000	2.400	05/31/2019	4,106,452	09/15/2023	1,322	2.630	4,249,744	68989XBL8	26820	4,112,443
Federal Home Loan Mt	UBOC	219,000	2.000	10/30/2019	219,000	10/30/2023	1,367	2.000	219,134	3134GJLV0	26905	219,000
JP Morgan	UBOC	500,000	3.875	02/15/2019	514,550	02/01/2024	1,461	3.561	538,250	4662SHJ78	26760	511,731
Bank of America Corp	UBOC	1,700,000	2.500	09/24/2019	1,700,000	09/24/2024	1,697	2.577	1,703,417	06048WD56	26872	1,700,000
Federal Agricultural	UBOC	3,000,000	2.000	09/25/2019	3,000,000	09/25/2024	1,698	2.000	3,004,830	31422BME7	26886	3,000,000
Federal Farm Credit	UBOC	2,300,000	1.890	09/27/2019	2,300,000	09/27/2024	1,700	1.890	2,306,463	3133EKU20	26888	2,300,000
Toyota Motor Credit	UBOC	1,000,000	2.150	09/27/2019	1,000,000	09/27/2024	1,700	2.323	1,000,800	89236TGH2	26887	1,000,000
Federal Home Loan Ba	UBOC	1,500,000	2.000	10/04/2019	1,500,000	10/02/2024	1,705	1.999	1,500,000	3130AHTF4	26889	1,500,000
Federal Home Loan Mt	UBOC	1,000,000	1.920	01/08/2020	1,000,000	01/08/2025	1,803	1.920	1,002,290	3134GJJP95	26923	1,000,000
<b>Fund Total and Average</b>		<b>\$ 84,108,118</b>	<b>1.968</b>		<b>\$ 83,692,690</b>		<b>571</b>	<b>2.113</b>	<b>\$ 84,727,110</b>			<b>\$ 83,853,317</b>

MPP GHG Auction Acct

Local Agency Investm		512,650	2.246	07/01/2013	512,650		1	2.246	512,650	SYS70045	70045	512,650
<b>Fund Total and Average</b>		<b>\$ 512,650</b>	<b>2.246</b>		<b>\$ 512,650</b>		<b>1</b>	<b>2.246</b>	<b>\$ 512,650</b>			<b>\$ 512,650</b>

SCPA Balancing Account

Local Agency Investm	LAIF	1,741,299	2.246	07/01/2013	1,741,299		1	2.246	1,741,299	SYS70022	70022	1,741,299
Union Bank of Califo	UBOC	13,244	0.002	07/01/2013	13,244		1	0.002	13,244	SYS70023	70023	13,244
Federal Home Loan Ba	UBOC	750,000	2.875	11/27/2018	750,045	09/11/2020	223	2.870	755,738	313370US5	26717	750,015
Federal National Mig	UBOC	1,150,000	1.630	12/20/2018	1,128,369	10/30/2020	272	2.672	1,149,839	3135GQRM7	26734	1,141,315
Bank of NY Mellon Co	UBOC	500,000	2.050	04/03/2018	486,105	05/03/2021	457	3.000	502,605	06406FAB9	26570	494,342
Microsoft Corp.	UBOC	500,000	2.375	04/04/2018	492,295	02/12/2022	742	2.798	508,350	594918BA1	26574	495,942
Walt Disney Company/	UBOC	500,000	2.450	07/24/2018	487,520	03/04/2022	762	3.186	509,190	25468PDQ6	26630	492,771
TD Ameritrade	UBOC	500,000	2.950	04/03/2018	497,200	04/01/2022	790	3.100	512,335	87236YAE8	26571	498,481
Home Depot Inc.	UBOC	500,000	2.625	04/04/2018	494,290	06/01/2022	851	2.918	512,035	437076B66	26572	496,796
Public Storage	UBOC	500,000	2.370	04/04/2018	483,705	09/15/2022	957	3.161	507,995	74460DAB5	26573	490,392
Visa Inc.	UBOC	250,000	2.800	07/24/2018	246,975	12/14/2022	1,047	3.096	258,193	92828CAC6	26632	248,022
Intel Corp	UBOC	500,000	2.700	06/22/2018	492,300	12/15/2022	1,048	3.070	516,605	458140AM2	26625	495,064
Toyota Motor Credit	UBOC	550,000	2.625	05/09/2018	536,294	01/10/2023	1,074	3.203	567,281	89233P7F7	26598	541,365
Cisco Systems Inc.	UBOC	500,000	2.600	06/22/2018	487,655	02/28/2023	1,123	3.170	514,285	17275RBE1	26624	491,894
Exxon Mobil Corporat	UBOC	500,000	2.726	05/09/2018	492,670	03/01/2023	1,124	3.055	515,525	30231GAR3	26599	495,302
Berkshire Hathaway I	UBOC	500,000	2.750	05/09/2018	490,280	03/15/2023	1,138	3.185	517,050	084670BR8	26596	493,743
United Parcel Serv	UBOC	500,000	2.500	06/22/2018	484,780	04/01/2023	1,165	3.191	513,075	911312BK1	26627	489,906
Nike Inc	UBOC	500,000	2.250	05/09/2018	480,350	05/01/2023	1,185	3.108	509,980	654106AC7	26597	487,170
Simon Property Group	UBOC	500,000	2.750	07/24/2018	484,725	06/01/2023	1,216	3.438	516,180	828807D06	26631	489,508
<b>Fund Total and Average</b>		<b>\$ 512,650</b>	<b>2.246</b>		<b>\$ 512,650</b>		<b>1</b>	<b>2.246</b>	<b>\$ 512,650</b>			<b>\$ 512,650</b>

**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
Federal Home Loan Mt	UBOC	2,600,000	2.750	08/17/2018	2,603,900	06/15/2023	1,230	3.467	2,613,312	3134GSMY8	26653	2,602,724
Pfizer Inc	UBOC	500,000	3.000	06/22/2018	496,550	06/15/2023	1,230	3.150	522,885	717081DH3	26626	497,664
Federal Home Loan Mt	UBOC	2,500,000	3.050	09/28/2018	2,501,250	09/28/2023	1,304	3.039	2,518,725	3134GSUZ6	26654	2,500,894
Federal Home Loan Ba	UBOC	2,000,000	3.100	12/28/2018	2,000,000	12/28/2023	1,426	3.100	2,023,960	3130AFKR7	26736	2,000,000
Federal Home Loan Mt	UBOC	2,500,000	2.875	02/28/2019	2,500,000	02/28/2024	1,488	2.875	2,502,225	3134GS3G8	26759	2,500,000
Federal Home Loan Mt	UBOC	2,000,000	2.760	04/01/2019	2,000,000	04/01/2024	1,521	2.760	2,003,700	3134GS7J8	26797	2,000,000
Federal Home Loan Mt	UBOC	2,000,000	2.650	04/01/2019	2,000,000	04/01/2024	1,521	2.853	2,003,040	3134GS7H2	26798	2,000,000
Federal Home Loan Mt	UBOC	2,180,000	2.700	04/30/2019	2,180,000	04/30/2024	1,550	2.700	2,185,712	3134GTCQ4	26799	2,180,000
Toyota Motor Credit	UBOC	500,000	2.410	07/25/2019	500,000	07/25/2024	1,636	2.410	500,515	89236TGD1	26881	500,000
Federal Agricultural	UBOC	1,250,000	2.000	09/25/2019	1,250,000	09/25/2024	1,698	2.000	1,252,013	3142ZBME7	26873	1,250,000
<b>Fund Total and Average</b>		<b>\$ 28,984,543</b>	<b>2.547</b>		<b>\$ 28,801,801</b>		<b>1162</b>	<b>2.906</b>	<b>\$ 29,266,891</b>			<b>\$ 28,877,853</b>

**General Operating Reserve**

Local Agency Investm	LAIF	19,360,693	2.246	07/01/2013	19,360,693	11/17/2020	290	1.600	19,360,693	SYS70000	70002	19,360,693
California Asset Mgm	CMP	5,146,232	2.640	12/14/2018	5,146,232	01/19/2021	353	1.463	5,146,232	SYS70071	70071	5,146,232
Union Bank of Calif	UBOC	142,867	0.002	07/01/2013	142,867	05/25/2021	479	1.625	142,867	SYS70019	70019	142,867
US Bank	USB	0	0.000	07/01/2013	0	05/25/2021	482	1.500	0	SYS70051	70051	0
Federal Home Loan Mt	UBOC	2,330,000	1.875	12/11/2019	2,335,895	11/17/2020	290	1.600	2,336,664	3137AEK1	26922	2,335,018
Federal Farm Credit	UBOC	4,285,000	1.440	07/20/2016	4,280,715	01/19/2021	353	1.463	4,278,830	3133EGMP7	26356	4,284,079
Federal Home Loan Ba	UBOC	9,720,000	1.400	07/19/2016	9,715,140	01/19/2021	353	1.411	9,678,884	3130A8P80	26354	9,718,956
Federal National Mtg	UBOC	5,162,000	1.625	05/25/2016	5,162,000	05/25/2021	479	1.625	5,153,328	3136G3NL5	26332	5,162,000
Federal National Mtg	UBOC	1,300,000	1.500	08/30/2016	1,300,000	05/28/2021	482	1.500	1,298,713	3136G33W3	26368	1,300,000
Federal Farm Credit	UBOC	9,129,000	1.690	06/02/2016	9,129,000	06/02/2021	487	1.690	9,129,091	3133EGDH5	26335	9,129,000
Microsoft Corp.	UBOC	400,000	2.375	04/26/2018	391,480	02/12/2022	742	2.972	406,680	594918BA1	26578	395,441
TD Ameritrade	UBOC	500,000	2.950	04/26/2018	492,950	04/01/2022	790	3.335	512,335	87236YAE8	26582	496,114
Apple Inc.	UBOC	4,025,452	2.300	02/01/2018	4,020,538	05/11/2022	830	2.329	4,090,101	037833CQ1	26524	4,022,835
Federal Home Loan Ba	UBOC	3,575,000	2.125	08/28/2017	3,634,560	06/10/2022	860	1.760	3,636,027	313379Q69	26467	3,604,365
PepsiCo Inc.	UBOC	500,000	3.100	04/26/2018	500,310	07/17/2022	897	3.083	517,100	713448CX4	26580	500,181
Walt Disney Company/	UBOC	500,000	2.350	01/30/2019	489,400	12/01/2022	1,034	2.937	509,985	25468PCVW4	26739	492,171
Visa Inc.	UBOC	500,000	2.800	04/26/2018	492,600	12/14/2022	1,047	3.145	516,385	92826CAC6	26584	495,417
US Bank, N.A.	UBOC	750,000	2.850	01/30/2019	741,900	01/23/2023	1,087	3.140	775,815	90331HLL3	26737	743,941
Bank of NY Mellon Co	UBOC	500,000	2.950	04/26/2018	491,790	01/29/2023	1,093	3.325	518,150	06406RAE7	26575	494,833
Oracle Corp.	UBOC	500,000	2.625	04/26/2018	487,350	02/15/2023	1,110	3.195	514,980	68389XBR5	26579	491,996
Praxair Inc	UBOC	500,000	2.700	04/26/2018	488,350	02/17/2023	1,116	3.225	513,780	74005PBF0	26581	492,614
Berkshire Hathaway I	UBOC	500,000	2.750	04/26/2018	488,920	03/15/2023	1,138	3.243	517,050	084670BR8	26576	492,920
United Parcel Servc	UBOC	500,000	2.500	04/26/2018	483,135	04/01/2023	1,155	3.245	513,075	911312BK1	26583	489,168
Chevron Corp.	UBOC	750,000	2.566	01/30/2019	738,750	05/16/2023	1,200	2.939	770,925	166764BK5	26740	741,377
Boeing Co.	UBOC	500,000	1.875	01/30/2019	477,500	06/15/2023	1,230	2.979	498,375	097023BQ7	26741	482,657
Chevron Corp.	UBOC	500,000	3.191	02/07/2019	507,025	06/24/2023	1,239	2.847	523,675	166676AH3	26755	505,448
Walmart, Inc.	UBOC	500,000	3.400	02/07/2019	510,960	06/26/2023	1,241	2.864	529,965	931142EK5	26758	508,503
Pfizer Inc	UBOC	500,000	3.200	01/30/2019	506,250	09/15/2023	1,322	2.908	527,755	717081EN9	26738	504,895

Northern California Power Agency  
Treasurer's Report  
01/31/2020

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	UBOC	500,000	3.650	02/07/2019	507,490	01/23/2024	1,452	3.319	534,520	17325FAS7	26755	506,005
JP Morgan	UBOC	500,000	3.875	02/07/2019	515,120	02/01/2024	1,461	3.535	538,250	46625HJT8	26757	512,136
US Bank, N.A.	UBOC	440,000	3.375	10/31/2019	462,862	02/05/2024	1,465	2.093	467,953	91159HHV5	26906	461,521
HSBC USA INC	UBOC	1,700,000	3.000	02/20/2019	1,700,000	02/20/2024	1,480	3.503	1,700,102	40435UGC2	28754	1,700,000
Federal Home Loan Mt	UBOC	500,000	2.700	04/30/2019	500,000	04/30/2024	1,550	2.700	501,310	3134GTCQ4	26816	500,000
Toyota Motor Credit	UBOC	750,000	2.410	07/25/2019	750,000	07/25/2024	1,636	2.410	750,773	89236TGD1	26841	750,000
Federal Agricultural	UBOC	3,000,000	2.100	08/26/2019	3,000,000	08/26/2024	1,668	2.100	3,001,020	31422BK64	26871	3,000,000
Federal Home Loan Ba	UBOC	1,000,000	2.000	10/04/2019	1,000,000	10/02/2024	1,705	1.989	1,000,000	3130AH7F4	26890	1,000,000
JP Morgan	UBOC	1,500,000	2.300	11/27/2019	1,500,000	11/27/2024	1,761	2.386	1,506,120	48126GM49	26812	1,500,000
<b>Fund Total and Average</b>		<b>\$ 82,466,244</b>	<b>2.090</b>		<b>\$ 82,451,782</b>		<b>543</b>	<b>2.103</b>	<b>\$ 82,919,508</b>			<b>\$ 82,463,383</b>
<b>GRAND TOTALS:</b>		<b>\$ 196,071,555</b>	<b>2.120</b>		<b>\$ 196,468,923</b>		<b>645</b>	<b>2.226</b>	<b>\$ 197,426,159.</b>			<b>\$ 195,707,203</b>

\*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 01/31/2020

Investment #26332	FNMA	Callable quarterly
Investment #26354	FHLB	Callable anytime
Investment #26355	FHLB	Callable anytime
Investment #26356	FFCB	Callable anytime
Investment #26368	FNMA	Callable quarterly
Investment #26385	FHLMC	Callable quarterly
Investment #26646	USB	Callable on 6/23/2023
Investment #26653	FHLMC	Callable on 6/15/2020
Investment #26736	FHLB	Callable on 12/28/2020
Investment #26754	HSBC	Callable on 2/20/2020
Investment #26797	FHLMC	Callable on 4/01/2020
Investment #26798	FHLMC	Callable on 4/01/2020
Investment #26799	FHLMC	Callable on 4/30/2020
Investment #26816	FHLMC	Callable on 4/30/2020
Investment #26820	ORCL	Callable on 7/15/2023
Investment #26831	TOYOTA	Callable semi-annually starting 7/25/2021
Investment #26841	TOYOTA	Callable semi-annually starting 7/25/2021
Investment# 26848	WMT	Callable on 01/11/2023
Investment# 26871	FAMC	Callable quarterly starting 8/26/2020
Investment# 26872	BAC	Callable semi-annually starting 09/24/2021
Investment# 26873	FAMC	Callable semi-annually starting 09/25/2020
Investment# 26886	FAMC	Callable semi-annually starting 09/25/2020
Investment# 26887	TOYOTA	Callable semi-annually starting 09/27/2021
Investment# 26888	FFCB	Callable anytime starting 09/27/2021
Investment# 26889	FHLB	Callable anytime starting 10/02/2020
Investment# 26905	FHLMC	Callable on 4/30/2020
Investment# 26906	USBANK	Callable on 1/05/2024
Investment# 26912	JPM	Callable quarterly starting 11/27/2021
Investment# 26923	FHLMC	Callable annually starting 1/8/2021



Northern California Power Agency  
Treasurer's Report

01/31/2020

**GEO 2012 Construction Fund**

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 Home Loan Ba	USB	709,000	1.940	07/30/2019	695,131	07/27/2020	177	1.996	703,590	313384ZX0	26850	702,237
Federal Home Loan Ba	USBT	202,000	1.489	01/06/2020	200,269	07/31/2020	181	1.522	200,422	313384A33A	26926	200,487
<b>Fund Total and Average</b>		<b>\$ 911,000</b>	<b>1.840</b>	<b>\$ 895,400</b>	<b>\$ 895,400</b>		<b>178</b>	<b>1.891</b>	<b>\$ 904,012</b>			<b>\$ 902,724</b>

**Geo 2012A Debt Service**

Federal Home Loan Ba	USBT	125,000	1.540	01/28/2020	124,171	07/01/2020	151	1.571	124,188	313384YV5A	26927	124,193
<b>Fund Total and Average</b>		<b>\$ 125,000</b>	<b>1.540</b>	<b>\$ 124,171</b>	<b>\$ 124,171</b>		<b>151</b>	<b>1.572</b>	<b>\$ 124,188</b>			<b>\$ 124,193</b>

**Geo 2016A Debt Service**

Federal Home Loan Ba	USBT	1,608,000	1.500	01/06/2020	1,596,141	07/01/2020	151	1.532	1,597,548	313384YV5A	26928	1,597,883
Federal Home Loan Ba	USBT	291,000	1.539	01/28/2020	289,071	07/01/2020	151	1.571	289,109	313384YV5A	26929	289,120
<b>Fund Total and Average</b>		<b>\$ 1,899,000</b>	<b>1.506</b>	<b>\$ 1,885,212</b>	<b>\$ 1,885,212</b>		<b>151</b>	<b>1.538</b>	<b>\$ 1,886,657</b>			<b>\$ 1,887,003</b>

**Geothermal Special Reserve**

Union Bank of Calif	UBOC	0	0.002	07/01/2013	0		1	0.002	0	SYS70015	70015	0
U.S. Treasury	UBOC	1,521,000	1.390	01/13/2020	1,499,662	01/28/2021	362	1.424	1,499,615	912796UC1	26940	1,499,741
<b>Fund Total and Average</b>		<b>\$ 1,521,000</b>	<b>1.390</b>	<b>\$ 1,499,662</b>	<b>\$ 1,499,615</b>		<b>362</b>	<b>1.424</b>	<b>\$ 1,499,615</b>			<b>\$ 1,499,741</b>

**Geo Decommissioning Reserve**

Local Agency Investm	LAIF	813,269	2.246	07/01/2013	813,269		1	2.246	813,269	SYS70027	70027	813,269
Union Bank of Calif	UBOC	72,833	0.002	07/01/2013	72,833		1	0.002	72,833	SYS70034	70034	72,833
American Honda Finan	UBOC	500,000	2.650	11/30/2018	493,500	02/12/2021	377	3.265	504,580	02665WCD1	26726	496,955
Toyota Motor Credit	UBOC	500,000	2.950	11/30/2018	496,300	04/13/2021	437	3.276	508,495	89236TEU5	26727	496,126
Federal National Mtg	UBOC	2,000,000	1.500	08/30/2016	2,000,000	05/28/2021	482	1.500	1,998,020	3136G33W3	26369	2,000,000
Ally Bank	UBOC	250,000	3.000	08/30/2018	250,000	08/30/2021	576	3.002	255,145	02007GEQ2A	30312	250,000
PNC Bank NA	UBOC	750,000	2.550	03/15/2018	735,450	12/09/2021	677	3.103	762,263	69353REY0	26553	742,768
Apple Inc.	UBOC	861,211	2.300	11/29/2017	860,117	05/11/2022	830	2.329	875,042	037833CQ1	26499	860,651
Wells Fargo Bank	UBOC	250,000	3.150	08/30/2018	250,000	08/30/2022	941	3.154	259,088	949763TLOA	30311	250,000
Great North Bank	UBOC	250,000	3.050	08/31/2018	250,000	08/31/2022	942	3.051	258,465	39103CAF3A	30310	250,000
Discover Bank	UBOC	250,000	3.150	09/06/2018	250,000	09/06/2022	948	3.152	259,100	254673T18A	30313	250,000
Walt Disney Company/	UBOC	750,000	2.350	03/15/2018	728,580	12/01/2022	1,034	3.004	764,978	25468CWX4	26551	737,118
John Deere Capital C	UBOC	750,000	2.800	03/15/2018	739,748	01/27/2023	1,091	3.104	775,245	24422ERT8	26550	743,703
Bank of NY Mellon Co	UBOC	750,000	2.950	03/15/2018	740,610	01/29/2023	1,093	3.229	777,225	06406RAE7	26549	744,229
IBM Credit LLC	UBOC	500,000	3.000	03/15/2018	496,820	02/06/2023	1,101	3.140	518,680	44932HAH6	26548	498,041

Northern California Power Agency  
Treasurer's Report  
01/31/2020

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
Federal Home Loan Mt	UBOC	935,000	1.650	01/31/2020	935,468	07/28/2023	1,273	1.635	935,636	3134GU6D7	26941	935,468
Enerbank USA	UBOC	250,000	3.200	08/30/2018	250,000	08/30/2023	1,306	3.203	262,435	29278TCP3A	30309	250,000
Citibank NA	UBOC	250,000	3.300	09/07/2018	250,000	09/07/2023	1,314	3.301	263,293	17312QS34A	30314	250,000
Federal Home Loan Mt	UBOC	1,000,000	2.760	04/01/2019	1,000,000	04/01/2024	1,521	2.760	1,001,850	3134GS7J8	26817	1,000,000
Federal Home Loan Mt	UBOC	2,000,000	2.650	04/01/2019	2,000,000	04/01/2024	1,521	2.853	2,003,040	3134GS7H2	26818	2,000,000
Federal Home Loan Mt	UBOC	1,960,000	2.700	04/30/2019	1,960,000	04/30/2024	1,550	2.700	1,965,135	3134GTCQ4	26819	1,960,000
Toyota Motor Credit	UBOC	500,000	2.410	07/25/2019	500,000	07/25/2024	1,636	2.410	500,515	89236TGD1	26842	500,000
Federal Agricultural	UBOC	750,000	2.000	09/25/2019	750,000	09/25/2024	1,698	2.000	751,208	3142ZBME7	26874	750,000
Federal Home Loan Ba	UBOC	1,000,000	2.000	10/04/2019	1,000,000	10/02/2024	1,705	1.999	1,000,000	3130AH7F4	26891	1,000,000
Federal Home Loan Mt	UBOC	1,604,000	2.000	11/12/2019	1,604,000	11/12/2024	1,746	2.144	1,604,706	3134GJUNG1	26910	1,604,000
Federal Farm Credit	UBOC	2,000,000	3.450	07/27/2018	1,999,300	07/23/2025	1,999	3.455	2,048,660	3133EJUT4	26644	1,999,451
<b>Fund Total and Average</b>		<b>\$ 21,496,313</b>	<b>2.469</b>		<b>\$ 21,425,995</b>		<b>1231</b>	<b>2.607</b>	<b>\$ 21,738,906</b>			<b>\$ 21,456,612</b>

Geo 2012A DSR Account

U.S. Treasury	USB	66,000	1.551	08/26/2019	64,996	08/13/2020	194	1.590	65,470	912796TD1	26867	65,448
Federal National Mtg	USBT	1,517,000	1.625	05/25/2016	1,517,000	05/25/2021	479	1.625	1,514,451	3136G3NL5	26333	1,517,000
<b>Fund Total and Average</b>		<b>\$ 1,583,000</b>	<b>1.622</b>		<b>\$ 1,581,996</b>		<b>467</b>	<b>1.624</b>	<b>\$ 1,579,921</b>			<b>\$ 1,582,448</b>
<b>GRAND TOTALS:</b>		<b>\$ 27,535,313</b>	<b>2.286</b>		<b>\$ 27,412,456</b>		<b>1026</b>	<b>2.384</b>	<b>\$ 27,733,299.</b>			<b>\$ 27,452,721</b>

\*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 01/31/2020

- Investment #26333 FNMA Callable quarterly
- Investment #26369 FNMA Callable quarterly
- Investment #26644 FFCB Callable anytime starting 7/23/2021
- Investment #26817 FFLMC Callable on 4/01/2020
- Investment #26818 FFLMC Callable on 4/01/2020
- Investment #26819 FFLMC Callable on 4/30/2020
- Investment #26842 TOYOTA Callable semi-annually starting 7/25/2021
- Investment #26874 FAMC Callable semi-annually starting 09/25/2020
- Investment #26890 FHLB Callable anytime starting 10/02/2020
- Investment #26891 FHLB Callable anytime starting 10/02/2020
- Investment #26910 FFLMC Callable quarterly starting 05/12/2020
- Investment #26941 FFLMC Callable on 1/28/2021 only



Northern California Power Agency  
Treasurer's Report  
01/31/2020

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	2,043,353	2.246	07/01/2013	2,043,353		1	2.246	2,043,353	SYS70028	70028	2,043,353
Union Bank of Calif	UBOC	1,011,587	0.002	07/01/2013	1,011,587		1	0.002	1,011,587	SYS70031	70031	1,011,587
Federal Farm Credit	UBOC	1,995,000	1.750	11/06/2019	1,997,753	10/26/2020	268	1.606	1,998,232	3133EHJ95	26909	1,997,084
U.S. Treasury	UBOC	1,014,000	1.390	01/31/2020	999,788	01/28/2021	362	1.424	999,743	912786UC1	26924	999,827
Branch Banking & Tru	UBOC	500,000	2.625	06/13/2018	488,420	01/15/2022	714	3.314	508,405	07330NAG8	26618	493,690
Exxon Mobil Corporat	UBOC	500,000	2.397	06/13/2018	490,350	03/06/2022	764	2.946	508,310	30231GAJ1	26621	494,575
US Bank	UBOC	550,000	3.000	08/10/2018	546,607	03/15/2022	773	3.182	585,362	91159HHC7	26651	547,988
Public Storage	UBOC	500,000	2.370	03/14/2018	485,770	09/15/2022	957	3.051	507,995	74460DAB5	26546	491,713
Federal Home Loan Mt	UBOC	1,300,000	1.900	11/14/2019	1,300,000	11/14/2022	1,017	1.900	1,300,091	3134GUPY0	26911	1,300,000
Visa Inc.	UBOC	500,000	2.800	03/14/2018	494,470	12/14/2022	1,047	3.051	516,385	92826CAC6	26547	496,659
Toyota Motor Credit	UBOC	500,000	2.700	06/13/2018	489,100	01/11/2023	1,075	3.215	516,225	89236TEL5	26619	492,989
Oracle Corp.	UBOC	500,000	2.625	03/14/2018	488,715	02/15/2023	1,110	3.121	514,980	68389XBR5	26545	493,029
Boeing Co.	UBOC	500,000	2.800	03/14/2018	496,070	03/01/2023	1,124	2.971	512,395	097023BYV4	26544	497,559
United Parcel Serv	UBOC	500,000	2.500	06/13/2018	484,900	04/01/2023	1,155	3.182	513,075	911312BK1	26620	490,038
Calgate-Palmolive Co	UBOC	550,000	2.100	08/09/2018	528,660	05/01/2023	1,185	2.985	561,792	19416QEC0	26652	535,330
Federal Home Loan Ba	UBOC	1,500,000	3.250	10/19/2018	1,500,000	10/19/2023	1,356	3.250	1,516,500	3130AEYR5	26701	1,500,000
Federal Home Loan Mt	UBOC	1,551,000	2.000	01/30/2020	1,551,000	01/30/2025	1,825	2.000	1,551,760	3134GUJ46	26925	1,551,000
<b>Fund Total and Average</b>		<b>\$ 15,514,940</b>	<b>2.136</b>		<b>\$ 15,396,543</b>		<b>782</b>	<b>2.286</b>	<b>\$ 15,646,190</b>			<b>\$ 15,436,431</b>

Hydro Initial Facilities

Federal Farm Credit	USB	2,464,000	2.540	02/12/2019	2,464,493	02/12/2020	11	2.519	2,464,715	3133EKAF3	26761	2,464,015
<b>Fund Total and Average</b>		<b>\$ 2,464,000</b>	<b>2.540</b>		<b>\$ 2,464,493</b>		<b>11</b>	<b>2.520</b>	<b>\$ 2,464,715</b>			<b>\$ 2,464,015</b>

Hydro Debt Service

Federal Home Loan Ba	USBT	797,000	1.539	01/28/2020	791,715	07/01/2020	151	1.571	791,820	313384YV5A	26930	791,852
Federal Home Loan Ba	USBT	4,856,000	1.500	01/06/2020	4,820,187	07/01/2020	151	1.532	4,824,436	313384YV5A	26931	4,825,448
<b>Fund Total and Average</b>		<b>\$ 5,653,000</b>	<b>1.506</b>		<b>\$ 5,611,902</b>		<b>151</b>	<b>1.538</b>	<b>\$ 5,616,256</b>			<b>\$ 5,617,300</b>

Hydro 2018A Debt Service

Federal Home Loan Ba	USBT	5,406,000	1.500	01/06/2020	5,366,131	07/01/2020	151	1.532	5,370,861	313384YV5A	26932	5,371,987
Federal Home Loan Ba	USBT	1,152,000	1.540	01/28/2020	1,144,362	07/01/2020	151	1.571	1,144,512	313384YV5A	26933	1,144,559
<b>Fund Total and Average</b>		<b>\$ 6,558,000</b>	<b>1.507</b>		<b>\$ 6,510,493</b>		<b>151</b>	<b>1.539</b>	<b>\$ 6,515,373</b>			<b>\$ 6,516,546</b>

Hydro 2019A Debt Service

<b>Fund Total and Average</b>		<b>\$ 6,558,000</b>	<b>1.507</b>		<b>\$ 6,510,493</b>		<b>151</b>	<b>1.539</b>	<b>\$ 6,515,373</b>			<b>\$ 6,516,546</b>
-------------------------------	--	---------------------	--------------	--	---------------------	--	------------	--------------	---------------------	--	--	---------------------

Hydro 2019A 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
Federal Home Loan Ba	USBT	3,945,000	1.500	01/06/2020	3,915,906	07/01/2020	151	1.532	3,919,358	313384YV5A	26934	3,920,179
Federal Home Loan Ba	USBT	811,000	1.540	01/28/2020	805,623	07/01/2020	151	1.571	805,729	313384YV5A	26935	805,761
<b>Fund Total and Average</b>		<b>\$ 4,756,000</b>	<b>1.507</b>		<b>\$ 4,721,529</b>		<b>151</b>	<b>1.539</b>	<b>\$ 4,725,087</b>			<b>\$ 4,725,940</b>

Hydro 2012A Rebate Account

U.S. Treasury	USB	32,000	1.690	08/26/2019	31,733	02/20/2020	19	1.727	31,978	912796TG4	26868	31,971
Federal Home Loan Mt	USB	689,000	1.875	04/28/2017	691,391	08/09/2021	555	1.790	689,014	3134G93A3	26432	689,850
<b>Fund Total and Average</b>		<b>\$ 721,000</b>	<b>1.867</b>		<b>\$ 723,124</b>		<b>531</b>	<b>1.787</b>	<b>\$ 720,992</b>			<b>\$ 721,821</b>

Hydro Special Reserve

Local Agency Investm	LAIF	0	0.377	07/01/2013	0		1	0.377	0	SYS70000	70003	0
Union Bank of Califo	UBOC	0	0.002	07/01/2013	0		1	0.002	0	SYS70016	70016	0
U.S. Treasury	UBOC	1,521,000	1.390	01/31/2020	1,499,682	01/28/2021	362	1.424	1,499,615	912796UC1	26942	1,499,741
<b>Fund Total and Average</b>		<b>\$ 1,521,000</b>	<b>1.390</b>		<b>\$ 1,499,682</b>		<b>362</b>	<b>1.424</b>	<b>\$ 1,499,615</b>			<b>\$ 1,499,741</b>

Hydro 2012 DSRA

Federal Farm Credit	USB	100,000	1.750	08/28/2015	100,329	08/04/2020	185	1.680	100,120	3133EE5Z9	26244	100,034
U.S. Treasury	USB	146,000	2.250	02/27/2018	145,992	02/15/2021	380	2.251	147,113	9128283X6	26539	145,997
Federal National Mtg	USB	94,000	1.530	07/28/2016	94,000	07/28/2021	543	1.530	94,017	3136G3S97	26359	94,000
Federal Home Loan Mt	USB	3,928,000	2.375	02/09/2012	3,926,232	01/13/2022	712	2.380	4,002,711	3137EADB2	25852	3,927,653
Federal Farm Credit	USB	150,000	1.850	09/03/2019	150,000	03/03/2022	761	1.850	150,062	3133EKH66	26875	150,000
<b>Fund Total and Average</b>		<b>\$ 4,418,000</b>	<b>2.321</b>		<b>\$ 4,416,553</b>		<b>687</b>	<b>2.324</b>	<b>\$ 4,494,023</b>			<b>\$ 4,417,684</b>
<b>GRAND TOTALS:</b>		<b>\$ 41,605,940</b>	<b>1.892</b>		<b>\$ 41,344,319</b>		<b>449</b>	<b>1.960</b>	<b>\$ 41,682,251.</b>			<b>\$ 41,399,478</b>

\*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 01/31/2020

Investment #26359 FNMA Callable quarterly  
 Investment #26701 FHLB Callable until 10/19/2020  
 Investment #26875 FFCB Callable on and anytime after 09/03/2020  
 Investment #26911 FHLMC Callable quarterly starting 02/14/2020  
 Investment# 26925 FHLMC Callable quarterly



Northern California Power Agency  
Treasurer's Report  
01/31/2020

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	752	0.600	01/24/2020	752		1	0.600	752	SYS79017	79017	752
Federal Home Loan Ba	USBT	227,000	1.530	01/28/2020	225,186	08/03/2020	184	1.563	225,209	313384A66A	26946	225,225
<b>Fund Total and Average</b>		<b>\$ 227,752</b>	<b>1.527</b>		<b>\$ 225,938</b>		<b>183</b>	<b>1.560</b>	<b>\$ 225,961</b>			<b>\$ 225,977</b>
<b>GRAND TOTALS:</b>		<b>\$ 227,752</b>	<b>1.527</b>		<b>\$ 225,938</b>		<b>183</b>	<b>1.560</b>	<b>\$ 225,961.</b>			<b>\$ 225,977</b>

\*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 01/31/2020





Northern California Power Agency  
Treasurer's Report  
01/31/2020

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		117,997	2.246	07/01/2013	117,997		1	2.246	117,997	SYS70046	70046	117,997
<b>Fund Total and Average</b>		<b>\$ 117,997</b>	<b>2.246</b>	<b>\$ 117,997</b>		<b>1</b>	<b>1</b>	<b>2.246</b>	<b>\$ 117,997</b>			<b>\$ 117,997</b>

LEC Issue#1 2010A DS Fund

US Bank Trust	USB	733	0.600	07/01/2013	733		1	0.600	733	SYS79003	79003	733
Federal Home Loan Ba	USBT	3,621,000	1.550	12/30/2019	3,596,991	06/01/2020	121	1.582	3,602,207	313384XP9 A	26918	3,602,136
Federal Home Loan Ba	USBT	570,000	1.550	01/28/2020	566,932	06/01/2020	121	1.580	567,042	313384XP9A	26936	567,030
<b>Fund Total and Average</b>		<b>\$ 4,191,733</b>	<b>1.550</b>	<b>\$ 4,164,656</b>		<b>121</b>	<b>121</b>	<b>1.582</b>	<b>\$ 4,169,982</b>			<b>\$ 4,169,899</b>

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	817	0.600	07/01/2013	817		1	0.600	817	SYS79004	79004	817
Federal Home Loan Ba	USBT	743,000	1.549	12/30/2019	738,074	06/01/2020	121	1.582	739,144	313384XP9 A	26919	739,129
Federal Home Loan Ba	USBT	737,000	1.549	01/28/2020	733,034	06/01/2020	121	1.580	733,175	313384XP9A	26937	733,160
<b>Fund Total and Average</b>		<b>\$ 1,480,817</b>	<b>1.549</b>	<b>\$ 1,471,925</b>		<b>121</b>	<b>121</b>	<b>1.580</b>	<b>\$ 1,473,136</b>			<b>\$ 1,473,106</b>

LEC Issue #2 2010A DS Fund

US Bank Trust	USB	118	0.600	07/01/2013	118		1	0.600	118	SYS79011	79011	118
<b>Fund Total and Average</b>		<b>\$ 118</b>	<b>0.600</b>	<b>\$ 118</b>		<b>1</b>	<b>1</b>	<b>0.600</b>	<b>\$ 118</b>			<b>\$ 118</b>

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	247	0.600	07/01/2013	247		1	0.600	247	SYS79012	79012	247
Federal Home Loan Ba	USBT	3,036,000	1.550	12/30/2019	3,015,870	06/01/2020	121	1.582	3,020,243	313384XP9 A	26920	3,020,183
Federal Home Loan Ba	USBT	786,000	1.550	01/28/2020	781,770	06/01/2020	121	1.580	781,921	313384XP9A	26938	781,905
<b>Fund Total and Average</b>		<b>\$ 3,822,247</b>	<b>1.550</b>	<b>\$ 3,797,887</b>		<b>121</b>	<b>121</b>	<b>1.582</b>	<b>\$ 3,802,411</b>			<b>\$ 3,802,335</b>

LEC Issue#1 2017A DS Fund

Federal Home Loan Ba	USBT	586,000	1.550	12/30/2019	582,114	06/01/2020	121	1.582	582,959	313384XP9 A	26921	582,947
Federal Home Loan Ba	USBT	101,000	1.550	01/28/2020	100,456	06/01/2020	121	1.580	100,476	313384XP9A	26939	100,474
<b>Fund Total and Average</b>		<b>\$ 687,000</b>	<b>1.550</b>	<b>\$ 682,570</b>		<b>121</b>	<b>121</b>	<b>1.582</b>	<b>\$ 683,435</b>			<b>\$ 683,421</b>

LEC Issue #1 2010 DSR Fund

<b>Fund Total and Average</b>		<b>\$ 687,000</b>	<b>1.550</b>	<b>\$ 682,570</b>		<b>121</b>	<b>121</b>	<b>1.582</b>	<b>\$ 683,435</b>			<b>\$ 683,421</b>
-------------------------------	--	-------------------	--------------	-------------------	--	------------	------------	--------------	-------------------	--	--	-------------------

Northern California Power Agency  
Treasurer's Report

01/31/2020

LEC Issue #1 2010 DSR Fund

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	USB	486	0.600	07/01/2013	486		1	0.600	486	SYS79005	79005	486
Federal Home Loan Ba	USBT	420,000	1.500	01/28/2020	413,823	01/15/2021	349	1.537	413,969	313385AQ9A	26943	413,893
Federal Farm Credit	USB	4,360,000	1.660	06/09/2016	4,360,000	05/25/2021	479	1.659	4,360,044	3133EGBZ7	26337	4,360,000
Federal Home Loan Mt	USB	150,000	1.125	07/29/2017	146,848	08/12/2021	558	1.699	149,354	3137EAE9	26454	148,730
Federal Home Loan Ba	USB	4,100,000	2.125	08/28/2017	4,168,306	06/10/2022	860	1.760	4,172,283	313379Q69	26463	4,133,677
<b>Fund Total and Average</b>		<b>\$ 9,030,486</b>	<b>1.856</b>		<b>\$ 9,089,263</b>		<b>648</b>	<b>1.701</b>	<b>\$ 9,096,136</b>			<b>\$ 9,056,786</b>

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	37,201	0.600	07/01/2013	37,201		1	0.600	37,201	SYS79006	79006	37,201
Federal Home Loan Ba	USB	2,145,000	3.375	07/28/2017	2,255,146	06/12/2020	132	1.540	2,156,556	313370E38	26455	2,158,955
Federal Home Loan Ba	UBOC	150,000	1.920	07/25/2019	147,080	07/24/2020	174	1.980	148,875	313384ZJ6	26845	148,608
<b>Fund Total and Average</b>		<b>\$ 2,332,201</b>	<b>3.239</b>		<b>\$ 2,439,427</b>		<b>133</b>	<b>1.553</b>	<b>\$ 2,344,632</b>			<b>\$ 2,344,764</b>

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	873	0.600	07/01/2013	873		1	0.600	873	SYS79013	79013	873
U.S. Treasury	USBT	755,000	1.453	01/31/2020	749,484	07/30/2020	180	1.484	749,398	912796WY1	26944	749,514
Federal Home Loan Mt	USBT	380,000	1.650	01/31/2020	380,190	07/28/2023	1,273	1.635	380,258	3134GU6D7	26945	380,190
<b>Fund Total and Average</b>		<b>\$ 1,135,873</b>	<b>1.519</b>		<b>\$ 1,130,547</b>		<b>547</b>	<b>1.534</b>	<b>\$ 1,130,529</b>			<b>\$ 1,130,577</b>

LEC O & M Reserve

Local Agency Investm	UBOC	1,529,977	2.246	07/01/2013	1,529,977		1	2.246	1,529,977	SYS70047	70047	1,529,977
Union Bank of Calif	UBOC	1,005,280	0.002	07/18/2013	1,005,280		1	0.002	1,005,280	SYS70041	70041	1,005,280
Federal Home Loan Ba	UBOC	3,615,000	1.540	06/30/2017	3,613,952	06/05/2020	125	1.550	3,614,928	3130ABJQ0	26440	3,614,877
Federal National Mtg	UBOC	3,000,000	1.300	06/30/2016	3,000,000	06/30/2020	150	1.300	2,996,400	3136G3JJ2	26341	3,000,000
Federal Farm Credit	UBOC	500,000	1.500	10/15/2019	499,335	04/15/2021	439	1.590	500,745	3133EKY83	26892	499,466
US Bank, N.A.	UBOC	595,000	2.650	05/31/2019	598,290	05/23/2022	842	2.456	608,745	90331HPC1	26822	597,554
Federal Home Loan Mt	UBOC	1,250,000	2.000	10/16/2019	1,250,000	10/16/2023	1,353	2.000	1,250,413	3134GUJUB7	26893	1,250,000
<b>Fund Total and Average</b>		<b>\$ 11,495,257</b>	<b>1.543</b>		<b>\$ 11,496,834</b>		<b>289</b>	<b>1.540</b>	<b>\$ 11,506,488</b>			<b>\$ 11,497,154</b>
<b>GRAND TOTALS:</b>		<b>\$ 34,293,729</b>	<b>1.745</b>		<b>\$ 34,391,224</b>		<b>331</b>	<b>1.598</b>	<b>\$ 34,324,864.</b>			<b>\$ 34,276,157</b>

\*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 01/31/2020

Investment #26337 FECB Callable anytime  
 Investment #26822 USB Callable on and anytime after 4/22/2022  
 Investment #26893 FHLMC Callable on and anytime after 4/16/2020  
 Investment #26945 FHLMC Callable on 1/28/2021 only



# Commission Staff Report

February 11, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Disposal of Northern California Power Agency Surplus Property

**AGENDA CATEGORY:** Consent

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

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

**RECOMMENDATION:**

Note and file report by all members for the disposal of the following:

- Scrap metal (Lodi Energy Center)
- 1 VT 100 Terminal (Hydroelectric)
- 3 56K CSU/DSU (Hydroelectric)
- 1 2007 Chevy Silverado 3500 with crane (Geothermal)
- 1 2005 Ford F350 Supercab with crane (Geothermal)

**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: Declaration of Surplus  
Receipt of disposal



NORTHERN CALIFORNIA POWER AGENCY  
DECLARATION OF EXCESS

Date: 10/18/19

DISPOSED  
1-9-2020

QTY	U/M*	DESCRIPTION (Including All Applicable Model #'s, LCNs & VINs)	COND**	ESTIMATED VALUE		NCPA Property# / Stock # / Fleet # or Project #	SITE LOCATION LEC/CT2
				UNIT	TOTAL		
1	LOT	Scrap Metal	S				
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							

JUSTIFICATION FOR EXCESS/DISPOSAL: Scrap metal

RECOMMENDED DISPOSITION: Disposal

PREPARED BY: Melissa Philipoy / Michael DeBortoli  
 ORG. Michael DeBortoli  
 APPROVED BY: [Signature] CODE: \_\_\_\_\_  
 AUTHORIZATION (ASST. GEN. MANAGER)  
 TO PROCEED: [Signature] DATE: 11/1/19  
 (GENERAL MANAGER)

\_\_\_\_\_ PUBLIC SALE \_\_\_\_\_ PRIVATE SALE  
 X \_\_\_\_\_ DISPOSAL - NO NET SCRAP VALUE  
 \*U/M = UNIT OF MEASURE  
 \*\* CONDITION: EXCELLENT (E), GOOD (G), AVERAGE  
 POOR (P), SCRAP (S)

ORIGINAL TO TREASURER-CONTROLLER



Date: 1/9/2020

This notice confirms that the Northern California Power Agency has disposed of the following items listed below:

- Scrap Metal

To the following:

Vendor Name: V&E Hauling / Vincente Gonzales

Address/Phone #: 524 E. Harold Street, Lodi (209) 915-0214

Signature: *Vincente Gonzales*

Northern California Power Agency

Employee Name: Melissa Philpot

Signature: *Melissa Philpot*

Monies Received for this?

YES (\$ 1020.00) (50% of total, rounded)

NO

\*\*\*\*\*  
\*\*\* CASH DISBURSEMENT RECEIPT \*\*\*  
\*\*\*\*\*



Receipt # 025089

pt Date: 01/08/20 11:02am

Stockton, CA  
South Aurora St  
ton, CA 95206

ased From: 118148  
alez, Vicente  
E Harold  
, CA 95240

t#	Ship Dt	Commodity	Price UM	Frt	Ext	Total Amt
ZX	01/08/20	Unprepared	115.0000 NT	0.00	62.10	
	Veh#: TK	8J84881	Weights: 9200g	8120t	1080n	
IH	01/08/20	#1 HMS *	155.0000 NT	0.00	69.75	
	Veh#: TK	8J84881	Weights: 7680g	6780t	900n	
ier 118148 Totals (Pounds):			16880g	14900t	1980n	
AMOUNT PAID TO SUPPLIER (ATM):						\$131.85

er Signature \_\_\_\_\_  
(Tamara Boling)

mer Signature \_\_\_\_\_

Weighmaster Signature \_\_\_\_\_  
(Jose Carranza)

r Signature \_\_\_\_\_

ights are reported in Pounds unless otherwise indicated)  
presents a weight that was manually entered)

**WEIGHMASTER CERTIFICATE**

TO CERTIFY that the following described commodity  
ghed, measured, or counted by a weighmaster, whose  
re is on this certificate, who is a recognized  
ty of accuracy, as prescribed by Chapter 7  
cing with Section 12700) of Division 5 of the California  
s and Professions Code, administered by the Division of  
ment Standards of the California Department of Food and  
ture.

SALE: I warrant that I am the owner (or owner's  
ative) of the material described hereon and have the right  
same, that it contains no Hazardous Materials as defined  
ederal or state law and that for payment hereby received, I  
l convey title to Sims Metal.

RMLESS AGREEMENT: Seller will indemnify and hold buyer  
s from damages, demands and liabilities, including reasonable  
/'s fees, resulting from the breach of any warranty hereunder  
er agrees to be responsible for damage to vehicle during  
ig.

INDABLE MORE THAN 90 DAYS FROM DATE ABOVE

Customer Copy

\*\*\*\*\*  
\*\*\* CASH DISBURSEMENT RECEIPT \*\*\*  
\*\*\*\*\*



Receipt # 025072

Receipt Date: 01/07/20 1:43pm

WS - Stockton, CA  
1000 South Aurora St  
Stockton, CA 95206

Purchased From: 118148  
Gonzalez, Vicente  
525 E Harold  
Lodi, CA 95240

Ticket#	Ship Dt	Commodity	Price UM	Frt	Ext	Total Amt
TICVON	01/07/20	#1 HMS *	155.0000 NT	0.00	161.20	
	Veh#: TK	8J84881	Weights: 9500g	7420t	2080n	
TICYTD	01/07/20	#1 HMS *	155.0000 NT	0.00	103.85	
	Veh#: TK	8J84881	Weights: 8320g	6980t	1340n	
TICYTD	01/07/20	Light Iron	70.0000 NT	0.00	7.00	
	Veh#: TK	8J84881	Weights: 6980g	6780t	200n	
Supplier 118148 Totals (Pounds):			24800g	21180t	3620n	

TOTAL AMOUNT PAID TO SUPPLIER (ATM): \$272.05

Cashier Signature \_\_\_\_\_  
(Tamara Boling)

Customer Signature \_\_\_\_\_

Deputy Weighmaster signature \_\_\_\_\_  
(Jose Carranza)

Customer Signature \_\_\_\_\_

(All weights are reported in Pounds unless otherwise indicated)  
("n" Represents a weight that was manually entered)

**WEIGHMASTER CERTIFICATE**

THIS IS TO CERTIFY that the following described commodity  
was weighed, measured, or counted by a weighmaster, whose  
signature is on this certificate, who is a recognized  
authority of accuracy, as prescribed by Chapter 7  
(commencing with Section 12700) of Division 5 of the California  
Business and Professions Code, administered by the Division of  
Measurement Standards of the California Department of Food and  
Agriculture.

BILL OF SALE: I warrant that I am the owner (or owner's  
representative) of the material described hereon and have the right  
to sell same, that it contains no Hazardous Materials as defined  
by any federal or state law and that for payment hereby received, I  
sell and convey title to Sims Metal.

HOLD HARMLESS AGREEMENT: Seller will indemnify and hold buyer  
harmless from damages, demands and liabilities, including reasonable  
attorney's fees, resulting from the breach of any warranty hereunder  
and driver agrees to be responsible for damage to vehicle during  
unloading.

NOT REFUNDABLE MORE THAN 90 DAYS FROM DATE ABOVE

File Copy



Ticket # TICYQV

PURCHASE TICKET JAN 10 2020

Headed At: Sims Metal  
1000 South Aurora St  
Stockton, Ca. 95206  
(209) 948-4000

Vehicle # TICYQV  
Vehicle ID: 8J84881

TRK Control # -1D: 1D 52962  
Date: 01/07/20  
Ship Date: 01/07/20

Vehicle Tag No: 8J84881 State: CA  
Vehicle No: TK 8J84881

Purchased From: 118148  
Gonzalez, Vicente  
c/o VICENTE SANTANA GONZALEZ License/ID No: N7545685 (CA)  
525 E Harold  
Lodi, CA 95240

Location: Stockton Inside Buye

Shpmt Material	Pounds		
	Gross	Tare	Net
TICYQV Mixed Load-To Be Sorted	8800b	8320b	480
	Adj Reason: Nonmetallics		
TICYQV ICW 75-84, #1	501a	33a	468
Totals			468

Gross Wght Date/Time 01/07/20 12:37  
Tare Wght Date/Time 01/07/20 13:14  
GROSS TONS 0.2089

Material Summary	Pd Wt (lb)	Price \$/Unit	Extended Price \$
Mixed Load-To Be Sorted	480	0.0000/Extended amo	0.00
ICW 75-84, #1	468	1.7400/Pounds	814.32
Totals			\$ 814.32

Deputy Weighmaster Signature  
(Jose Carranza)

Customer Signature

(All weights are reported in Pounds unless otherwise indicated)  
("m" Represents a weight that was manually entered)

WEIGHMASTER CERTIFICATE

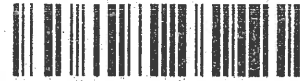
THIS IS TO CERTIFY that the following described commodity was weighed, measured, or counted by a weighmaster, whose signature is on this certificate, who is a recognized authority of accuracy, as prescribed by Chapter 7 (commencing with Section 12700) of Division 5 of the California Business and Professions Code, administered by the Division of Measurement Standards of the California Department of Food and Agriculture.

BILL OF SALE: I warrant that I am the owner (or owner's representative) of the material described hereon and have the right to sell same, that it contains no Hazardous Materials as defined by federal or state law and that for payment hereby received, I sell and convey title to Sims Metal.

HOLD HARMLESS AGREEMENT: Seller will indemnify and hold buyer harmless from damages, demands and liabilities, including reasonable attorney's fees, resulting from the breach of any warranty hereunder and driver agrees to be responsible for damage to vehicle during unloading.

NOT REFUNDABLE MORE THAN 90 DAYS FROM DATE ABOVE

Customer Copy



Ticket # ZAYOTO

PURCHASE TICKET

Headed At: SIMS Metal  
1000 South Aurora st.  
Stockton, California  
(209) 948-4000  
RC5049

Vehicle # ZAYOTO

TRK Control # -1D: 1D 7706  
Date: 01/07/20  
Ship Date: 01/07/20  
Time: 10:01

Vehicle Tag No: 8J84881 State: CA

Purchased From: 118148  
Gonzalez, Vicente  
c/o VICENTE SANTANA GONZALEZ License/ID No: N7545685 (CA)  
525 E Harold  
Lodi, CA 95240

Item Material	Pounds			Adj	Pd Wt
	Gross	Tare	Net		
1. Small motors	555.0b	313.0b	242.0	0.0	242.0
2. ICW 35-44 #2	313.0b	304.0b	9.0	0.0	9.0
3. 18/8 Solids	296.0b	273.0b	23.0	0.0	23.0
Totals	1164.0	890.0	274.0	0.0	274.0

Material Summary	Pd Wt (lb)	Price \$/Unit	Extended Price \$
Small motors	242.0	0.1900/Pounds	45.98
ICW 35-44 #2	9.0	0.6200/Pounds	5.58
18/8 Solids	23.0	0.3100/Pounds	7.13
Total:			\$ 58.69

Deputy Weighmaster Signature  
(Jose Carranza)

Customer Signature

(All weights are reported in Pounds unless otherwise indicated)  
("m" Represents a weight that was manually entered)

WEIGHMASTER CERTIFICATE

THIS IS TO CERTIFY that the following described commodity was weighed, measured, or counted by a weighmaster, whose signature is on this certificate, who is a recognized authority of accuracy, as prescribed by Chapter 7 (commencing with Section 12700) of Division 5 of the California Business and Professions Code, administered by the Division of Measurement Standards of the California Department of Food and Agriculture.

BILL OF SALE: I warrant that I am the owner (or owner's representative) of the material described hereon and have the right to sell same, that it contains no Hazardous Materials as defined by any federal or state law and that for payment hereby received, I sell and convey title to Sims Metal.

HOLD HARMLESS AGREEMENT: Seller will indemnify and hold buyer harmless from damages, demands and liabilities, including reasonable attorney's fees, resulting from the breach of any warranty hereunder and driver agrees to be responsible for damage to vehicle during unloading.

NOT REFUNDABLE MORE THAN 90 DAYS FROM DATE ABOVE

CUSTOMER COPY





# Ticket # TIDEAE

PURCHASE TICKET

Weighed At: Sims Metal  
1000 South Aurora St  
Stockton, Ca. 95206  
(209) 948-4000

JAN 13 2020

Ticket # TIDEAE  
Vehicle ID: 8J84881.

TRK Control #-1D: 1D 53005  
Date: 01/08/20  
Ship Date: 01/08/20

Vehicle Tag No: 8J84881.

State: CA

Vehicle No: TK 8J84881

Purchased From: 118148  
Gonzalez, Vicente  
c/o VICENTE SANTANA GONZALEZ License/ID No: N7545685 (CA)  
525 E Harold  
Lodi, CA 95240

Trader: Stockton Inside Buye

Item Shpmt Material	Pounds		Net
	Gross	Tare	
1. TIDEAE Mixed Load-To Be Sorted	8120m	7680m	440
	Adj Reason: Nonmetallics		
2. TIDEAE ICW 75-84, #1	1225a	788a	437
Totals			437

Gross Wght Date/Time 01/08/20 10:37  
Tare Wght Date/Time 01/08/20 10:54

GROSS TONS  
0.1951

Material Summary	Pd Wt (lb)	Price \$/Unit	Extended Price \$
Mixed Load-To Be Sorte	440	0.0000/Extended amo	0.00
ICW 75-84, #1	437	1.7400/Pounds	760.38
<b>Total:</b>			<b>\$ 760.38</b>

Deputy Weighmaster Signature  
(Jose Barranza)

Customer Signature

(All weights are reported in Pounds unless otherwise indicated)  
("m" Represents a weight that was manually entered)

### WEIGHMASTER CERTIFICATE

THIS IS TO CERTIFY that the following described commodity was weighed, measured, or counted by a weighmaster, whose signature is on this certificate, who is a recognized authority of accuracy, as prescribed by Chapter 7 (commencing with Section 12700) of Division 5 of the California Business and Professions Code, administered by the Division of Measurement Standards of the California Department of Food and Agriculture.

BILL OF SALE: I warrant that I am the owner (or owner's representative) of the material described hereon and have the right to sell same, that it contains no Hazardous Materials as defined by any federal or state law and that for payment hereby received, I sell and convey title to Sims Metal.

HOLD HARMLESS AGREEMENT: Seller will indemnify and hold buyer harmless from damages, demands and liabilities, including reasonable attorney's fees, resulting from the breach of any warranty hereunder and driver agrees to be responsible for damage to vehicle during unloading.

NOT REFUNDABLE MORE THAN 90 DAYS FROM DATE ABOVE

Customer Copy



DISPOSED  
12-20-2019

Date: May 15, 2019

**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.	U	VT 100 Terminal	E	each		Hydro	Murphys
2.	U	56K CSU/DSU	A	each		Hydro	Murphys
3.							
4.							
5.							
6.							
7.							
8.							

**JUSTIFICATION FOR SURPLUS/DISPOSAL:**

This equipment has been upgraded and is no longer needed on the NCPA Hydro Project, however, may still have some general value. Recommend trying to sell the items via public sale then scrap if they do not sell.

PREPARED BY: Justin Smith 5/15/19 Robert 5/15/19  
 APPROVED BY: [Signature] ORG. CODE: 650  
 AUTHORIZATION (ASST. GEN. MANAGER)  
 TO PROCEED: [Signature] DATE: 5/17/19  
 (GENERAL MANAGER)

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

Recommend trying public sale, then scrapping if they do not sell.

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

ORIGINAL TO TREASURER-CONTROLLER

ATTACHMENT I



477 Bret Harte Drive  
Murphys, CA 95247

phone (209) 728-1387  
fax (209) 728-1391  
web www.ncpa.com

## Disposal of Surplus Property

Date: 12/29 <sup>2019</sup> ~~2020~~

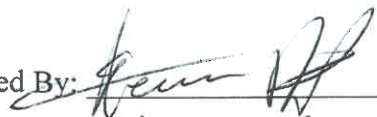
This notice confirms that Northern California Power Agency has disposed of the following items below:

- VT 100 Terminal
- 56K CSU/DSU

To the following:

Red Hill waste disposal

Delivery Acknowledgment:

Delivered By: 

Printed Name: Steven Popish

Date: 1/9/2020



Date: December 17, 2019

NORTHERN CALIFORNIA POWER AGENCY  
DECLARATION OF EXCESS

Item #	QTY	U/M*	DESCRIPTION (Including All Applicable Model #'s, LCNs & VINs)	COND**	ESTIMATED VALUE		NCPA Program or Project	SITE LOCATION
					UNIT	TOTAL		
1	1	EA	2007 Chevy Silverado 3500 With Crane VIN: 1GBJK34U47E130684 Mileage: 128,720	A-P		\$3,000		GEO
2	1	EA	2005 Ford F350 Supercab With Crane VIN: 1FDWF36P45EC57165 Mileage: 125,386	A-P		\$1,000		GEO

**JUSTIFICATION FOR EXCESS/DISPOSAL:**

GEO to purchase four (4) new trucks from Ford Fairfield. In addition, Ford Fairfield offered \$4,000 trade-in value, which will be applied to final delivery/invoice.

PREPARED BY: David S. Dojan ORG. CODE: \_\_\_\_\_  
 APPROVED BY: Paul Tedema (MANAGER)  
 AUTHORIZATION TO PROCEED: Gandy S. (Signature) DATE: 1/10/20  
 (GENERAL MANAGER)

RECOMMENDED DISPOSITION:  
 PUBLIC SALE \_\_\_\_\_ PRIVATE SALE \_\_\_\_\_  
 DISPOSAL \_\_\_\_\_ NO NET SCRAP VALUE \$4,000 (Trade-In Value)  
 \*U/M = UNIT OF MEASURE  
 \*\* CONDITION: EXCELLENT (E), GOOD (G), AVERAGE (A), POOR (P), SCRAP (S)



# Commission Staff Report

February 11, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Review and Approve Amendments to NCPA's Investment Policy and Guidelines Policy 200-100

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Monty Hanks <i>MA</i> Assistant General Manager/CFO	<b>METHOD OF SELECTION:</b>	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"/>

*If other, please specify*

\_\_\_\_\_

\_\_\_\_\_

## **RECOMMENDATION:**

It is recommended that the Commission approve Resolution 20-23. The resolution includes changes to the NCPA Investment Policy No. 200-100 as follows: 1) updates to the Permitted Investments attachment; and 2) updated note on Credit Ratings Comparison.

## **BACKGROUND:**

The purpose of the Investment Policy is to establish cash management and investment guidelines for the Treasurer-Controller, who is responsible for the stewardship of NCPA's investment program. Each transaction and the entire portfolio must comply with the California Government Code Sections 53600 and 53635 et seq., or the respective Bond Indentures pertaining to the Agency's outstanding debt, and the Investment Policy. The Investment Policy conforms to the customary standards of prudent investment management and any changes to the policy must be approved by the Commission.

The main objective with these proposed changes is creating an Investment Policy that closely matches the State code which will allow the Treasurer-Controller to create a balanced portfolio managing a modest amount of default risk through diversification, duration and adequate liquidity while respecting the goals and constraints dictated by the policy.

The Investment Policy being submitted for approval includes some recommended changes – both substantive and non-substantive – with the goal of meeting our current needs.

A brief summary of the changes are as follows:

### **Substantive changes:**

Staff is proposing to increase the maximum limit that the Agency can invest in the California Local Agency Investment Fund (LAIF) to \$75 million. This change corresponds with the State of California's increase to LAIF's deposit limit for regular accounts from \$65 million to \$75 million effective January 1, 2020.

Staff is also proposing the addition of a limit in the percentage of the portfolio that the Agency can invest in issuers of medium-term corporate notes. The proposed limit is no more than 5% per issuer. This change formalizes current Agency practice and mitigates concentration risk in a single issuer and contributes to portfolio diversification.

Staff is proposing an increase in the allowable maximum percentage of portfolio investments in municipal bonds from 10% to 20%. Staff is also proposing a limit of no more than 5% of municipal bonds per issuer. These changes will give the Agency additional investment flexibility while maintaining the preservation of the portfolio principal and mitigating credit and concentration risk.

### **Non-substantive changes:**

There are proposed clarifications in the minimum credit rating requirements on Attachment 3 from an A rating to Category A or its equivalent. Additionally, staff proposes the addition of a note to that attachment that indicates that a Category A rating includes any rating modifiers such as "+"/"-" or numbers to include equivalent ratings from Nationally Recognized Statistical Rating Organization (NRSRO). This change clarifies the minimum rating requirement for

several investment types and is in keeping with the Government Code changes that were effective beginning in 2016. Staff also proposes a corresponding clarification on Attachment 5 to state “The Agency shall not invest in any security rated less than rating category A or its equivalent.

**FISCAL IMPACT:**

Staff believes with the proposed amendments to the Investment Policy, there is the potential of adding approximately \$200,000 additional interest income and member savings through a reduction of current liquidity (determining what is adequate and matched with current cash flow requirements) and implementing a diversified portfolio of investments.

**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 February 11<sup>th</sup> and was recommended for Commission approval.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

**Attachments:**

- Resolution 20-23
- NCPA's Investment Policy and Guidelines – redline
- NCPA's Investment Policy and Guidelines – clean

## **RESOLUTION 20-23**

### **RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVE REVISIONS TO THE NCPA INVESTMENT POLICY AND GUIDELINES (Policy 200-100)**

**(reference Staff Report #118:20)**

WHEREAS, Chapter 4 of the California Government Code, section 53600 et, seq., deals with the financial affairs of local government agencies, including cities; and

WHEREAS, the Northern California Power Agency Joint Powers Agreement specifies the laws regulating general law cities as being the law that applies to the Agency; and

WHEREAS, Government Code section 53607 provides that "the authority of the legislative body to invest or reinvest funds of a local agency, or to sell or exchange securities so purchased may be delegated for a period of one year by the legislative body to the treasurer of the local agency, who shall thereafter assume full responsibility for those transactions until the authority is revoked or expires, and shall make a report of those transactions to the legislative body. Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year; and

WHEREAS, staff has performed a review of policies related to the investment of NCPA funds and recommends increasing the limit that the Agency can invest in the California Local Agency Investment Fund (LAIF) to \$75 million, the addition of a 5% limit of the portfolio per medium-term corporate notes issuer, an increase in the allowable maximum percentage of the investment portfolio from 10% to 20% for municipal bonds, the addition of a 5% limit of the portfolio per municipal bond issuer, and the clarification of minimum credit rating requirement to Category A that includes any rating modifiers such as "+"/"-" or numbers to include equivalent ratings from Nationally Recognized Statistical Rating Organizations (NRSRO); and

WHEREAS, the Finance Committee has conducted a review of the changes to the Investment Policy and Guidelines (200-100) at their meeting on February 11, 2020 and recommended the policy revisions to increase the Agency's investable limit in (LAIF) to \$75 million, the addition of a 5% investment limit per medium-term corporate notes issuer, an increase in the allowable maximum percentage for municipal bonds to 20%; the addition of a 5% investment limit per municipal bond issuer, and the clarification of minimum credit rating requirement to include any rating modifiers such as "+"/"-" or numbers to include equivalent ratings from NRSROs; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency adopts policy revisions to increase the Agency's investable limit in (LAIF) to \$75 million, the addition of a 5% investment limit per medium-term corporate notes issuer, an increase in the allowable maximum percentage for municipal bonds to 20%; the addition of a 5% investment limit per municipal bond issuer, and the clarification of minimum credit rating requirement to include any rating modifiers such as "+"/"-" or numbers to include equivalent ratings from NRSROs.



PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2020 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
 ROGER FRITH  
 CHAIR

ATTEST: \_\_\_\_\_  
 CARY A. PADGETT  
 ASSISTANT SECRETARY

	<b>POLICIES &amp; PROCEDURES MANUAL</b>	<b>No. 200-100</b>	<b>Effective: 9-1993 Updated 028- 202017</b>
		<b>Owner: Acctg. &amp; Finance</b>	
<b>SUBJECT:</b>	<b>Investment Policy and Guidelines</b>	<b>APPROVED:</b>  <b>RANDY S. HOWARD, GENERAL MANAGER</b>	

## TABLE OF CONTENTS

Policy .....	1
Purpose and Scope.....	1
Reference.....	1
Responsibility .....	1
Prudence, Indemnification and Ethics .....	2
General Objectives.....	2
Portfolio Risk Management .....	3
Authorized Investment Securities .....	4
Authorized Financial Institutions and Dealers .....	6
Delegation .....	6
Internal Control.....	6
Safekeeping and Collateralization .....	7
Reporting Requirements .....	7
Investment Operations Guidelines .....	7
Attachments:	
1. Glossary of Investment Terms	
2. Investment Fund Objectives	
3. Table of Authorized Investments	
4. Table of Bond Indenture Permitted Investments	
5. Credit Rating Comparison	

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 1 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated <del>82-201</del>207</b>

**POLICY**

It is the policy of the Agency to secure, protect and manage the funds of Agency and invest surplus funds in a manner which will:

- comply with applicable California state laws and bond indenture provisions;
- ensure safety of the principal;
- provide an appropriate level of liquidity so that money is available when reasonably expected to be required for payment of obligations; and,
- attain a market yield with no undue risks taken to maximize income at the expense of safety, liquidity, or investment quality.

**PURPOSE AND SCOPE**

The purpose of this policy is to establish general guidelines for the management of cash and investments of the Agency. The policy pertains to all financial assets of the Agency and any other funds under the control of the Treasurer-Controller and concerns the deposit, investment, maintenance, and safekeeping of all such assets.

Proceeds of debt issuance and other indentured funds shall be invested in accordance with the Agency’s general investment philosophy as set forth in this policy; however, such monies are to be invested in accordance with permitted investment provisions of their specific bond indentures. See attachment 4.

This Policy does not apply to any pension moneys or deferred compensation funds.


**REFERENCE**

- California Government Code Section 53600 et seq.
- Joint Powers Agreement, Article II, Section 4.5 (as amended)
- NCPA Resolution No. 12-72, Authorized Officers for Transactions with the State of California Local Agency Investment Fund (LAIF)
- NCPA Resolution No. 83-103, Establishing the position of Treasurer-Controller

**RESPONSIBILITY**

The Treasurer-Controller is responsible for establishing proper safeguards, controls, and procedures to maintain Agency funds in a lawful, rational, and prudent manner. The Treasurer-Controller is responsible for the development of the overall investment policy as well as for the development and ongoing administration of the various portfolio strategies, tactics, performance monitoring and monthly reporting to the Commission.

The Assistant General Manager/Chief Financial Officer (CFO) is responsible for overseeing the development and implementation of investment policy review and approval of the portfolio investment strategies, and policy compliance.

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 2 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated 28-202017</b>

**PRUDENCE, PERSONAL RESPONSIBILITY, AND ETHICS**

*Prudence:* Management of Agency’s investments is governed by the Prudent Investor Standard as set forth in California Government Code Section 53600.3:

“...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.”


*Personal Responsibility:* The Treasurer-Controller and other authorized persons responsible for managing Agency funds, acting in accordance with the Investment Policy and exercising due diligence, will be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided appropriate action is taken to control adverse developments.

*Ethics:* The Treasurer-Controller and other authorized persons involved in the investment process (1) will refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions and (2) shall not accept honoraria, gifts or gratuities from any advisor, broker, dealer, banker, or other person with whom the Agency conducts business, which has an aggregate value in excess of \$50.00 in any 12-month period.

**GENERAL OBJECTIVES**

The overriding objectives of the investment program are to preserve principal, provide sufficient liquidity, and achieve a reasonable rate of return. The specific objectives for the program are ranked in order of importance:

1. **Safety:** Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital.
2. **Liquidity:** The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
3. **Return on Investments:** The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles taking into account the investment risk constraints for safety and liquidity needs.

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 3 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated 28-202017</b>

## **PORTFOLIO RISK MANAGEMENT**

Factors that can lead to an unexpected financial loss can be broadly grouped into the following categories; credit risk, market risk, and liquidity risk.

*Mitigating credit risk in the portfolio:* Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. Agency will mitigate credit risk by adopting the following strategies:


1. Diversify the investment portfolio to mitigate losses due to failure of individual issues or issuers;
2. Limit the amount of the total portfolio that may be invested in securities of a particular type and any single issuer. Authorized investment limitations under this policy are shown in Attachment 3; and,
3. If securities owned by the Agency are downgraded by at least one Nationally Recognized Statistical Rating Organization (NRSRO) to a level below the quality required by this Investment Policy, it will be the Agency's policy to review and document the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
  - a. The Treasurer-Controller will use discretion in determining whether to sell or hold the security based on its maturity, the economic outlook for the issuer, and other relevant factors.
  - b. If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the governing board.

*Mitigating market risk in the portfolio:* Market risk, also referred to as interest rate risk, is the risk that the portfolio value will fluctuate due to changes in interest rates. The Agency recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility when marked-to-market. The Agency will mitigate interest rate risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. The Agency, therefore, shall adopt the following strategies to control and mitigate its exposure to market risk:

1. The Agency will maintain working capital reserves for budgeted operating expenditures in short-term investments to provide sufficient liquidity for expected disbursements;
2. The maximum time from investment to maturity of individual securities in the portfolio will be five years, except as otherwise stated in this policy.

*Mitigating liquidity risk in the portfolio:* Liquidity risk is the inability to convert a security to cash on a given date prior to maturity. It refers to the inability to sell a security for its cost and therefore it may have to be sold at a loss. The Agency shall employ the following strategies to control and mitigate its exposure to liquidity risk:

1. To the extent possible, match investment maturities with anticipated cash demands.
2. Since all possible cash demands cannot be anticipated, maintain portfolios largely of securities with active secondary or resale markets.
3. The Agency will maintain working capital reserves for budgeted operating expenditures in short-term investments to provide sufficient liquidity for expected disbursements.

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 4 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated 28-202017</b>

**AUTHORIZED INVESTMENT SECURITIES**

All investments will be made in accordance with Sections 53600 *et seq.* of the Government Code of the State of California and as described within this Investment Policy. Authorized investments under this policy are shown in Attachment 3.

**AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS**

The Treasurer-Controller shall establish a list of approved brokers, dealers, banks and direct issuers of commercial paper to provide investment services to the Agency. The Agency shall conduct security transactions only with approved institutions and firms.

To be eligible for approval all broker/dealer firms must qualify 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 and institutions shall have one or more of the following attributes:

- be recognized as a primary government dealer as designated by the Federal Reserve Bank;
- be a regional broker/dealer headquartered in the State of California; or
- be a national or state chartered bank which is a member of the FDIC; or
- be a direct issuer of securities eligible for purchase by the Agency.

Deposits will be made only in qualified public depositories within the state of California as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

A pool of qualified financial institutions and dealers will be maintained by the Treasurer-Controller using criteria based upon capitalization, credit worthiness, experience, reference checks and services offered. Selection of financial institutions and broker/dealers authorized to engage in transactions with the Agency will be at the sole discretion of the Agency.

**INTERNAL CONTROL AND ACCOUNTING**

Authority to manage Agency's investment program is derived from the California Government Code Sections 53600 *et seq.* Management responsibility for the investment program is delegated to the Treasurer-Controller by Agency Commission Resolution No. 83-103. Pursuant to Government Code section 53607 such delegation may be granted for a period of one-year and must be renewed annually. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer-Controller or his/her designee.

The Treasurer-Controller shall establish and maintain a system of internal controls, designed to: ensure adherence to this investment policy, the prevention and detection of errors and fraud, the accuracy and completeness of accounting records and the timely preparation of reliable financial information.

	<b>Investment Policy and Guidelines</b>	No. 200-100	Page 5 of 7
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated <del>28-20</del>2017</b>

The Agency maintains its records on the basis of Plant/Program account groups, each of which may include one or more investment funds. All investment transactions shall be recorded in the various funds of the Agency in accordance with Generally Accepted Accounting Principles as promulgated by the Government Accounting Standards Board.

**SAFEKEEPING AND COLLATERALIZATION**

All security transactions, including collateral for repurchase agreements, entered into by the Agency shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in the name of the Agency by a third party custodian designated by the Treasurer-Controller and evidenced by trade confirmations and safekeeping holdings report.

Collateralization will be required on two types of investments: certificates of deposit and repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, a minimum collateralization level measured at specified times is required.

**REPORTING REQUIREMENTS**

*Monthly Reports:* A monthly report will be provided to the Commission by the Treasurer-Controller. The report shall state compliance of the investment portfolio to the investment policy and a statement that the Agency has adequate cash flow and investment maturities to meet next month’s cash requirements and such other information as may be required by State law.

The report will disclose, at a minimum, the following information:


1. An asset listing showing par value, cost adjusted for amortization of premiums and accretion of discounts and market value of each security, type of investment, issuer, and interest rate;
2. The Treasurer-Controller’s report shall also provide:
  - a. an analysis of investment maturities;
  - b. a summary of cash and investment activity; and,
  - c. an analysis of interest rates/yields with a comparison to benchmark interest rates.

*Annually:* The Treasurer-Controller shall annually submit to the Commission a statement of Investment Policy and any recommended changes to the policy.

**INVESTMENT OPERATIONS GUIDELINES**

The following general operating guidelines shall be used in performing all investment functions:

- All investments will be made in the name of the Northern California Power Agency.
- All investments will be made in compliance with the NCPA Investment Fund Objectives (Attachment 2) and the NCPA Table of Authorized Investments (Attachment 3) unless otherwise required by bond indenture.
- Investments or collateral for all outside trustee accounts must be delivered to the trustee.
- Investments or collateral for all accounts held by NCPA will be delivered to and held in the safekeeping of an authorized financial institution.
- All investment transactions will be recorded in the accounts of the Agency in accordance with Generally Accepted Accounting Principles as promulgated by the Government Accounting Standards Board.

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 6 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated <u>28-2020</u>17</b>

- All accrued interest on purchased securities will be charged to the appropriate interest income account.
- Funds deposited in banks or savings and loan associations must be held under a written contract between the Agency and the institution, which requires collateralization as prescribed by law and/or this investment policy.
- Whenever practical Agency cash is to be consolidated and invested on a pooled concept basis. Interest earnings are allocated monthly according to monthly weighted average balance for each fund.
- Unless otherwise restricted, all holdings will be of sufficient size and held in issues which are actively traded to facilitate transactions at a minimum cost and accurate market valuation.
- Passive management portfolio strategies are preferred for all operating projects or other Agency programs, unless otherwise prohibited or restricted.
- When practicable, competitive bidding will be utilized for all investment and reinvestment activities not involving escrowed or other funds covered by a separate contract or agreement.

*Prohibited investment vehicles and practices:*

1. Notwithstanding that any such investment is permitted under State Law, any investment not specifically described herein is prohibited, including, but not limited to derivatives, futures and options.
2. In accordance with California Government Code Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
3. Investment in any security that could result in a zero interest accrual if held to maturity is prohibited.
4. Trading securities for the sole purpose of speculating, whether on the future direction of interest rates or otherwise, is prohibited.
5. Purchasing or selling securities on margin is prohibited.
6. The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
7. The purchase of foreign currency denominated securities is prohibited.

**ATTACHMENTS**

Attachment 1 - Glossary

Attachment 2 - Investment Fund Objectives

Attachment 3 - Table of Authorized Investments

Attachment 4 - Table of Bond Indenture Permitted Investments

Attachment 5 – Credit Rating Comparison



**VERSION HISTORY**

No.	Explanation	Date	Author
<b>7</b>	<u>Revisions to permitted investments; update note on Credit Ratings Comparison attachment to reflect minimum rating category of A.</u>		<u>SA</u>
<b>6</b>	Minor language clean-up; updates to the Permitted Investments; and changes to the Investment Fund Objectives	8/17	MH
<b>5</b>	Revised a resolution reference Updated maximum investment permitted by LAIF Added Authorized Financial Institution	11/16	SA
<b>4</b>	Annual review, no changes	11/15	SA
<b>3</b>	Annual review, no changes	11/14	KWW
<b>2</b>	Combined prior policies 200-97 and 200-98; updated to include more information on allowable investments, delegations, authorized financial institutions, and operations practices, Includes expanded attachments and glossary.	11/13	KWW
<b>1</b>	Updated	9/95	DBL
<b>0</b>	Original Policy	9/93	DBL

## GLOSSARY OF INVESTMENT TERMS

**Agencies** - Shorthand market terminology for any obligation issued by a *government sponsored enterprise (GSE)*, or a *federally related institution*. Most obligations of GSEs are **not guaranteed** by the full faith and credit of the US government. Examples are:

- FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.
- FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.
- FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “Freddie Mac” issues discount notes, bonds and mortgage pass-through securities.
- FNMA. Like FHLB and Freddie Mac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “Fannie Mae,” issues discount notes, bonds and mortgage pass-through securities.

Certain GSE obligations are **guaranteed** by the full faith and credit of the US government. An example is:

- GNMA. The Government National Mortgage Association, known as “Ginnie Mae,” issues mortgage pass-through securities.

**Callable** - A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.

**Certificate of Deposit (CD)** - A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

**Collateral** - Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

**Commercial paper** - Short-term unsecured debt of corporations.

**Coupon** - The rate of return at which interest is paid on a bond.

**Current yield** - The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

**Dealer** - A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position

**Delivery vs. payment (DVP)** - A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

**Demand Deposit** – Sometimes referred to as a sight or on call deposit, can be withdrawn at any time (on demand) without notice or penalty; e.g., deposits into checking or savings accounts.

**Derivative** - Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components (“Stripped” coupons and principal). A derivative is also defined as a financial

instrument the value of which is totally or partially derived from the value of another instrument, interest rate or index.

**Discount** - The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as **discount securities**. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

**Diversification** - Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

**Duration** - The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).

**Federal funds rate** - The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

**Financial Industry Regulatory Authority (FINRA)** - A self-regulatory organization for brokerage firms doing business in the United States. FINRA operates under the supervision of the SEC. The organization's objectives are to protect investors and ensure market integrity.

**Liquidity** - refers to the requirement that some portion of cash assets be invested in securities readily convertible into cash without loss of capital.

**Make whole call** - A type of call provision on a bond allowing the issuer to pay off remaining debt early. The issuer has to make a lump sum payment derived from a formula based on the net present value (NPV) of future coupon payments that will not be paid because of the call. Investors will be compensated, or "made whole."

**Market value** - The price at which a security can be traded.

**Mark to market** - The process of posting current market values for securities in a portfolio.

**Maturity** - The final date upon which the principal of a security becomes due and payable.

**Money market** - The market in which short term debt instruments (Tbills, discount notes, commercial paper and banker's acceptances) are issued and traded.

**Nationally Recognized Statistical Rating Organization (NSRSO)** - Is a credit rating agency (CRA) that issues credit ratings that the U.S. Securities and Exchange Commission (SEC) permits other financial firms to use for certain regulatory purposes. The largest NSROs are Moody's, Standard and Poor's and Fitch.

**Portfolio Re-Optimization** - Refers to the process wherein investment broker(s) re-evaluate a given dedicated investment portfolio using sophisticated computer programs based on the updated program or project estimated cash flows. This is usually done to increase or protect the portfolio's overall rate of return as a result of changing liability amounts or dates, changing market or credit risk condition, or a change in investment policy restrictions, etc.

**Portfolio Strategy** – Determining investment practices to best achieve the investors' primary goals. Strategies may be either passive or active. Passive strategies include: buy and hold, which includes the laddering of maturities; and bullet structure, which is designed to invest to a particular date or portfolio horizon; and benchmarking, which is done to mirror a particular segment of the market. Active strategies employ additional risk to take advantage of conditions in the fixed income markets that change as economic and financial conditions change.

**Premium** - The difference between the par value of a bond and the cost of the bond, when the cost is above par.

**Primary Dealer** - a firm that buys government securities directly from a government, with the intention of reselling them to others, thus acting as a market maker of government securities. The government may regulate the behavior and numbers of its primary dealers and impose conditions of entry.

**Repurchase agreement (RP, Repo)** - Short term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a **reverse repurchase agreement**.

**Risk** - refers to the degree of probability of incurring a monetary loss as a result of investing in a particular security. Three general kinds of investment risks are:

- *Credit Risk* - risk that an issuer of a security cannot meet its obligations.
- *Market Risk* - risk from fluctuations in the market prices for individual securities over a period of time.
- *Liquidity Risk* - risk of an inability to sell a security at its fair market value.

**Safety** - refers to the varying degrees and types of risks associated with different types of investment securities and individual issues. Safety is a matter of degree, not an absolute.

**Safekeeping** - A service to bank customers whereby securities are held by the bank (as custodian) in the customer's name.

**Total rate of return** - A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

**U.S. Treasury obligations** - Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

**Treasury bills** - All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

**Treasury notes** - All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

**Treasury bonds** - All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

**Uniform Net Capital Rule** - An SEC rule that requires broker-dealers to maintain sufficient liquidity to protect securities customers, counterparties, and creditors. Broker-dealers must maintain net capital (net worth adjusted by certain deductions for illiquid assets and reserves against possible market losses on securities positions) such that the liabilities incurred by the broker-dealer (aggregate indebtedness) do not exceed certain specified levels.

**Volatility** - The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

**Yield to Maturity** - The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

## INVESTMENT FUND OBJECTIVES

Fund Type	Primary Investment Objective	Maximum Term of Investment <sup>1</sup>
<b>Bond Financed Project Funds: <sup>2</sup></b>		
Construction Fund (Geo)	C	1 year
Construction Revolving Acct (LEC)	A	90 days
Debt Service Fund	C	1 year
Debt Service Reserve	B, D	15 years
Reserve Fund	B, C, D	5 years
Rebate Fund	C	5 years
O&M Reserve (LEC)	A, B, D	5 years
Revenue Fund	A, B, C	1 year
<b>Additional Operating Funds:</b>		
Operating Account	A, C	5 years
General Operating Reserve	A, B, C	5 years
SCPA Balancing Account	A, B	5 years
Capital Development Account (Hydro)	A, C	5 years
Decommissioning Account (Geo)	C, D	10 years

Notes:

- A. Provide liquidity
- B. Provide reserves against uncertain liabilities
- C. Match prescribed cash flow
- D. Maximize long-term return on investment

- <sup>1</sup> Investments shall mature not later than such times as shall be necessary to provide monies when reasonably expected to be needed for payments to be made from such fund.
- <sup>2</sup> Proceeds of debt issuance and other funds held under a bond indenture shall be invested in accordance with the Agency's general investment philosophy as set forth in this policy; however, such moneys are to be invested in accordance with permitted investment provisions of their specific bond indentures.

## TABLE OF PERMITTED INVESTMENTS

Type of Investment	Maximum % of Portfolio	Rating Requirement	Maximum Maturity	Other Restrictions
US Treasury Securities	100%	n/a		
Federal Agencies	100%	n/a		
Local Agency Investment Fund (LAIF)	Up to maximum permitted by LAIF, currently \$765,000,000	n/a	n/a	n/a
Medium-term Corporate Notes	30%	By a NRSRO; <u>Category A</u> or its equivalent or better*	5 years	<u>No more than 5% per issuer</u>
California Asset Management Program (CAMP)	100%	n/a	n/a	n/a
Time Deposits (Non-negotiable CDs)	20%	By a NRSRO; Long-term of <u>Category A</u> or short-term of A-1 or better	5 years	No more than 5% per issuer
Negotiable CDs	30%	By a NRSRO; Long-term of <u>Category A</u> or short-term of A-1 or better	5 years	No more than 5% per issuer
Bankers Acceptances	40%	By a NRSRO; Long-term of <u>Category A</u> or short-term of A-1 or better	180 days	No more than 5% per issuer
Commercial Paper	40%	By a NRSRO; Long-term of <u>Category A</u> or short-term of A-1 or better	270 days	Assets >\$500MM No more than 5% per issuer
Money Market Funds	20%	By a NRSRO; Highest ranking or highest letter/numerical rating		Must be registered with SEC; Assets > \$500MM; No more than 5% per fund
Repurchase Agreements	100%		1 year	Collateral of at least 102% of market value required
Municipal Bonds	<u>240%</u>	By a NRSRO; <u>Category A or its equivalent or better Highest ranking or highest letter/numerical rating</u>		<u>No more than 5% per issuer Fully secured as to principal and interest by an escrow consisting of cash or direct obligations of the US government</u>

- Includes any rating modifiers such as “+”/“-” or numbers to include equivalent ratings from NRSRO



**TABLE OF BOND INDENTURE PERMITTED INVESTMENTS**

Project  Securities <sup>1</sup>	Geo/Hydro <sup>2</sup>			Cap Facilities/LEC <sup>3</sup>		
	Debt Service Acct.	Debt Service Reserve Acct.	All Other	Debt Service Acct.	Debt Service Reserve Acct.	All Other
Direct obligations of the United States of America.	x	x	x	x	x	x
Bonds issued or guaranteed by federal Agencies, which are backed by the full faith and credit of the United States of America.	x	x	x	x	x	x
Bonds issued or guaranteed by federal Agencies, which are not backed by the full faith and credit of the United States of America.	x	x	x	x	x	x
New Housing Authority bonds or notes of public agencies or municipalities secured by a pledge of annual contributions to be paid by the United States or agency thereof.	x	x	x			x
Direct and general obligations of the State of California or political subdivision rated A or higher.	x		x			
General obligation of any state rated A2 or higher.						x
Time deposits, FDIC insured or collateralized.			x			x
Repurchase agreements, insured or collateralized.			x			x
Money Market Funds rated AAAM G or AAAM or better.						x
Commercial Paper rated P-1 or A1+.						x
UD dollar denominated deposit accounts, federal funds or bankers' acceptances with ratings of A-1, A-1+ or P-1.						x
Prefunded municipal obligations rated highest rating category by S&P or Moody's, based on an irrevocable escrow.						x
Investment Agreements & GICS, supported by opinion of counsel.				x	x	x
California LAIF.						x
Shares in a California common law trust which invests exclusively in investment permitted under CA Code section 56635.						x
Any other form of investment.						x

<sup>1</sup> Investment types are detailed in each project bond Indenture of Trust. Generally, investment securities include those listed above, if and to the extent the same are legal for investment of Agency funds. The securities, as listed above, are summarized and may have additional limitations as to specific issuers, ratings, term of investment, or other requirements.

<sup>2</sup> The Geothermal Project bond indenture dated November 1, 1983 and the Hydroelectric Project bond indenture dated March 1, 1985 have the same definition for investment securities.

<sup>3</sup> The Capital Facilities Project bond indenture dated January 1, 2010 and the Lodi Energy Center Issues One and Two, dated June 1, 2010 have the same definition for investment securities.



**CREDIT RATINGS COMPARISON**

Description	Moody's		Standard & Poors		Fitch			
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term		
<b>Prime:</b>								
Extremely Strong	Aaa	P-1	AAA	A-1+	AAA	F1+		
<b>High Grade:</b>								
Very Strong	Aa1		AA+		AA+			
	Aa2		AA		AA			
	Aa3		AA-		AA-			
<b>Upper Medium Grade:</b>								
Strong	A1	P-2	A+	A-1	A+	F1		
	A2		A		A			
	A3		A-		A-			
<b>Lower Medium Grade:</b>								
Adequate	Baa1		BBB+		BBB+			
	Baa2	P-3	BBB	A-3	BBB	F3		
	Baa3		BBB-		BBB-			
<b>Non-investment Grade speculative:</b>								
Vulnerable	Ba1	Not Prime	BB+	B	BB+	B		
	Ba2		BB		BB			
	Ba2		BB-		BB-			


Credit ratings are opinions about credit risk published by a rating agency. They express opinions about the ability and willingness of an issuer, such as a corporation, state or city government, to meet its financial obligations in accordance with the terms of those obligations. Credit ratings are also opinions about the credit quality of an issue, such as a bond or other debt obligation, and the relative likelihood that it may default.

The Agency shall not invest in any security rated less than rating category single-A or its equivalent.

	<b>POLICIES &amp; PROCEDURES MANUAL</b>	<b>No. 200-100</b>	<b>Effective: 9-1993 Updated 02-2020</b>
		<b>Owner:</b> Acctg. & Finance	
<b>SUBJECT:</b>	<b>Investment Policy and Guidelines</b>	<b>APPROVED:</b>  RANDY S. HOWARD, GENERAL MANAGER	

## TABLE OF CONTENTS

Policy .....	1
Purpose and Scope .....	1
Reference .....	1
Responsibility .....	1
Prudence, Indemnification and Ethics.....	2
General Objectives .....	2
Portfolio Risk Management.....	3
Authorized Investment Securities .....	4
Authorized Financial Institutions and Dealers.....	6
Delegation .....	6
Internal Control.....	6
Safekeeping and Collateralization .....	7
Reporting Requirements.....	7
Investment Operations Guidelines.....	7
Attachments:	
1. Glossary of Investment Terms	
2. Investment Fund Objectives	
3. Table of Authorized Investments	
4. Table of Bond Indenture Permitted Investments	
5. Credit Rating Comparison	

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 1 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated 2-20120</b>

**POLICY**

It is the policy of the Agency to secure, protect and manage the funds of Agency and invest surplus funds in a manner which will:

- comply with applicable California state laws and bond indenture provisions;
- ensure safety of the principal;
- provide an appropriate level of liquidity so that money is available when reasonably expected to be required for payment of obligations; and,
- attain a market yield with no undue risks taken to maximize income at the expense of safety, liquidity, or investment quality.

**PURPOSE AND SCOPE**

The purpose of this policy is to establish general guidelines for the management of cash and investments of the Agency. The policy pertains to all financial assets of the Agency and any other funds under the control of the Treasurer-Controller and concerns the deposit, investment, maintenance, and safekeeping of all such assets.

Proceeds of debt issuance and other indentured funds shall be invested in accordance with the Agency’s general investment philosophy as set forth in this policy; however, such monies are to be invested in accordance with permitted investment provisions of their specific bond indentures. See attachment 4.

This Policy does not apply to any pension moneys or deferred compensation funds.


**REFERENCE**

- California Government Code Section 53600 et seq.
- Joint Powers Agreement, Article II, Section 4.5 (as amended)
- NCPA Resolution No. 12-72, Authorized Officers for Transactions with the State of California Local Agency Investment Fund (LAIF)
- NCPA Resolution No. 83-103, Establishing the position of Treasurer-Controller

**RESPONSIBILITY**

The Treasurer-Controller is responsible for establishing proper safeguards, controls, and procedures to maintain Agency funds in a lawful, rational, and prudent manner. The Treasurer-Controller is responsible for the development of the overall investment policy as well as for the development and ongoing administration of the various portfolio strategies, tactics, performance monitoring and monthly reporting to the Commission.

The Assistant General Manager/Chief Financial Officer (CFO) is responsible for overseeing the development and implementation of investment policy review and approval of the portfolio investment strategies, and policy compliance.

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 2 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated 2-2020</b>

**PRUDENCE, PERSONAL RESPONSIBILITY, AND ETHICS**

*Prudence:* Management of Agency’s investments is governed by the Prudent Investor Standard as set forth in California Government Code Section 53600.3:

“...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.”


*Personal Responsibility:* The Treasurer-Controller and other authorized persons responsible for managing Agency funds, acting in accordance with the Investment Policy and exercising due diligence, will be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided appropriate action is taken to control adverse developments.

*Ethics:* The Treasurer-Controller and other authorized persons involved in the investment process (1) will refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions and (2) shall not accept honoraria, gifts or gratuities from any advisor, broker, dealer, banker, or other person with whom the Agency conducts business, which has an aggregate value in excess of \$50.00 in any 12-month period.

**GENERAL OBJECTIVES**

The overriding objectives of the investment program are to preserve principal, provide sufficient liquidity, and achieve a reasonable rate of return. The specific objectives for the program are ranked in order of importance:

1. **Safety:** Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital.
2. **Liquidity:** The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
3. **Return on Investments:** The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles taking into account the investment risk constraints for safety and liquidity needs.

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 3 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated 2-2020</b>

**PORTFOLIO RISK MANAGEMENT**

Factors that can lead to an unexpected financial loss can be broadly grouped into the following categories; credit risk, market risk, and liquidity risk.

*Mitigating credit risk in the portfolio:* Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. Agency will mitigate credit risk by adopting the following strategies:


1. Diversify the investment portfolio to mitigate losses due to failure of individual issues or issuers;
2. Limit the amount of the total portfolio that may be invested in securities of a particular type and any single issuer. Authorized investment limitations under this policy are shown in Attachment 3; and,
3. If securities owned by the Agency are downgraded by at least one Nationally Recognized Statistical Rating Organization (NRSRO) to a level below the quality required by this Investment Policy, it will be the Agency’s policy to review and document the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
  - a. The Treasurer-Controller will use discretion in determining whether to sell or hold the security based on its maturity, the economic outlook for the issuer, and other relevant factors.
  - b. If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the governing board.

*Mitigating market risk in the portfolio:* Market risk, also referred to as interest rate risk, is the risk that the portfolio value will fluctuate due to changes in interest rates. The Agency recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility when marked-to-market. The Agency will mitigate interest rate risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. The Agency, therefore, shall adopt the following strategies to control and mitigate its exposure to market risk:

1. The Agency will maintain working capital reserves for budgeted operating expenditures in short-term investments to provide sufficient liquidity for expected disbursements;
2. The maximum time from investment to maturity of individual securities in the portfolio will be five years, except as otherwise stated in this policy.

*Mitigating liquidity risk in the portfolio:* Liquidity risk is the inability to convert a security to cash on a given date prior to maturity. It refers to the inability to sell a security for its cost and therefore it may have to be sold at a loss. The Agency shall employ the following strategies to control and mitigate its exposure to liquidity risk:

1. To the extent possible, match investment maturities with anticipated cash demands.
2. Since all possible cash demands cannot be anticipated, maintain portfolios largely of securities with active secondary or resale markets.
3. The Agency will maintain working capital reserves for budgeted operating expenditures in short-term investments to provide sufficient liquidity for expected disbursements.

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 4 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated 2-2020</b>

**AUTHORIZED INVESTMENT SECURITIES**

All investments will be made in accordance with Sections 53600 *et seq.* of the Government Code of the State of California and as described within this Investment Policy. Authorized investments under this policy are shown in Attachment 3.

**AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS**

The Treasurer-Controller shall establish a list of approved brokers, dealers, banks and direct issuers of commercial paper to provide investment services to the Agency. The Agency shall conduct security transactions only with approved institutions and firms.

To be eligible for approval all broker/dealer firms must qualify 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 and institutions shall have one or more of the following attributes:

- be recognized as a primary government dealer as designated by the Federal Reserve Bank;
- be a regional broker/dealer headquartered in the State of California; or
- be a national or state chartered bank which is a member of the FDIC; or
- be a direct issuer of securities eligible for purchase by the Agency.


Deposits will be made only in qualified public depositories within the state of California as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

A pool of qualified financial institutions and dealers will be maintained by the Treasurer-Controller using criteria based upon capitalization, credit worthiness, experience, reference checks and services offered. Selection of financial institutions and broker/dealers authorized to engage in transactions with the Agency will be at the sole discretion of the Agency.

**INTERNAL CONTROL AND ACCOUNTING**

Authority to manage Agency's investment program is derived from the California Government Code Sections 53600 *et seq.* Management responsibility for the investment program is delegated to the Treasurer-Controller by Agency Commission Resolution No. 83-103. Pursuant to Government Code section 53607 such delegation may be granted for a period of one-year and must be renewed annually. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer-Controller or his/her designee.

The Treasurer-Controller shall establish and maintain a system of internal controls, designed to: ensure adherence to this investment policy, the prevention and detection of errors and fraud, the accuracy and completeness of accounting records and the timely preparation of reliable financial information.

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 5 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated 2-2020</b>

The Agency maintains its records on the basis of Plant/Program account groups, each of which may include one or more investment funds. All investment transactions shall be recorded in the various funds of the Agency in accordance with Generally Accepted Accounting Principles as promulgated by the Government Accounting Standards Board.

**SAFEKEEPING AND COLLATERALIZATION**

All security transactions, including collateral for repurchase agreements, entered into by the Agency shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in the name of the Agency by a third party custodian designated by the Treasurer-Controller and evidenced by trade confirmations and safekeeping holdings report.

Collateralization will be required on two types of investments: certificates of deposit and repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, a minimum collateralization level measured at specified times is required.

**REPORTING REQUIREMENTS**

*Monthly Reports:* A monthly report will be provided to the Commission by the Treasurer-Controller. The report shall state compliance of the investment portfolio to the investment policy and a statement that the Agency has adequate cash flow and investment maturities to meet next month’s cash requirements and such other information as may be required by State law.

The report will disclose, at a minimum, the following information:


1. An asset listing showing par value, cost adjusted for amortization of premiums and accretion of discounts and market value of each security, type of investment, issuer, and interest rate;
2. The Treasurer-Controller’s report shall also provide:
  - a. an analysis of investment maturities;
  - b. a summary of cash and investment activity; and,
  - c. an analysis of interest rates/yields with a comparison to benchmark interest rates.

*Annually:* The Treasurer-Controller shall annually submit to the Commission a statement of Investment Policy and any recommended changes to the policy.

**INVESTMENT OPERATIONS GUIDELINES**

The following general operating guidelines shall be used in performing all investment functions:

- All investments will be made in the name of the Northern California Power Agency.
- All investments will be made in compliance with the NCPA Investment Fund Objectives (Attachment 2) and the NCPA Table of Authorized Investments (Attachment 3) unless otherwise required by bond indenture.
- Investments or collateral for all outside trustee accounts must be delivered to the trustee.
- Investments or collateral for all accounts held by NCPA will be delivered to and held in the safekeeping of an authorized financial institution.
- All investment transactions will be recorded in the accounts of the Agency in accordance with Generally Accepted Accounting Principles as promulgated by the Government Accounting Standards Board.

	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 6 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated 2-2020</b>

- All accrued interest on purchased securities will be charged to the appropriate interest income account.
- Funds deposited in banks or savings and loan associations must be held under a written contract between the Agency and the institution, which requires collateralization as prescribed by law and/or this investment policy.
- Whenever practical Agency cash is to be consolidated and invested on a pooled concept basis. Interest earnings are allocated monthly according to monthly weighted average balance for each fund.
- Unless otherwise restricted, all holdings will be of sufficient size and held in issues which are actively traded to facilitate transactions at a minimum cost and accurate market valuation.
- Passive management portfolio strategies are preferred for all operating projects or other Agency programs, unless otherwise prohibited or restricted.
- When practicable, competitive bidding will be utilized for all investment and reinvestment activities not involving escrowed or other funds covered by a separate contract or agreement.


*Prohibited investment vehicles and practices:*

1. Notwithstanding that any such investment is permitted under State Law, any investment not specifically described herein is prohibited, including, but not limited to derivatives, futures and options.
2. In accordance with California Government Code Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
3. Investment in any security that could result in a zero interest accrual if held to maturity is prohibited.
4. Trading securities for the sole purpose of speculating, whether on the future direction of interest rates or otherwise, is prohibited.
5. Purchasing or selling securities on margin is prohibited.
6. The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
7. The purchase of foreign currency denominated securities is prohibited.

**ATTACHMENTS**

- Attachment 1 - Glossary
- Attachment 2 - Investment Fund Objectives
- Attachment 3 - Table of Authorized Investments
- Attachment 4 - Table of Bond Indenture Permitted Investments
- Attachment 5 – Credit Rating Comparison



	<b>Investment Policy and Guidelines</b>	<b>No. 200-100</b>	<b>Page 7 of 7</b>
		<b>Owner:</b> Acctg. & Finance	<b>Effective: 9-1993</b> <b>Updated 2-2020</b>

**VERSION HISTORY**

<b>No.</b>	<b>Explanation</b>	<b>Date</b>	<b>Author</b>
7	Revisions to permitted investments; update note on Credit Ratings Comparison attachment to reflect minimum rating category of A.		SA
6	Minor language clean-up; updates to the Permitted Investments; and changes to the Investment Fund Objectives	8/17	MH
5	Revised a resolution reference Updated maximum investment permitted by LAIF Added Authorized Financial Institution	11/16	SA
4	Annual review, no changes	11/15	SA
3	Annual review, no changes	11/14	KWW
2	Combined prior policies 200-97 and 200-98; updated to include more information on allowable investments, delegations, authorized financial institutions, and operations practices, Includes expanded attachments and glossary.	11/13	KWW
1	Updated	9/95	DBL
0	Original Policy	9/93	DBL

## GLOSSARY OF INVESTMENT TERMS

**Agencies** - Shorthand market terminology for any obligation issued by a *government sponsored enterprise (GSE)*, or a *federally related institution*. Most obligations of GSEs are **not guaranteed** by the full faith and credit of the US government. Examples are:

- FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.
- FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.
- FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called "Freddie Mac" issues discount notes, bonds and mortgage pass-through securities.
- FNMA. Like FHLB and Freddie Mac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as "Fannie Mae," issues discount notes, bonds and mortgage pass-through securities.

Certain GSE obligations are **guaranteed** by the full faith and credit of the US government. An example is:

- GNMA. The Government National Mortgage Association, known as "Ginnie Mae," issues mortgage pass-through securities.

**Callable** - A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.

**Certificate of Deposit (CD)** - A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

**Collateral** - Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

**Commercial paper** - Short-term unsecured debt of corporations.

**Coupon** - The rate of return at which interest is paid on a bond.

**Current yield** - The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

**Dealer** - A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position

**Delivery vs. payment (DVP)** - A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

**Demand Deposit** - Sometimes referred to as a sight or on call deposit, can be withdrawn at any time (on demand) without notice or penalty; e.g., deposits into checking or savings accounts.

**Derivative** - Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial

instrument the value of which is totally or partially derived from the value of another instrument, interest rate or index.

**Discount** - The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as **discount securities**. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

**Diversification** - Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

**Duration** - The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).

**Federal funds rate** - The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

**Financial Industry Regulatory Authority (FINRA)** - A self-regulatory organization for brokerage firms doing business in the United States. FINRA operates under the supervision of the SEC. The organization's objectives are to protect investors and ensure market integrity.

**Liquidity** - refers to the requirement that some portion of cash assets be invested in securities readily convertible into cash without loss of capital.

**Make whole call** - A type of call provision on a bond allowing the issuer to pay off remaining debt early. The issuer has to make a lump sum payment derived from a formula based on the net present value (NPV) of future coupon payments that will not be paid because of the call. Investors will be compensated, or "made whole."

**Market value** - The price at which a security can be traded.

**Mark to market** - The process of posting current market values for securities in a portfolio.

**Maturity** - The final date upon which the principal of a security becomes due and payable.

**Money market** - The market in which short term debt instruments (Tbills, discount notes, commercial paper and banker's acceptances) are issued and traded.

**Nationally Recognized Statistical Rating Organization (NSRSO)** - Is a credit rating agency (CRA) that issues credit ratings that the U.S. Securities and Exchange Commission (SEC) permits other financial firms to use for certain regulatory purposes. The largest NSROs are Moody's, Standard and Poor's and Fitch.

**Portfolio Re-Optimization** - Refers to the process wherein investment broker(s) re-evaluate a given dedicated investment portfolio using sophisticated computer programs based on the updated program or project estimated cash flows. This is usually done to increase or protect the portfolio's overall rate of return as a result of changing liability amounts or dates, changing market or credit risk condition, or a change in investment policy restrictions, etc.

**Portfolio Strategy** – Determining investment practices to best achieve the investors' primary goals. Strategies may be either passive or active. Passive strategies include: buy and hold, which includes the laddering of maturities; and bullet structure, which is designed to invest to a particular date or portfolio horizon; and benchmarking, which is done to mirror a particular segment of the market. Active strategies employ additional risk to take advantage of conditions in the fixed income markets that change as economic and financial conditions change.

**Premium** - The difference between the par value of a bond and the cost of the bond, when the cost is above par.

**Primary Dealer** - a firm that buys government securities directly from a government, with the intention of reselling them to others, thus acting as a market maker of government securities. The government may regulate the behavior and numbers of its primary dealers and impose conditions of entry.

**Repurchase agreement (RP, Repo)** - Short term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a **reverse repurchase agreement**.

**Risk** - refers to the degree of probability of incurring a monetary loss as a result of investing in a particular security. Three general kinds of investment risks are:

- *Credit Risk* - risk that an issuer of a security cannot meet its obligations.
- *Market Risk* - risk from fluctuations in the market prices for individual securities over a period of time.
- *Liquidity Risk* - risk of an inability to sell a security at its fair market value.

**Safety** - refers to the varying degrees and types of risks associated with different types of investment securities and individual issues. Safety is a matter of degree, not an absolute.

**Safekeeping** - A service to bank customers whereby securities are held by the bank (as custodian) in the customer's name.

**Total rate of return** - A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

**U.S. Treasury obligations** - Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

**Treasury bills** - All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

**Treasury notes** - All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

**Treasury bonds** - All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

**Uniform Net Capital Rule** - An SEC rule that requires broker-dealers to maintain sufficient liquidity to protect securities customers, counterparties, and creditors. Broker-dealers must maintain net capital (net worth adjusted by certain deductions for illiquid assets and reserves against possible market losses on securities positions) such that the liabilities incurred by the broker-dealer (aggregate indebtedness) do not exceed certain specified levels.

**Volatility** - The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

**Yield to Maturity** - The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

## INVESTMENT FUND OBJECTIVES

Fund Type	Primary Investment Objective	Maximum Term of Investment <sup>1</sup>
<b>Bond Financed Project Funds: <sup>2</sup></b>		
Construction Fund (Geo)	C	1 year
Construction Revolving Acct (LEC)	A	90 days
Debt Service Fund	C	1 year
Debt Service Reserve	B, D	15 years
Reserve Fund	B, C, D	5 years
Rebate Fund	C	5 years
O&M Reserve (LEC)	A, B, D	5 years
Revenue Fund	A, B, C	1 year
<b>Additional Operating Funds:</b>		
Operating Account	A, C	5 years
General Operating Reserve	A, B, C	5 years
SCPA Balancing Account	A, B	5 years
Capital Development Account (Hydro)	A, C	5 years
Decommissioning Account (Geo)	C, D	10 years

**Notes:**

- A. Provide liquidity
- B. Provide reserves against uncertain liabilities
- C. Match prescribed cash flow
- D. Maximize long-term return on investment

- <sup>1</sup> Investments shall mature not later than such times as shall be necessary to provide monies when reasonably expected to be needed for payments to be made from such fund.
- <sup>2</sup> Proceeds of debt issuance and other funds held under a bond indenture shall be invested in accordance with the Agency's general investment philosophy as set forth in this policy; however, such moneys are to be invested in accordance with permitted investment provisions of their specific bond indentures.

## TABLE OF PERMITTED INVESTMENTS

Type of Investment	Maximum % of Portfolio	Rating Requirement	Maximum Maturity	Other Restrictions
US Treasury Securities	100%	n/a		
Federal Agencies	100%	n/a		
Local Agency Investment Fund (LAIF)	Up to maximum permitted by LAIF, currently \$75,000,000	n/a	n/a	n/a
Medium-term Corporate Notes	30%	By a NRSRO; Category A or its equivalent or better*	5 years	No more than 5% per issuer
California Asset Management Program (CAMP)	100%	n/a	n/a	n/a
Time Deposits (Non-negotiable CDs)	20%	By a NRSRO; Long-term of Category A or short-term of A-1 or better	5 years	No more than 5% per issuer
Negotiable CDs	30%	By a NRSRO; Long-term of Category A or short-term of A-1 or better	5 years	No more than 5% per issuer
Bankers Acceptances	40%	By a NRSRO; Long-term of Category A or short-term of A-1 or better	180 days	No more than 5% per issuer
Commercial Paper	40%	By a NRSRO; Long-term of Category A or short-term of A-1 or better	270 days	Assets >\$500MM No more than 5% per issuer
Money Market Funds	20%	By a NRSRO; Highest ranking or highest letter/numerical rating		Must be registered with SEC; Assets > \$500MM; No more than 5% per fund
Repurchase Agreements	100%		1 year	Collateral of at least 102% of market value required
Municipal Bonds	20%	By a NRSRO; Category A or its equivalent or better		No more than 5% per issuer

- Includes any rating modifiers such as “+”/“-” or numbers to include equivalent ratings from NRSRO

## TABLE OF BOND INDENTURE PERMITTED INVESTMENTS

Project	Geo/Hydro <sup>2</sup>			Cap Facilities/LEC <sup>3</sup>		
	Debt Service Acct.	Debt Service Reserve Acct.	All Other	Debt Service Acct.	Debt Service Reserve Acct.	All Other
Securities <sup>1</sup>						
Direct obligations of the United States of America.	x	x	x	x	x	x
Bonds issued or guaranteed by federal Agencies, which are backed by the full faith and credit of the United States of America.	x	x	x	x	x	x
Bonds issued or guaranteed by federal Agencies, which are not backed by the full faith and credit of the United States of America.	x	x	x	x	x	x
New Housing Authority bonds or notes of public agencies or municipalities secured by a pledge of annual contributions to be paid by the United States or agency thereof.	x	x	x			x
Direct and general obligations of the State of California or political subdivision rated A or higher.	x		x			
General obligation of any state rated A2 or higher.						x
Time deposits, FDIC insured or collateralized.			x			x
Repurchase agreements, insured or collateralized.			x			x
Money Market Funds rated AAAM G or AAAM or better.						x
Commercial Paper rated P-1 or A1+.						x
UD dollar denominated deposit accounts, federal funds or bankers' acceptances with ratings of A-1, A-1+ or P-1.						x
Prefunded municipal obligations rated highest rating category by S&P or Moody's, based on an irrevocable escrow.						x
Investment Agreements & GICS, supported by opinion of counsel.				x	x	x
California LAIF.						x
Shares in a California common law trust which invests exclusively in investment permitted under CA Code section 56635.						x
Any other form of investment.						x

<sup>1</sup> Investment types are detailed in each project bond Indenture of Trust. Generally, investment securities include those listed above, if and to the extent the same are legal for investment of Agency funds. The securities, as listed above, are summarized and may have additional limitations as to specific issuers, ratings, term of investment, or other requirements.

<sup>2</sup> The Geothermal Project bond indenture dated November 1, 1983 and the Hydroelectric Project bond indenture dated March 1, 1985 have the same definition for investment securities.

<sup>3</sup> The Capital Facilities Project bond indenture dated January 1, 2010 and the Lodi Energy Center Issues One and Two, dated June 1, 2010 have the same definition for investment securities.

**CREDIT RATINGS COMPARISON**

Description	Moody's		Standard & Poors		Fitch		
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	
<b>Prime:</b>							
Extremely Strong	Aaa	P-1	AAA	A-1+	AAA	F1+	
<b>High Grade:</b>							
Very Strong	Aa1		AA+		AA+		
	Aa2		AA		AA		
	Aa3		AA-	AA-			
<b>Upper Medium Grade:</b>							
Strong	A1	P-2	A+	A-1	A+	F1	
	A2		A		A		
	A3		A-		A-		
<b>Lower Medium Grade:</b>							
Adequate	Baa1	P-2	BBB+	A-2	BBB+	F2	
	Baa2	P-3	BBB	A-3	BBB	F3	
	Baa3		BBB-		BBB-		
<b>Non-investment Grade speculative:</b>							
Vulnerable	Ba1	Not Prime	BB+	B	BB+	B	
	Ba2		BB		BB		
	Ba2		BB-		BB-		

Credit ratings are opinions about credit risk published by a rating agency. They express opinions about the ability and willingness of an issuer, such as a corporation, state or city government, to meet its financial obligations in accordance with the terms of those obligations. Credit ratings are also opinions about the credit quality of an issue, such as a bond or other debt obligation, and the relative likelihood that it may default.

The Agency shall not invest in any security rated less than rating category A or its equivalent. .





# Commission Staff Report

February 11, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Debt and Interest Rate Management Report – December 31, 2019

**AGENDA CATEGORY:** Consent

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

**IMPACTED MEMBERS:**

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

*If other, please specify*

---



---

## **RECOMMENDATION:**

It is recommended the Commission accept the Debt and Interest Rate Management Report for the period ending December 31, 2019.

## **BACKGROUND:**

In accordance with the Debt and Interest Rate Management Policy, Section 20, *Monitoring and Reporting Requirements*, approved by the Commission in May 2017, the Finance team will provide a written report regarding the status of all fixed and variable rate debt and the Agency's interest rate swaps on a semi-annual basis to the Finance Committee and to the Commission.

The report, for the period ending December 31, 2019, is attached for your information and acceptance. Listed below is a summary of the report.

### Fixed Rate Debt

While no new fixed rate debt was issued, staff refunded the 2010 Capital Facilities Series A bonds with the 2019 Capital Facilities Series A bonds. Final numbers for the project participants include the following:

- NPV Savings: \$2.4 million through final maturity
- Percentage savings: 9.55%
- Average annual savings: \$635k
- Reduced final year of maturity from August 2025 to August 2024

### Variable Rate Debt

The Agency had a total of \$83.64 million of outstanding variable rate debt. The Agency's variable rate debt is structured with a Letter of Credit with Bank of America. On average, the reset rates continue to trade better than the Securities Industry and Financial Markets Association (SIFMA) for the Series A bonds. The reset rates and index comparisons are included in the attached report.

### Interest Rate Swaps

As of December 31, 2019, NCPA had \$83.64 million of outstanding swaps, all related to the Hydroelectric Project bonds, which act as a hedge against the variable rate debt. The total market value of the interest rate swaps was a net liability of \$16.8 million (negative). This amount declined from the June 30, 2018 net liability of \$15.8 million (negative) due to a drop in interest rates. No new swaps or defaults have occurred in the last six months. The interest rate swaps make up approximately 31% of the outstanding Hydroelectric Project debt portfolio. Additional details of the swap agreements are provided in the attached report.

### Counterparties

The counterparty for both interest rate swaps is Citibank, N.A. The credit ratings for Citibank, N.A., are A+/A1/A+ by S&P, Moody's, and Fitch, respective. There have been no changes since the last report.

### Rating Changes

There have been no changes since the last report.

**FISCAL IMPACT:**

The total projected savings over the life of the interest rate swaps was \$13.9 million at the inception of these agreements. Total projected savings through December 31, 2019 was \$6.9 million with actual results at \$11.9 million. The difference between expected savings and actual savings is due to “basis risk”, or the difference between what NCPA pays on the variable rate bonds and the index rate used in the swap transaction. Total basis risk to date is positive, resulting in additional savings over those expected of \$5 million. Staff continues to monitor the potential for refinancing these bonds and terminating the swaps, however, the large mark-to-market payment due to Citibank, N.A. of over \$16.8 million (net) is making a potential refund not a feasible option at this time.

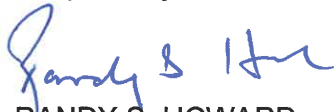
**ENVIRONMENTAL ANALYSIS:**

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 February 11, 2020 and was recommended for Commission acceptance.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments:

- Debt and Interest Rate Management Report as of 12-31-2019



# **Debt and Interest Rate Management Report**

**As of December 31, 2019**

# Table of Contents

	<u>Page</u>
Key Highlights	3
Debt Overview by Project	4
- Geothermal Project	5
- Hydroelectric Project	6
- Capital Facilities	8
- Lodi Energy Center	9
Fixed Rate Debt Overview	10
Variable Rate Debt Overview	11
Interest Rate Swaps Overview	14

# KEY HIGHLIGHTS

## July 2019 – December 2019

- In December, staff completed the refunding of the 2010 Capital Facilities Series A bonds. The project participants realized a NPV savings of \$2.4 million or 9.55% of refunded bonds. In addition, the refunding was able to eliminate the final year of maturity from August 2025 to August 2024.
- No negative material changes to any fixed or variable rate debt or outstanding swap agreements occurred since the last report.
- Ratings on all projects remained the same.
- No defaults under the above swap agreements, fixed rate or variable rate debt have occurred.
- Counterparty ratings remained the same; no collateral posting by the counterparty has been required and the counterparty remains highly rated.
- The MTM\* on the outstanding swaps changed from a negative value of \$15.8 million on June 28, 2019 to a negative value of \$16.8 million on December 31, 2019.

\* Doesn't reflect the GASB 72 Fair Value risk profile of NCPA.

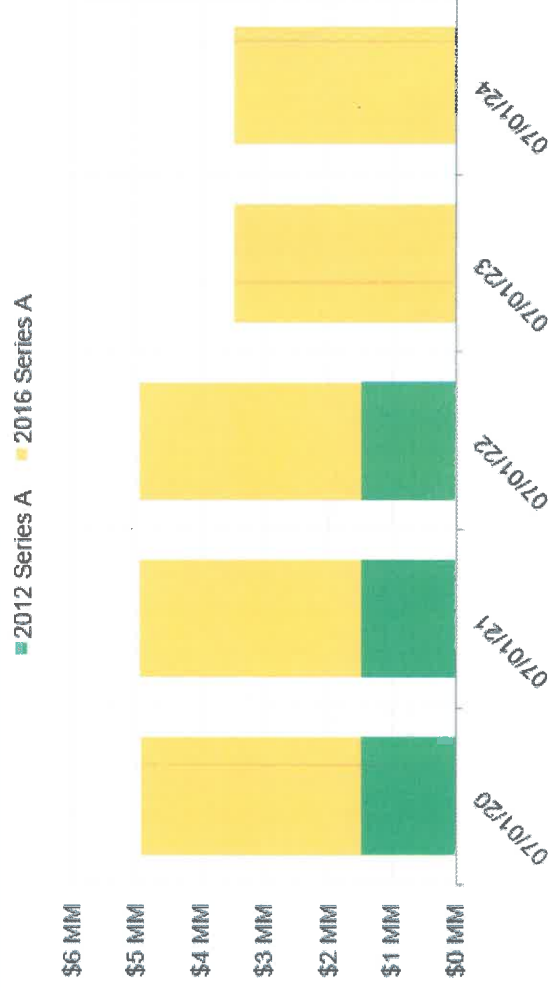
# DEBT OVERVIEW BY PROJECT

# Geothermal Project Debt Overview

## Geothermal Project Participation Percentages

Member	Entitlement Share (%)	Beneficiary Share (%)
Alameda	16.8825	16.8825
Biggs	0.2270	0.2270
Gridley	0.3950	0.3360
Healdsburg	3.6740	3.6740
Lodi	10.2800	10.2800
Lompoc	3.6810	3.6810
Palo Alto	6.1580	0.0000
Plumas-Sierra	0.8145	0.7010
Roseville	7.8830	7.8830
Santa Clara	44.3905	44.3905
TID	0.0000	6.3305
Ukiah	5.6145	5.6145

## Geothermal Project Debt Service



## Summary of Outstanding Geothermal Project Debt

Ratings (M/S/F): A1/A-/A+, Stable Outlooks

Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Call Date	Final Maturity
2009 Series A	Tax-Exempt	Fixed-Rate	\$35,610,000	\$0	5.000%	-	7/1/2019
2012 Series A	Tax-Exempt	Fixed-Rate	\$12,910,000	\$3,570,000	2.289%	7/1/2017	7/1/2022
2016 Series A	Tax-Exempt	Fixed-Rate	\$17,530,000	\$16,530,000	1.670%	-	7/1/2024

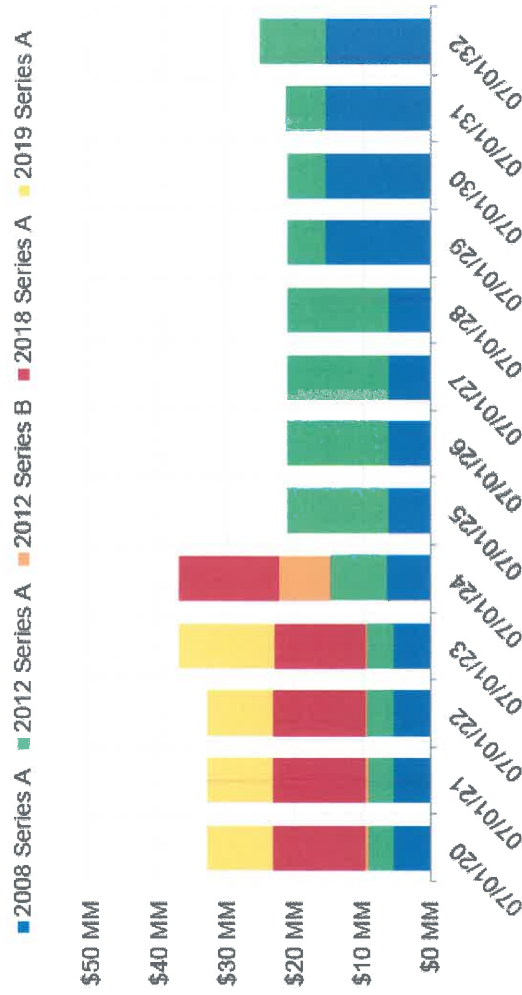


# Hydroelectric Project Debt Overview

## Hydroelectric Project Participation Percentages

Member	Entitlement Share (%)
Alameda	10.000
Biggs	0.100
Gridley	1.060
Healdsburg	1.660
Lodi	10.370
Lompoc	2.300
Palo Alto	22.920
Roseville	12.000
Santa Clara	35.860
Ukiah	2.040
Plumas-Sierra	1.690

## Hydroelectric Project Debt Service



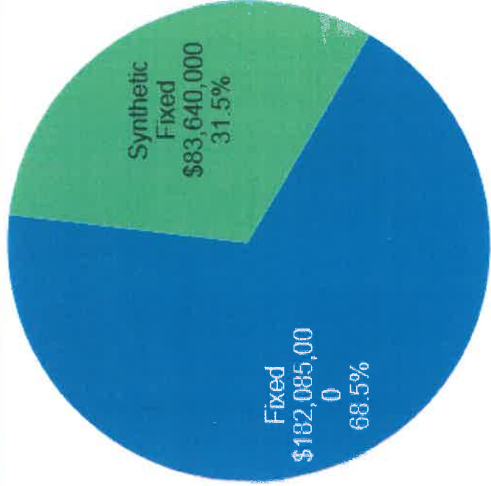
## Summary of Outstanding Hydroelectric Project Debt Ratings (M/S/F): Aa3-/AA-, Stable Outlooks

Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Call Date	Final Maturity
2008 Series A	Tax-Exempt	Variable-Rate	\$85,160,000	\$83,640,000	Var. (3.819%) <sup>(5)</sup>	Current	7/1/2032
2012 Series A	Tax-Exempt	Fixed-Rate	\$76,665,000	\$76,665,000	5.000%	7/1/2022	7/1/2032
2012 Series B	Taxable	Fixed-Rate	\$7,120,000	\$7,120,000	4.320%	Make-Whole	7/1/2024
2018 Series A	Tax-Exempt	Fixed-Rate	\$68,875,000	\$59,990,000	5.000%	Non-Callable	7/1/2024
2018 Series B	Taxable	Fixed-Rate	\$1,340,000	\$0	2.350%	Non-Callable	7/1/2019
2019 Series A	Tax-Exempt	Fixed-Rate	\$39,250,000	\$38,310,000	4.000%-5.000%	Non-Callable	7/1/2023

# Hydroelectric Project Debt Overview

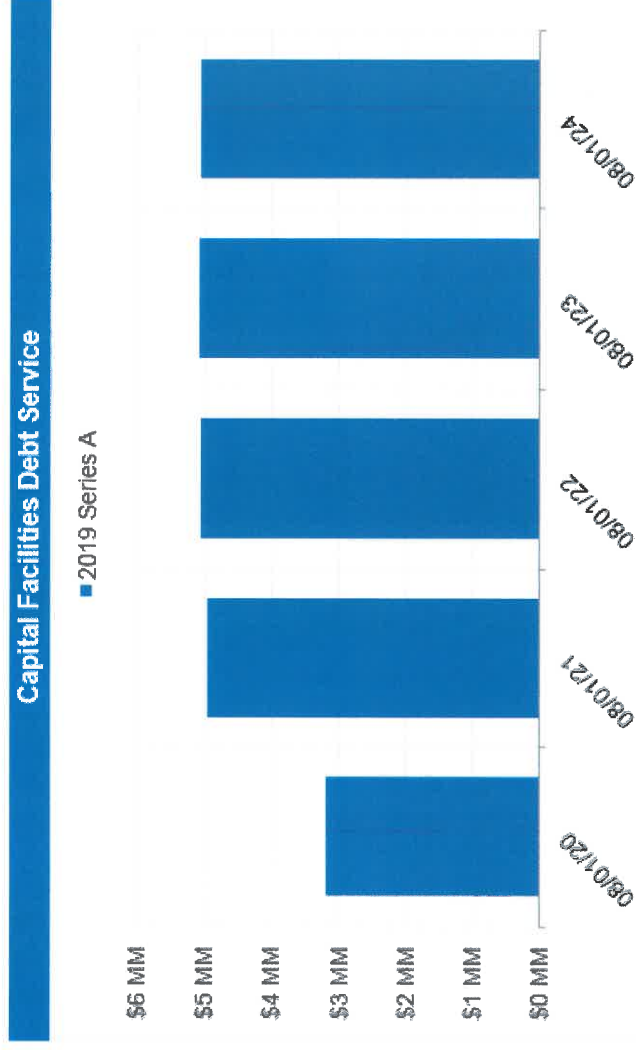
Hydroelectric Project Swap Summary									
Series	NCPA Pays	NCPA Receives	Trade Date	Effective Date	Maturity Date	MTM Value (As of 12/31/19)	Initial Notional	Current Notional	Bank Counterparty
2008 Series A	3.8190%	54% of USD-LIBOR + 0.54%	11/24/04	11/24/04	7/1/32	(\$16,772,573)	\$85,160,000	\$83,640,000	Citibank, N.A., New York (Aa3/A+/A+)

Hydroelectric Project Liquidity Summary				Breakdown of Hydroelectric Project Debt Type	
Series	LOC Provider	LOC Expiry	Reset (as of 01/28/20)	Fixed	Synthetic Fixed
2008 Series A	Bank of America, N.A. (Aa2/A+/AA-)	June 21, 2024	0.90%	\$182,085,000 0 68.5%	\$83,640,000 31.5%



# Capital Facilities Debt Overview

Capital Facilities Participation Percentages	
Member	Entitlement Share (%)
Alameda	19.00
Lodi	39.50
Lompoc	5.00
Roseville	36.50



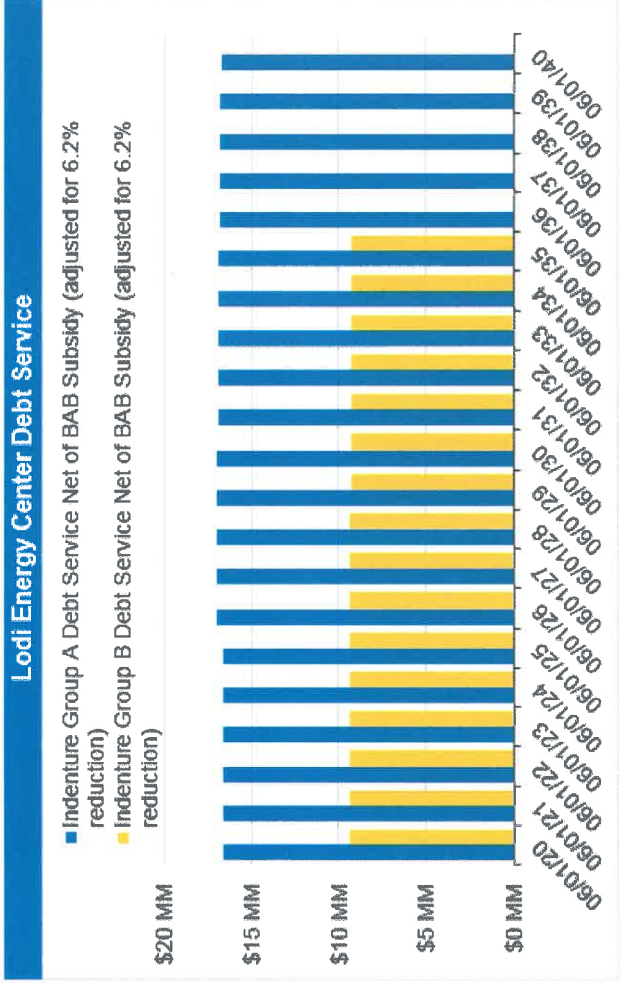
## Summary of Outstanding Capital Facilities Debt

Ratings (M/SiF): A1/A-, Stable Outlooks

Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Call Date	Final Maturity
2019 Series A	Tax-Exempt	Fixed-Rate	\$20,450,000	\$20,450,000	5.000%	-	8/1/2024

# Lodi Energy Center Debt Overview

LEC Participation Percentages		
Member	Entitlement Share (%)	Ind. Group A Cost Share (%)
CDWR	33.5000	-
Azusa	2.7857	4.9936
Biggs	0.2679	0.4802
Gridley	1.9643	3.5212
Healdsburg	1.6428	2.9448
Lodi	9.5000	17.0295
Lompoc	2.0357	3.6491
Santa Clara	25.7500	46.1588
Ukiah	1.7857	3.2010
MID	10.7143	-
Plumas-Sierra	0.7857	1.4084
PWRPA	2.6679	4.7824
SFBART	6.6000	11.8310



Summary of Outstanding Lodi Energy Center Debt							
Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Next Call	Final Maturity
<b>Indenture Group A   Ratings (M/S/F): A1/A-/A, Stable Outlooks</b>							
2010 Series A	Tax-Exempt	Fixed-Rate	\$78,330,000	\$6,210,000	5.000%	6/1/2020	6/1/2020
2010 Series B	Taxable BABS	Fixed-Rate	\$176,625,000	\$176,625,000	7.311% (1)	Make-Whole	6/1/2040
2017 Series A	Tax-Exempt	Fixed-Rate	\$38,970,000	\$38,030,000	2.270%	-	6/1/2025
<b>Indenture Group B—CADWR   Ratings (M/S/F): Aaa/AAA, Stable Outlooks</b>							
2010 Series B	Taxable BABS	Fixed-Rate	\$110,225,000	\$110,225,000	4.630%-5.679% (1)	Make-Whole	6/1/2035

(1) Taxable Build America Bonds; Interest rate gross of BAB subsidy

# FIXED RATE DEBT OVERVIEW

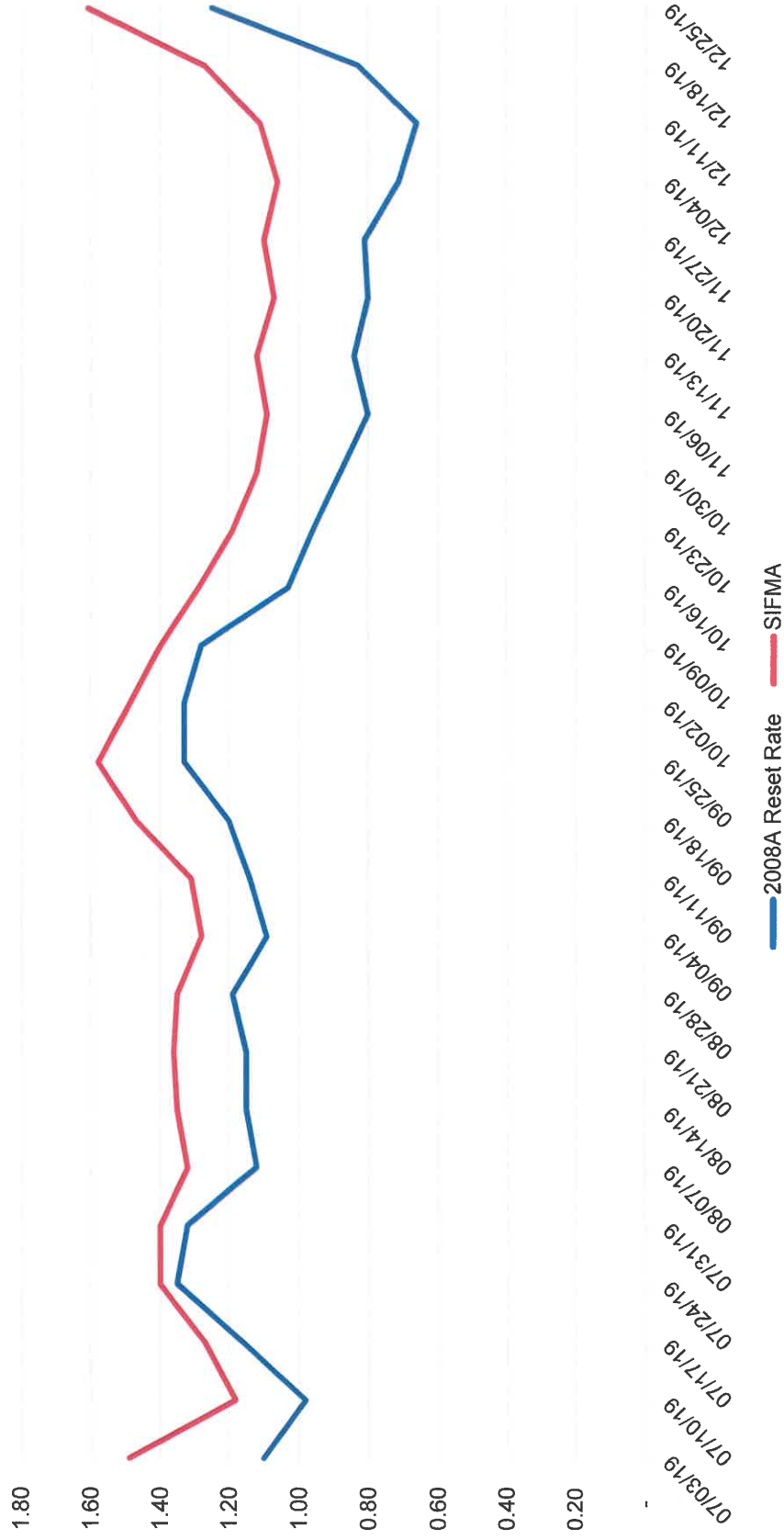
- Fixed Rate Debt
  - While no new fixed rate debt was issued, staff refunded the 2010 Capital Facilities Series A bonds. Final numbers for the project participants include the following:
    - NPV Savings: \$2.4 million through final maturity
    - Percentage savings of refunded bonds: 9.55%
    - Average annual savings: approx. \$635k per year
    - Reduced final year of maturity from August 2025 to August 2024
- Ratings
  - No change since last report

# VARIABLE RATE DEBT OVERVIEW

Variable Rate Debt	Hydro 2008A
Amount Priced Payment	\$85,160,000 Weekly Monthly
Swap Counter-party:	Citigroup
Payments	<b>NCPA Pays</b> Fixed @ 3.819%
From/To: Counterparty	<b>NCPA Receives</b> Floating rate (based on 54% of monthly Libor+.54%)
Payment terms:	Semi-Annual (net) Semi-Annual (net)
Liquidity/Letter of Credit Provider <sup>1</sup> Annual Fee Expiration Date Credit Ratings	Bank of America 35.0 bp 6/21/2024 Aa2/A+/AA-
<sup>1</sup> Effective 6/24/19 Bank of Montreal was replaced as the LOC provider with Bank of America.	

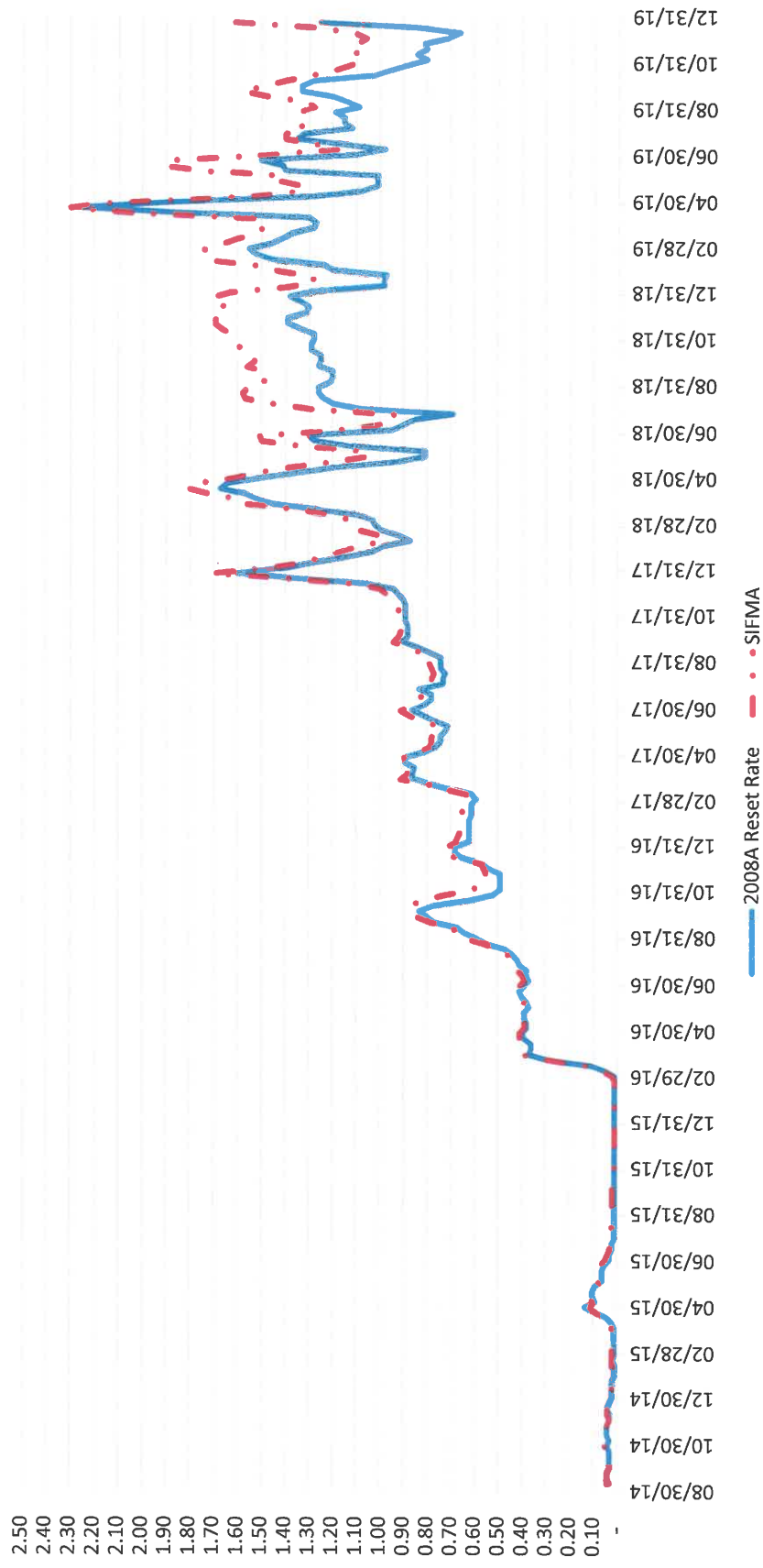
# Variable Rate Debt Overview

NCPA Variable Rate Debt Overview



# Variable Rate Debt Overview

NCPA Variable Rate Debt Performance Versus Indices

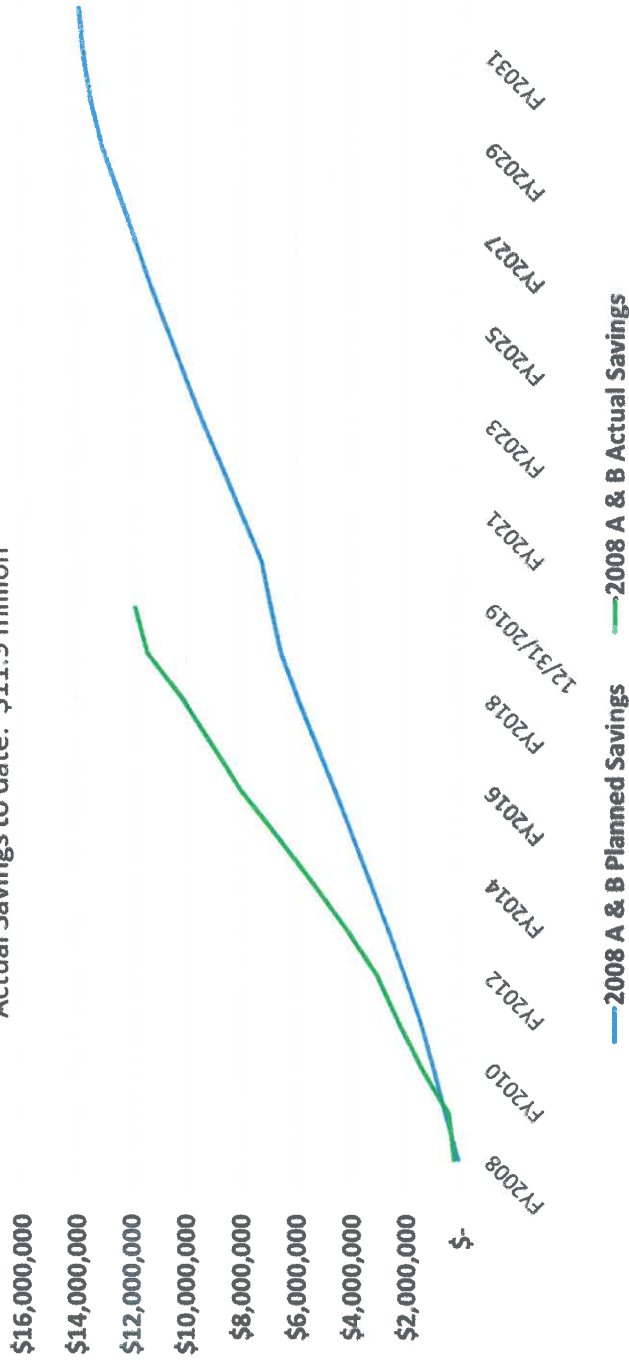




# INTEREST RATE SWAPS OVERVIEW

## Northern California Power Agency Hydroelectric Project Swaps Performance to Date December 31, 2019

Total Projected Savings over life of bonds: \$13.9 million  
 Total Projected Savings to date: \$6.9 million  
 Actual Savings to date: \$11.9 million



# Interest Rate Swaps Overview



PFMI Swap Advisors LLC

Phone: 215 567-6100  
Fax: 215 567-4180

Transaction Type	Name	Associated Bonds	Client Pay	Client Receives	Trade Date	Effective Date (Initial Calc)	Maturity Date
Swap	NCPA 200411240001	Series 2008A	3.8190%	54% of USD-LIBOR + 0.54%	11/24/2004	4/2/2008	7/1/2032
<b>Initial Notional</b>	<b>Current Notional</b>	<b>Bank Counterparty</b>	<b>Counterparty Ratings</b>	<b>MTM Value</b>			
\$85,160,000	\$85,160,000	Citibank, N.A., New York	A1 / A+ / A+	12/31/2019 (\$16,772,573)			

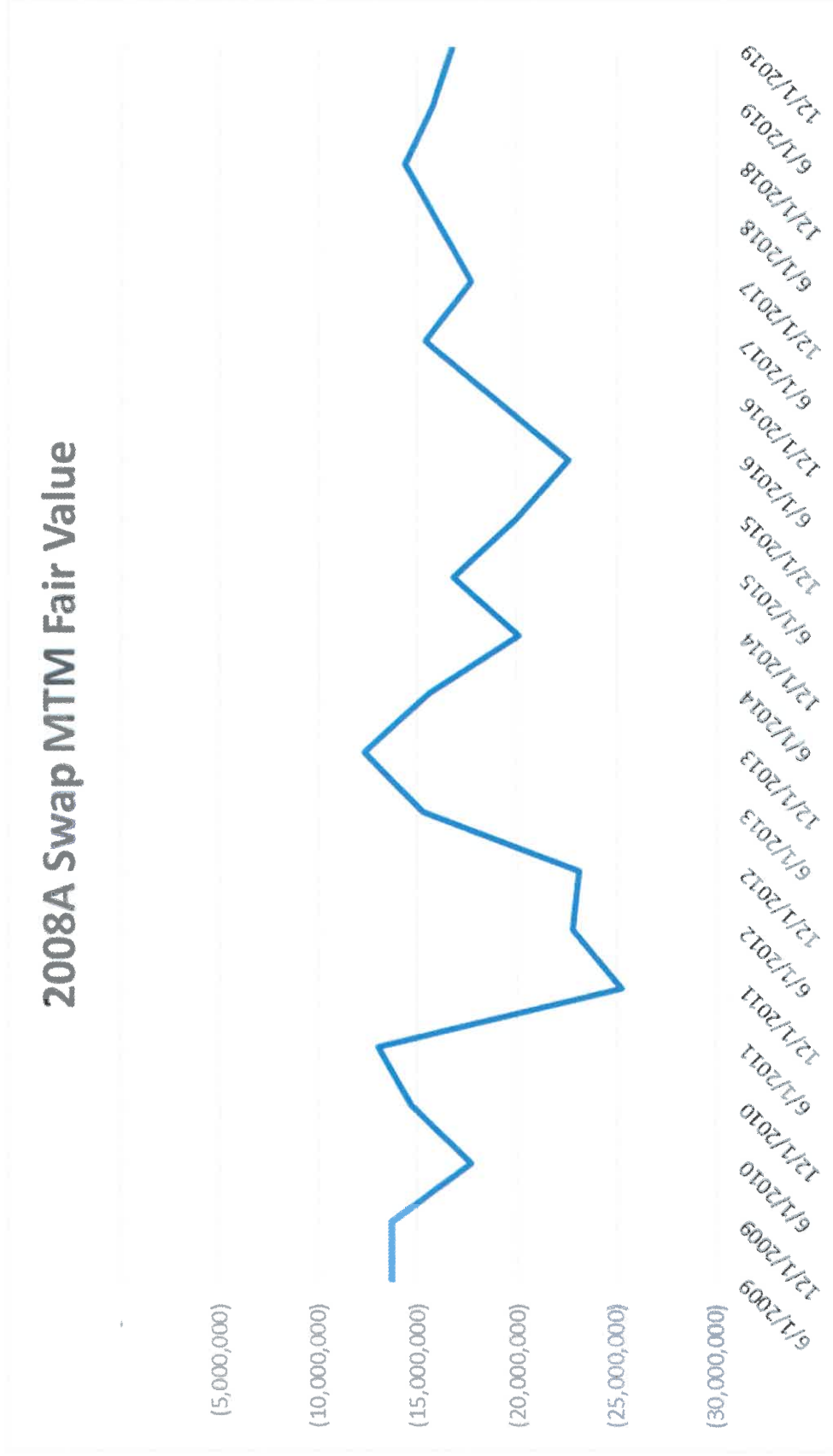
# Interest Rate Swaps Overview



Phone: 215-567-4100  
Fac: 215-567-4100

Transaction Type	Name	Associated Bonds	Client Pay	Client Receives	Trade Date	Maturity Date	Current Notional
Swap	NCPA 200411240001	Series 2008A	3.8190%	54% of USD-LIBOR + 0.54%	11/24/2004	7/1/2032	\$85,160,000
							\$85,160,000
<b>Total MTM Value 12/31/2019</b>	<b>Alameda 10%</b>	<b>Healdsburg 1.66%</b>	<b>Lompoc 2.30%</b>	<b>Palo Alto 22.92%</b>	<b>Plumas-Sierra 1.69%</b>	<b>Roseville 12.00%</b>	<b>Santa Clara 37.02%</b>
	(\$1,677,257)	(\$278,425)	(\$385,769)	(\$3,844,274)	(\$283,456)	(\$2,012,709)	(\$6,209,207)
							(\$342,160)
<b>Total Impact on MTM Value - 50 bp swing</b>	<b>Alameda 10%</b>	<b>Healdsburg 1.66%</b>	<b>Lompoc 2.30%</b>	<b>Palo Alto 22.92%</b>	<b>Plumas-Sierra 1.69%</b>	<b>Roseville 12.00%</b>	<b>Santa Clara 37.02%</b>
	(\$1,459,402)	(\$242,261)	(\$335,663)	(\$3,344,950)	(\$246,639)	(\$1,751,283)	(\$5,402,708)
							(\$297,718)

# Interest Rate Swaps Overview





# Commission Staff Report

February 11, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Updates and Modifications to the Nexant Cost Allocation Model for FY2021

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Robert Caracristi <i>RWC</i>	<b>METHOD OF SELECTION:</b>
	Manager of Information Services and Power Settlements	N/A
<b>Division:</b>	Administrative Services	<i>If other, please describe:</i>
<b>Department:</b>	Power Settlements	

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

**RECOMMENDATION:**

Staff recommends approval of Resolution No. 20-22 adopting the updates and modifications to the Nexant Model as proposed by staff in order to allocate budgeted costs to members for Fiscal Year 2021.

**BACKGROUND:**

The NCPA Commission accepted and approved the Nexant Power Management Allocation Study Phase IIa Report ('Final Report') on January 28, 2010 as part of Resolution 10-16. This study, supervised by the Facilities Committee, determined the methodology for allocating various program costs related to Power Management, Settlements, Risk Management and information system activities using a Nexant Cost Allocation Spreadsheet Model (otherwise commonly referred to as the "Nexant Model"), which changes or modifications to is governed by the Power Management and Administrative Services Agreement.

Pursuant to the Power Management and Administrative Services Agreement, costs attributed to Power Management and Administrative Services for the Fiscal Year 2021 Annual Budget are allocated to members in accordance with the Nexant Model. This model has been in place at NCPA for the past ten budget cycles and is updated each year as part of the annual budget process. The Nexant Model methodology was developed in part to allocate various budgeted costs that use, among other things, defined allocation parameter percentages and determinants intended to correspond to the amount of time and effort required by NCPA staff to provide applicable services. Determinants prescribed by the Nexant studies for use in the Nexant Model include metered demand, resource energy schedules related to each day ahead, hour ahead and real time market, as well as contract deals that represent agreements for the purchase and sale of various products including long-term and short-term energy, resource adequacy capacity, and renewable energy credit transactions.

As NCPA's business model, computer application systems and members' needs have evolved over time, staff have identified the need to adapt or refine various determinants used as inputs into the Nexant Model. To ensure that inputs into the Nexant Model represent accurate measures of time and effort performed by staff for use as allocators, staff proposes to exclude certain contract deal information from its deal capture system as described in the table below.

**Table 1: Proposed adjustments to determinants used in Nexant Cost Allocation Model**

Proposed Change	Reason for Change
Include only deals that have deal status of 'Finalized' or 'Verified' deals in NCPA's Deal Manager system, thereby excluding any 'Submitted' deals from input into the Nexant model.	NCPA's deal capture system accounts for contracts arranged with counter parties for the purchase or sale of energy and capacity transactions.  Deals logged into NCPA's deal capture system with a 'Submitted' deal type status represent an inactive state until they are subsequently reviewed and updated to reflect 'Finalized' or 'Verified' deal status, at which point they are queued into NCPA's scheduling coordination operations for scheduling and/or settlement processing.

	<p>NCPA staff, however, have more recently expanded the use of the 'Submitted' deal record status as a means to record certain contract deal information not intended for processing through NCPA's scheduling coordination operations.</p> <p>This proposed change ensures that Submitted deals are not included as inputs into the Nexant Model, as they do not reflect any incremental time or effort performed by NCPA staff.</p>
--	---

This proposed change to the model is necessary to align the allocation of certain budgeted costs for services consistent with cost causation principles. Further, the scope of this proposed change to the Nexant Model is intended to be a prospective change only and effective for Fiscal Year 2021, as well as any future year to the extent that the current Nexant Model is used.

**FISCAL IMPACT:**

The recommended adjustments will result in a change to all applicable members' allocated share of Power Management costs by varying amounts. Table 2 of Appendix A provides indicative changes in allocated Nexant Power Management costs to members based on current Fiscal Year 2020 budget after applying updated Calendar Year 2019 determinants to the model in addition to the modifications described in Table 1 as presented at the February 5, 2020 Facilities Committee meeting.

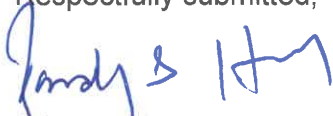
**ENVIRONMENTAL ANALYSIS:**

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 Facilities Committee meeting on February 5, 2020 and recommended for Commission approval.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments:

- Resolution 20-22

## Appendix A

**Table 2:** The table below represents indicative, allocated Nexant Power Management Costs to members and participants for FY 2021 based on the final version of updated calendar year 2019 data and using current Fiscal Year 2020 budgeted costs for comparison purposes, as presented at the February 5, 2020 Facilities Committee meeting. These results incorporate the proposed change in Table 1 of the staff report. Note: a positive / (negative) value represents an indicative increase / decrease to a member's cost.

<b>Member Name</b>	<b>FY 2020 Total Power Mgmt</b>	<b>FY 2021 Total Power Mgmt</b>	<b>Increase (Decrease)</b>
Alameda	\$978,797	<b>\$1,000,966</b>	\$22,169
BART	\$820,186	<b>\$921,479</b>	\$101,293
Biggs	\$62,850	<b>\$80,742</b>	\$17,892
Gridley	\$98,754	<b>\$112,937</b>	\$14,183
Healdsburg	\$192,707	<b>\$198,508</b>	\$5,802
Lodi	\$1,200,028	<b>\$1,076,893</b>	(\$123,135)
Lompoc	\$322,785	<b>\$375,694</b>	\$52,910
Palo Alto	\$1,761,063	<b>\$1,770,938</b>	\$9,875
Plumas Sierra	\$355,986	<b>\$321,657</b>	(\$34,329)
Port of Oakland	\$491,850	<b>\$523,990</b>	\$32,140
Roseville	\$494,392	<b>\$492,260</b>	(\$2,132)
Santa Clara	\$3,158,952	<b>\$3,134,670</b>	(\$24,282)
Turlock Irrigation District	\$140,689	<b>\$128,580</b>	(\$12,109)
Ukiah	\$325,093	<b>\$291,925</b>	(\$33,169)
	\$10,404,131	\$10,431,239	\$27,107
<b>Direct to Programs - LEC</b>	<b>\$1,364,510</b>	<b>\$1,337,403</b>	<b>(\$27,107)</b>
<b>Power Mgmt Budget</b>	<b>\$11,768,642</b>	<b>\$11,768,642</b>	<b>(\$0)</b>



**RESOLUTION 20-22**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
ADOPTING THE MODIFIED NEXANT COST ALLOCATION MODEL INPUT DETERMINANTS  
FOR FISCAL YEAR 2021**

**(reference Staff Report #121:20)**

WHEREAS, the NCPA Commission accepted and approved the Nexant Power Management Allocation Study Phase IIa Report ('Final Report') on January 28, 2010 to establish cost allocation of Power Management and certain Administrative Services related activities among the members; and

WHEREAS, staff has reviewed calendar year 2019 data for input into the Nexant Cost Allocation Model for Fiscal Year 2021, and recommends adjustments be performed to certain bill determinants to more accurately reflect their use as allocators as described in Staff Report #121:20 for inputs into the Nexant Power Management Cost Allocation Model in order to allocate certain budgeted costs to members for Fiscal Year 2021; 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 the modified Nexant Cost Allocation Model input determinants as described in Staff Report #121:20 as inputs into the Nexant Power Management Cost Allocation Model in order to allocate budgeted costs to members for Fiscal Year 2021.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2020, 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	_____	_____	_____

\_\_\_\_\_  
ROGER FRITH  
CHAIR

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



# Commission Staff Report

Date: February 10, 2020

COMMISSION MEETING DATE: February 20, 2020

SUBJECT: Industrial Door Company – Five Year Multi-Task General Services Agreement for Commercial and Industrial Door Services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

AGENDA CATEGORY: Consent

<b>FROM:</b>	Joel Ledesma <i>JL</i>	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Generation Services	<i>If other, please describe:</i>
<b>Department:</b>	Geothermal	

<b>IMPACTED MEMBERS:</b>		
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:**

Approval of Resolution 20-14 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Industrial Door Company for commercial and industrial door maintenance 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 all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

## **BACKGROUND:**

Commercial and industrial door services are required from time to time for the operation and maintenance of NCPA facilities, and those of our Members and SCPPA. Industrial Door Company is a new vendor for NCPA. NCPA's Geothermal staff contacted Industrial Door Company because they have worked near the Geysers area. After having met with this vendor, staff recommends that NCPA enter into an enabling agreement with Industrial Door Company so established terms and conditions are in place should this vendor be the successful bidder on future projects. Execution of this enabling agreement will also increase the pool of qualified vendors willing to work in the more remote location of NCPA's Geothermal facility, which will result in more competitive bidding when services are needed. NCPA has an enabling agreement in place for similar door services with Barton Overhead Door, Inc.

## **FISCAL IMPACT:**

Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years. 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 required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the vendor providing the overall best 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:**

The recommendation above was reviewed by the Facilities Committee on February 5, 2020, and was recommended for Commission approval on Consent Calendar.

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on February 10, 2020, and was approved.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution
- Multi-Task General Services Agreement between NCPA and Industrial Door Company

**RESOLUTION 20-14**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH INDUSTRIAL  
DOOR COMPANY**

**(reference Staff Report #123:20)**

WHEREAS, commercial and industrial door services are periodically required at the facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Industrial Door Company is a provider of these services; and

WHEREAS, NCPA seeks to enter into a Multi-Task General Services Agreement with Industrial Door company to provide such services as needed at all NCPA facilities, NCPA Members, SCPPA, and SCPPA Member facilities in an amount not to exceed \$500,000 over five years; 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 Multi-Task General Services Agreement with Industrial Door Company, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for commercial and industrial door services, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2020 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	_____	_____	_____

\_\_\_\_\_  
ROGER FRITH  
CHAIR

ATTEST: \_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
INDUSTRIAL DOOR COMPANY**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Industrial Door Company, a corporation with its office located at 10235 Systems Parkway, Suite B, Sacramento, CA 95827 ("Contractor") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 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 FIVE HUNDRED THOUSAND** dollars (\$500,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
[AcctsPayable@ncpa.com](mailto: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 \$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 volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

**5.3 Transfer of Title.** Not Applicable

## **Section 6. STATUS OF CONTRACTOR.**

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

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

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

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

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 Maintenance Labor Agreement.** If the Work is subject to the terms of 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.** 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 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.
- 13.8 Notices.** Any written notice to Contractor shall be sent to:

Chris Voyvodich  
Industrial Door Company  
10235 Systems Parkway, Suite B  
Sacramento, CA 95827

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

- 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

INDUSTRIAL DOOR COMPANY

Date \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_  
**RANDY S. HOWARD, General Manager**

\_\_\_\_\_  
**JERRY S. FIELDS, CEO & President**

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel

## **EXHIBIT A**

### **SCOPE OF WORK**

Industrial Door Company (“Contractor”) shall provide commercial and industrial door 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.

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.

## 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 Service Rate:**

Scheduled work during normal business hours only

1<sup>st</sup> hour: \$285.00 (one man)

Additional hours: \$210.00

If a second man is required, add \$210.00 per hour

Travel beyond 30 minutes will incur additional charges, which are determined by location

Does Not Include Parts

**Emergency Service Rates:**

Services required outside normal business hours

1<sup>st</sup> hour: \$425.00 (one man)

Additional hours: \$350.00

If a second man is required, add \$350.00 per hour

(3 hour minimum charge)

Does Not Include Parts

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

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

**EXHIBIT C**  
**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I,

---

(Name of person signing affidavit)(Title)

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

---

(Company name)

for contract work at:

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

(Project name and location)

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

---

(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

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



**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.**

**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)  
\_\_\_\_\_



# Commission Staff Report

Date: February 10, 2020

COMMISSION MEETING DATE: February 20, 2020

**SUBJECT:** Farwest Insulation Contracting – First Amendment to Five Year Multi-Task General Services Agreement; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

**AGENDA CATEGORY:** Consent

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

<b>IMPACTED MEMBERS:</b>		
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:**

Approval of Resolution 20-15 authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Farwest Insulation Contracting, with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$500,000 to \$3,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

**BACKGROUND:**

Insulation related 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 by SCPPA Members.

NCPA entered into a five year Multi Task General Services Agreement with Farwest Insulation Contracting effective December 6, 2019 for an amount not to exceed \$500,000. The Lodi Energy Center is currently in a forced outage and will need continued insulation support services for the duration of the outage, which will quickly exhaust the amount that is currently remaining on the agreement. This amendment will increase the not to exceed amount from \$500,000 to \$3,500,000. This agreement is still available for use at any facility owned and/or operated by the Agency, its Members, SCPPA, or SCPPA Members. NCPA currently has an agreement in place for similar services with Bayside Insulation & Construction.

**FISCAL IMPACT:**

Upon execution, the total cost of the agreement is not to exceed \$3,500,000 over the existing five year term through December 6, 2024, to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

**SELECTION PROCESS:**

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. 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:**

The recommendation above was reviewed by the Facilities Committee on February 5, 2020, and was recommended for Commission approval on Consent Calendar.

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on February 10, 2020, and was approved.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (3):

- Resolution
- Multi-Task General Services Agreement between NCPA and Farwest Insulation Contracting
- First Amendment to Multi-Task General Services Agreement between NCPA and Farwest Insulation Contracting

RESOLUTION 20-15

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES
AGREEMENT WITH FARWEST INSULATION CONTRACTING

(reference Staff Report #124:20)

WHEREAS, insulation related 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, the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Farwest Insulation Contracting is a provider of these services; and

WHEREAS, NCPA entered into a five-year Multi-Task General Services Agreement with Farwest Insulation Contracting on December 6, 2019 for a not to exceed amount of \$500,000; and

WHEREAS, NCPA's Lodi Energy Center is currently in a forced outage and requires insulation related services for the duration of the outage, which will result in the current agreement running out of funds; and

WHEREAS, NCPA now seeks to increase the not to exceed amount to \$3,500,000 to ensure sufficient funds are available for the current needs at LEC as well as 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 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 Farwest Insulation Contracting, with any non-substantial changes as approved by the NCPA General Counsel, increasing the not to exceed amount from \$500,000 to \$3,500,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, or by SCPPA Members.

PASSED, ADOPTED and APPROVED this \_\_\_ day of \_\_\_, 2020 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.

ROGER FRITH
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
FARWEST INSULATION CONTRACTING**

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 Farwest Insulation Contracting, a corporation with its office located at 1220 S. Sherman Street, Anaheim, CA 92805 ("Contractor") (together sometimes referred to as the "Parties") as of December 6, 2019 ("Effective Date") in Roseville, California.

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

- 1.1 **Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 **Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 **Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 **Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 **Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

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

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

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

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
[AcctsPayable@ncpa.com](mailto: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 \$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 volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Transfer of Title.** Not Applicable.

**Section 6. STATUS OF CONTRACTOR.**

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

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

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

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

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 Maintenance Labor Agreement.** If the Work is subject to the terms of 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.** 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 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.
- 13.8 Notices.** Any written notice to Contractor shall be sent to:

Farwest Insulation Contracting  
Attention: Rory McDonnell  
672 Enterprise Court  
Livermore, CA 94550

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

- 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.

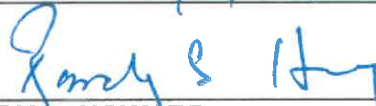
The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

FARWEST INSULATION CONTRACTING

Date 12/6/19

Date November 12, 2019





**RANDY S. HOWARD,**  
General Manager

**ERIC B. SARMENTO,**  
Vice President

Attest:



Assistant Secretary of the Commission

Approved as to Form:

  
Jane E. Luckhardt, General Counsel

## **EXHIBIT A**

### **SCOPE OF WORK**

Farwest Insulation Contracting ("Contractor") shall provide insulation related 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.

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

- Insulation
- Electrical Tracing

## 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:

**Labor Rates:**

**Zone 1** includes the following California counties: Alameda, Contra Costa, Marin, Napa, San Benito, San Francisco, San Mateo, Santa Clara, Solano and Sonoma Counties.

<b>Classification</b>	<b>Straight Time</b>	<b>Overtime</b>	<b>Double Time</b>
General Foreman	\$155.66	\$219.15	\$282.64
Foreman	\$152.37	\$214.21	\$276.06
Mechanic	\$145.79	\$204.34	\$262.89
Apprentice 5th	\$132.16	\$184.85	\$237.54
Apprentice 4th	\$120.46	\$167.30	\$214.14
Apprentice 3rd	\$102.88	\$140.94	\$178.99
Apprentice 2nd	\$80.68	\$111.36	\$142.03
Apprentice 1st	\$57.92	\$81.33	\$104.75

**Zone 2** includes the following California counties: Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Kings, Lake, Lassen, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Nevada, Placer, Plumas, Sacramento, San Joaquin, Santa Cruz, Shasta, Sierra, Siskiyou, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo and Yuba Counties.

<b>Classification</b>	<b>Straight Time</b>	<b>Overtime</b>	<b>Double Time</b>
General Foreman	\$127.85	\$177.43	\$227.02
Foreman	\$124.56	\$172.50	\$220.43
Mechanic	\$117.98	\$162.62	\$207.27
Apprentice 5th	\$107.13	\$147.30	\$187.48
Apprentice 4th	\$98.21	\$133.93	\$169.64



Apprentice 3rd	\$84.81	\$113.83	\$142.85
Apprentice 2nd	\$66.09	\$89.46	\$112.84
Apprentice 1st	\$46.79	\$64.65	\$82.50

Wages Valid through July 31, 2020

Travel Expenses

County	Rate	Zone	County	Rate	Zone
Alameda	\$11.00	1	Placer (west of Highway 49)	\$11.00	2
Alpine	\$85.00	2	Placer (east of Highway 49)	\$31.00	2
Amador	\$21.00	2	Plumas	\$85.00	2
Butte	\$85.00	2	Sacramento	\$11.00	2
Calaveras	\$31.00	2	San Benito	\$85.00	1
Colusa	\$31.00	2	San Francisco	\$16.00	1
Contra Costa	\$11.00	1	San Joaquin	\$21.00	2
Del Norte	\$85.00	2	San Mateo	\$16.00	1
El Dorado (west of 49)	\$11.00	2	Santa Clara	\$21.00	1
El Dorado (east of 49)	\$31.00	2	Santa Cruz	\$36.00	2
Fresno	\$11.00	2	Shasta	\$85.00	2
Glenn	\$85.00	2	Sierra	\$85.00	2
Humboldt	\$85.00	2	Siskiyou	\$85.00	2
Kings	\$41.00	2	Solano	\$11.00	1
Lake	\$85.00	2	Sonoma	\$21.00	1
Lassen	\$85.00	2	Stanislaus	\$16.00	2
Madera	\$21.00	2	Sutter	\$31.00	2
Marin	\$11.00	1	Tehama	\$85.00	2
Mariposa	\$31.00	2	Trinity	\$85.00	2
Mendocino	\$85.00	2	Tulare	\$41.00	2
Merced	\$21.00	2	Tuolumne	\$31.00	2
Modoc	\$85.00	2	Yolo	\$11.00	2
Mono	\$85.00	2	Yuba	\$31.00	2
Monterey	\$85.00	2			
Napa	\$21.00	1			
Nevada	\$21.00	2			

**Material Rates:**

Actual invoice cost plus 10%

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

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

**EXHIBIT C**

**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I, ERIC B. SARMENTO

(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

Farwest Insulation Contracting

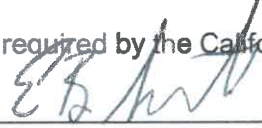
(Company name)

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 12<sup>th</sup> day of NOVEMBER, 2019.

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 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: 11-12-19

Name of Employer

FARWEST INSULATION CONTRACTING

EB TO CARBONMENTO VP

(Authorized Officer & Title)

1220 S. SHARMA ST.

ANAHEIM, CA 92805

(Address)



**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND FARWEST INSULATION CONTRACTING**

This First Amendment (“Amendment”) to Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and Farwest Insulation Contracting (“Contractor”) (collectively referred to as “the Parties”) as of \_\_\_\_\_, 2020.

WHEREAS, the Parties entered into a Multi-Task General Services Agreement dated effective December 6, 2019, (the “Agreement”) for Contractor to provide insulation related services as requested by the Agency at any facilities owned or operated by the 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 \$500,000.00 to a ‘NOT TO EXCEED amount of \$3,500,000.00; and

WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and

WHEREAS, in accordance with Section 8.2, all changes to the Agreement must be in writing and signed by all the Parties; and

NOW, THEREFORE, the Parties agree as follows:

- 1. **Section 2—Compensation** of the Agreement is amended and restated to read as follows:

Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED THREE MILLION FIVE HUNDRED THOUSAND** dollars (\$3,500,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor’s fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

NORTHERN CALIFORNIA POWER AGENCY

FARWEST INSULATION CONTRACTING

\_\_\_\_\_  
**RANDY S. HOWARD, General Manager**

\_\_\_\_\_  
**ERIC B. SARMENTO, Vice President**

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel




# Commission Staff Report

**Date:** February 10, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Maxim Crane Works, L.P. – First Amendment to Five Year Multi-Task General Services Agreement; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

**AGENDA CATEGORY:** Consent

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

<b>IMPACTED MEMBERS:</b>		
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:**

Approval of Resolution 20-16 authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Maxim Crane Works, L.P., with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$500,000 to \$1,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

## **BACKGROUND:**

Crane related 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 by SCPPA Members.

NCPA entered into a five year Multi Task General Services Agreement with Maxim Crane Works, L.P. effective April 4, 2016 for an amount not to exceed \$500,000. The Lodi Energy Center is currently in a forced outage and will need continued crane support services for the duration of the outage. Staff estimates that this vendor's work related to the current LEC outage will exceed the amount remaining on the agreement. This amendment will increase the not to exceed amount from \$500,000 to \$1,500,000. This agreement is still available for use at any facility owned and/or operated by the Agency, its Members, SCPPA, or SCPPA Members. NCPA currently has agreements in place for similar services with American Crane Rental, Inc., Hatton Crane & Rigging, OST Trucks & Cranes, Inc., Summit Crane Company of Solano, Inc. and Titan Crane & Rigging, Inc.

## **FISCAL IMPACT:**

Upon execution, the total cost of the agreement is not to exceed amount to \$1,500,000 over the existing five year term through April 4, 2021. 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 required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. 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:**

The recommendation above was reviewed by the Facilities Committee on February 5, 2020, and was recommended for Commission approval on Consent Calendar.

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on February 10, 2020, and was approved.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (3):

- Resolution
- Multi-Task General Services Agreement between NCPA and Maxim Crane Works, L.P.
- First Amendment to Multi-Task General Services Agreement between NCPA and Maxim Crane Works, L.P.

RESOLUTION 20-16

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES
AGREEMENT WITH MAXIM CRANE WORKS, L.P.

(reference Staff Report #125:20)

WHEREAS, crane related 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, the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Maxim Crane Works, L.P. is a provider of these services; and

WHEREAS, NCPA entered into a five-year Multi-Task General Services Agreement with Maxim Crane Works, L.P. on April 4, 2016 for a not to exceed amount of \$500,000; and

WHEREAS, NCPA's Lodi Energy Center is currently in a forced outage and requires crane related services for the duration of the outage, which will result in the current agreement running out of funds; and

WHEREAS, NCPA now seeks to increase the not to exceed amount to \$1,500,000 to ensure sufficient funds are available for the current needs at LEC, as well as 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 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 Multi-Task General Services Agreement with Maxim Crane Works, L.P., with any non-substantial changes as approved by the NCPA General Counsel, increasing the not to exceed amount from \$500,000 to \$1,500,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, or by SCPPA Members.

PASSED, ADOPTED and APPROVED this \_\_\_ day of \_\_\_, 2020 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.

ROGER FRITH
CHAIR

ATTEST: CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
MAXIM CRANE WORKS, L.P.**

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 Maxim Crane Works, L.P., a limited partnership, with its office located at 7512 Pacific Avenue, Pleasant Grove, CA 95668 ("Contractor") (together sometimes referred to as the "Parties") as of 4/4/, 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 FIVE HUNDRED THOUSAND** dollars (\$500,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

**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 left blank.

**4.4 Pollution Insurance.** If Contractor's Work involves its transporting hazardous materials, then Contractor shall obtain and maintain Contractors' Pollution Liability Insurance of not less than two million dollars (\$2,000,000) for any one occurrence and not less than four million dollars (\$4,000,000) aggregate. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) per claim. Such insurance shall be on "an occurrence" basis.

"Hazardous Materials" means any toxic or hazardous substance, hazardous material, dangerous or hazardous waste, dangerous good, radioactive material, petroleum or petroleum-derived products or by-products, or any other chemical, substance, material or emission, that is regulated, listed, or controlled pursuant to any national, state, or local law, statute, ordinance, directive, regulation, or other legal requirement of the United States.

**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** **Work Provided Pursuant to Section 1.4.** 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:

Maxim Crane Works, L.P.  
Attention: Aaron Carrion  
7512 Pacific Avenue  
Pleasant Grove, CA 95668



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, and Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's Proposal, the Exhibits shall control.

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

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

**13.15 No-Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. 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. If requested by Agency, such Member will sign the "Acknowledgement of Agreement", attached hereto as Exhibit F and incorporated herein, prior to the Contractor performing Work under the Purchase Order.

///

///

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

NORTHERN CALIFORNIA POWER AGENCY

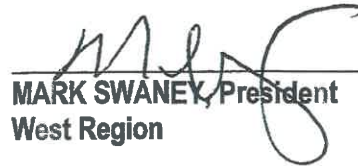
MAXIM CRANE WORKS, L.P.

Date 4/4/16

Date 3/8/16



**RANDY S. HOWARD**  
General Manager



**MARK SWANEY, President**  
West Region

Attest:



Assistant Secretary of the Commission

Approved as to Form:



Assistant General Counsel

## EXHIBIT A SCOPE OF WORK

Maxim Crane Works, L.P. ("Contractor") shall provide crane services as requested by the Northern California Power Agency ("Agency") at any Facilities owned or operated by NCPA, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

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

- Engineering and Project Management for crane rental projects
- Crane and lift training
- Engineered crane lifts
- Crane rentals and crane rental services
- Rigging services
- Transportation services
- Heavy lifts/Heavy transportation services
- On-site evaluations
- Operated and Maintained Crane Rental
- Base Crane Rental

**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:

**Operated & Maintained Equipment**

**Hydraulic Truck Cranes**

Capacity	Hourly Rate	Overtime	Doubletime
40 Ton	\$ 185.00	\$ 225.00	\$ 265.00
50 Ton	\$ 195.00	\$ 235.00	\$ 275.00
60 Ton	\$ 205.00	\$ 245.00	\$ 285.00
70 Ton	\$ 225.00	\$ 265.00	\$ 305.00
75 Ton	\$ 235.00	\$ 275.00	\$ 315.00
90 Ton	\$ 255.00	\$ 295.00	\$ 335.00
90 Ton*	\$ 345.00	\$ 425.00	\$ 505.00
120 Ton*	\$ 370.00	\$ 450.00	\$ 530.00
175 Ton*	\$ 395.00	\$ 475.00	\$ 555.00
185 Ton*	\$ 405.00	\$ 485.00	\$ 565.00
210 Ton*	\$ 435.00	\$ 515.00	\$ 595.00
235 Ton*	\$ 445.00	\$ 525.00	\$ 605.00
275 Ton*	\$ 465.00	\$ 545.00	\$ 625.00
300 Ton*	\$ 520.00	\$ 600.00	\$ 680.00
500 Ton*	\$ 800.00	\$ 980.00	\$ 960.00

**Notes:**

1. Fuel surcharge included in rate
2. Bare rental rates are based on monthly = 176 hours
3. 4 Hour minimum port x port (1) man Hyd truck cranes
4. 8 Hour minimum port x port (2) man Hyd truck cranes
5. Operated and Maintained Rough terrains are 8 hour min.
6. Local 3 rules apply
7. Permits are not included in rates \*Based on Cwt configuration

**Cwt Loads maximum basic lift crane**

90 Ton*	1	HTC8690	
120 Ton*	2	LTM1160 5.1	*Reduced cwt.
175 Ton*	3	LTM1160 5.1	
185 Ton*	3	LTM1160 5.1	
210 Ton*	4	GMK5210	
235 Ton*	4	LTM 1200/1	
275 Ton*	4	GMK5275	
300 Ton*	6	GMK6300	
500 Ton*	9	LTM 1400 7.1	

**Rough Terrain Cranes \*8 hour min**

Capacity	Hourly Rate	Overtime	Doubletime
30 Ton RT	\$ 165.00	\$ 205.00	\$ 245.00
50 Ton RT	\$ 180.00	\$ 220.00	\$ 260.00
65 Ton RT	\$ 190.00	\$ 230.00	\$ 270.00
75 Ton RT	\$ 195.00	\$ 235.00	\$ 275.00
80 Ton RT	\$ 205.00	\$ 245.00	\$ 285.00
90 Ton RT	\$ 225.00	\$ 265.00	\$ 305.00
100 Ton RT	\$ 245.00	\$ 285.00	\$ 325.00
130 Ton RT	\$ 285.00	\$ 325.00	\$ 365.00

**Rough Terrain Cranes Bare rental**

Capacity	Weekly Rate	Monthly rate
30 Ton RT	\$ 1,470.00	\$ 4,400.00
50 Ton RT	\$ 2,300.00	\$ 6,800.00
65 Ton RT	\$ 2,750.00	\$ 8,200.00
75 Ton RT	\$ 3,100.00	\$ 9,200.00
80 Ton RT	\$ 4,000.00	\$ 12,000.00
90 Ton RT	\$ 4,900.00	\$ 14,500.00
100 Ton RT	\$ 5,600.00	\$ 16,800.00
130 Ton RT	\$ 8,000.00	\$ 24,000.00

	Hourly Rate	Overtime	Doubletime
Cwt Trucking	\$ 125.00	\$ 165.00	\$ 205.00
9 Axle Transport	\$ 195.00	\$ 235.00	\$ 275.00
5 Axle Transport	\$ 140.00	\$ 180.00	\$ 220.00

\*Added Cwt trucking applies based on required configuration

**Excess Crew Time**

Operator	\$ 105.00	\$ 145.00	\$ 185.00
Operator/Oiler	\$ 205.00	\$ 285.00	\$ 365.00

\*All cranes can be configured for required radius and weight requirement.

Pricing for services to be performed at NCPA Member or SPPA 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, MARIO BERMUDEZ, Safety 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:

MAXIM CRANE WORKS, L.P.


(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 8<sup>TH</sup> day of MARCH, 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.

**EXHIBIT D - NOT APPLICABLE**

**CERTIFICATION**

**Affidavit of Compliance for Hazardous Materials Transport Vendors**

I, \_\_\_\_\_,

(Name of person signing affidavit)(Title)

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

\_\_\_\_\_

(Company name)

for hazardous materials delivery to:

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

(Project name and location)

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

\_\_\_\_\_

(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

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

EXHIBIT E

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: 3/8/16

Name of Employer MAXIM CRANE WORKS, LP

M. West  
(Authorized Officer & Title)  
PRES. West Ref.

(Address)  
\_\_\_\_\_



**EXHIBIT F**

**Acknowledgement of Agreement**

This Acknowledgement confirms the intent of \_\_\_\_\_, a \_\_\_\_\_ ("Member") to participate in and utilize the Multi-Task Agreement to which this Exhibit is attached, including all other Exhibits attached hereto, between the Northern California Power Agency ("Agency") and \_\_\_\_\_ ("Contractor") effective \_\_\_\_\_, 20\_\_ ("Agreement"). Member has reviewed the terms and conditions of the Agreement in detail and agrees to abide by them. It is understood and agreed that payments for Services by Contractor provided to Member shall be paid by Agency and funded by Member to Agency pursuant to a Support Services Program Agreement between Agency and Member. All invoices for Services for Member shall be addressed to Agency.

Further, Member agrees and acknowledges that the terms, conditions, and applicable Exhibits set forth in the Agreement will apply between Member and Contractor.

**MEMBER**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CONTRACTOR**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND MAXIM CRANE WORKS, L.P.**

This First Amendment (“Amendment”) to Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and Maxim Crane Works, L.P. (“Contractor”) (collectively referred to as “the Parties”) as of \_\_\_\_\_, 2020.

WHEREAS, the Parties entered into a Multi-Task General Services Agreement dated effective April 4, 2016, (the “Agreement”) for Contractor to provide crane related services as requested by the Agency 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 \$500,000.00 to a ‘NOT TO EXCEED amount of \$1,500,000.00; and

WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and

WHEREAS, in accordance with Section 8.2, all changes to the Agreement must be in writing and signed by all the Parties; and

NOW, THEREFORE, the Parties agree as follows:

- 1. **Section 2—Compensation** of the Agreement is amended and restated to read as follows:

Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED ONE MILLION FIVE HUNDRED THOUSAND** dollars (\$1,500,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor’s fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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.

Date:\_\_\_\_\_

Date:\_\_\_\_\_

NORTHERN CALIFORNIA POWER AGENCY

MAXIM CRANE WORKS, L.P.

\_\_\_\_\_  
**RANDY S. HOWARD, General Manager**

\_\_\_\_\_  
**MARK SWANEY, President**

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel



# Commission Staff Report

**Date:** February 10, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Nalco Company, LLC – Ten Year Multi-Task General Services Agreement for Specialty Chemicals and Services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities.

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Joel Ledesma <i>J.L.</i> Assistant General Manager	<b>METHOD OF SELECTION:</b>	N/A
<b>Division:</b>	Generation Services	<i>If other, please describe:</i>	
<b>Department:</b>	Combustion Turbines		

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

## **RECOMMENDATION:**

Approval of Resolution 20-17 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Nalco Company, LLC for specialty chemicals and services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,500,000 over five years with options to extend for up to a total of ten years, for use at all facilities owned and/or operated by NCPA.

## **BACKGROUND:**

Specialty chemicals and related services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA. NCPA had a previous agreement in place with Nalco Company, LLC, which is expiring. NCPA recently requested competitive bids for a project at the CT facilities, and Nalco was one of the prospective bidders. NCPA has utilized this vendor in the past, and has a good working relationship with the vendor. NCPA desires to enter into a multi-task enabling agreement with Nalco Company, LLC so established terms and conditions are in place should this vendor be the successful bidder on future projects. Execution of this enabling agreement will also increase the pool of qualified and proven vendors for these types of services. NCPA has additional agreements in place for similar services with CellMark USA, Inc. (Geo only), Dow Chemical Company (Geo only), SUEZ WTS USA, Inc., and Univar USA, Inc.

## **FISCAL IMPACT:**

Upon execution, the total cost of the agreement is not to exceed \$2,500,000 over five years, with options to extend the agreement for five additional years for a total of ten years, to be used out of the NCPA approved annual operating budgets. 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 required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible, bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

## **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 above was reviewed by the Facilities Committee on February 5, 2020, and was recommended for Commission approval on Consent Calendar.

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on February 10, 2020, and was approved.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution
- Multi-Task General Services Agreement with Nalco Company, LLC

RESOLUTION 20-17

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH NALCO  
COMPANY, LLC

(reference Staff Report #126:20)

WHEREAS, specialty chemicals and related services are periodically required at the facilities owned and/or operated by the Northern California Power Agency (NCPA); and

WHEREAS, Nalco Company, LLC is a provider of these services; and

WHEREAS, NCPA seeks to enter into a Multi-Task General Services Agreement with Nalco Company, LLC to provide such services as needed at all NCPA facilities in an amount not to exceed \$2,500,000 over five years with options to extend the agreement for five additional years for a total of ten years; 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 Multi-Task General Services Agreement with Nalco Company, LLC, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$2,500,000 over five years with options to extend for up to a total of ten years, for specialty chemicals and services, for use at all facilities owned and/or operated by NCPA.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2020 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	_____	_____	_____

\_\_\_\_\_  
ROGER FRITH  
CHAIR

ATTEST: \_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
NALCO COMPANY 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 Nalco Company LLC (federal tax id # 82-4607045), a Delaware limited liability company with its office located at 1601 West Diehl Rd., Naperville, Illinois 60563 ("Contractor") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 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. Nonetheless and upon written approval by both the Agency and Contractor, this Agreement may be extended on a year by year basis for an additional five (5) years for a total of no more than ten (10) years from the Effective Date.
- 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 will be provided to the Agency.
- 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. The terms of any purchase order (other than the stated quantity ordered, requested delivery date and deliver location), release, acknowledgment or other document or communication between the parties will not apply.

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

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

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

Invoices shall be sent to:

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

**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. The additional terms and conditions applicable to Contractor-Owned Equipment provided by Contractor to Agency on a rental or use basis are set forth in Exhibit E.

**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/\$4,000,000 aggregate. Commercial general coverage shall be on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$3,000,000.00. Such commercial general liability will cover sudden and accidental pollution liability.
- 4.2.2 Automobile Liability.** Contractor shall maintain automobile liability insurance 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 \$3,000,000.00. 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 left blank.

**4.4 Intentionally Left Blank**

**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, adding the Agency as an additional insured and declaring such insurance primary in regard to liabilities assumed 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 below the limits of this Agreement, cancellation, 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 up to \$5,000,000 maintained by the Contractor.

**4.5.4 Additional Certificates and Endorsements.** Not applicable.

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

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

contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

**Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES; LIMIT OF LIABILITY.**

- 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 negligent acts or omissions, willful misconduct or violation of applicable laws by Contractor, its officers, officials, agents, and employees, except as caused by the active, 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.
- 5.4 Limit of Liability.** Notwithstanding anything herein to the contrary, Contractor's liability under this Agreement and any related agreement including without limitation for any breach of contract, warranty, indemnity, liquidated damages, negligence or tort claims or otherwise shall not exceed \$2,500,000.00 during the Term. This limitation of liability does not apply to third party claims for personal injury, death or tangible property damage to the extent caused by Contractor's

negligence or willful misconduct and for the avoidance of doubt third party includes Agency employees.

**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.** To the extent applicable to Contractor's Work, 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.** To the extent applicable to Contractor's Work, 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 to the extent it applies to Contractor's Work, 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 to the extent it applies to Contractor's Work, 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 thirty (30) 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 direct 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. Except as may otherwise be allowed in Exhibit E, Contractor hereby agrees to deliver those documents to the Agency upon agency's request at the termination of the Agreement. Except as may otherwise be allowed in



Exhibit E, 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. Regardless of the forgoing and only to the extent permitted by law, Contractor shall not be required to disclose or make available for auditing its cost information or any confidential information of any other customer of Contractor.
- 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 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. Equipment, tools, supplies 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 shall be solely as an accommodation and Agency shall have no liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency 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. The water treatment program does not cover, and Contractor makes no warranties with respect to, water system biohazards from waterborne pathogens, including but not limited to Legionella bacteria.
- 11.2 Deficiencies in Work.** 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. Contractor's liability under this warranty is limited to replacement of nonconforming product, repair, or replacement of defective items, or, a refund of or invoice credit for the product price. Notwithstanding anything to the contrary contained herein or otherwise, in no event shall either party be liable for any special, consequential or indirect damages. Contractor shall not be liable for any failure caused by Agency's failure to follow Contractor's written instructions.
- 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.

- 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 Not applicable.

**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 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.

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

Nalco Company LLC  
1601 West Diehl Rd.  
Naperville, Illinois 60563  
Attn: General Counsel

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

**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.

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

SIGNATURES ON NEXT PAGE

NORTHERN CALIFORNIA POWER AGENCY

NALCO COMPANY LLC

Date \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_  
**RANDY S. HOWARD,**  
General Manager

\_\_\_\_\_  
**MARK KINERK,**  
Area Vice President, WPS Heavy

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission  
Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel



## EXHIBIT A

### SCOPE OF WORK

Nalco Company LLC (“Contractor”) shall provide specialty chemicals and services as requested by the Northern California Power Agency (“Agency”) at any of its facilities.

#### Geo Facility Specific Chemicals:

Water Treatment Chemicals: Biocide, Packaged in a 2000 lb. Tote (265 gal.) #90005.61 and other chemicals as needed. Incidental to the provision of chemicals, Contractor may also provide complimentary analytical work including chemicals analysis of substances and water cooling tower analysis.

#### CT Facilities Specific Chemicals/Services:

##### Inspections and Sampling

Contractor will be expected to inspect the Boiler and Water systems during each outage and provide a written report of each inspection. Photographic documentation of the inspections by video or still camera may be required. LEC may also require the use of a fiber optics borescope.

Contractor service representative shall sample all water and steam systems and provide a certified analysis each quarter or as required by LEC for special circumstances. The sample streams listed in Appendix G shall be analyzed for complete anions and cations, pH, and conductivity. Results shall be maintained in an Excel or similar data base. The database shall be updated at least quarterly.

##### Corrosion and Deposition Monitoring

The proposed treatments must provide protection from corrosion and deposition, which can adversely impact power plant efficiency and equipment life. The acceptable corrosion rates at LEC are as follows:

Carbon Steel/Cast Iron (Tower Circulating Water) corrosion inhibitor is used	< 3.0 Mils per year (MPY) if
Stainless Steel (Tower Circulating Water)	< 0.1 MPY
Titanium (Tower Circulating Water)	< 0.1 MPY
Carbon Steel/Cast Iron (Closed Loop Cooling Water)	< 1.0 MPY
Stainless Steel (Closed Loop Cooling Water)	< 0.1 MPY
Titanium (Closed Loop Cooling Water)	< 0.1 MPY
Copper and Copper Alloys (Closed Loop Cooling Water)	<0.1 MPY

Two (2) corrosion coupon racks are installed, one on the cooling tower circulating water and one on the closed loop cooling water system.

Additional corrosion coupon racks can be installed at other locations if recommended for supplemental monitoring. Comparable metallurgical coupons in each system monitored will be supplied and analyzed by the Contractor on a quarterly basis or more frequently as required by LEC for special circumstances.

LEC may also require the installation of a deposition monitor such as a Monital or similar device to evaluate system fouling from corrosion products, microbiological growth, and/or general water chemistry anomalies. Excessive fouling on any system will require chemical treatment program change. LEC may also require that no additional charges be billed for installation of an upgraded treatment in order to meet previously described goals and to protect the system.

### Safety Data Sheets

LEC must be provided with a Safety Data Sheet (SDS) for each product proposed. The SDS will be kept on file at LEC. Chemical providers shall notify LEC of any changes, additions, or deletions on the SDS prior to the shipment of any product following the change. Upon acceptance and approval, the new SDS must precede product delivery by US Mail or accompany the product at the time of delivery. All product actives must be identified by its common chemical name, with the corresponding Chemical Abstract Service (CAS) number, in addition to the vendor's identification on the respective SDS.

### Shipment and Storage of Chemicals

Freight charges shall be included in the cost to supply the proposed chemicals. LEC requests that treatment chemicals be supplied in reusable totes or drums where feasible. The base totes can be refilled by bulk truck or portable shuttle totes.

If drums or barrels are proposed, Contractor shall provide for removal and/or disposal of the empty container from the site. Any NCPA name and address stenciled on the container shall be removed prior to the removal of any such container from this site. Failure to comply with this provision may result in the discontinuation of any contract or agreement between LEC and the Contractor.

All totes, drums, or pails must be clearly labeled with the Contractor ID and product name. The labels must be able to withstand the environment for the time the container is on site and in use. Contractor shall perform an annual audit of all labels and placards to ensure that text is legible and current.

### Service Plan

The costs for water treatment chemicals are important to a power plant's overall costs. Of equal importance to these costs is the quality of support from the Contractor. The plant considers

specialty chemicals and services as an investment. Expert oversight must be provided to provide an acceptable return on the plant's investment. Service must include a plan to provide value-added expertise, insight, and support to ensure that the specified chemicals are used optimally.

Full-day service visits to the site are required at least once per week. More frequent site visits may be required in order to meet the service requirements detailed later in this section. Contractor is responsible for determining site visit frequency based on service and reporting requirements.

#### Service and Reporting Requirements

The general requirements of the Service Plan shall be documented in periodic Contractor service visits and subsequent reports. A detailed description of the required services and their frequency appears in Table 1-1 on the following pages. The required reports appear in Table 1-2 later in this section.

**Table 1-1. Required Services and Frequencies**

Description	Service Plan Activity and Frequency
Risk management services focused on worker and environmental safety.	Meet annually with plant contact, review chemicals used and associated personnel and environmental exposure risks. Review SDS.
Safety, Health, and Environmental communications and Safety Data Sheets as required to ensure safe application of the chemicals provided	Provide copies of SDS and Product Bulletins for any chemical proposed or used on site. Verify that all SDS and Product Bulletins are the most recent versions. SDS and Product Bulletins shall be updated at least annually. Provide electronic copies of any other Safety, Health, and Environmental communications. Review and update such communications as necessary.
Product application specifications to ensure safe application of the chemicals provided	For each product, provide electronic copies of a written description of proper product dosage, method to calculate or monitor dosage, any environmental limits on product application, and other information requested by the plant contact to ensure safe application of chemicals provided. Review and update product application data at least annually.
Emergency response during chemical transit, chemical spills, or other events impacting worker and environmental safety.	Provide no less than two Contractor emergency contacts and no less than one 24-hour emergency response phone number to plant contact. Review and update contact information as necessary.
System survey describing chemical application points, water treatment processes and uses, and water flow diagrams	Provide a one-line diagram of the whole-plant water system labeling all major equipment and chemical injection points. The plant's current "chemical one-line" can be updated if desired (requires Microsoft Visio).  Provide this information to the plant contact. Review and update system survey at least annually. Update the Chemistry Manual at least annually.

Program administration manual including general chemical information, general process information, information on specific chemicals used or proposed for use, troubleshooting and test procedures, chemical feed system information, and information required to support operation, maintenance, and installation of any Contractor-provided equipment

Provide a written Chemical Program Overview for each treated system including a Chemical Program Description for the system and a Chemical Product Description for each chemical used.

Provide Feed System Data Table for each chemical feed system including the Chemical Name, Storage Tank Volume, Metering Pump Capacity, Chemical Density, and Chemical Injection Point Location.

Provide Chemical Limits and Troubleshooting information for each system. Include a table listing each system's chemical parameters, their control limits, and the action levels associated with each control limit. Also include a brief description of each system's chemical parameters, what causes the parameter to change, and recommendations for corrective action based on the different action levels. For each system, provide a General Troubleshooting Table listing each chemical parameter, the common causes or sources of high or low readings, the corrective actions for high or low readings, and the consequences of high or low readings.

A printed and electronic copy of the Chemical Limits and Troubleshooting information shall be provided to the plant contact. Information shall be reviewed and updated at least annually. Format shall be reviewed with the plant contact at least annually and updated as directed by the plant contact.

Provide written and electronic versions of all Program Administration Manual data to the plant contact. Review and update at least annually.

NOTE: The plant already has this documentation. Contractor shall be responsible for either creating necessary documents or updating existing plant documents. Existing documents can be

Description	Service Plan Activity and Frequency
<p>Service plan describing the frequency of site visits, specific services to be performed during each visit, and the frequency of recurring service items.</p>	<p>provided in the native file format (MS Word or MS Excel).</p> <p>The service plan is contained in this document. Any additions, deletions, or changes must be approved by the plant contact. Review this document with the plant contact and obtain plant contact signature at least quarterly (unless Low Service Level is selected, in which case review is performed annually). Both Contractor and the plant contact shall maintain copies of the signed document.</p>
<p>Written service reports for each site visit describing services performed, problems found, action taken, recommendations for plant action, and planned follow-up.</p>	<p>Service reports for all site visits provided in a weekly report.</p>
<p>Provide chemistry data trending software</p>	<p>Provide chemistry trending software. Software must be capable of importing existing plant database (Excel format) to ensure that previous historical data is retained, and also exporting to Excel or a .csv file.</p>

Description	Service Plan Activity and Frequency
<p>Provide monitoring, control, corrective actions, and detailed chemistry evaluation for plant water systems.</p>	<p>Review logsheets and trends for all plant water streams or systems (provided that the data is available to Contractor). Provide an analysis of each system describing chemistry issues and concerns, recommendations for corrective action, recommendations for control improvements, and a discussion of relationships between chemical control parameters. This monitoring program shall include normalized monitoring of demin system reverse osmosis units. Contractor shall perform the normalization calculations and retain them in the same database used to retain other plant chemistry data.</p> <p>Perform a detailed review and analysis of each system's chemical treatment program. Review the treatment program design, purpose, and efficacy. Evaluate and propose alternative chemistries, including cost analysis.</p> <p>Printed and electronic report shall be provided to plant contact weekly. The report shall include trends and an analysis of control capability for each parameter (percent in control, for example) with recommendations for improvement for any parameter with less than 80% of readings within the target range.</p> <p>Review report format with plant contact at least quarterly. Update or change as directed by plant contact.</p>
<p>Inspection of water and steam systems during operation or during outages with a written report detailing equipment status and recommendations. In-service inspections of evaporative cooling towers shall be performed at least monthly. Such inspections shall include a visual inspection of cooling tower hardware.</p>	<p>Meet with plant contact at least monthly to determine the need for inspections in the following month.</p> <p>Provide a written report of inspection results within four working weeks of the inspection. Printed and electronic report shall be provided to plant contact.</p> <p>Review report format with plant contact at least annually. Update or change as directed by plant contact.</p>

Description	Service Plan Activity and Frequency
<p>Monitor and provide a written report of chemical consumption versus budget consumption for any Contractor-provided chemical.</p>	<p>Utilize spreadsheet to report actual chemical consumption (pounds or gallons) and actual chemical cost for each month for each Contractor-provided product. The written report shall compare chemical usage versus consumption for each product. The written report shall describe the reasons for deviation from target usage and corrective actions required (if any) to restore chemical usage to targets. Printed and electronic report shall be provided to plant contact at least monthly.</p> <p>Business review performed at least annually describing the total value of all goods and services consumed, the estimated expenditures for the coming year, projects or project work completed with supporting data for any cost savings achieved as a result of this work, and technical and financial goals for the coming year.</p> <p>Review report format with plant contact at least quarterly. Update or change as directed by plant contact.</p>
<p>Water and deposit analyses performed at Contractor off-site laboratories provided that such water and deposit analyses are required to verify the proper operation of Contractor-provided goods and services.</p>	<p>Obtain water samples from Contractor-treated systems quarterly. Obtain deposit samples from Contractor-treated systems, if required, as they're available during outages or upsets. Contractor is responsible for providing sample containers.</p> <p>Provide written analysis and sample results within four working weeks of sample date.</p>
<p>Metallographic analyses performed at vendor off-site laboratories provided that such metallographic analyses are required to verify the proper operation of Contractor-provided goods and services. This service is normally performed on failed equipment, so is not required at a specific frequency.</p>	<p>Obtain samples from Contractor-treated systems, if required, as they're available during outages or upsets. Contractor is responsible for providing packaging and shipping recommendations.</p> <p>Provide written analysis and sample results within four working weeks of sample date.</p>



Description	Service Plan Activity and Frequency
<p>Provide operator, supervisor, and manager training on basic water chemistry, laboratory procedures, cooling systems, HRSG systems, and pretreatment systems. Topics to be approved by plant management two weeks prior to date of training. Train personnel as directed by plant management. Schedule at least two different training sessions covering the same material to accommodate shift schedules.</p>	<p>Provide training annually. Laboratory procedures training shall consist of a single a pre-scheduled laboratory procedures demonstration in which the Contractor representative shall meet with available plant operators to perform wet chemistry and demonstrate the proper wet test procedure to the operators for each wet test performed.</p> <p>Document persons trained, date, and time. Training length shall be at the discretion of the plant contact, but will normally be designed to last approximately four hours. Provide training records to plant contact in electronic and printed format.</p>
<p>Report on condition and operation of chemical storage, feed, and control equipment</p>	<p>Visually inspect each chemical feed system and each chemical feed control system at least annually. Provide recommendations for feed and control system improvements. Identify necessary repairs or safety issues. Verify that SDS are stored at, on, or near each chemical storage tank. Verify that tank labels and placards are legible and in good condition. Correct any deficiencies.</p> <p>Summarize findings in a written report to the plant contact.</p> <p>Review report format with plant contact at least annually. Update or change as directed by plant contact.</p>

Description	Service Plan Activity and Frequency
<p>Provide corrosion rate monitoring of recirculating and closed loop cooling systems. Corrosion coupon results shall be maintained in a Vendor-provided database. Such database shall be updated and provided to the plant at least quarterly. Both parties shall mutually agree upon corrosion coupon metallurgy.</p>	<p>Report shall include both general and pitting corrosion rates (provided that corrosion monitoring equipment is installed and operable for the monitored system). Coupon exposure time for recirculating shall be approximately one year. Closed loop cooling system coupons shall be exposed for approximately 90 days. Corroter analysis may be substituted for corrosion coupons if approved by plant contact.</p> <p>Printed and electronic report shall be provided to plant contact at least quarterly.</p> <p>Review report format with plant contact at least annually. Update or change as directed by plant contact.</p>
<p>Provide, recirculating and closed loop cooling system biological control monitoring</p>	<p>Provide sample sessile and planktonic bacteria counts, bacteria metabolic residuals and bacteria speciation analysis at least quarterly. Reports shall include recommendations for improvement, cost analysis of biological treatment programs, and evaluation of current program efficacy.</p> <p>Printed and electronic report shall be provided to plant contact at least monthly. The speciation analysis shall be included in the monthly report.</p> <p>Review report format with plant contact at least annually. Update or change as directed by plant contact.</p>

**Table 1-2. Required Reports and Frequencies**

Description	Service Plan Activity and Frequency
Weekly reports include the following:	<p>The reports listed below will normally be included in the body of one weekly service report. The monthly service report will normally be divided into several sections including:</p> <ul style="list-style-type: none"> <li>Chemistry Monitoring and Control               <ul style="list-style-type: none"> <li>Cycle Chemistry</li> <li>Cooling Systems</li> <li>Pretreatment Systems</li> <li>BOP Water Systems</li> </ul> </li> <li>Inspections (if any)</li> <li>Operational Review</li> </ul>
Monthly reports include the following:	<p>The reports listed below will normally be included in the body of one monthly service report.</p> <ul style="list-style-type: none"> <li>Chemical Usage and Consumption</li> <li>Cooling System In-Service Inspection</li> </ul>
Quarterly reports include the following:	<p>The reports listed below will normally be included in the body of one quarterly service report.</p> <ul style="list-style-type: none"> <li>Corrosion Monitoring</li> </ul>
Annual reports include the following:	<p>The reports listed below will normally be included in the body of one monthly service report with the exception of the Business Review which will be distributed separately.</p> <ul style="list-style-type: none"> <li>Business Review</li> <li>Chemistry Evaluation</li> <li>Chemical Safety Audit</li> <li>Chemical Storage, Feed, and Control Equipment</li> <li>Chemistry Manual Updates</li> </ul>
Special reports include the following:	<ul style="list-style-type: none"> <li>Outage inspections of water and steam systems</li> <li>Deposit samples</li> <li>Specially requested water samples</li> <li>Metallographic analysis</li> <li>Training presentations</li> </ul>

## 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:

Pricing for products not specified below will be quoted by Contractor at the time the product is requested.

#### Geo Facilities Specific Pricing:

1. Nalco 90005 Algaecide (Biocide), Delivered in 265 gallon IBC Totes, Price = \$6.00/Lb
2. Nalo H-130 Macro-fouling Biocide, Delivered in 265 gallon IBC Totes, Price = \$4.50/Lb  
Prices above include shipping/freight costs, but does not include Sales Tax.

#### CT Facilities Specific Costs:

1. Analytical Cost: \$32,332/year

Sample Number	Samples per Year	Location	Code	Cost each	Annual Cost
1	4	01-Cycle Makeup Water (Demin)	STEAM	\$ 208	\$ 832
2	4	02-Condensate Polisher INFLUENT (local)	STEAM	\$ 208	\$ 832
3	4	03-Condensate Polisher Comb Effluent	STEAM	\$ 208	\$ 832
4	4	06-IP Feedwater BOP	STEAM	\$ 208	\$ 832
5	4	07-HP Feedwater HRSG	STEAM	\$ 208	\$ 832
6	4	09-LP Drum Water	STEAM	\$ 208	\$ 832
7	4	10-IP Drum Water	STEAM	\$ 208	\$ 832
8	4	12-HP Separator Water	STEAM	\$ 208	\$ 832
9	4	13-HP Main Steam	STEAM	\$ 208	\$ 832
11	4	15-IP Main Steam (shared w/10)	STEAM	\$ 208	\$ 832
13	4	18-LP Main Steam (shared w/12)	STEAM	\$ 208	\$ 832
14	4	16-Hot Reheat Steam	STEAM	\$ 208	\$ 832
15	4	11-IP Rotor Air Cooler Water	STEAM	\$ 208	\$ 832
16	4	08-LP Rotor Air Cooler Water	STEAM	\$ 208	\$ 832
17	4	04-Condensate Polisher EFFLUENT (local)	STEAM	\$ 208	\$ 832
19	4	17-LP Rotor Air Cooler Steam	STEAM	\$ 208	\$ 832
20	4	14-IP Rotor Air Cooler Steam	STEAM	\$ 208	\$ 832
21	4	HP Feedwater BOP	STEAM	\$ 208	\$ 832
22	4	05-Condensate BOP	STEAM	\$ 208	\$ 832
23	4	20-Aux Boiler Steam	STEAM	\$ 208	\$ 832
24	4	19-Aux Boiler Drum Water	BLR	\$ 355	\$ 1,420
25	4	Circ Water	RECIRC	\$ 402	\$ 1,608
27	4	Circ Water DMA	BIO	\$ 116	\$ 464
28	4	LEC CCW DMA	BIO	\$ 116	\$ 464
29	4	Evap Cooler DMA	BIO	\$ 116	\$ 464
30	4	Circ Water Sessile	BIOSWB	\$ 168	\$ 672
31	4	LEC CCW Sessile	BIOSWB	\$ 168	\$ 672
32	4	Evap Cooler Sessile	BIOSWB	\$ 168	\$ 672
33	4	Closed Loop: Mild Steel Coupon (Para 3.2)	Corrosion	\$ 22	\$ 88
34	4	Closed Loop: Copper Coupon	Corrosion	\$ 22	\$ 88
35	1	Closed Loop: Titanium	Corrosion	\$ 22	\$ 22
36	1	Closed Loop: Stainless Steel Coupon	Corrosion	\$ 22	\$ 22
37	4	Circ Water: Mild Steel Coupon	Corrosion	\$ 22	\$ 88
38	1	Circ Water: Stainless Steel Coupon	Corrosion	\$ 22	\$ 22
39	1	Circ Water: Titanium Coupon	Corrosion	\$ 22	\$ 22
40	4	EDI 100	STEAM	\$ 208	\$ 832
41	4	EDI 200	STEAM	\$ 208	\$ 832
42	4	RO E100 Permeate	STEAM	\$ 208	\$ 832
43	4	RO E200 Permeate	STEAM	\$ 208	\$ 832
44	4	RO E300 Permeate	STEAM	\$ 208	\$ 832
45	4	RO E400 Permeate	STEAM	\$ 208	\$ 832
46	4	Service Water	MAKEUP	\$ 288	\$ 1,152
47	4	Raw Water	MAKEUP	\$ 288	\$ 1,152
48	4	LEC CCW	RECIRC	\$ 402	\$ 1,608
<b>Annual Sampling Program Cost (TOTAL)</b>					<b>\$ 32,332</b>
<b>\$/quarter</b>					<b>\$ 8,083</b>

2. Service Plan Cost: \$34,000/year.
3. Specialty Chemical Supply Cost: First year is based on rates in table below and is subject to escalation per the Price Adjustment Formula below.

Lodi Energy Center									
Chemical	Product Name	Product Number	Dosage (mg/L)	Target Residual (mg/L)	Container Size	\$/lb (Firm)	Lb/Year (Based on Base Case)	\$/Year (Based on Base Case)	Container Provided By
Polymer/Flocculant	7763	7763.33	2.0	N/A	200-gallon Junior PORTA-FEED refill	\$2.55	2,339	\$5,964	Vendor
RO Anti-scalant	PC-191T	PC-191T.36	5.0	5.0	55-gal Mini PORTA-FEED refill	\$4.01	341	\$1,367	Vendor
RO Low pH Cleaner	PC-87	PC-87.33	5% by vol	as needed	200-gal refill Junior PORTA-FEED refill	\$2.27	2,112	\$4,794	Vendor
RO High pH Cleaner	PC-97	PC-97.15	1% by vol	as needed	55-gal drum	\$1.80	700	\$1,260	N/A
Biocide	PC-11	PC-11.36	50 ppm	as needed	55-gal Mini refill	\$5.33	175	\$933	Plant
Biocide (Long-term)	PC-56	PC-56.36	25 ppm	as needed	55-gal Mini PORTA-FEED refill	\$2.87	54	\$155	Plant
Anti-foam	7105 PLUS	7105 PLUS.11		as needed	5-gallon pails, as needed	\$7.96	132	\$1,051	N/A
Corrosion Inhibitor	30T487	30T487.33	45.0	4.0	200-gal Junior PORTA-FEED	\$2.67	5,208	\$13,905	Vendor
Mineral Dispersant	N/A	N/A	0.0	N/A	Dispersant is in 30T487	\$0.00	0	\$0	Vendor
Microbial Dispersant	73551	73551.56	5.0	as needed	55-gal drum, as needed, not staged on site	\$2.27	0	\$0	N/A
Non-Oxidizing Biocide	H-550	H-550.61	100.0	as needed	Schutz toxic, as needed, not staged on site	\$5.02	0	\$0	N/A
Corrosion Inhibitor	TRAC100	TRAC100.15	2,500	2,500	55-gallon drum	\$5.12	104	\$532	N/A
Non-Oxidizing Biocide	H-550	H-550.11	100.0		5-gal pails for easy shot pot addition	\$11.51	47	\$541	N/A
Oxygen Scavenger	1720	1720.11	50.0	30.0	5-gal pails for easy day tank filling	\$5.97	211	\$1,260	N/A
Phosphate (for Drum)	BT-3400	BT-3400.36	126.2	5.0	55-gal Mini refill to 110-gal Mini base tank	\$3.98	491	\$1,954	Vendor
Microbial Dispersant	73551	73551.56	5.0	N/A	55-gal returnable drum	\$2.27	579	\$1,314	N/A
Biocide	STABREX	ST70.56	10.0	N/A	55-gal returnable drum	\$2.86	1,157	\$3,309	N/A
Silica Inhibitor	30T157	30T157.15	varies	varies	5-gal drum, as needed to CLNG TWR, not on site	\$2.58	0	\$0	N/A

STG									
Chemical	Product Name	Product Number	Dosage (mg/L)	Target Residual (mg/L)	Container Size	\$/lb (Firm)	Lb/Year (Based on Base Case)	\$/Year (Based on Base Case)	Container Provided By
RO Anti-scalant	PC-191T	PC-191T.36	5.0	5.0	55-gal Mini refill to 110-gal Mini base tank	\$4.01			Plant
RO Low pH Cleaner	PC-87	PC-87.15			55-gal returnable drum	\$1.22			N/A
RO High pH Cleaner	PC-97	PC-97.15			55-gal returnable drum	\$1.80			N/A
Biocide	PC-11	PC-11.36			55-gal Mini refill to 110-gal Mini base tank	\$5.33			Plant
Biocide (Long-term)	PC-56	PC-56.36			55-gal Mini refill to 110-gal Mini base tank	\$2.87			Plant
Corrosion Inhibitor	TRAC100	TRAC100.11			5-gal pails for easy shot pot addition	\$6.91			N/A
Caustic (25%)	8735	8735.36			15-gal MICRO refill to 30-gal Micro base tank	\$8.97			Vendor
Amine	352	352.36			55-gal Mini refill to 110-gal Mini base tank	\$5.28			Vendor
Oxygen Scavenger	ELIMINOX	ELIMINOX.36			55-gal Mini refill to 75-gal Mini base tank	\$4.20			Vendor
Phosphate (for Drum)	BT-3400	BT-3400.36			55-gal Mini refill to 110-gal Mini base tank	\$3.98			Vendor

Price Adjustments:

In December 2020, and each December following, the product, analytical, and service prices will be reviewed. Any adjustments will become effective the following January 1st.

The following price adjustment formula will be used for chemicals, with an allowed price adjustment range no higher than 6% and no lower than 1%. Analytical and service prices will be limited to increases of 1% to 6%.

% Price Adjustment = 50% Labor + 50% Chemical, where

Labor = NAICS Employment Cost Index (CIU20100000000001)

Chemical = 55% PCU325 +

20% WPU061 +

15% WPU067905 +

10% WPU061303

In addition to any periodic price adjustment provided for in this Agreement Nalco may increase the prices for the Products or Services if, at any time during the term of this Agreement, an

Extraordinary Inflationary Disruption occurs. Extraordinary Inflationary Disruption is defined as an increase in delivered costs beyond the control of Nalco of at least ten (10%) percent and sustained over a three-month period. In case of such an Extraordinary Inflationary Disruption, Nalco may increase the price of the Products up to the full amount of the percent increase in its costs (raw materials, freight, labor or energy) by giving Customer at least thirty (30) days written notice. The baseline for determining such increase shall be on an individual product basis. If Nalco's costs decline back to a baseline level, Nalco is allowed to maintain product prices at the elevated level for the same period of time Nalco previously maintained pricing prior to the hardship price increase. If Nalco's cost declines but to a level above baseline, or increases further, on a Quarterly basis, Nalco will monitor product prices to reduce and increase prices to the same extent of the decline or increase in costs after an Extraordinary Inflationary Disruption occurs to Nalco.

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

**EXHIBIT C**  
**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I,

---

(Name of person signing affidavit)(Title)

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

Nalco Company 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.

---

(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

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



**EXHIBIT D**  
**CERTIFICATION**

**Affidavit of Compliance for Hazardous Materials Transport Vendors**

I, \_\_\_\_\_,

(Name of person signing affidavit)(Title)

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

Nalco Company 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.

\_\_\_\_\_  
(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

### Contractor-Owned Equipment Terms

For equipment (including Porta-Feed units, 3D TRASAR, OMNI, Purate, and Pareto equipment and other proprietary equipment of Contractor and any associated computer hardware or software) furnished to Agency on a rental or use basis (the "Equipment"), the following terms and conditions shall also apply.

1. Equipment shall remain the sole personal property of Contractor even though Agency may attach Equipment to realty. Contractor may cause such Equipment to be marked to indicate its ownership, and Agency agrees to provide reasonable cooperation by executing any financing statements Contractor files with respect to the Equipment. Agency shall take no action which is inconsistent with Contractor's title to the Equipment, and shall not move, encumber or alter the Equipment without Contractor's written authorization. Agency shall be responsible for any personal property or use taxes associated with the Equipment.
2. Agency shall not use the Equipment with any materials or products other than those recommended or approved by Contractor. The proper functioning of the Equipment is conditioned upon Agency operating it in accordance with Contractor's recommendations.
3. Agency shall install and provide the utilities necessary for the Equipment, and will provide a suitable location for the Equipment, including but not limited to shelter, tank pads, spill protection, foundations, etc., as appropriate. Agency shall receive, unload, place and remove Equipment at no cost to Contractor and should be responsible for procuring any necessary permits or licenses for such actions. With respect to Porta-Feed units, Agency agrees to provide access for a standard truck (min. 40 feet end-to-end, 14 feet high) to be driven safely to an area (e.g. loading dock) in the vicinity of the base tank to offload refill units.
4. Agency shall not alter the Equipment without Contractor's written authorization. Agency assumes all risk of loss or liability arising from or pertaining to its possession, operation or use of the Equipment, except to the extent damage is caused by Contractor's negligence or willful misconduct.
5. Agency shall allow Contractor to subcontract portions of work to be performed under this Agreement with respect to data-hosting, transmission of data through internet service providers and related service providers.
6. Contractor shall have the right to inspect and service Equipment during normal business hours.
7. Upon termination of this Agreement by either Contractor or Agency, Agency shall collect and load Equipment on Contractor's truck at Agency's in the same condition as received if returned prior to full term of this Agreement or five (5) years of use, ordinary wear and tear excepted. In the event any equipment returned prior to five (5) years of use, and such Equipment is lost, damaged or destroyed, Agency shall pay to Contractor the cost of replacement, or of repair at Contractor's standard charges then in effect. During the term of this Agreement, the Equipment will remain the exclusive property of Contractor.
8. Agency shall promptly notify Contractor of any material change in Agency's status, including, but not limited to, change of address, desired Equipment location, close of business.
9. Contractor reserves the right to pay prevailing wage but use non-union labor for specialty work including supervisory, testing and service of Equipment that does not fall under the terms of the Lodi Energy Center Project Maintenance Labor Agreement.

10. Agency agrees to inform Contractor of any special or unusual safety precautions that should be taken because of conditions in Agency's plant or process.
11. Notwithstanding anything in any agreement or otherwise to the contrary, all data generated or collected by the Equipment that is transmitted to Contractor (or to a Contractor third-party provider) is owned by Agency but Agency hereby grants to Contractor a non-exclusive, royalty-free license to use that data for NCPA purposes only and cannot be used by Nalco for other clients or uses.
12. Each party will retain responsibility and liability relating to security measures and authorized or unauthorized access to its computer/IT systems that it owns or controls. This paragraph does not relieve either party from responsibility or liability to the extent of its fraud or willful misconduct.




# Commission Staff Report

Date February 7, 2020

COMMISSION MEETING DATE: February 20, 2020

SUBJECT: Approval of the Services Agreement between Northern California Power Agency and Nevada Irrigation District.

AGENDA CATEGORY: Discussion/Action

<b>FROM:</b>	Tony Zimmer 	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Power Management	<i>If other, please describe:</i>
<b>Department:</b>	Power Management	

<b>IMPACTED MEMBERS:</b>		
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:**

Commission approval of the Services Agreement between the Northern California Power Agency (NCPA) and Nevada Irrigation District (NID) (the Service Agreement), pursuant to which NCPA will supply scheduling, control center, and reliability standards compliance services to NID, including any non-substantive modifications to the Services Agreement as may be approved by NCPA's General Counsel. Staff also recommends that the Commission authorize NCPA's General Manager to execute the Services Agreement, acting on behalf of NCPA, including any non-substantive modifications to the Services Agreement as may be approved by NCPA's General Counsel.

**BACKGROUND:**

NID issued a Request for Information on April 9, 2019, seeking proposals for scheduling and dispatch services for NID's Deer Creek Powerhouse. In response to NID's Request for Information, NCPA submitted a Statement of Qualifications and proposal to supply scheduling, control center, and reliability standards compliance services for NID's Deer Creek Powerhouse. On September 3, 2019, NID formally selected NCPA's proposal. Pursuant to subsequent discussions between NID and NCPA, NID also requested that NCPA supply scheduling and dispatch services for NID's Combie South Powerhouse.

**DISCUSSION:**

Staff, in coordination with NID, has developed a Services Agreement under which NCPA will supply scheduling, control center, and reliability standards compliance services for NID's Deer Creek Powerhouse and Combie South Powerhouse. The key provisions contained in the Services Agreement included a defined scope of services, terms for compensation, and terms to limit NCPA's liability.

A copy of the Services Agreement is attached to this staff report for your reference.

**FISCAL IMPACT:**

In consideration for NCPA's provision of services, NID shall pay NCPA an amount equal to approximately Thirty Four Thousand Dollars (\$34,000.00) for Services rendered during the first one (1) year period. For each subsequent one (1) year period during the term of the Agreement, the amount charged to NID will be escalated at a rate of two percent (2%) per 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 provided herein was presented to the Facilities Committee on February 5, 2020, and was recommended for Commission approval.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution 20-13
- NID Services Agreement

## **RESOLUTION 20-13**

### **RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVAL OF THE SERVICES AGREEMENT BETWEEN NORTHERN CALIFORNIA POWER AGENCY AND NEVADA IRRIGATION DISTRICT**

**(reference Staff Report #122:20)**

WHEREAS, Nevada Irrigation District (NID) issued a Request for Information on April 9, 2019, seeking proposals for scheduling and dispatch services for NID's Deer Creek Powerhouse; and

WHEREAS, in response to NID's Request for Information, Northern California Power Agency (NCPA) submitted a statement of qualifications and proposal to supply scheduling, control center, and reliability standards compliance services for NID's Deer Creek Powerhouse; and

WHEREAS, on September 3, 2019, NID formally selected NCPA's proposal; and

WHEREAS, pursuant to subsequent discussions between NID and NCPA, NID also requested that NCPA supply scheduling and dispatch services for NID's Combie South Powerhouse; and

WHEREAS, NCPA staff, in coordination with NID, has developed a Services Agreement under which NCPA will supply scheduling, control center, and reliability standards compliance services for NID's Deer Creek Powerhouse and Combie South Powerhouse; and

WHEREAS, the key provisions contained in the Services Agreement included a defined scope of services, terms for compensation, and terms to limit NCPA's liability; and

WHEREAS, in consideration for NCPA's provision of services, NID shall pay NCPA an amount equal to approximately Thirty Four Thousand Dollars (\$34,000.00) for Services rendered during the first one (1) year period, and for each subsequent one (1) year period during the term of the Agreement, the amount charged to NID will be escalated at a rate of two percent (2%) per year; 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 and approves the Services Agreement between the NCPA and NID, pursuant to which NCPA will supply scheduling, control center, and reliability standards compliance services to NID, including any non-substantive modifications to the Services Agreement as may be approved by NCPA's General Counsel. Furthermore, the Commission of Northern California Power Agency authorizes NCPA's General Manager to execute the Services Agreement, acting on behalf of NCPA, including any non-substantive modifications to the Services Agreement as may be approved by NCPA's General Counsel.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2020 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	_____	_____	_____

\_\_\_\_\_  
ROGER FRITH  
CHAIR

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



**SERVICES AGREEMENT**

**BETWEEN**

**NORTHERN CALIFORNIA POWER AGENCY**

**AND**

**NEVADA IRRIGATION DISTRICT**

## Table of Contents

Section 1.	RECITALS .....	1
Section 2.	DEFINITIONS.....	2
Section 3.	PURPOSE OF AGREEMENT .....	5
Section 4.	SERVICES TO BE PROVIDED AND STANDARDS OF PERFORMANCE .....	5
Section 5.	TERM AND TERMINATION .....	7
Section 6.	INDEMNITY.....	8
Section 7.	COMPENSATION .....	8
Section 8.	BILLING AND PAYMENT .....	8
Section 9.	COOPERATION AND FURTHER ASSURANCES.....	10
Section 10.	DEFAULTS.....	11
Section 11.	CAISO SECURITY DEPOSIT AND CREDIT REQUIREMENTS .....	13
Section 12.	SECURITY ACCOUNT.....	14
Section 13.	SETTLEMENT OF DISPUTES .....	16
Section 14.	STATUS OF NCPA.....	16
Section 15.	MISCELLANEOUS.....	17
	APPENDIX A (SCOPE OF SERVICES) .....	1
	APPENDIX B (COMPENSATION SCHEDULE) .....	1
	APPENDIX C (SCHEDULING PROCEDURES).....	1
	APPENDIX D (OPERATING PROCEDURES) .....	1
	APPENDIX E (CUSTOMER RESOURCES).....	1
	APPENDIX F (RELIABILITY STANDARDS COMPLIANCE SERVICES MATRIX) .....	1

This SERVICES AGREEMENT (“Agreement”) is made by and between the Northern California Power Agency, a joint powers agency of the State of California (“NCPA”), and Nevada Irrigation District, an irrigation district formed and existing under Division 11 of the California Water Code (“NID”). NCPA and NID are together sometimes referred to herein individually as a “Party” and collectively as the “Parties”.

This Agreement is made as of \_\_\_\_\_, 20\_\_ (the “Effective Date”) in Roseville, California.

**Section 1. RECITALS**

This Agreement is entered into based on the following facts, among others:

1.1 NCPA has heretofore been duly established as a joint powers agency pursuant to the Joint Exercise of Powers Act of the Government Code of the State of California and, among other things, is authorized to acquire, construct, finance, and operate buildings, works, facilities and improvements for the generation and transmission of electric capacity and energy for resale.

1.2 NID has heretofore been duly established as an irrigation district, pursuant to the Irrigation District Law (California Water Code section 20500 *et seq.*), and owns and operates certain generating facilities for the benefit of its customers.

1.3 NCPA is a certified Scheduling Coordinator in accordance with the CAISO Tariff.

1.4 NCPA has established facilities, staff and the capability for the provision of Services to NID.

1.5 NID desires NCPA to provide Services to NID.

1.6 NCPA is willing to provide NID with Services pursuant to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and promises set forth herein, NCPA and NID agree as follows:

## **Section 2. DEFINITIONS**

2.1 Definitions. Whenever used in this Agreement (including the Recitals hereto), the following terms shall have the following respective meanings, provided, capitalized terms used in this Agreement (including the Recitals hereto) that are not defined in Section 2 of this Agreement shall have the meaning indicated in Appendix A Master Definition Supplement of the CAISO Tariff:

2.1.1 “Agreement” means this Services Agreement, including all Appendices, attached hereto.

2.1.2 “Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. local time.

2.1.3 “Calendar Day” means all days, including Saturdays, Sundays or Federal Reserve Bank holidays.

2.1.4 “California Independent System Operator Corporation” or “CAISO” means the non-profit public benefit corporation responsible for the provision of fair and open transmission access, and maintaining reliable and efficient operation of that portion of the electric grid contained within its defined balancing authority area, pursuant to the California Public Utilities Code, or its successor entity.

2.1.5 “CAISO Tariff” means the CAISO FERC Electric Tariff.

2.1.6 “Commission” means the NCPA Commission established by the Joint Powers Agreement.

2.1.7 “Customer Resources” means all properties and assets, real and personal, tangible and intangible, of NID which are described in Appendix E hereto, and which are, used or pertain to the generation for resale, transmission, transformation, distribution or sale of electric capacity and energy, or the utilization of such, including all additions, extensions, expansions, improvements and betterments thereto and equipment thereof.

2.1.8 “Effective Date” has the meaning set forth in the preamble hereto.

2.1.9 “Event of Default” has the meaning set forth in Section 10.1 of this Agreement.

2.1.10 “FERC” means the Federal Energy Regulatory Commission, or its regulatory successor.

2.1.11 “General Manager” means the General Manager of NCPA.

2.1.12 “Good Utility Practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry within the United States of America during the relevant time period, which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with NERC or WECC approved business practices, reliability and safety. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the electric utility industry within the United States of America.

2.1.13 “Joint Powers Agreement” means the Amended and Restated Northern California Power Agency Joint Exercise of Powers Agreement dated as of January 31, 2008.

2.1.14 “NCPA” has the meaning set forth in the preamble hereto.

2.1.15 “NERC” means the North American Electric Reliability Corporation, or its successor.

2.1.16 “NID” has the meaning set forth in the preamble hereto.

2.1.17 “Party” or “Parties” has the meaning set forth in the recitals hereto; provided that “Third Parties” are entities that are not party to this Agreement.

2.1.18 “Reliability Standards” means requirements approved by FERC under Section 215 of the Federal Power Act to provide for reliable operation of the bulk power system.

2.1.19 “Scheduling Coordinator” means an entity certified by the CAISO for the purposes of undertaking the functions of a Scheduling Coordinator specified in the CAISO Tariff, including, but not limited to, submitting and settling bids, self-schedules, and trades in the CAISO markets.

2.1.20 “Security Account” means an account established at NCPA pursuant to this Agreement. The Security Account is established to: (1) make timely payments to the CAISO under the CAISO Tariff, and protect NCPA from potential NID default by providing funds and time to cure, (2) provide working capital for NCPA’s provision of Services and to bridge timing differences between the receipt of payments from NID and the date payments are due to the CAISO, (3) satisfy CAISO security deposit requirements, if any, and (4) provide security against NID default.

2.1.21 “Significant Operational Change” shall have the meaning as set forth in Section 15.19 of this Agreement.

2.1.22 “Significant Regulatory Change” shall have the meaning as set forth in Section 15.19 of this Agreement.

2.1.23 “Third Party” means an entity that is not a Party to this Agreement.

2.1.24 “Uncontrollable Forces” means storm, flood, lightning, earthquake, tsunami, fire, explosion, failure of facilities not due to lack of proper care or maintenance, civil disturbance, labor dispute, sabotage, war, national emergency, restraint by court or public authority, any curtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or other causes beyond the control of the affected Party which such Party could not reasonably have been expected to avoid by exercise of Good Utility Practice, due diligence and foresight.

2.1.25 “WECC” means the Western Electricity Coordinating Council, or its successor(s).

2.2 Rules of Interpretation. As used in this Agreement (including the Recitals hereto), unless in any such case the context requires otherwise: The terms “herein,” “hereto,”

“herewith” and “hereof” are references to this Agreement taken as a whole and not to any particular provision; the term “include,” “includes” or “including” shall mean “including, for example and without limitation;” and references to a “Section,” “subsection,” “clause,” “Appendix”, “Schedule”, or “Exhibit” shall mean a Section, subsection, clause, Appendix, Schedule or Exhibit of this Agreement, as the case may be. All references to a given agreement, instrument, tariff or other document, or law, regulation or ordinance shall be a reference to that agreement, instrument, tariff or other document, or law, regulation or ordinance as such now exists and as may be amended from time to time, or its successor. A reference to a “person” includes any individual, partnership, firm, company, corporation, joint venture, trust, association, organization or other entity, in each case whether or not having a separate legal personality and includes its successors and permitted assigns. A reference to a “day” shall mean a Calendar Day unless otherwise specified. The singular shall include the plural and the masculine shall include the feminine, and vice versa.

### **Section 3. PURPOSE OF AGREEMENT**

The purpose of this Agreement is to set forth the terms and conditions under which NCPA will supply NID with Services.

### **Section 4. SERVICES TO BE PROVIDED AND STANDARDS OF PERFORMANCE**

4.1 NCPA Duties. The duties of NCPA under this Agreement are to:

4.1.1 Provide services to NID as fully described in Appendix A hereto for the Customer Resources identified in Appendix E hereto (“Services”).

4.1.2 Provide to NID, on or prior to December 31 of each year this Agreement remains in effect, a report of all Services NCPA has provided to NID during the preceding year (“Annual Report”). The Annual Report shall include a description of each Service provided by NCPA to NID during each calendar month of the preceding year, including the information as further described in Section 1.1.7 of Appendix A.

4.1.3 Indemnify and defend NID in accordance with the terms of this Agreement.

4.1.4 Comply with all applicable laws, rules, and regulations concerning the provision of Services, including without limitation all applicable laws, rules, and regulations imposed or administered by FERC or CAISO.

4.1.5 Otherwise comply, in all respects, with the terms and conditions of this Agreement.

4.2 NID Duties. The duties of NID under this Agreement are to:

4.2.1 Timely provide certain information to NCPA that is required for NCPA to perform Services, as fully described in Appendix A hereto.

4.2.2 Make timely payments to NCPA for all CAISO charges and credits for services invoiced by NCPA to NID in accordance with Section 8 of this Agreement.

4.2.3 Provide staff and other assistance as may be required from time to time to the extent necessary for NCPA to fulfill its duties as described in Section 4.1 of this Agreement.

4.2.4 Comply with all requirements of the CAISO Tariff, as applicable, in respect to the operation and maintenance of its Customer Resources identified in Appendix E.

4.2.5 Provide security or other deposits required by the CAISO, if any, to NCPA in accordance with Section 11 of this Agreement.

4.2.6 Initially fund and maintain sufficient deposits in its Security Account, if any, in accordance with Section 12 of this Agreement.

4.2.7 Make timely payment of all costs associated with NCPA's provision of Services, as set forth in this Agreement.

4.2.8 Defend and indemnify NCPA in regards to Services provided to NID by NCPA, in accordance with the terms of this Agreement.

4.2.9 Otherwise comply, in all respects, with the terms and conditions of this Agreement.



4.3 Standard of Performance. NCPA will perform Services using the level of skill and attention reasonably required to complete the Services in a competent and timely manner that is consistent with the level of skill and attention employed by other professionals in the field.

4.4 Assignment of Personnel. NCPA shall assign only competent personnel to perform Services pursuant to this Agreement.

4.5 Time. NCPA shall devote such time to the performance of Services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 4.3, and to satisfy NCPA's obligations hereunder.

## **Section 5. TERM AND TERMINATION**

5.1 Term. The initial term of this Agreement shall begin on the Effective Date and shall continue uninterrupted through February 28, 2022 (the "Initial Term"). At the end of the initial term of this Agreement, or any subsequent term of this Agreement, the term of this Agreement shall automatically extend for an additional one (1) year period unless a Party provides written Notice of Termination pursuant to Section 5.2, of its election not to automatically extend the term of the agreement.

5.2 Termination. This Agreement may be terminated by either Party at the end of the Initial Term, or at the end of any subsequent one (1) year extension, by providing written notice to the other Party at least one hundred eighty (180) days prior to the end of the current term of the Agreement ("Notice of Termination").

5.3 No Effect on Prior Liabilities. Termination of this Agreement will not terminate any NID ongoing or un-discharged liabilities, credits or obligations of NID, including any contingent liabilities, credits or obligations, resulting from this Agreement until they are satisfied in full, or for which NID has provided a mechanism acceptable to NCPA, for the satisfaction in full thereof. Issuance of any Notice of Termination will not terminate NCPA's obligation to continue to provide Services consistent with the Standard of Performance articulated herein until such Termination is effective.

## **Section 6. INDEMNITY**

6.1 Limitation of Liability. Each Party agrees to indemnify, defend, and hold harmless the other Party, including their respective governing boards, officials, agents and employees, from and against any and all claims, liability, or loss for injury or death to person, destruction or damage to or loss of use or diminution in value of property, injury to the environment, economic consultant fees, and for associated legal costs, fees, and expenses including attorney and consultant fees, arising out of or relating to this Agreement.

6.2 Notice of Tender. Each Party will provide the other Party prompt notice of any claim or liability that would trigger the obligation to indemnify and defend the other Party under Section 6.1. Any such notice must be in writing and delivered consistent with the notice provisions of this Agreement.

## **Section 7. COMPENSATION**

7.1 Compensation for Services. NID shall pay NCPA the amounts set forth in Appendix B for NCPA's provisions of Services to NID in accordance with the terms and conditions of this Agreement. Such amount shall be billed to NID in accordance with Section 8 of this Agreement.

7.2 CAISO Charges and Credits. All charges and credits invoiced by the CAISO to NCPA associated with Services provided under this Agreement will be charged or credited to NID, and shall be paid to NCPA by NID in addition to the compensation stated in Section 7.1. Such CAISO charges and credits shall be billed to NID in accordance with Section 8 of this Agreement.

## **Section 8. BILLING AND PAYMENT**

8.1 Invoices. NCPA will issue a monthly invoice to NID for estimated and actual CAISO charges and credits, costs associated with NCPA's provision of Services, and all other costs for services provided in accordance with this Agreement. Such invoices will be made pursuant to the requirements and procedures provided for in this Agreement. The Parties shall

mutually agree in writing prior to the commencement of Services under this Agreement as to whether NCPA shall issue NID invoices in electronic format, physical format, or both.

8.2 Payment of Invoices. All non-emergency invoices delivered by NCPA to NID are due and payable sixty (60) Calendar Days after the date thereof; provided, however, that any amount due on a day other than a Business Day may be paid on the next following Business Day. Upon and after notice to NID, NCPA may apply NID's Security Account to the payment of all or any portion of any past due invoice to NID, provided that application of such funds from the Security Account shall not relieve NID from any late payment charges pursuant to Section 8.3. To the extent that NCPA applies funds from the Security Account to pay a past due invoice amount, following receipt of payment of such invoice by NID, NCPA shall deposit the relevant portion of the payment into the Security Account and credit such deposit to NID. Emergency invoices delivered by NCPA shall be due and payable as indicated in Section 12.4.

8.3 Late Payments. Any amount due and not paid by NID in accordance with Sections 8.2, Section 11 and Section 12 shall be considered late and bear interest computed on a daily basis until paid at the lesser of (i) the per annum prime rate (or reference rate) of the Bank of America NT&SA then in effect, or (ii) the per annum rate for the Local Agency Investment Fund published and maintained by the California State Treasurer's Office for the quarter or quarters for which payment is late.

8.4 Billing Disputes. NID may dispute the accuracy of any invoice issued by NCPA under this Agreement by submitting a written dispute notice to NCPA within thirty (30) Calendar Days of the date of such invoice ("Dispute Notice"); nonetheless, NID shall pay the full amount billed when due. If NID does not timely submit a Dispute Notice, the invoice shall be deemed correct. NCPA shall review all Dispute Notices within five (5) days of receipt and reach a determination of whether the invoice is correct or incorrect within 10 days of receipt of the Dispute Notice. If an invoice is determined by NCPA to be incorrect, NCPA shall issue a corrected invoice and refund any amounts that may be due to NID. If NCPA and NID fail to agree on the accuracy of an invoice within thirty (30) Calendar Days after NID has disputed it, the General Manager shall promptly submit the dispute to the Commission for resolution. If the Commission and NID fail to agree on the accuracy of a disputed invoice within sixty (60)

Calendar Days of its submission to the Commission, the dispute may then be resolved under the dispute resolution procedures set forth in Section 13 of this Agreement. Provided, however, that prior to resorting to alternative dispute resolution procedures, the full amount of the disputed invoice must have been paid to an escrow service provider mutually agreed upon by the parties. Such funds shall not accrue interest, and shall be released only upon a written statement, signed by the Parties instructing such release; or upon the issuance of a final and non – appealable order issued at the conclusion of the Dispute Resolution provisions of this Agreement instructing release of the funds, or a portion thereof.

8.5 Billing/Settlement Data. NCPA shall make billing and settlement data available to NID upon request. Upon the written agreement of the Parties, NCPA may make billing and settlement support information available to NID using electronic media (e.g. electronic data portal). Procedures and formats for the provision of such electronic data submission may be as established by the NCPA Commission from time to time. Without limiting the generality of the foregoing, NCPA may, in its reasonable discretion, require NID to execute a non-disclosure agreement prior to providing access to the NCPA electronic data portal.

8.6 Examination of Books and Records. NID shall have the right to examine and obtain copies of the books and records created and maintained by NCPA pursuant to this Agreement at any reasonable, mutually agreed upon time.

All original reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files or other documents or material, in electronic or any other form, that NCPA prepares or obtains pursuant to this Agreement and that relate to the Services provided hereunder, shall be stored and maintained by NCPA in accordance with NCPA’s records retention policies and procedures, as such may be modified from time to time.

## **Section 9. COOPERATION AND FURTHER ASSURANCES**

Each of the Parties agree to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party which are consistent with this Agreement and which do not

involve the assumption of obligations other than those provided for in this Agreement, in order to give full effect to this Agreement and to carry out the intent of this Agreement. The Parties agree to cooperate and act in good faith in connection with obtaining any credit support required in order to satisfy the requirements of this Agreement.

## **Section 10. DEFAULTS**

10.1 Events of Default. An Event of Default under this Agreement shall exist upon the occurrence of any one or more of the following by a Party (the "Defaulting Party"):

(i) the failure of NID to make any payment (other than an emergency addition to the Security Account pursuant to Section 12.4) in full to NCPA when due, where such failure is not cured within thirty (30) Calendar Days following receipt of a notice from NCPA demanding cure; or

(ii) the failure of NID to make any payment of an emergency addition to the Security Account when due pursuant to Section 12.4; or

(iii) the failure of a Party to perform any covenant or obligation of this Agreement where such failure is not cured within thirty (30) Calendar Days following receipt of a notice from the other Party demanding cure, provided that if cure is not reasonably possible within 30 days, default shall be tolled for up to 90 days so long as the Defaulting Party is exercising reasonable haste and diligence in pursuit of cure. Provided further, that the 90 day tolling shall not apply to any failure to make payments specified by subsection 10.1 (i) or (ii); or

(iv) if any representation or warranty of a Party material to the Services provided hereunder shall prove to have been incorrect in any material respect when made and the Party does not cure the facts underlying such incorrect representation or warranty so that the representation or warranty becomes true and correct within thirty (30) Calendar Days of the date of receipt of notice from a Party demanding cure; or

(v) a material breach of any other term of this Agreement that frustrates or renders impossible the performance of the purposes of this Agreement.

10.2 Uncontrollable Forces. Neither Party shall be considered to be in default in respect of any obligation hereunder if prevented from fulfilling such obligation by reason of Uncontrollable Forces. Provided, that in order to be relieved of an Event of Default due to Uncontrollable Forces, a Party affected by an Uncontrollable Force shall:

(i) first provide oral notice to the General Manager, or in the case of NID, to the representative selected by NID, using telephone communication within two (2) Business Days of the onset of the Uncontrollable Force, and subsequently provide written notice to the Party's representative within ten (10) Business Days of the onset of the Uncontrollable Force, describing its nature and extent, the obligations which the Party is unable to fulfill, the anticipated duration of the Uncontrollable Force, and the actions which the Party will undertake so as to remove such disability and be able to fulfill its obligations hereunder; and

(ii) use due diligence to place itself in a position to fulfill its obligations hereunder and if unable to fulfill any obligation by reason of an Uncontrollable Force such Party shall exercise due diligence to remove such disability with reasonable dispatch. Provided, that nothing in this subsection shall require a Party to settle or compromise a labor dispute.

10.3 Cure of an Event of Default. An Event of Default shall be deemed cured only if such default shall be remedied or cured within the time periods specified in Section 10.1 above, as may be applicable.

10.4 Remedies in the Event of Uncured Default. Upon the occurrence of an Event of Default which is not cured within the time limits specified in Section 10.1, without limiting other rights or remedies available under this Agreement, at law or in equity, and without constituting or resulting in a waiver, release or estoppel of any right, action or cause of action a non-defaulting Party may have against the defaulting Party, a non-defaulting Party may take any or all of the following actions:

(i) NCPA may suspend the provision of services under this Agreement to NID;

(ii) NCPA may demand that NID provide further assurances to guarantee the correction of the default;

(iii) The non-defaulting Party may terminate this Agreement as to the defaulting Party, on ten (10) Calendar Days prior written notice to the Defaulting Party;

(iv) NCPA may utilize the funds available in NID's Security Account to cure and default under Section 10.1(i) and thereafter demand replenishment of the Security Account.

10.5 Special Covenants Regarding Security Account. In the event that NID's Security Account is insufficient to cover all unpaid past due invoices issued by NCPA to NID for costs incurred under this Agreement delivered to NID, then, without limiting NCPA's other rights or remedies available under this Agreement, at law or in equity, NID shall cooperate in good faith with NCPA and shall cure the default as rapidly as possible, taking all such reasonable action as is necessary to replenish its Security Account as provided herein, drawing on its cash-on-hand and lines of credit, obtaining further assurances by way of credit support and letters of credit, and taking all such other reasonable action as will cure the default with all due haste. Any such expedited action by NID shall be without prejudice to any other remedies NID may have at law or equity, and shall not be considered an admission of the existence of a default, or of any other item or issue that gave rise to the need for expedited action.

10.6 Effect of Termination or Suspension.

10.6.1 Generally. The termination or suspension of this Agreement will not terminate, waive, or otherwise discharge any ongoing or undischarged liabilities, credits or obligations arising from this Agreement until such liabilities, credits or obligations are satisfied in full.

**Section 11. CAISO SECURITY DEPOSIT AND CREDIT REQUIREMENTS**

Any credit requirements, including, but not limited to, security, collateral, unsecured credit, or other deposits required by the CAISO, if any, shall be provided by NID prior to NCPA providing Services under this Agreement, and shall be maintained as may be required thereafter pursuant to the CAISO Tariff. Failure to maintain sufficient credit, security, collateral, unsecured credit, or other deposits may impact NCPA's ability to perform certain Services under this agreement. NCPA shall maintain a detailed accounting of NID's credit, security, collateral, unsecured credit or other deposits. Any changes in credit, security, unsecured credit

or other deposits required by the CAISO Tariff may be provided by NCPA from NID's Security Account, and NCPA shall invoice NID within two (2) Business Days for such required amounts, and will use the funds collected from NID to fund the Security Account.

## **Section 12. SECURITY ACCOUNT**

Any NID deposits into the Security Account pursuant to this Agreement shall be separate from and in addition to any security accounts maintained pursuant to any other agreements between NCPA and NID, NCPA and any Third Person, or any other such security account required of NID.

12.1 Initial Amounts. Prior to NCPA providing Services, NID shall deposit into a Security Account held by NCPA an amount equal to the highest three (3) months of estimated CAISO invoices for the succeeding twelve (12) months; provided, however, that such deposit may be satisfied in whole or in part either in cash or through a clean, irrevocable letter of credit satisfactory to the General Manager. NCPA shall maintain a detailed accounting of NID's deposit in the Security Account. For the purpose of clarity, as of the Effective Date of this Agreement the initial amount to be deposited by NID, as required pursuant to Section 12.1, shall be deemed to be zero dollars (\$0.00).

12.2 Subsequent Deposits. Periodically, and at least quarterly, NCPA shall review and revise its estimate of all costs NID shall be obligated to pay under this Agreement. Following such review, NCPA shall determine whether NID has a sufficient balance in the Security Account. To the extent that NID's balance in the Security Account is greater than one hundred and ten percent (110%) of the amount required by Section 12.1, NCPA shall credit such amount as soon as practicable to NID's next All Resources Bill. To the extent that NID's balance in the Security Account is less than ninety percent (90%) of the amount required by Section 12.1, NCPA shall add such amount as soon as practicable to NID's next All Resources Bill, or as necessary, to a special invoice to NID. Credits or additions shall not be made if NID satisfies these Security Account requirements in whole through the use of a letter of credit, provided that the amount of the letter of credit shall be adjusted by NID as necessary in a like manner to assure an amount equal to the highest three (3) months of CAISO invoices is available to NCPA.



12.3 Use of Security Account Funds.

12.3.1 If NID fails to timely pay an invoice due and payable pursuant to the terms of this Agreement, NCPA may use any and all funds deposited into the Security Account (or utilize a letter of credit provided in lieu thereof) to pay any costs it incurs hereunder. Should NID satisfy its Security Account requirements in whole or part through a letter of credit, NCPA may draw on such letter of credit to satisfy obligations hereunder.

12.3.2 If funds deposited into the Security Account, or provided through a letter of credit, are used by NCPA to pay any costs it incurs hereunder, NCPA, pursuant to Section 8.5, will maintain a detailed accounting of NID's shares of funds withdrawn from the Security Account or letter of credit.

12.4 Emergency Additions. In the event that the funds are withdrawn pursuant to Section 12.3 of this Agreement, or if the Security Account is insufficient to allow payment of a CAISO invoice, NCPA shall notify NID and then prepare and send a special or emergency assessment to NID. NID shall pay to NCPA such assessment when and if assessed by NCPA within five (5) Business Days of the invoice date of the assessment or consent to and direct NCPA to draw on any existing letter of credit NID has established for such purposes.

12.5 Accounting and Interest. NCPA shall maintain a detailed accounting of NID's deposits into and withdrawals from the Security Account. Monies on deposit in the Security Account shall be invested by NCPA along with the other funds of NCPA in accordance with policies set by the Commission from time to time in its sole discretion. Interest, if any, earned on the Security Account shall be credited to NID's Security Account.

12.6 Return of Funds. On the termination of this Agreement NID's Security Account funds shall be paid to NID within thirty (30) days after the effective date of such termination. NCPA shall, with the input and coordination of NID, perform a detailed written accounting of the then outstanding liabilities of NID, including any estimated contingent liabilities, and shall provide the written report to NID. In the event a dispute arises concerning the amount of security deposit funds withheld from NID upon termination of this Agreement, the dispute shall be resolved in accordance with the Dispute Resolution provisions herein. Upon receipt of a

Dispute Notice, NCPA shall deposit all such funds into the account of a mutually acceptable escrow service provider to hold in an escrow account. Such funds shall not accrue interest, and shall be released only upon a written statement, signed by the Parties instructing such release; or upon the issuance of a final and non – appealable order issued at the conclusion of the Dispute Resolution provisions of this Agreement.

### **Section 13. SETTLEMENT OF DISPUTES**

13.1 Settlement of Disputes. If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, NID and NCPA agree to resolve the dispute in accordance with the following:

13.1.1 Each Party shall designate a senior management or executive level representative to negotiate any dispute.

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

13.1.3 If the issue remains unresolved after sixty (60) days of good faith negotiations, despite having used their best efforts to do so, either Party may pursue whatever other remedies may be available to it.

### **Section 14. STATUS OF NCPA**

At all times during the term of this Agreement, NCPA shall be an independent contractor and shall not be an employee of NID. NID shall have the right to control NCPA only insofar as the results of NCPA's Services rendered pursuant to this Agreement; however, otherwise NID shall not have the right to control the means by which NCPA accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other agency, state, local or federal policy, rule, regulation, law, or ordinance to the contrary, NCPA 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 NID, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of NID and entitlement to any

contribution to be paid by NID for employer contributions and/or employee contributions for PERS benefits.

## **Section 15. MISCELLANEOUS**

15.1 Confidentiality. The Parties will keep confidential all confidential or trade secret information made available to them in connection with this Agreement, to the extent possible, consistent with applicable laws, including the California Public Records Act. Confidential or trade secret information shall be marked or expressly identified as such.

If a Party ("Receiving Party") receives a request from a Third Party for access to, or inspection, disclosure or copying of, any of the other Party's (the "Supplying Party") confidential data or information ("Disclosure Request"), then the Receiving Party shall provide notice and a copy of the Disclosure Request to the Supplying Party within three (3) Business Days of receipt of the Disclosure Request. Within three (3) Business Days of receipt of such notice, the Supplying Party shall provide notice to the Receiving Party either:

(i) that the Supplying Party believes there are reasonable legal grounds for denying or objecting to the Disclosure Request, and the Supplying Party requests the Receiving Party to deny or object to the Disclosure Request with respect to identified confidential information. In such case, the Receiving Party shall deny the Disclosure Request and the Supplying Party shall defend the denial of the Disclosure Request at its sole cost, and it shall indemnify the Receiving Party for all costs associated with denying or objecting to the Disclosure Request. Such indemnification by the Supplying Party of the Receiving Party shall include all of the Receiving Party's costs reasonably incurred with respect to denial of or objection to the Disclosure Request, including but not limited to costs, penalties, and the Receiving Party's attorney's fees; or

(ii) the Supplying Party shall provide a written statement to the Receiving Party advising that the Receiving Party may grant the Disclosure Request without any liability by the Receiving Party to the Supplying Party.

15.2 Survival of Obligations. The defense and indemnity obligations of Section 4.1.3, Section 4.2.8 and Section 6 shall survive the termination of this Agreement.

15.3 No Consequential Damages. FOR ANY BREACH OF ANY PROVISION OF THIS AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT, THE LIABILITY OF THE DEFAULTING PARTY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER DAMAGES OR REMEDIES ARE HEREBY WAIVED. IF NO REMEDY OR MEASURE OF DAMAGE IS EXPRESSLY PROVIDED, THE LIABILITY OF THE DEFAULTING PARTY SHALL BE LIMITED TO ACTUAL DAMAGES ONLY AND ALL OTHER DAMAGES AND REMEDIES ARE HEREBY WAIVED. IN NO EVENT SHALL A PARTY OR THEIR RESPECTIVE SUCCESSORS, ASSIGNS, REPRESENTATIVES, DIRECTORS, OFFICERS, AGENTS, OR EMPLOYEES BE LIABLE FOR ANY LOST PROFITS, CONSEQUENTIAL, SPECIAL, EXEMPLARY, INDIRECT, PUNITIVE OR INCIDENTAL LOSSES OR DAMAGES, INCLUDING LOSS OF USE, LOST REVENUES, LOSS OF PROFIT OR LOSS OF CONTRACTS EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND EACH PARTY HEREBY WAIVES SUCH CLAIMS AND RELEASES EACH OTHER AND EACH OF SUCH PERSONS FROM ANY SUCH LIABILITY.

The Parties acknowledge that California Civil Code section 1542 provides that: "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor." The Parties waive the provisions of section 1542, or other similar provisions of law, and intend that the waiver and release provided by this Section of this Agreement shall be fully enforceable despite its reference to future or unknown claims.

15.4 Waiver. No waiver of the performance by a Party of any obligation under this Agreement with respect to any default or any other matter arising in connection with this Agreement shall be effective unless given by the other Party. Any such waiver by the other Party in any particular instance shall not be deemed a waiver with respect to any subsequent performance, default or matter.

15.5 Amendments. Unless otherwise provided for in this Agreement, this Agreement may be amended only by written instrument executed by the Parties with the same formality as this Agreement.

15.5.1 Amendments of Appendices. The Appendices that are attached to and made part of this Agreement include detailed principles, descriptions and procedures for NCPA's provision of Services to NID. Upon mutual written consent of the Designated Representative of each Party, the Appendices of this Agreement may be amended from time to time, without the requirement of an approval as required pursuant to Section 15.5; provided, however, Appendix A, Appendix B and Appendix E may be amended only by written instrument executed by the Parties with the same formality as this Agreement.

15.6 Assignment of Agreement.

15.6.1 Binding Upon Successors. This Agreement, including the Appendices attached hereto, shall inure to the benefit of and shall be binding upon the respective successors and assignees of the Parties to this Agreement.

15.6.2 No Assignment. This Agreement, nor any interest herein, shall be transferred or assigned by a Party hereto except with the consent in writing of the other Party hereto, where such consent shall not be unreasonably withheld.

15.7 Severability. In the event that any of the terms, covenants or conditions of this Agreement or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court having jurisdiction, all other terms, covenants or conditions of this Agreement and their application shall not be affected thereby, but shall remain in force and effect unless the court holds that such provisions are not severable from all other provisions of this Agreement.

15.8 Governing Law. This Agreement shall be interpreted, governed by, and construed under the laws of the State of California.

15.9 Headings. All indices, titles, subject headings, section titles and similar items are provided for the purpose of convenience and are not intended to be inclusive, definitive, or affect the meaning of the contents of this Agreement or the scope thereof.

15.10 Notices. Any notice, demand or request provided for in this Agreement, or served, given or made shall become effective when delivered to the person specified below (the “Designated Representative”):

NCPA:  
Tony Zimmer  
Assistant General Manager, Power Management  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

NID:  
Remleh Scherzinger  
General Manager  
Nevada Irrigation District  
1036 West Main Street  
Grass Valley, CA 95945

All notices shall be deemed delivered when personally delivered, two (2) Business Days after deposit in the United States mail first class postage prepaid. A Party may change its Designated Representative by providing notice to the other Party, and such change shall not constitute an amendment to this Agreement.

15.11 Warranty of Authority. Each Party represents and warrants that it has been duly authorized by all requisite approval and action to execute and deliver this Agreement and that this Agreement is a binding, legal, and valid agreement enforceable in accordance with its terms.

15.12 Counterparts. This Agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument and as if all the signatories to all of the counterparts had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

15.13 Venue. In the event that a Party brings any action 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 County of Nevada.

15.14 Attorneys' Fees. If a Party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provisions of this Agreement, each Party shall bear its own fees and costs, including attorneys' fees, associated with the action.

15.15 Counsel Representation. Pursuant to the provisions of California Civil Code Section 1717 (a), each of the Parties were represented by counsel in the negotiation and execution of this Agreement and no one Party is the author of this Agreement or any of its subparts.

15.16 No Third Party Beneficiaries. Nothing contained in this Agreement is intended by the Parties, nor shall any provision of this Agreement be deemed or construed by the Parties, by any third person or any Third Parties, to be for the benefit of any Third Party, nor shall any Third Party have any right to enforce any provision of this Agreement or be entitled to damages for any breach by the Parties of any of the provisions of this Agreement.

15.17 Integration; Incorporation. This Agreement, including all the appendices attached hereto, represents the entire and integrated agreement between NID and NCPA relating to the subject matter of this Agreement, and supersedes all prior negotiations, representations, or agreements, either written or oral. All appendixes attached hereto are incorporated by reference herein.

15.18 Reliability Requirements. Unless otherwise specifically provided for herein, the Parties acknowledge that NID and NCPA are both individually responsible for compliance with the WECC and NERC Reliability Standards and criteria applicable to the functions for which each Party are respectively registered with NERC. The references to WECC and NERC Reliability Standards, if any, throughout this Agreement do not make any alteration or enlargement of the requirements or standards applicable to each Party beyond their individual registrations with NERC.

15.19 Significant Regulatory Change or Operational Change.

15.19.1 A “Significant Regulatory Change” shall be deemed to occur if FERC, the CPUC, the CAISO or any other court, public authority, governmental, or other lawfully established civilian authorities having jurisdiction, issues an order or decision or adopts or modifies a tariff or filed contract, or enacts a law that materially interferes with the ability of any Party to perform any of its obligations under this Agreement.

15.19.2 A “Significant Operational Change” shall be deemed to occur due to (i) material amendments and/or revisions to any tariffs, contracts or other applicable documents referenced in this Agreement that directly affect a Party’s obligations under this Agreement, (ii) an action taken by the Balancing Authority that may have a material detrimental impact on the way a Party operates or must operate its Customer Resources, or that directly affects a Party’s obligations under this Agreement, or (iii) a significant change in NID’s supply and resource portfolio that may result in material increase in the scale and scope of services contemplated at the Effective Date of this Agreement (e.g., NID’s generation size increases by ten percent).

15.19.3 Notification of Significant Regulatory Change or Operational Change. At any time during the term of this Agreement, if any Party anticipates the occurrence of a Significant Regulatory Change or Significant Operational Change that may reasonably be expected to materially interfere with the ability of any Party to perform any of its obligations under this Agreement, or such Significant Regulatory Change or Significant Operational Change occurs, such Party shall provide written notice to the other Party as soon as practicable. The notice shall contain a description of the Significant Regulatory Change or Significant Operational Change, including expected time schedules, and of the effect of the significant change to the Parties. If the Party giving notice believes that it will be necessary to amend this Agreement to address the anticipated change or change when it has occurred, then the notice to the other Party may include a proposal that the Parties meet to negotiate an appropriate amendment to this Agreement. The Parties shall promptly enter into good faith negotiations and attempt to achieve a mutually agreeable modification to this Agreement to address any such Significant Regulatory Change or Significant Operational Change, striving to maintain the original intent of the Agreement.



15.19.4 Amendment of Agreement. If the Parties agree that an amendment to this Agreement is necessary to address a Significant Regulatory Change or Significant Operational Change, the Parties will proceed to negotiate such amendment in good faith. If the Parties have not reached agreement within 120 calendar days of the date of the first meeting, either Party may terminate this Agreement pursuant to Section 5.2.

IN WITNESS WHEREOF, NCPA and NID have, by the signature of its duly authorized representative shown below, executed and delivered a counterpart of this Agreement.

**Northern California Power Agency**

**Nevada Irrigation District**

\_\_\_\_\_  
RANDY S. HOWARD, General Manager

\_\_\_\_\_  
REMLEH SCHERZINGER, General Manager

Attest:

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

\_\_\_\_\_

Approved as to Form:

Approved as to Form:

\_\_\_\_\_  
General Counsel

\_\_\_\_\_  
Counsel

## APPENDIX A

### SCOPE OF SERVICES

All services provided by NCPA to NID pursuant to this Agreement are described in this Appendix A (collectively referred to herein as “Services”).

#### Section 1. Scheduling Coordination Services

1.1 Description of Service. NCPA shall provide Scheduling Coordination Services to NID in accordance with this Agreement, the CAISO Tariff, and other rules and requirements, as applicable. Scheduling Coordination Services include the following duties, and are furthermore described in Appendix C of this Agreement:

1.1.1 NCPA will assist NID with the process of transferring NID’s resources from the Scheduling Coordinator portfolio in which they currently reside, to NCPA’s Scheduling Coordinator portfolio.

1.1.2 Development and submission of schedules and Bids for the Customer Resources, trades, ancillary services and/or other CAISO products in the CAISO energy and ancillary services markets, or other markets, as applicable. All schedules and Bids will be made and submitted to the CAISO in accordance with Appendix C and the CAISO Tariff, or other balancing authority areas in accordance with the applicable rules and requirements. NID’s owned and operated generation facilities for which NCPA supplies Scheduling Coordination Services on behalf of are listed in Appendix E.

1.1.3 NCPA shall perform outage coordination and management for the Customer Resources planned and unplanned outages in accordance with applicable rules and requirements, including, but not limited to, the CAISO Tariff and associated operational procedures.

1.1.4 Obtain and maintain settlement quality meter data in accordance with the CAISO Tariff, the MSA CAISO ME or MSA SC, as applicable, to be used for multiple purposes, including, but not limited to settlement validation.

1.1.5 Submit Resource Adequacy supply plans and compliance filings.

1.1.6 Review, validate, and reconcile CAISO settlement charges and credits for services, file timely disputes and pursuant dispute resolution.

1.1.7 Provide access to/develop and deliver operational reports, including, but not limited to the Annual Report, describing CAISO market awards, settlement outcomes, outage reports and/or other performance metrics; such reports shall be described in the applicable scheduling and operating procedures set forth in Appendix C and Appendix D.

1.1.8 Providing pre-scheduling, real-time scheduling and optimization (including development of Bidding strategies) services for NID's resources.

1.1.9 Coordination of daily and intra-daily operational communications with NID's operational counterparts.

1.1.10 Performing transactional and bilateral checkouts and settlements for physical and financial energy, and energy related product transactions, and initiating and processing related disputes.

## **Section 2. Control Center Services**

2.1 Description of Service. NCPA shall provide control center services ("Control Center Services") for NID's owned and operated generation facilities for which NCPA supplies Scheduling Coordination Services. Such duties shall include the following, and are furthermore described in Appendix D of this Agreement:

2.1.1 Monitoring and dispatching of NID generation facilities.

2.1.2 Management of unplanned outages and system emergencies.

2.1.3 Monitor real time telemetry, data flow and manage system data.

2.1.4 Call-out field and emergency service personnel in response to certain operational conditions.

2.1.5 Monitor alarms and operate NID generation facilities in accordance with Operating Procedures and applicable requirements, including regulatory and/or environmental requirements.

2.1.6 Operational coordination, communication and monitoring in coordination with NID's generation facility personnel and Third Parties. Activities associated with Reliability Standards compliance are performed in accordance with Section 3 of this Appendix A.

### **Section 3. Reliability Standards Compliance Services.**

3.1 Description of Service. NCPA shall act on behalf of, or in coordination with NID, regarding compliance activities and requirements associated with certain Reliability Standards ("Reliability Standards Compliance Services") for NID's owned and operated generation facilities for which NCPA supplies Scheduling Coordination Services. Such duties shall include the following, and are furthermore described in Appendix F of this Agreement:

3.1.1 NCPA shall maintain its functional registration with NERC and WECC, to enable NCPA to act on behalf of, or in coordination with NID, for performing compliance activities to manage and comply with certain WECC and NERC Reliability Standards and criteria. The functions and requirements for which NCPA shall act on behalf of, or in coordination with NID, are described and listed in Appendix F.

3.1.2 Any violation reporting, including any self-reported violations, shall be made by NID.

### **Section 4. Information Requirements**

4.1 Information Requirements. To enable NCPA to perform the duties associated with Services provided to NID in accordance with this Agreement, NID shall timely provide the following information, instructions, and communications to NCPA:

4.1.1 Meter Data. NID shall provide NCPA access to settlement quality meter data from resources scheduled and Bid by NCPA for NID under this Agreement, and

to maintain such meters and metering equipment in accordance with the standards and requirements as set forth in the CAISO Tariff.

4.1.2 Operational Data. NID shall provide NCPA access to certain real-time operational systems and information (as mutually determined by NCPA and NID) including, but is not limited to: (i) Supervisory Control and Data Acquisition (“SCADA”) systems, (ii) Programmable Logic Controllers (“PLC”), (iii) Real-time telemetry and recording devices, and (iv) information required to enable NCPA to provide Reliability Standards Compliance Services.

4.1.3 Scheduling and Operating Procedures. NID, in coordination with NCPA, shall prepare written scheduling procedures (“Scheduling Procedures”) and operating procedures (“Operating Procedures”) related to NID generation resources that convey NID’s guidelines for how NCPA is to perform certain Scheduling Coordination Services and Control Center Services under this Agreement. Such Scheduling Procedures and Operating Procedures shall be conveyed to NCPA sufficiently in advance of their application so as to reasonably enable NCPA to perform such activities.

**Section 5.** The Parties acknowledge that prior to the date on which specific Services shall be supplied by NCPA for a specific NID generating resource, the Parties may be required to perform certain work and other activities to establish and enable the systems and processes that are required to perform Services as of the date on which Services for a specific NID generating resource is to commence. Such activities may include establishing common business practices, developing business requirements, establishing connectivity of systems and equipment, collection of operating parameters (e.g., SCADA points), coordinated training of staff, and other activities that may be required to enable NCPA to provide, and NID to receive, Services. During this transition period (the "Transition Period"), the Parties agree to cooperate in good faith to establish and enable the systems and processes that are required to perform Services. All activities to be performed by NCPA during the Transition Period are included as part of the comprehensive Services provided to NID, pursuant to this Agreement, even though

such work and activities may be performed by NCPA prior to the date on which specific Services shall be supplied by NCPA for a specific NID generating resource.

## **APPENDIX B**

### **COMPENSATION SCHEDULE**

Pursuant to Section 7.1 of this Agreement, NID shall pay NCPA the amounts listed in this Appendix B (the "Compensation Schedule") in consideration for Services provided under this Agreement.

#### **Section 1. Compensation Schedule**

1.1 In consideration for NCPA's provision of all Services, NID shall pay NCPA an amount equal to Two Thousand Five Hundred Dollars (\$2,500.00) per month for Services rendered during the period of March 1, 2020 through April 30, 2020, and an amount equal to Two Thousand Eight Hundred Thirty Dollars (\$2,830.00) per month for Services rendered during the period of May 1, 2020 through February 28, 2021. For the purpose of clarity, the first complete one (1) year period shall begin on March 1, 2020, and shall continue through February 28, 2021. If the provision of Services commences after March 1, 2020, the amount due shall be prorated based on the number of days of Service provided, determined based on a calculation of the applicable monthly amount due divided by 30 days. For each subsequent one (1) year period of the term of this Agreement, NID shall pay NCPA an amount equal to: (i) the sum of the annual amount charged to NID during the prior year escalated at a rate of 2.0% per year. Such annual amount shall be billed to NID in twelve (12) equal monthly installments, in accordance with Section 8 of this Agreement.

1.2 In addition to the amounts of compensation set forth in Section 1.1 of this Appendix B, NID shall also pay NCPA an amount equal to the actual cost for any direct costs NCPA incurs, if any, for developing, establishing and installing the telecommunications, or other operational data communications connections, that are required for NCPA to provide Services under this Agreement. The compensation contemplated in this Section 1.2 of Appendix B is intended to be limited in scope, and is intended to apply only to any required installation of physical equipment (e.g., communications lines) that may be required to enable NCPA to collect data from, or to transmit data to, NID's generation facilities. For clarity, the compensation contemplated in this Section 1.2 is not intended for recovery of general costs that NCPA may



incur which are considered to be included in the scope of Services, including activities contemplated during the Transition Period, and whereby such costs are compensated pursuant to Section 1.1 of this Appendix B. Prior to incurring any actual costs for such connections, such expenditures shall be discussed and mutually agreed to by the Parties.

## **APPENDIX C**

### **SCHEDULING PROCEDURES**

The following Scheduling Procedures are separately attached to this Agreement as Appendix C:

1. NID-PM-401 (Scheduling and Bidding)
2. RESERVED

## **APPENDIX D**

### **OPERATING PROCEDURES**

The following Operating Procedures are separately attached to this Agreement as Appendix D:

1. NID-PM-101 (Voice and Data Communications Procedure)
2. NID-PM-102 (Outage Coordination and Operational Reliability Data Procedure)
3. NID-PM-107 (Event Reporting Operating Plan Procedure)
4. NID-PM-108 (Operating Instructions and Emergency Assistance Procedure)
5. NID-PM-302 (Voltage Control, AVR and PSS Operations Procedure)
6. NID-PM-304 (Project Operations and Controls Procedure)
7. NID-PM-404 (Loading Orders Procedure)

## **APPENDIX E**

### **CUSTOMER RESOURCES**

The following is a list of the Customer Resources for which NCPA provides Services pursuant to this Agreement.

- Deer Creek Powerhouse
  - Resource ID: DEERCR\_6\_UNIT 1
  - CAISO P-Node: POD\_DEERCR\_6\_UNIT 1-APND
  - Resource Type: Hydroelectric
  - Resource Owner: Nevada Irrigation District
  - Resource Capacity: 5.7 MW
  - CEC-RPS-ID#: 60040A
  - Services Effective Date: March 1, 2020
- Combie South Powerhouse
  - Resource ID: HIGGNS\_1\_COMBIE
  - CAISO P-Node: HIGGINS\_1\_GN001
  - Resource Type: Hydroelectric
  - Resource Owner: Nevada Irrigation District
  - Resource Capacity: 1.5 MW
  - CEC-RPS-ID#: 60172A
  - Services Effective Date: May 1, 2020

Appendix E may be amended to add and/or remove NID resources pursuant to Section 15.5.1 of this Agreement.

## **APPENDIX F**

### **RELIABILITY STANDARDS COMPLIANCE SERVICES MATRIX**

Pursuant to Section 3 of Appendix A, NCPA shall provide Reliability Standard Compliance Services to NID for the Reliability Standards and criteria listed in the Reliability Standards Compliance Services Matrix included in this Appendix F. NCPA and NID shall meet and confer at least once every six (6) months to review the coordinated functional registration of tasks assigned to each Party, as reflected in the Reliability Standards Compliance Services Matrix, to determine if the Reliability Standards Compliance Services Matrix needs to be updated or revised based on any changes to the respective Reliability Standards contained therein.

#### **Reliability Standards Compliance Services Matrix**

**RESERVED FOR ATTACHMENT OF COMPLIANCE SERVICES MATRIX**



# Commission Staff Report

Date: February 10, 2020

COMMISSION MEETING DATE: February 20, 2020

SUBJECT: NCPA Hydroelectric Wildfire Mitigation Project; Applicable to the following projects: NCPA Hydroelectric Facility

AGENDA CATEGORY: Discussion/Action

<b>FROM:</b>	Joel Ledesma <i>J.L.</i>	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	<i>Competitive Pricing Process</i>
<b>Division:</b>	Generation Services	<i>If other, please describe:</i>
<b>Department:</b>	Hydroelectric	

<b>IMPACTED MEMBERS:</b>		
All Members	<input type="checkbox"/>	City of Lodi <input checked="" type="checkbox"/>
Alameda Municipal Power	<input checked="" type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Ukiah <input checked="" type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Lompoc <input checked="" type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Palo Alto <input checked="" type="checkbox"/>
City of Healdsburg	<input checked="" type="checkbox"/>	City of Redding <input type="checkbox"/>
		City of Roseville <input checked="" type="checkbox"/>
		City of Santa Clara <input checked="" type="checkbox"/>
		Plumas-Sierra REC <input checked="" 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:**

Approval of Resolution 20-18 authorizing the NCPA Hydroelectric Wildfire Mitigation 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 \$3,000,000, and authorizing use of up to \$3,000,000 in existing Hydroelectric Capital Development Reserve collections to fund the project, and acknowledging that the Hydroelectric Capital Development Reserve will need to be replenished in future budget years.

## **BACKGROUND:**

Design and construction of the first circuit of the Collierville-Bellota 230 kV line was completed in 1988. The second circuit was added around 1991. Both circuits utilized first-generation EPDM polymer insulators. When the Collierville-Bellota 230 kV was put into service, manufacturers did not typically recommend corona rings on 230 kV lines, as this was a practice normally reserved for extra high voltage (345 kV and above). Since then, operational experience, EPRI testing, and advanced product research laboratory testing has indicated a need for corona rings at the line end of 230 kV polymer insulators.

In September 2019, NCPA contracted with Power Engineers to prepare a Wildfire Risk Mitigation Report and Recommendations. Part of the Collierville-Bellota 230 kV line crosses through CalFire Tier II Fire Hazard Severity Zone. In consideration of the age of the insulators, observed failures, and changing design standards, Power Engineers recommended that the approximately 30 year old EPDM polymer-type insulators be replaced with new silicon polymer insulators with corona rings, along with other hardware modifications such as changing out some suspension clamps, inspecting the conductors for fatigue or damaged stands, upgrading shield wire grounding installations, and adding anchor shackles at the suspension insulator Y-clevis end in specific tangent towers.

In addition, Power Engineers recommended increasing the line-ground clearance in one span and fire hardening the McKays 17 kV overhead line. The NCPA Hydroelectric Wildfire Mitigation Project will implement the Power Engineer recommendations for the Collierville-Bellota 230 kV line and McKays 17 kV line.

## **FISCAL IMPACT:**

The total cost of the NCPA Hydroelectric Wildfire Mitigation Project is anticipated to not exceed \$3,000,000. Funds for this project were not included in the approved FY19-20 Hydroelectric Project Budget. Staff recommends authorizing use of up to \$3,000,000 in existing Hydroelectric Capital Development Reserve collections for the Wildfire Mitigation Project. Additional Capital Development Reserve collections will be proposed in future Hydro Project budgets to refund the Capital Development Reserve account (as needed) for the upcoming McKays Sediment Removal project.

## **SELECTION PROCESS:**

NCPA is currently preparing to solicit competitive bids from multiple vendors to perform the work required for this project. NCPA will bid the specific scope of work consistent with NCPA

procurement policies and procedures. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required

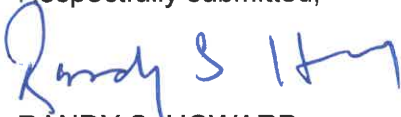
**ENVIRONMENTAL ANALYSIS:**

CEQA Guidelines section 15301 states that a project is categorically exempt from CEQA review when the project “consists of the operation, repair, maintenance ... or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination.” There is no reasonable possibility that maintaining the Collierville-Bellota 230 kV line and McKays 17 kV line will result in a significant impact on the environment. A Notice of Exemption for this type of work was approved by the NCPA Commission and filed with Calaveras County on March 27, 2014.

**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on February 5, 2020, and was recommended for Commission approval on Consent Calendar.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (1):

- Resolution



**RESOLUTION 20-18**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING THE NCPA HYDROELECTRIC WILDFIRE MITIGATION PROJECT**

**(reference Staff Report #127:20)**

WHEREAS, the Northern California Power Agency (NCPA) owns and operates the Collierville-Bellota 230 kV line and operates the McKays 17 kV line; and

WHEREAS, the Collierville-Bellota 230 kV line is approximately 30-years old and design standards have changed; and

WHEREAS, the September 2019 Wildfire Risk Mitigation Report recommended replacing the 230 kV insulators and other system hardening; and

WHEREAS, NCPA seeks to authorize and fund the NCPA Hydroelectric Wildfire Mitigation Project; and

WHEREAS, CEQA Guidelines section 15301 states that this project is categorically exempt from CEQA review because the project "consists of the operation, repair, maintenance ... or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination."; and

WHEREAS, a Notice of Exemption for this type of work was approved by the NCPA Commission and filed with Calaveras County on March 27, 2014; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the NCPA Hydroelectric Wildfire Mitigation Project and delegates 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 \$3,000,000, and authorizes the use of up to \$3,000,000 in existing Hydroelectric Capital Development Reserve collections to fund the project, and acknowledges that the Hydroelectric Capital Development Reserve will need to be replenished in future budget years.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2020 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	_____	_____	_____

\_\_\_\_\_  
ROGER FRITH  
CHAIR

ATTEST: \_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



# Commission Staff Report

Date: February 10, 2020

COMMISSION MEETING DATE: February 20, 2020

SUBJECT: NCPA Geothermal Facility Wildfire Risk Mitigation Project

AGENDA CATEGORY: Consent

<b>FROM:</b>	Joel Ledesma <i>JL</i> Assistant General Manager	<b>METHOD OF SELECTION:</b>	N/A
<b>Division:</b>	Generation Services	<i>If other, please describe:</i>	
<b>Department:</b>	Geothermal		

**IMPACTED MEMBERS:**

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

## **RECOMMENDATION:**

Approval of Resolution 20-19 authorizing the NCPA Geothermal Wildfire Risk Mitigation 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 \$450,000.

## **BACKGROUND:**

There have been three major wildfires over the last five years in areas surrounding the NCPA Geothermal Facility. Fortunately, the facility has incurred minimal damage from these fires. An assessment of NCPA facilities was performed by Power Engineers and recommendations were provided based on best business practices. Therefore, the Wildfire Risk Mitigation Report and Recommendations and lessons learned from the recent fires have resulted in Geothermal Facility specific recommended mitigation measures for the project which consists of repairs and surveys to the 230 KV transmission towers and 21 KV power distribution line, purchase of equipment for power line inspection and vegetation management, and improved signage to assist local firefighting crews.

## **FISCAL IMPACT:**

The total cost of the NCPA Geothermal Wildfire Risk Mitigation Project is anticipated not to exceed \$450,000. Funds for this project were not included in the FY20 budget. Staff recommends using a portion of excess bond Reserve funds that was released when the final maturity of the 2009 Geothermal bonds was paid on July 1, 2019. The Reserve fund release was approximately \$3.5 million which would have been included as part of the FY20 annual settlements reconciliation. Therefore, no budget augmentation is required. Purchase orders referencing the terms and conditions of any agreements executed for work related to this project will be issued following NCPA procurement policies and procedures,

## **SELECTION PROCESS:**

NCPA is currently preparing to solicit bids from multiple vendors to perform the work required for the project. NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

## **ENVIRONMENTAL ANALYSIS:**

The proposal is exempt from the provisions of the California Environmental Quality Act pursuant to Title 14 CCR Section 15301, Section 15302, Section 15304, Section 15309, Section 15311, and Section 15330 of the CEQA Guidelines Code, which exempts work being done at an existing, publicly owned geothermal facility at the Geysers steam field to operate and maintain electric power generators and associated facilities from the provisions of the California Environmental Quality Act. There is no reasonable possibility that the proposed work on the 230 KV transmission towers and 21 KV power distribution line will result in significant impact to the environment. A Notice of Exemption for this type of work was approved by the NCPA Commission and filed with the County of Sonoma on October 31, 2012.

**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on February 5, 2020, and was recommended for Commission approval on Consent Calendar.

Respectfully submitted,

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

RANDY S. HOWARD  
General Manager

Attachments (1):

- Resolution

RESOLUTION 20-19

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING THE NCPA GEOTHERMAL WILDFIRE MITIGATION PROJECT

(reference Staff Report #128:20)

WHEREAS, the Northern California Power Agency (NCPA) operates and maintains on behalf of the project owners a Geothermal Facility near Middletown, CA, consisting of two power plants and 78 steam production and injection wells; and

WHEREAS, the occurrence of wildfires in the areas surrounding the NCPA Geothermal Facility has substantially increased over the last several years; and

WHEREAS, the increased fire risk to the NCPA Geothermal Facility warrants additional wildfire mitigation efforts to reduce the risk; and

WHEREAS, an assessment of NCPA facilities was performed by Power Engineers resulting in these recommendations for additional wildfire mitigation efforts to reduce risk, consisting of repairs and surveys to the 230 KV transmission towers and 21 KV power distribution line, purchase of equipment for power line inspection and vegetation management, and improved signage to assist local firefighting crews; and

WHEREAS, staff recommends using a portion of excess bond Reserve funds that were released when the final maturity of the 2009 Geothermal bonds was paid on July 1, 2019. The Reserve fund release was approximately \$3.5 million, which would have been included as part of the FY 2020 annual settlements reconciliation; and

WHEREAS, this proposal is exempt from the provisions of the California Environmental Quality Act pursuant to Title 14 CCR Section 15301, Section 13502, Section 15304, Section 15309, Section 15311, and Section 15330 of the CEQA Guidelines Code, which exempts work being done at an existing, publicly owned geothermal facility at the Geysers steam field to operate and maintain electric power generators and associated facilities from the provisions of the California Environmental Quality Act; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency approves the NCPA Geothermal Wildfire Mitigation Project, and delegates 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 \$450,000.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2020 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	_____	_____	_____

\_\_\_\_\_  
ROGER FRITH  
CHAIR

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



# Commission Staff Report

**Date:** February 10, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Lodi Energy Center Transformer Replacement Project Request for Additional Funds; Applicable to the following projects: Lodi Energy Center

**AGENDA CATEGORY:** Discussion/Action

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

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

**RECOMMENDATION:**

Approval of Resolution 20-20 authorizing additional funds for the Lodi Energy Center Transformer Project, increasing the total not to exceed amount of this project from \$4,000,000 to \$4,425,000, delegating authority to the General Manager or his designee to award bids, execute agreements, and issue purchase orders for the updated project amount, authorize the use of up to \$425,000 from the LEC Maintenance Reserve Fund, and acknowledging that the LEC Maintenance Reserve Fund will need to be replenished in future budget years.

**BACKGROUND:**

In 2013, NCPA staff first identified elevated gas levels in the Lodi Energy Center generator step-up transformer. An internal inspection resulted in no findings or physical damage, and the transformer was placed back into service. In 2018, NCPA staff identified another rise in gas levels. An internal inspection was completed during which physical damage was found, and it was determined that the generator step-up transformer was failing and would need to be replaced.

The Lodi Energy Center Transformer Replacement Project was approved by the Lodi Energy Center Project Participant Committee in the June 10, 2019 Committee Meeting and in the June 27, 2019 Commission Meeting (SR: 169:19; Reso: 19-50), with a budget of not to exceed \$4,000,000.

After completing competitive bidding, a contract was awarded to Siemens Energy for acquisition of the transformer equipment portion of the project. Based on current estimated costs and actual bid responses for the general construction portion of this project, the new forecasted total budget is \$4,425,000. Staff is recommending authorizing the use of up to \$425,000 from the LEC Maintenance Reserve Fund for the increased project cost.

**FISCAL IMPACT:**

The Lodi Energy Center Transformer Replacement Project was considered and approved in the FY19-20 budget for \$4,000,000. The funds will come from three sources, as show in the table below:

<b>Budgeted</b>	
Budget, Transformer FY2020	\$2,915,858
Budget, Reallocated Funds, Transmission Upgrade Project	\$1,084,142
LEC Maintenance Reserve Fund	\$425,000
<b>Total Budgeted</b>	<b>\$4,425,000</b>
<b>Current Cost</b>	
Transformer Manufacturing	(\$2,919,480)
Engineering (Civil, Electrical Interconnection/Protection)	(\$238,000)
Transformer Bus Duct Adapter	(\$64,995)
Engineering (Transformer Quality Assurance)	(\$95,500)

**RECOMMENDATION:**

Approval of Amendment to Resolution 19-50 authorizing additional funds for the Lodi Energy Center Transformer Project, increasing the total not to exceed amount of this project from \$4,000,000 to \$4,425,000, delegating authority to the General Manager or his designee to award bids, execute agreements, and issue purchase orders for the updated project amount, authorize the use of up to \$425,000 from the LEC Maintenance Reserve Fund, and acknowledging that the LEC Maintenance Reserve Fund will need to be replenished in future budget years.

**BACKGROUND:**

In 2013, NCPA staff first identified elevated gas levels in the Lodi Energy Center generator step-up transformer. An internal inspection resulted in no findings or physical damage, and the transformer was placed back into service. In 2018, NCPA staff identified another rise in gas levels. An internal inspection was completed during which physical damage was found, and it was determined that the generator step-up transformer was failing and would need to be replaced.

The Lodi Energy Center Transformer Replacement Project was approved by the Lodi Energy Center Project Participant Committee in the June 10, 2019 Committee Meeting and in the June 27, 2019 Commission Meeting (SR: 169:19; Reso: 19-50), with a budget of not to exceed \$4,000,000.

After completing competitive bidding, a contract was awarded to Siemens Energy for acquisition of the transformer equipment portion of the project. Based on current estimated costs and actual bid responses for the general construction portion of this project, the new forecasted total budget is \$4,425,000. Staff is recommending authorizing the use of up to \$425,000 from the LEC Maintenance Reserve Fund for the increased project cost.

**FISCAL IMPACT:**

The Lodi Energy Center Transformer Replacement Project was considered and approved in the FY19-20 budget for \$4,000,000. The funds will come from three sources, as show in the table below:

<b>Budgeted</b>	
Budget, Transformer FY2020	\$2,915,858
Budget, Reallocated Funds, Transmission Upgrade Project	\$1,084,142
LEC Maintenance Reserve Fund	\$425,000
<b>Total Budgeted</b>	<b>\$4,425,000</b>
<b>Current Cost</b>	
Transformer Manufacturing	(\$2,919,480)
Engineering (Civil, Electrical Interconnection/Protection)	(\$238,000)
Transformer Bus Duct Adapter	(\$64,995)



Hazardous Material Management	(\$12,650)
<b>Total Current Cost</b>	<b>(\$3,330,625)</b>
<b>Total Current Balance</b>	<b>\$669,375</b>
<b>Estimated Forecasted Costs</b>	
Installation, Bid Results	(\$850,000)
CBO Plan Review	(\$20,000)
Installation Contingency (26.4% of Installation Bid)	(\$224,374.75)
<b>Total Estimated Forecasted Costs</b>	<b>(\$1,094,375)</b>
<b>Estimated Total Cost (Current + Forecast)</b>	<b>(\$4,425,000)</b>

### SELECTION PROCESS:

On October 31, 2019, NCPA released a Notice Inviting Bids for the installation portion of the Transformer Replacement Project. NCPA received bids from Contra Costa Electric and Siemens Energy. Contra Costa submitted the lowest responsive bid.

NCPA estimates a cost savings of about \$400,000 by utilizing a separate bid process for the procurement of the equipment and procurement for its installation.

### ENVIRONMENTAL ANALYSIS:

These activities are categorically exempt under Class 1 and 2 from the provisions of the California Environmental Quality Act pursuant to Section 15301 (b) and 15302 (c) of the CEQA Guidelines. A Notice of Exemption was approved by the NCPA Commission on September 27, 2013, for this class of work and was filed in San Joaquin County.

### COMMITTEE REVIEW:

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on February 10, 2020, however, the Committee did not take action at the meeting. The Committee has requested additional information, and this item will be considered at Special LEC PPC meeting on February 19, 2020.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (1):

- Resolution

**AMENDED RESOLUTION 19-50**

**AMEND RESOLUTION 19-50 OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A REQUEST FOR ADDITIONAL FUNDS FOR THE LODI ENERGY CENTER  
TRANSFORMER REPLACEMENT PROJECT**

**(reference Staff Report #169:19 and 129:20)**

WHEREAS, it was determined after an internal inspection conducted in 2013, and again in 2018, that the Lodi Energy Center (LEC) step-up transformer needs to be replaced; and

WHEREAS, the Lodi Energy Center Transformer Replacement Project was approved by the Lodi Energy Center Project Participant Committee in the June 10, 2019 Committee Meeting and in the June 27, 2019 Commission Meeting (SR 169:19; Reso: 19-50), with a budget of not to exceed \$4,000,000; and

WHEREAS, based on current estimated costs and actual bid responses for the general construction portion of this project, the new forecasted budget to complete the project is \$4,425,000; and

WHEREAS, NCPA seeks approval to increase the not to exceed amount of this project from \$4,000,000 to \$4,425,000, and authorize the use of up to \$425,000 from the LEC Maintenance Reserve Fund for the increased project cost; and

WHEREAS, these activities are categorically exempt under Class 1 and 2 from the provisions of the California Environmental Quality Act pursuant to Section 15301 (b) and 15302 (c) of the CEQA Guidelines. A Notice of Exemption was approved by the NCPA Commission on September 27, 2013, for this class of work and was filed in San Joaquin County; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency approves the request for additional funds for the Lodi Energy Center Transformer Replacement Project, increasing the total not to exceed amount of this project from \$4,000,000 to \$4,425,000, and delegating authority to the General Manager or his designee to award bids, execute agreements, and issue purchase orders for the updated project amount, and authorizes the use of up to \$425,000 from the LEC Maintenance Reserve Fund, and acknowledges that the LEC Maintenance Reserve Fund will need to be replenished in future budget years.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2020 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	_____	_____	_____

\_\_\_\_\_  
ROGER FRITH  
CHAIR

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



## Agenda Item: 26

# Commission Staff Report

February 12, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Approval Lodi Energy Center Turbine Restoration Project

**AGENDA CATEGORY:** Discussion/Action

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

This item is being discussed at the LEC PPC special meeting scheduled on Wednesday, February 19, 2020.

Contingent upon action taken at the LEC PPC special meeting, the Staff Report, Resolution and supporting material will be provided to the Commission via email and will also be able via NCPA Connect and on NCPA's website at [www.ncpa.com](http://www.ncpa.com).



## Agenda Item: 27

# Commission Staff Report

February 12, 2020

**COMMISSION MEETING DATE:** February 20, 2020

**SUBJECT:** Approval of the Third Amendment to Employment Agreement between NCPA and Jane E. Luckhardt, General Counsel

**AGENDA CATEGORY:** Discussion/Action

<b>FROM:</b>	Roger Frith	<b>METHOD OF SELECTION:</b>
	Commission Chair	N/A
<b>Division:</b>	Executive Committee	<i>If other, please describe:</i>
<b>Department:</b>	General Manager	

**CONFERENCE WITH LABOR NEGOTIATORS AND PERFORMANCE EVALUATION** – a) Labor negotiations pursuant to Government Code section 54957.6: Agency representatives: NCPA Executive Committee Members and Assistant General Manager/CFO Monty Hanks: Unrepresented Public Employee: General Counsel; and b) Performance evaluation pursuant to Government Code Section 54957: Unrepresented Public Employee: One Category: General Counsel

Contingent upon action taken during **Closed Session Item 27**, the Staff Report, Resolution and Agreement will be provided to the Full Commission in Open Session for final consideration.